562. The Senate amendment, but not the House bill, provides for grants for library services for Indian Tribes. The Senate amendment further specifies the purposes for which these grants can be used, requirements as to who may administer these funds, and maintenance of effort requirements.

The Senate recedes with an amendment to conform Indian provisions with the rest of the Act.

562a. The Senate amendment, but not the House bill, prescribes the procedure for applying for grants under this section.

The Senate recedes.

563. The Senate amendment, but not the House bill, establishes a national leadership program for library services, and sets forth activities for which such funds may be used.

The House recedes with an amendment providing for ''National Leadership Grants'' to enhance the quality of library services nationwide and to provide coordination with museums.

563a. The Senate amendment, but not the House bill, sets forth criteria under which the director may award leadership grants, including that awards be made on a competitive basis.

The Senate recedes.

564. The Senate amendment, but not the House bill, specifies that nothing in this subtitle shall be construed to interfere with State or local initiatives.

The House recedes.

565. The House bill repeals the Library Services and Construction Act, Title II of the Higher Education Act, and Part F of the Technology for Education Act.

The Senate recedes.

565a. The Senate amendment repeals the Library Services and Construction Act and Title II of the Higher Education Act, but not Part F of the Technology for Education Act.

The Senate recedes.

565b. Both the House bill and the Senate amendment make technical and conforming amendments to reflect these repeals.

Legislative counsel.

BILL GOODLING,
STEVE GUNDERSON,
RANDY ''DUKE'' CUNNINGHAM,
HOWARD P. ''BUCK'' MCKEON,
FRANK D. RIGGS,
LINDSAY GRAHAM,
MARK SOUDER,
Managers on the Part of the House.

NANCY LANDON KASSEBAUM,
JIM JEFFORDS,
DAN COATS,
JUDD GREGG,
BILL FRIST,
MIKE DEWINE,
JOHN ASHCROFT,
SPENCER ABRABAM,
SLADE GORTON,
Managers on the Part of the Senate.

CAMPAIGN FINANCE REFORM ACT OF 1996

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 481 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 481

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3820) to amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on House Oversight. After general debate the bill shall be considered for amendment under the five-minute rule and shall be considered as read. No amendment shall be in order except an amendment in the nature of a substitute consisting of the text of H.R. 3505, modified by the amendment printed in the report of the Committee on Rules accompanying this resolution. That amendment may be offered only by the minority leader or his designee, shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. All points of order against that amendment are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendment as may have been adopted. The previous question shall be considered as ordered on the bill and any amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. UPTON). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purposes of debate only.

(Mr. SOLOMON asked and was given permission to revise and extend his remarks and to include extraneous material).

Mr. SOLOMON. Mr. Speaker, House Resolution 481 is a modified closed rule providing for the consideration of the bill H.R. 3820, which is the Campaign Finance Reform Act of 1996.

The rule provides for 1 hour of general debate equally divided between the chairman and ranking minority member of the Committee on House Oversight.

The rule makes in order one amendment in the nature of a substitute if offered by the minority leader or his designee, consisting of the text of H.R. 3505 that I believe was introduced by the gentleman from California [Mr. FARR], as modified by an amendment printed in the report and the rule.

All points of order are waived against the substitute, the Democrat substitute, as modified. The substitute will be debated for 1 hour equally divided between the proponent and an opponent.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, just as the rule now self-executes a further amendment to the Farr substitute by the Democrats, I will also offer an amendment to this rule at the conclusion of my opening remarks that will self-execute the adoption of an amendment to the base bill printed in yesterday's CONGRESSIONAL RECORD by Chairman THOMAS. In other words, an equal situation.

Since the rule was reported last week, the gentleman from California [Mr. THOMAS] has had further discussions with Members and leadership to reach a compromise that is acceptable to a larger group of Members of this House, including a number of Democrats as well as some Republicans.

The provisions of that compromise will be discussed in greater detail during further debate on this rule and, of course, on the bill itself. Suffice it to say that it will reduce the contribution limits for individuals, for PAC's and for parties that are now in the bill.

Mr. Speaker, this rule was reported to the House by voice vote after a motion was agreed to that it be reported without recommendation. While that is an unusual action for the Committee on Rules to take, it does reflect a sincere difference of opinion among our members over the proper course of action to take on this issue and this rule at this point in our session.

On the one hand, there is a strong case to be made on an issue such as this to allow for just one minority substitute. In fact, in the last two Congresses, the 102d and 103d Congresses, controlled then by the Democratic Party, only one amendment was allowed on the campaign reform bill considered, and that was a minority substitute.

On both of those occasions, the majority party, the Democrats, even denied the minority a motion to recommit with instructions. That is something that we are not going to do, we have not denied to the minority in this rule, because we have guaranteed that right by a new House rule adopted at the beginning of this Congress; and the minority, whether they be Republicans or Democrats, ought to have that right to put forth a position of their party.

So we are actually giving the minority twice as many amendments as they gave us over the last 2 Congresses for the last 4 years.

Notwithstanding that precedent of allowing only one minority substitute on campaign reform bills, there were some of our Members who thought we should make, in order, more amendments out of the 27 or so that were filed with the Rules Committee.

There were other Members who thought we should not even take up any campaign reform bill since it was already dead, defeated in the Senate and stood no chance of becoming law, so why waste the valuable time of the House considering what we have to accomplish here in just the next 26 legislative days, which is all that is left.

But politics is the art of compromise, and this rule is a product of compromise. Our leadership has committed to bring this issue to the floor for a vote, and that is what we are doing today. In the final analysis we are the leadership's procedural committee, so we are carrying out their wishes.

Moreover, as I stated earlier, the leadership has further agreed to allowing the new compromise language of the gentleman from California [Mr. THOMAS] to be offered by way of an amendment to the rule that I have just explained. That compromise does accommodate recommendations made in other amendments filed with the Committee on Rules.

So we have honored our responsibility to the leadership by bringing this rule to the floor in order to allow the House to vote on whether it wants to consider the majority or minority campaign reform alternatives.

Mr. Speaker, the issue of campaign finance reform is a very sensitive and important matter for all of our colleagues, for nonincumbent candidates, and for the people that we represent. Every Member of this body is an expert of sorts on campaign financing since we have all been through that at least one successful campaign or else we would not be here, in my case it is 17 campaigns, and we all favor a campaign system that is open, that is fair, and that is clean and competitive.

Mr. Speaker, we have come a long way over the past several decades in achieving a more open and more aboveboard campaign financing system, due largely to the detailed disclosure laws we now have for individuals, for party and PAC contributions. However, when it comes to how we might further improve that system, there is a wide divergence of opinion, both inside and outside this House, as to what we ought to do.

That was certainly in evidence in the variety of amendments filed before our Rules Committee last week, all of which were by very sincere Members on both sides of the aisle who have very strong feelings about the way they think we should go. I think it is fair to say that there is very little support either inside this House or among our constituents for funding congressional campaigns with taxpayer dollars. I for one am unalterably opposed to that. Yet, that is how we finance Presidential campaigns to a greater degree.

Another alternative is to encourage candidates to agree to certain contributions and spending limits in return for certain other benefits such as reduced rates for postage and broadcast time. I am unalterably opposed to that. Under no circumstances should we be giving discounts on postage, which is going to drive up the cost of letters that our constituents might want to mail. That is the wrong way to go, and by all means we should never be placing a mandate on the private sector to help fund our campaigns. That is outrageous. It is ridiculous.

There are others who argue just as forcibly that imposing spending limits, even on such a voluntary basis, inures to the benefits of incumbents who have better name recognition to begin with by virtue of their holding office.

In short, Mr. Speaker, no matter how we squeeze this balloon, no matter whose idea of reform we adopt, someone will be considered as having a greater advantage depending on how we devise the campaign financing mechanisms. There will always be perceived winners and losers and at will always be in the eye of the beholder as to who has the upper hand. In the final analysis, however, there is no such thing as a perfect or pristine campaign financing system.

As I indicated at the outset, probably one of the most important reforms ever adopted was the current disclosure system which allows the voters to decide how much weight to give to the mix of contributions a candidate receives and from what sources.

I for one think there is more that we can do to improve our campaign financing system, but I also have a lot more confidence in the wisdom of the voters to take into account how we each finance our campaigns than I do in those who would severely limit the ability of all candidates, incumbents, and challengers alike, to raise sufficient funds to run a competitive and credible campaign, given the costs involved.

I do not subscribe to the view espoused by some that any candidate, regardless of party or political philosophy, is somehow bought, tainted, or beholden to his or her campaign contributors. The fact is we all receive contributions from a wide variety of individuals and groups who choose to support us because of our views and our campaign promises and/or because of our previous voting record.

I know of very few Members of this body, or challengers for that matter, whose views are shaped by the amounts of money that they might receive from campaign contributions. I think we demean ourselves and this system by giving credence to such a cynical view. I for one resent it when such accusations are made of honorable men and women who run for office. It is tough enough to get good, capable people to run these days.

In conclusion, Mr. Speaker, while I reserve decision on whether or not to vote for the bill that this rule makes in order, I do urge every single Member to come over and vote for the rule. While we already know that the other body will take no further action on this issue in this Congress, at least our debate today in this House on two alternatives before us will give us a better idea of what we might want to do in the next Congress. We will have moved the process at least one step closer to arriving at some consensus in the future.

Mr. Speaker, I include the following material for the RECORD:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of July 24, 1996]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-Open [2]	46	44	81	60
Structured/Modified Closed [3]	49	47	37	27
Closed [4]	9	9	17	13
Total	104	100	135	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A structured or modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of July 24, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–199; A: 227–197 (2/15/95).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of July 24, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	A: voice vote (9/28/95).
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth	A: voice vote (10/11/95).
H. Res. 237 (10/17/95)	MC	H.R. 2259	Disapprove Sentencing Guidelines	A: voice vote (10/18/95).
H. Res. 238 (10/18/95)	MC	H.R. 2425	Medicare Preservation Act	PQ: 231–194 A: 227–192 (10/19/95).
H. Res. 239 (10/19/95)	C	H.R. 2492	Leg. Branch Approps	PQ: 235–184 A: voice vote (10/31/95).
H. Res. 245 (10/25/95)	MC	H. Con. Res. 109	Social Security Earnings Reform	PQ: 228–191 A: 235–185 (10/26/95).
		H.R. 2491	Seven-Year Balanced Budget	
H. Res. 251 (10/31/95)	C	H.R. 1833	Partial Birth Abortion Ban	A: 237–190 (11/1/95).
H. Res. 252 (10/31/95)	MO	H.R. 2546	D.C. Approps.	A: 241–181 (11/1/95).
H. Res. 257 (11/7/95)	C	H.J. Res. 115	Cont. Res. FY 1996	A: 216–210 (11/8/95).
H. Res. 258 (11/8/95)	MC	H.R. 2586	Debt Limit	A: 220–200 (11/10/95).
H. Res. 259 (11/9/95)	O	H.R. 2539	ICC Termination Act	A: voice vote (11/14/95).
H. Res. 262 (11/9/95)	C	H.R. 2586	Increase Debt Limit	A: 220–185 (11/10/95).
H. Res. 269 (11/15/95)	O	H.R. 2564	Lobbying Reform	A: voice vote (11/16/95).
H. Res. 270 (11/15/95)	C	H.J. Res. 122	Further Cont. Resolution	A: 249–176 (11/15/95).
H. Res. 273 (11/16/95)	MC	H.R. 2606	Prohibition on Funds for Bosnia	A: 239–181 (11/17/95).
H. Res. 284 (11/29/95)	O	H.R. 1788	Amtrak Reform	A: voice vote (11/30/95).
H. Res. 287 (11/30/95)	O	H.R. 1350	Maritime Security Act	A: voice vote (12/6/95).
H. Res. 293 (12/7/95)	C	H.R. 2621	Protect Federal Trust Funds	PQ: 223–183 A: 228–184 (12/14/95).
H. Res. 303 (12/13/95)	O	H.R. 1745	Utah Public Lands	PQ: 221–197 A: voice vote (5/15/96).
H. Res. 309 (12/18/95)	C	H. Con. Res. 122	Budget Res. W/President	PQ: 230–188 A: 229–189 (12/19/95).
H. Res. 313 (12/19/95)	O	H.R. 558	Texas Low-Level Radioactive	A: voice vote (12/20/95).
H. Res. 323 (12/21/95)	C	H.R. 2677	Natl. Parks & Wildlife Refuge	Tabled (2/28/96).
H. Res. 366 (2/27/96)	MC	H.R. 2854	Farm Bill	PQ: 228–182 A: 244–168 (2/28/96).
H. Res. 368 (2/28/96)	O	H.R. 994	Small Business Growth	Tabled (4/17/96).
H. Res. 371 (3/6/96)	C	H.R. 3021	Debt Limit Increase	A: voice vote (3/7/96).
H. Res. 372 (3/6/96)	MC	H.R. 3019	Cont. Approps. FY 1996	PQ: voice vote A: 235–175 (3/7/96).
H. Res. 380 (3/12/96)	C	H.R. 2703	Effective Death Penalty	A: 251–157 (3/13/96).
H. Res. 384 (3/14/96)	MC	H.R. 2202	Immigration	PQ: 233–152 A: voice vote (3/19/96).
H. Res. 386 (3/20/96)	C	H.J. Res. 165	Further Cont. Approps	PQ: 234–187 A: 237–183 (3/21/96).
H. Res. 388 (3/21/96)	C	H.R. 125	Gun Crime Enforcement	A: 244–166 (3/22/96).
H. Res. 391 (3/27/96)	C	H.R. 3136	Contract w/America Advancement	PQ: 232–180 A: 232–177, (3/28/96).
H. Res. 392 (3/27/96)	MC	H.R. 3103	Health Coverage Affordability	PQ: 229–186 A: Voice Vote (3/29/96).
H. Res. 395 (3/29/96)	MC	H.J. Res. 159	Tax Limitation Const. Amdmt.	PQ: 232–168 A: 234–162 (4/15/96).
H. Res. 396 (3/29/96)	O	H.R. 842	Truth in Budgeting Act	A: voice vote (4/17/96).
H. Res. 409 (4/23/96)	O	H.R. 2715	Paperwork Elimination Act	A: voice vote (4/24/96).
H. Res. 410 (4/23/96)	O	H.R. 1675	Natl. Wildlife Refuge	A: voice vote (4/24/96).
H. Res. 411 (4/23/96)	C	H.J. Res. 175	Further Cont. Approps. FY 1996	A: voice vote (4/24/96).
H. Res. 418 (4/30/96)	O	H.R. 2641	U.S. Marshals Service	PQ: 219–203 A: voice vote (5/1/96).
H. Res. 419 (4/30/96)	O	H.R. 2149	Ocean Shipping Reform	A: 422–0 (5/1/96).
H. Res. 421 (5/2/96)	O	H.R. 2974	Crimes Against Children & Elderly	A: voice vote (5/7/96).
H. Res. 422 (5/2/96)	O	H.R. 3120	Witness & Jury Tampering	A: voice vote (5/7/96).
H. Res. 426 (5/7/96)	O	H.R. 2406	U.S. Housing Act of 1996	PQ: 218–208 A: voice vote (5/8/96).
H. Res. 427 (5/7/96)	O	H.R. 3322	Omnibus Civilian Science Auth	A: voice vote (5/9/96).
H. Res. 428 (5/7/96)	MC	H.R. 3286	Adoption Promotion & Stability	A: voice vote (5/9/96).
H. Res. 430 (5/9/96)	S	H.R. 3230	DoD Auth. FY 1997	A: 235–149 (5/10/96).
H. Res. 435 (5/15/96)	MC	H. Con. Res. 178	Con. Res. on the Budget, 1997	PQ: 227–196 A: voice vote (5/16/96).
H. Res. 436 (5/16/96)	C	H.R. 3415	Repeal 4.3 cent fuel tax	PQ: 221–181 A: voice vote (5/21/96).
H. Res. 437 (5/16/96)	MO	H.R. 3259	Intell. Auth. FY 1997	A: voice vote (5/21/96).
H. Res. 438 (5/16/96)	MC	H.R. 3144	Defend America Act	
H. Res. 440 (5/21/96)	MC	H.R. 3448	Small Bus. Job Protection	A: 219–211 (5/22/96).
	MC	H.R. 1227	Employee Commuting Flexibility	

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of July 24, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 442 (5/29/96)	O	H.R. 3517	Mil. Const. Approps. FY 1997	A: voice vote (5/30/96).
H. Res. 445 (5/30/96)	O	H.R. 3540	For. Ops. Approps. FY 1997	A: voice vote (6/5/96).
H. Res. 446 (6/5/96)	MC	H.R. 3562	WI Works Waiver Approval	A: 363–59 (6/6/96).
H. Res. 448 (6/6/96)	MC	H.R. 2754	Shipbuilding Trade Agreement	A: voice vote (6/12/96).
H. Res. 451 (6/10/96)	O	H.R. 3603	Agriculture Appropriations, FY 1997	A: voice vote (6/11/96).
H. Res. 453 (6/12/96)	O	H.R. 3610	Defense Appropriations, FY 1997	A: voice vote (6/13/96).
H. Res. 455 (6/18/96)	O	H.R. 3662	Interior Approps, FY 1997	A: voice vote (6/19/96).
H. Res. 456 (6/19/96)	O	H.R. 3666	VA/HUD Approps	A: 246–166 (6/25/96).
H. Res. 460 (6/25/96)	O	H.R. 3675	Transportation Approps	A: voice vote (6/26/96).
H. Res. 472 (7/9/96)	O	H.R. 3755	Labor/HHS Approps	PQ: 218–202 A: voice vote (7/10/96).
H. Res. 473 (7/9/96)	MC	H.R. 3754	Leg. Branch Approps	A: voice vote (7/10/96).
H. Res. 474 (7/10/96)	MC	H.R. 3396	Defense of Marriage Act	A: 290–133 (7/11/96).
H. Res. 475 (7/11/96)	O	H.R. 3756	Treasury/Postal Approps	A: voice vote (7/16/96).
H. Res. 479 (7/16/96)	O	H.R. 3814	Commerce, State Approps	A: voice vote (7/17/96).
H. Res. 481 (7/17/96)	MC	H.R. 3820	Campaign Finance Reform	
H. Res. 482 (7/17/96)	MC	H.R. 3734	Personal Responsibility Act	A: 358–54 (7/18/96).
H. Res. 483 (7/18/96)	O	H.R. 3816	Energy/Water Approps	A: voice vote (7/24/96).
H. Res. 488 (7/24/96)	MO	H.R. 2391	Working Families	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; S/C-structured/closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON: Page 2, line 8, strike ''No'' and insert the following:

''The amendment numbered 1 printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII on Wednesday, July 24, 1996, by Representative THOMAS of California shall be considered as adopted in the House and in the Committee of the Whole. No other''.

Mr. SOLOMON. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is such a bad rule for such a bad bill that even my Republican colleagues had difficulty last week when the time came to vote to report it. For the first time in my memory, and I am assured for the first time in history, the Committee on Rules has reported a rule without recommendation. This rule is so bad that the Republican leadership was forced to postpone its consideration for a week. I was under the impression that campaign finance reform had been envisioned as the centerpiece for Reform Week. But because this rule has engendered significant opposition as evidenced by the manner in which it was reported from the Rules Committee, perhaps it was postponed until a fix for the bad rule and the bad Republican bill could be pieced together. Otherwise it seems that this rule might have been in danger of losing had it been brought to the floor last week.

So in an attempt to reform this so-called reform proposal, my Republican colleagues are now proposing an amendment to H.R. 3820 which will not be considered by the Committee on House Oversight nor will it be considered by the House Rules Committee and in fact it really will not be considered by the full House.

□ 1145

The chairman of the Committee on Rules has been forced to come to the floor and offer an amendment to the rule which will self-enact significant changes in the bill authored by the gentleman from California [Mr. THOMAS] in the hopes of passing a rule for a bill which he admits is going nowhere.

But in the interest of full and open debate, I will oppose the previous question at the conclusion of the debate on this rule. I will oppose the previous question in the hopes that the rule can be changed to not just insert the changes proposed by the gentleman from California, Chairman THOMAS, to his bill, but to allow any Member to offer any germane amendment to the base bill.

The Thomas-Solomon amendment still does not address the significant philosophical differences expressed by the gentlewoman from Washington [Mrs. SMITH], by the gentleman from Connecticut [Mr. SHAYS], and by the gentleman from Massachusetts [Mr. MEEHAN]. I hope the House will vote against the previous question in order to allow debate on this important proposal offered by these three Members as well as many other Members of the House.

Chairman SOLOMON is asking the House to adopt an amendment to the Thomas bill when the reported rule itself only allows for consideration of one other amendment, a Demoractic substitute to be offered by the gentleman from California, Mr. FARR. The House should have the opportunity to consider the Smith-Shays proposal, as well as a number of other important amendments that were presented to the Rules Committee.

Chairman SOLOMON has offered an amendment which significantly changes the Thomas proposal. I must ask, Mr. Speaker, why is this amendment being brought to the floor with little or no consideration or debate when other amendments have been shut out? Could this amendment be a bone tossed to those Republican Members who objected to the original Thomas proposal as one that gave wealthy individuals inordinate influence in the political process?

The Solomon-Thomas amendment to the Thomas bill reduces the amount of permissible individual contributions from $2,500 to $1,000, the allowable contribution under current law. PAC contributions are unchanged from the Republican bill, $2,500 per election and $5,000 per cycle. The amendment does establish an aggregate annual limit for individuals at $50,000 per year, the same as the Democratic substitute. But even if hard money contributions have been reduced from the original Thomas proposal, soft money contributions remain unlimited.

Mr. Speaker, this amendment does reduce some of the difference between the Republican bill and the Democratic substitute, but there are still significant differences that are at play. The Republican bill still does not limit campaign expenditures. The Democratic substitute does, by limiting spending to $600,000 per election.

In spite of these new amendments offered today, by not limiting campaign spending, the Republican bill still says there is not enough money in campaigns. The Thomas bill will still adhere to the philosophy espoused by Speaker GINGRICH last fall when he told the Committee on House Oversight, ''One of the greatest myths of modern politics is that campaigns are too expensive. The political process, in fact, is underfunded.''

The Thomas amendment appears to limit the influence of wealthy contributors, but in fact, that is an illusion. The illusion becomes especially apparent when examining those provisions of the Thomas bill which require that 50.1 percent of a candidate's total fund-raising must come from in-district contributions.

I am particularly troubled by this provision, since those candidates with wealthy friends who happen to live within the boundaries of the congressional district can raise virtually unlimited amounts of money, which will then be matched by PAC contributions and contributions from individuals who live outside the district.

While the in-district fundraising requirement raises serious constitutional freedom of speech questions, it is also inherently unfair to those candidates who either represent areas with low-income residents or who cannot depend on wealthy individuals to up the fundraising ante for them. I fear the candidates who will be most adversely affected will be African-Americans, Hispanics, and women. I must hold suspect and I will oppose any system which systematically denies those groups access to the political process, and that is what the Thomas proposal does.

I would like to elaborate on a specific example that I raised in the Rules Committee on this point. If an individual candidate happens to have two wealthy precincts in his district, and he has 100 people from those two wealthy precincts out to the local country club and they give him $2,000 each, he can raise $200,000 from 100 people in those two wealthy precincts in his district. Then he can match that with $200,000 from PAC's and from wealthy individuals who do not live in his district, thereby raising $400,000.

If the challenger has a lot of small events and raises a lot of small contributions totaling $50,000 inside his district, he can then match that with $50,000 from outside his district. He will only be able to spend $100,000. The other candidate, who can raise a lot of large dollar contributions inside his district, would be able to spend $400,000, four times as much as the second candidate.

What kind of reform is this? I contend that the end result of the Thomas proposal will be to distort the original purpose of campaign finance reform as well as the current calls for reform of the system. I urge my colleagues to vote against the previous question to allow for free and open debate on this issue.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield 5 minutes to the gentleman from Sanibel, FL [Mr. GOSS], one of the very valuable members of the Committee on Rules, the subcommittee Chair.

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, I thank my friend from new York, [Mr. SOLOMON] who is the distinguished chairman of the Rules Committee, for yielding me the time. I must commend him on his handling of this extraordinarily difficult piece of legislation. His leadership and open-mindedness on this matter I think have been exemplary. This rule has truly required the wisdom of Solomon.

Most agree that the current system is not working, and we all understand that Americans have become disillusioned with the political process. But the proposed solutions that we have got really run the gamut, and generating a consensus is extremely difficult, not quite impossible but extremely difficult.

Our Committee on Rules action on this matter represents a microcosm of the divergence of views, as we have heard from the two previous speakers. Even our majority Members in the committee were torn about what is the best way to go, which explains why this rule did originally come forward without our expressed endorsement. It is also why we have an amendment to the rule to incorporate additional changes in the base bill, as we have heard.

Although I believe the amendment to the rule makes improvements in the base bill, most notably by sending a stronger signal that we want to control the flow of money into campaigns, it is still my view that this bill needs lots more time, lots more work. It is not comprehensive campaign reform, and I make no pretense that it is. But it is an important, if small, step toward full reform for the first time in this Congress in decades.

Mr. Speaker, it is true the 104th Congress has made some remarkable changes in how we do business. We adopted a stringent gift ban. We implemented real lobby disclosure reform. We put in place changes to promote accountability. We brought sunshine in. We restored some public confidence.

Yet, even with these landmark reforms, Congress continues to suffer from a serious credibility problem, based in part on the skepticism with which people view political campaigns. I must say, I agree. The Federal election laws are outdated. They are overdue for reform.

H.R. 3820, as improved by this rule, has some very good features. It requires that 50 percent of all contributions come from a candidates's home district.

It bans soft money. It eliminates leadership PAC's. While the original bill recognized that individuals and PAC's should be treated equally when it comes to contribution limits, albeit at a higher limit than exists today, the amendment to the rule would maintain a discrepancy between levels of contributions by individuals and PAC's.

This provision, to me, represents sort of a mixed bag. It is preferential to the original language in the bill since it maintains the current $1,000 threshold for individual donations. it keeps them low, but I believe it loses almost as much ground as it gains in giving up on the idea of equalizing PAC's with individuals, since a lot of us think it is very important to treat PAC's and individuals the same.

My proposal and my practice is to keep the individual limit at $1,000 and lower the PAC limit to that same $1,000 amount, and it works well for me. Not only does my bill, which is not in order today, equalize contribution limits at the $1,000 level, it also requires that 50 percent of contributions come from a candidate's district and that 90 percent come from within a candidate's State. Other Members have similar thoughts.

I think it is vital that we restore the direct link of accountability between elected officials and the people they represent and work for. That is what this is about, accountability. The bill before us makes progress in that regard, and obviously it needs to go further.

I must say I do not believe the Democratic substitute we will consider today is a worthwhile alternative, in that it advocates retaining higher spending by PAC's, even more money from PAC's, and provides roundabout incentives for overall spending limits which tilt the field toward incumbents, and that we hear a lot about. We do not want to give the incumbents the advantage.

In addition, the Democratic substitute makes no attempt to protect union members from misuse of their dues, and that is an issue this year, some 35 million dollars' worth of issue, something that H.R. 3820 does address in a very meaningful way.

In closing, I commend the gentleman from California [Mr. THOMAS] and him committee for trying to bring a consensus measure forward, a measure I will support on the understanding that more will be done toward full reform.

Meanwhile, Members have another option, and it is one I am going to take. That is the choice to voluntarily self-impose more stringent standards in one's own campaign, including things like tighter limits on PAC's, perhaps fewer dollars spent on franked election pieces, which are thinly disguised as newsletters sometimes. Those options are out there for each Member.

Meanwhile, I urge support of this rule in order to begin the debate on reform that I predict will last for years before consensus is found, but at least we are beginning the debate.

Mr. FAZIO of California. Mr. Speaker, will the gentleman yield?

Mr. GOSS. I yield to the gentleman from California.

Mr. FAZIO of California. Mr. Speaker, the gentleman indicated that this Republican bill bans soft money. I think that is a gross misstatement. The bill does not change existing law as to how soft money would be transferred among committees, nor does it limit it, but it does open up an exceedingly large new approach to spending soft money.

Mr. GOSS. Reclaiming my time, I will leave the debate on the merits of the bill, as it should be, to the debate on the subject, not a debate on the rule.

Mr. FROST. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I will not oppose the rule, but I do oppose the underlying purpose driving this legislation.

In addition to seeking to increase the ability of the wealthy to dominate the political process, this bill also contains labor law provisions that have never been reported by committee and are nongermane to the issue of campaign finance reform.

Title IV of the bill requires unions to obtain annual written authorization from a worker before that worker may pay any money to a union for services not directly related to the provision of representation. In effect, this section repeals the right of workers to voluntarily join unions. It also diminishes a right to organize or litigate on behalf of their members.

H.R. 3820 imposes costly and burdensome paperwork requirements on unions. The cost of these reporting requirements alone has been estimated at approximately $200 million a year.

Mr. Speaker, this provision is placed in the bill solely to harass and harm labor unions. It is absolutely unnecessary.

Unions are democratic organizations whose officers and policies are determined by the majority will of their members. Unions are already under more extensive reporting and disclosure requirements than virtually all other institutions. No one is required to join a union.

Unions are obligated by law to inform relevant employees that they are not required to pay full union dues. Unions must inform such employees of the percentage of their union dues that are used for purposes other than directly related to collective bargaining.

The alleged evil that this legislation seeks to address is already fully regulated by law. Employees can protect their rights simply by filing a charge with the National Labor Relations Board. The Beck decision created a right for workers who disagree with the majority of their fellow workers to object to paying for certain union activities.

Rather than protecting the right of the minority to object to certain expenditures, this legislation imposes absurd obstacles in the path of the majority's ability to engage in political activity.

Both labor unions and corporations participate in politics. Corporations spend millions of shareholder dollars for the purpose of directly influencing the political process. Views expressed by corporations do not necessarily reflect the views of those who are paying for that expression, the shareholders, or those who are generating the money, the employees.

The Republican majority has singled out labor unions for a kind of harsh, punitive treatment not imposed on corporations.

□ 1200

Mr. Speaker, this legislation is not about protecting free and open political discourse, and I urge Members to vote against H.R. 3820.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Naperville, IL, Mr. HARRIS FAWELL.

Mr. FAWELL. Mr. Speaker, I thank the gentleman for yielding me this time, and I certainly rise in support of this rule and of the campaign reform legislation which we will be debating today.

Title IV, as has already been indicated, of the campaign finance bill is a revised version of legislation that I introduced, which is referred to as the Worker Right to Know Act. This legislation is designed to implement the basic rights of workers established in the U.S. Supreme Court Beck decision back in 1988. It has never been implemented.

Although the Worker Right to Know Act is being portrayed by some as something of a Trojan horse that will destroy unions, I hope that my colleagues will view the legislation for what it is; namely an empowerment for working men and women who, in order to keep their jobs, and this is very important, in order to keep their jobs they are obligated to pay collective-bargaining union dues. It is called a union security agreement, and that is key to the discussion.

Why is this legislation necessary? The fact of the matter is that almost a decade after the Beck decision, workers are required to pay union dues as a condition of employment and are not aware that under Beck they are not obligated to pay non-collective-bargaining dues, nor do they know, really, how to implement the Beck rights.

A recent poll conducted for Americans for a Balanced Budget found that, of the 1,000 union members polled, 78 percent did not even know that they had a right to a refund of the non-collective-bargaining portion of their dues. And 58 percent did not know their dues were even used to support political activities.

I held a hearing on the issue of mandatory union dues in the Subcommittee on Employer-Employee Relations of the Committee on Economic and Educational Opportunities. We heard the frustration being expressed by the employees caught up in the current system who feel forced to support ideological, political, and social causes that they do not agree with. They cannot walk away and leave the union because they must pay the dues. My colleagues would also find it impossible, as I did, to tell them that the time is not right for reform.

The Worker Right to Know Act thus provides that an employee cannot be required to pay to a union nor can a union accept payment of any dues not necessary for collective bargaining unless the employee consents in writing in a written agreement with the union.

The bill also provides that the agreement must also include a ratio of both collective bargaining and non-collective-bargaining dues. The legislation requires such agreements to be renewed annually, and that is basically it. That seems to me to be basic democracy.

What we have here is we have revised this bill to basically say written consent and just tell us what the ratios are. That is all.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I have been at the center of virtually every effort to reform campaign finance since the day I walked into this institution, but this exercise today is absolutely useless. It is going to produce a useless bill, which is an absolutely fraudulent imitation of real campaign reform. It gives the wealthy an even greater lock on the political system than they have right now.

The main issue in campaign finance is simply, how do we change the fact that wealthy people have far too much influence on politics today, whether they give individually or collectively?

The existing campaign finance system is beyond repair. It ought to be blown up. What amazes me is that we continue this fiction in this place that somehow elections ought to be handled as a private matter. There is no more public activity in which American citizens engage than electing the leaders who are supposed to help run the country.

This is a public responsibility. It should not be financed by the richest private deep-pockets people in this country. That is why the electoral system is virtually owned lock, stock, and barrel by the economic elite in this country, and we are not going to change that until we blow up the existing system.

I am against this silly rule because it refused to allow my amendment to be offered which would have banned all private money whatsoever in general elections. It would have eliminated all soft money loopholes. It would have eliminated the fiction that we have something called independent expenditures, which are just another legalized sham to get around the law. It would have imposed limits on what political candidates can spend, and it would have ended the ability of both parties to launder money and get it to their own candidates.

It would have financed that by imposing a one-tenth of 1 percent assessment on all corporations who make profits of more than $10 million. It would have created a fund into which individual Americans can voluntarily, I emphasize voluntarily, voluntarily contribute as much money as they choose in order to create a grassroots democracy fund out of which campaigns would be funded on a public basis.

The Republican bill that is being brought out here today, for instance, says there ought to be a 50 percent requirement for funds that are raised in a Member's district. What an absolute sham. That means that someone under independent expenditures can spend $100,000 or $200,000 raised outside of a candidate's State. They can go into his district and spend a million bucks if they want to in an independent expenditure, and yet the target of that expenditure is defenseless because he has to limit what he can raise to his own district.

What an absolute prescription to give the millionaires and billionaires of this country an opportunity to own the system even more than they do today. It is a disgrace and the Democratic alternative is too weak to do any good. I am against the whole shebang.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Washington State [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Speaker, I stand today against this rule because we are right at the same place we have been for many years. A

couple of powerful people will decide what is going to be their partisan bill and bring them out to the floor and beat each other up with them.

I do have to say there seems to be a little more openness on the Democrat side to try to come up with something than there was on the Republican side, but what we find here is a question of why do we need reform. Simple as this: The Republicans, who have the Contract With America, promised this. The gentleman from Texas, DICK ARMEY, said we are united in the belief the people's House must be wrested from the grip of special interests and handed back to the American people.

It is as simple as this. We made our commitments. Promises made. Now it is time to keep those promises.

Neither one of the bills included in this rule do anything but tighten the grip or give credibility to the grip. The American people need to understand that the Republican bill before us today tightens the grip. It gives credibility to the money-laundering soft money system. It solidifies it in law. If people do not think the tobacco industry has some kind of a toehold, at least a little grip on this place, hang around here for a year as I have.

The Democrat bill still lets big groups give $8,000, one check at a time, night after night, at fund raisers here in Washington, DC. We all can do better than that.

What I challenge both sides to do is, we have 3 hours. The American people are watching. Are we going to beat each other up the rest of the day over partisan positioning, making nasty remarks about each other, or are we going to spend these 2 hours trying to come together? We have a recommittal vote that will take the Democrats agreeing, working together with some Republicans. We can still bring a good bill to this floor. I would ask that we think about that and vote against the rule.

Mr. FROST. Mr. Speaker, I yield 1 minute and 10 seconds to the gentleman from California [Mr. FARR].

Mr. FARR of California. Mr. Speaker, I appreciate the gentleman yielding me this time.

Mr. Speaker, I rise on the rule. This rule brings two bills to the floor. It brings the Republican bill, H.R. 3820, authored by the gentleman from California [Mr. THOMAS], and it brings the Democrat bill, H.R. 3505, which I have authored. I have authored it as a substitute to the Republican bill.

The rule, as it is designed in coming before us right now, reflects what the Republicans want, which is new law with no spending limits; no limits, no caps, and no reform.

But, I say to my colleagues, we have a choice: true reform with limits, which is the alternative. It limits PAC's, limits large contributions, and it limits what rich candidates can put into their own campaigns. It allows small contributors to contribute and bring back into the role of choosing their candidates for public office.

I support the rule and I urge my colleagues to support the rule. The rule is tight, but it is the only way that it allows us to debate campaign reform this year.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Speaker, there comes a time in a legislator's life when he or she has to be held accountable. On the issue of campaign finance reform that day has arrived.

We have been talking about reforming the way Congress does business for this entire Congress. Fundamentally, there is no more effective way to change the way Congress does business but than to change our campaign finance laws. We have cajoled. The Republican leadership has delayed this issue, played games with this issue.

We were supposed to deal with it last week, now we are going to deal with it this week. And what do we have? We have a group of us who have worked in a bipartisan way, 21 Democrats and 20 Republicans, in a bicameral way, working with Members of the U.S. Senate to come up with a bill that will do two things: first, voluntarily cap how much money is spent in elections and, second, curb the influence of special interest PAC's.

The President is waiting at the White House for that bill and he is ready, willing, and able to sign it. But that has the Republican leadership nervous, so we have a rule before the House that does not allow the bill, the bipartisan bill, which has more editorial and public support all across America than any legislation on campaign finance reform that we have dealt with in recent years.

What do they put in its place? They put in a bill that is such an embarrassment to their own membership that, when we were debating 1-minutes this morning, not one Republican came to the floor to defend that phony, foolish piece of legislation called campaign finance reform.

There are no spending limits. It codifies the corrupt soft money loophole. It doubles the aggregate amount that an individual can contribute to parties and Federal candidates without capping the contributions. There are so aggregate limits.

This bill that they have submitted is a sham. This debate is a sham, and the American people are going to call it for what it is.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Rocklin, CA, [Mr. JOHN DOOLITTLE].

Mr. DOOLITTLE. Mr. Speaker, I rise to oppose this rule because it only allows two versions of campaign finance reform, both of which miss the mark. They are both based on the false diagnosis that campaign spending is out of control. They are both offering the false prescription that more regulation and limits are needed.

With reference to the false diagnosis, indeed, looking back over history, we can see election spending since 1980 has been fairly constant, fluctuating between four one-hundredths of 1 percent and six one-hundredths of 1 percent of gross domestic product.

□ 1245

Americans spend more each year buying yogurt and buying potato chips than they do on congressional elections. Clearly, we are not spending too much money when juxtaposed with other legitimate expenditures that we are making.

As to the prescription that more regulation is needed, has anyone heard of the first amendment? Congress shall make no law abridging the freedom of speech. I listened to the gentleman from Wisconsin over here. Congress specifically and the people of this country specifically did not want government regulating this with all the force that government can bring. They wanted people to be able to vote, and that is how they would make their decisions. When we imposed campaign spending limits, we hurt the challenger.

If you do not believe that, just listen to what Mr. David Broder had to say recently in the Washingtonian. He said, raise the current $1,000 limit on personal campaign contributions to $50,000, maybe even go to $100,000. Today's limits are ridiculous, given television and campaign costs. Raising the limit with full disclosure would enable some people to make really significant contributions to help a candidate.

For these reasons, we should oppose the rule and the bills.

Mr. FROST. Mr. Speaker, I yield 2½ minutes to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Speaker, I thank the gentleman for yielding me the time. I stand in strong support of this rule. This is the so-called Reform Week, but the most important reform, campaign finance reform, will not be reformed.

We have before us today two drastically different approaches to campaign finance. The Republican bill puts more money in the system. The Democratic bill limits the amount, voluntarily limits contributions, expenditures, and limits soft money. The two bills are miles apart, and really dead on arrival.

This rule is an extremely interesting one. For the first time in recent memory, the Committee on Rules reported out a bill that does not urge the adoption of the rule. I commend my friend and colleague, the gentleman from New York, for this legislative innovation. I believe the Republicans are pulling out all stops to save the Republicans from the major embarrassment of having to vote on their radical, out of touch, more money, more special interest in politics.

We need a vote on this rule. We need to let our constituents and the American public know whether their Congressperson supports more money

in the system or less money in the system, so that when they go to vote this fall when we are up for election they will know how their Congressperson voted on campaign finance reform: More money, more special interests or less money and less special interests.

I truly believe that given the fact that these bills, campaign finance bills, died in the Senate that both of these bills are dead on arrival. The only real chance for campaign finance reform in this session is an independent commission.

Mr. Speaker, you publicly endorsed it. You shook hands on it. Let us turn the promise of your handshake into the reality of a law.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, the previous gentleman from California lamented that the American people spend more on potato chips than they do on campaigns. The problem is that in campaigns, they are spending $1,000 a bag. Some of them just cannot stop with one.

Democrats say they want campaign finance reform. Republicans say they want campaign finance reform. The public demands campaign finance reform. Mr. Speaker, this is not campaign finance reform.

Most people think the problem with campaigns today is that there is too much spending in elections. This bill on the floor says the problem is there is not enough spending in elections.

This bill increases the amount that the wealthiest can contribute. That is not reform. This bill increases the amount that individuals can give to political parties. That is not reform. It does nothing to stop the unlimited soft money, the real loophole in this present process. That is not reform. It does nothing to limit giving to the political parties. In fact, it increases how much you can give. That is a big loophole. It does nothing to reign in independent expenditures, one of the biggest loopholes around right now. It does nothing to limit how much political parties can spend in behalf of a candidate. That is a big loophole. That is not reform. It has nothing to do with what the American people want and what they tell me. It does nothing to limit the cost of a congressional campaign. That is not reform.

There is already too much spending in elections, too much time spent on fundraising. So presumably then reform would limit this, would it not? Not this bill. It means more spending, more fundraising, more costs, more money in elections. That is not reform.

Mr. Speaker, it is clear to me the public is going to have to demand and take this matter into their own hands by demanding that candidates live up to a voluntary code. The public is going to have to demand its own reform because this leadership is not bringing that reform to the floor today. It is not reform.

Please, vote against the bill. But let us vote for the rule to get this debate started, and maybe 1 day we are going to get some real campaign reform around here.

Mr. THOMAS. Mr. Speaker, this is always a very difficult time for Members because we are dealing with something which affects every one of us.

It is also especially troublesome because we are dealing with an attempt to write law in an area where the Constitution is fairly clear and the Supreme Court, periodically and most recently, reclarified where we are dealing with people's fundamental first amendment right of freedom of speech.

But I do have to say that the gentleman from West Virginia and several other speakers have certainly exercised their free speech rights in characterizing and perhaps overzealously characterizing provisions in both bills.

These bills do in fact limit. Ours limits, it limits in a different way. When we get into discussions about the bills and their substance, we obviously will have a lot of time to talk about the new way in which wee limit.

I am going to spend some time talking about the common way in which both bills limit and reform. It just seems to me that as we discuss what we are doing here, we do have to keep in mind that there is a Constitution, that there are rights.

The Supreme Court has corrected the overzealousness of Congress in the past. We should move reform. It should be done carefully. We will talk about the substance.

But as we deal with the rhetoric, and it appears that we are warming up on the rhetoric, we really ought to try to stick to the facts and the substance, because, frankly, some folks are getting just a little carried away.

For example, the gentleman said that there were no limits whatsoever on the amount that individuals could give to parties. There is. There is an aggregate limit in the Democrats' bill and in our bill, and it is the same amount.

Mr. WISE. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from West Virginia.

Mr. WISE. Does the gentleman do anything to limit soft money? Does the gentleman's bill do anything to limit soft money?

Mr. THOMAS. Yes. In our bill we take that money which can now be spent, the money which national parties can now spend in mixed activity in which they can utilize all soft money, and say, any time the national party is involved with Federal candidates, it must be so-called hard money, you cannot use soft money. That is a change.

Mr. FROST. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, I would like nothing better than to reach out and work with the gentleman from California [Mr. THOMAS], with the gentlewoman from Washington [Mrs. SMITH], with other Members of the Republican side of this House and try to develop a genuinely bipartisan approach to this very difficult problem. So long as campaign finance reform is just a matter of how you can do more harm to your opponents than you can do unto yourself, we are not going to get anywhere.

That is where we are this morning, because the Republican leadership of this House is so afraid of a bipartisan approach, the Clean Congress Act, they will not even permit a vote on it. They have come this morning, determined to poison the well with their labor baiting, which they could have handled in a separate piece of legislation. But just in case there was any chance this Congress really might get down to the business of reform, they added a little poison, just to be sure that this Congress did not clean itself up.

You talked about having a shovel up here to clean up the Congress, but what you really have in mind through this bill is to shovel in just a little more special interest money.

One partisan after another gets up to defend this approach. Do not look to the Democrats or to the Republicans on this. Look to every nonpartisan organization that has ever tried to clean up the campaign finance system. You will not find one, not one organization in this country that endorses the kind of sham that we are offered today in this piece of legislation.

Whether it is the League of Women Voters, whether it is Common Cause, whether it is the National Council of Churches, they reject this because it is not reform. It leads us down the road to one roadblock after another to block the legitimate concerns of the American people.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. THOMAS], chairman of Committee on Government Reform and Oversight.

Mr. THOMAS. Mr. Speaker, yet another example of overzealousness.

The gentleman said that what we do is allow more folks to shovel in even more special interest money. Special interest money is usually defined as political action committee money. Our bill cuts political action committee contributions by 50 percent, far more than the Democrats' bill provides.

We had testimony in front of the committee that labor unions are now involving themselves in the political process to the tune of $300 to $400 million. That amount is not disclosed.

The provisions that we have in the bill requires that union political money to be disclosed. What we do is empower the rank and file to say, if you want your money spent for those political purposes, by all means, tell the unions to go ahead. But if you do not, following the court's decision, you can say no. We allow the rank and file to say no to the unions if they want to. It is their choice.

That is the kind of positive reform many Democrats are afraid of.

Mr. FROST. Mr. Speaker, I yield 1½ minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I thank my friend from Texas for yielding me this time.

Mr. Speaker, the gentleman from California [Mr. THOMAS] is correct on one point; that is, that campaign finance affects each Member of this House and we are not exactly objective. But we should be concerned when every interest group, public interest group, has said that the Republican bill is phony and it is worse than no change in the current law. There is good reason for that.

I am concerned that this rule does not give us the opportunity to have a free and open debate in this House.

The Republicans told us that we were going to have open debates on the floor, but this rule does not permit it. There is a bipartisan bill that was developed by Democrats and Republicans. We are not going to have the opportunity under this rule to offer that bipartisan substitute.

There are concerns that many of us have. The Thomas bill allows soft money to be used by special interests, by corporations, by large contributors to now do new things to influence congressional campaigns. I would like to be able to offer an amendment to change that.

This bill will now not allow me to offer such an amendment. I believe that our constituents want us to limit the total amount of money spent in congressional campaigns. This rule will not allow me to offer such an amendment.

I believe there should be overall limits on the amount of PAC contributions that we can accept. This rule will not allow me to offer that amendment.

I urge my colleagues to do what the gentleman from Texas has suggested. Let us defeat the previous question so we can have a true, open debate on this floor.

Mr. SOLOMON. Mr. Speaker, I would just say to the previous gentleman that he should not stand up and say that the rule prevents the bipartisan alternative to be offered on the floor. We are giving you twice the time that you have given us in the past two Democrat Congresses when you were in power. We are giving you two bites, and you just heard the main sponsor say that she was going to have the opportunity to offer that in the motion to recommit.

Please do not try to confuse the Members. You will have two bites at the apple.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Bloomfield Hills, MI [Mr. KNOLLENBERG].

□ 1230

Mr. KNOLLENBERG. Mr. Speaker, I thank the gentleman for yielding this time to me, and I appreciate the mention of Bloomfield. It is my home.

Mr. Speaker, I rise in support of this rule. This rule would allow us to continue the debate not only on campaign finance but on the important issue of a workers right to know.

Mr. Speaker, it is estimated that the union leaders grab anywhere from $709 to $2,019 each year in membership dues. Yet, if you asked the worker how his or her hard-earned money is spent, they probably could not tell you.

After all, Mr. Speaker, union leaders like nothing more than to have their rank and file uninformed about their actions. And when they do decide to inform its membership or the public, it is a sad commentary on truthfulness. Just ask the radio and TV stations who have pulled union ads because of mistruths, distortions, and outright lies.

Mr. Speaker, it is time to let the Sun shine in. Language in H.R. 3760 lets union members decide for themselves whether they want their hard-earned union dues to go toward political scare tactics and misinformation. Whether you are for or against a balanced budget or increasing minimum wage, H.R. 3760 empowers each and every union member to see how their money is spent and object to dues taken out beyond those necessary for collective bargaining purposes.

Mr. Speaker, this is a good rule. I urge my colleagues on both sides of the aisle to vote for the rule and allow us to continue the debate. Employees have the right to know.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise today in support of this rule. The American people deserve a full and open debate on the issue of campaign finance reform. They truly do want to see the system cleaned up.

Unfortunately, Mr. Speaker, the underlying bill makes a mockery of the reform that is needed to restore integrity to our political process. The American people look at this Republican Congress, and they see an institution that is being sold out to the highest bidder.

When my Republican colleagues took over this Congress 18 months ago, they promised to change the way business is done in Washington. Instead they have proved themselves to be masters at the special interest game.

Common Cause, the good government reform lobby, says that the bill that is on the floor today, and I quote: The Thomas bill is a fraud. End quote.

It does not improve our system of campaign finance, it makes the system worse. Wealthy individuals who have reaped the lion's share of Republican tax cuts will be able to contribute even more money to Republicans in the future and have even more influence. The wealthy will still be allowed to funnel unlimited amounts of cash to the Republican Party, and this bill does absolutely nothing to limit campaign spending in congressional races.

But let me just say this is in keeping with what the Speaker, the gentleman from Georgia [Mr. GINGRICH] has talked about in this issue. Speaker GINGRICH has said that we need more money, not less money in our political system and, sadly, this bill lives up to NEWT GINGRICH's vision of reform.

This bill sadly misses an opportunity we so desperately need for reform, and it continues the same old Washington game.

Again quoting Common Cause: Any Member of Congress who votes for the Thomas bill is voting to protect a corrupt way of life in Washington, DC.

I urge my colleagues to vote against this phony reform bill.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Bakersfield, CA [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, I thank my friend from California for yielding once again. I think we are getting carried away with our own rhetoric. The gentlewoman from Connecticut just said this is the same old Washington game. Apparently she does not understand that in the majority's legislation we end the same old Washington game. We say, ''You have to get a majority of your money from people who live back home.'' We say that the incumbents who had a monopoly on the Washington game do not get it anymore.

Mr. Speaker, it is a fundamentally changed system, and I understand that a number of folk who are, and I will not yield at this point, there are a number of people who are getting carried away with their rhetoric. And I will tell my colleagues that if they do not like the majority's provision, if they do not like the minority's provision, I implore them to talk to the gentleman from Missouri [Mr. GEPHARDT], the gentleman from California [Mr. FAZIO], the gentleman from Texas [Mr. FROST].

Under this rule we have provided a motion to recommit with or without instructions. The gentleman from Wisconsin can have his wishes met, the gentlewoman from Connecticut, if she has a wish, can have her wishes met, the gentleman from Massachusetts [Mr. MEEHAN] can have his wishes met.

If my colleagues do not like what is in front of them, offer it as the motion to recommit. Then we will determine whether they are in this process to promote reform or whether they are in the process to stir the pot and create more rhetoric and confusion in the minds of the American people.

Mr. Speaker, during general debate I will be more than willing to discuss the substance of the bill.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman for yielding this time to me. I must say, for me this is a very sad day, because if my colleagues really believe we need the best government money can buy, they must be thrilled.

Let me put this in some kind of context. My average campaign contribution when I first got elected was $7.50. Today it is $50. So I really believe in the Jeffersonian concept that we should not have special interest money here. But nevertheless, this is going to allow more, more, more.

Now we saw something historic. We saw the Committee on Rules report this first reform bill out, without any recommendation, because even they were embarrassed. It allowed a family of four to give $12.4 million. Oh, yes, they would be a real free agent if somebody gave them $12.4 million, and so what they had to do, and let me finish and then I will be happy to yield—

Mr. SOLOMON. The gentlewoman said my name indirectly.

Mrs. SCHROEDER. I said the Committee on Rules. I thought the gentleman's name was SOLOMON. Is the gentleman's name Committee on Rules? I am sorry.

OK. But then what happened is they called on the gentleman from California to do this radical surgery on the bill and so, voila, we now have another bill because they have been promising reform and we have not seen it.

And now we just had the gentleman from California say, ''Our big chance to do something that's really pure is we can all arm wrestle over here for who gets the motion to recommit.'' Well, I mean there are lots of different ideas. What is wrong with the rule that allows us to mend things, discuss things, and so forth?

Mr. Speaker, let me just say what I think the problem is. I think the problem goes back to that bipartisan handshake that we saw the President and the Speaker have in New Hampshire over a year ago when they said, look, this is like base closing. The Congress is not different than any other group. The hardest thing for any group to do is reform itself, and it is especially hard when they are weaning themselves off money. We ought to go back to that concept, get a commission in here and move forward on that. Maybe that should be the motion to recommit, Mr. Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I might consume just to say to my good friend who is retiring, and we are going to miss her dearly in a number of different ways, but I happen to think she is a nice person, and I like her, but let me just say she says the Committee on Rules was embarrassed. That is not true.

I tell my colleagues we have 9 Republicans, we have 4 Democrats, and I would say that of the 13 members, that there were 13 different opinions up there. And when I looked back and look at what we are going to do, and I looked at the 102d Congress which the gentlewoman was involved with and the 103d which she was involved with, and she voted to gag Republicans, according to what she is saying here, the same as she says we are gagging them now, which is not the case. Actually we are giving them twice as many opportunities to work their will on the floor.

As I understood it, the gentlewoman from Washington [Mrs. SMITH] was here earlier, and she said that the Democrats were going to give her the opportunity to offer what she called an alternative, a bipartisan alternative. I do not know that, now I understand that is not going to happen. But as my colleagues know, let us let the House work its will, let us bring this bill to the floor, and let us have meaningful debate, and let us not be so partisan about it. Why do we not just try to discuss the issue and have a good solid debate that the American people understand?

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just say that it is very interesting, and I appreciate the chairman of the Committee on Rules speaking in favor of an open rule on this bill, and that is exactly what I am trying to achieve. The chairman of the Committee on Rules just said, ''Well, let's let this be debated, let's vote on these issues.''

Well, that is what I am proposing, and, Mr. Speaker, I urge a ''no'' vote on the previous question. If the previous question is defeated, I shall offer an open rule which will allow Members to offer any germane amendment to the bill.

I include the text of the amendment and accompanying documents for the RECORD at this point in the debate:

PREVIOUS QUESTION AMENDMENT TEXT—HOUSE RESOLUTION — FOR CONSIDERATION OF H.R. 3820, CAMPAIGN FINANCE REFORM ACT

In lieu of the amendment offered by Representative SOLOMON of New York insert the following:

Strike all after the resolving clause and insert in lieu thereof the following: ''That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) or rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 3820) to amend the Federal Election Campaign Act to reform the financing of Federal election campaigns, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on House Oversight. After general debate the bill shall be considered for amendment under the five-minute rule. At the conclusion of consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit with or without instructions.''

Mr. FROST. Mr. Speaker, at the beginning of this Congress the Republican majority claimed that the House was going to consider bills under an open process.

I would like to point out that 60 percent of the legislation this session has been considered under a restrictive process.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1*	Compliance	H. Res. 6	Closed	None.
H. Res. 6	Opening Day Rules Package	H. Res. 5	Closed	None.
H.R. 5*	Unfunded Mandates	H. Res. 38	Restrictive	N/A.
H.J. Res. 2*	Balanced Budget	H. Res. 44	Restrictive	2R; 4D.
H. Res. 43	Committee Hearings Scheduling	H. Res. 43 (OJ)	Restrictive	N/A.
H.R. 101	To transfer a parcel of land to the Taos Pueblo Indians of New Mexico.	H. Res. 51	Open	N/A.
H.R. 400	To provide for the exchange of lands within Gates of the Arctic National Park Preserve.	H. Res. 52	Open	N/A.
H.R. 440	To provide for the conveyance of lands to certain individuals in Butte County, California.	H. Res. 53	Open	N/A.
H.R. 2*	Line Item Veto	H. Res. 55	Open	N/A.
H.R. 665*	Victim Restitution Act of 1995	H. Res. 61	Open	N/A.
H.R. 666*	Exclusionary Rule Reform Act of 1995	H. Res. 60	Open	N/A.
H.R. 667*	Violent Criminal Incarceration Act of 1995	H. Res. 63	Restrictive	N/A.
H.R. 668*	The Criminal Alien Deportation Improvement Act	H. Res. 69	Open	N/A.
H.R. 728*	Local Government Law Enforcement Block Grants	H. Res. 79	Restrictive	N/A.
H.R. 7*	National Security Revitalization Act	H. Res. 83	Restrictive	N/A.
H.R. 729*	Death Penalty/Habeas	N/A	Restrictive	N/A.
S. 2	Senate Compliance	N/A	Closed	None.
H.R. 831	To Permanently Extend the Health Insurance Deduction for the Self-Employed.	H. Res. 88	Restrictive	1D.
H.R. 830*	The Paperwork Reduction Act	H. Res. 91	Open	N/A.
H.R. 889	Emergency Supplemental/Rescinding Certain Budget Authority	H. Res. 92	Restrictive	1D.
H.R. 450*	Regulatory Moratorium	H. Res. 93	Restrictive	N/A.
H.R. 1022*	Risk Assessment	H. Res. 96	Restrictive	N/A.
H.R. 926*	Regulatory Flexibility	H. Res. 100	Open	N/A.
H.R. 925*	Private Property Protection Act	H. Res. 101	Restrictive	1D.
H.R. 1058*	Securities Litigation Reform Act	H. Res. 105	Restrictive	1D.
H.R. 988*	The Attorney Accountability Act of 1995	H. Res. 104	Restrictive	N/A.
H.R. 956*	Product Liability and Legal Reform Act	H. Res. 109	Restrictive	8D; 7R.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1158	Making Emergency Supplemental Appropriations and Rescissions	H. Res. 115	Restrictive	N/A.
H.J. Res. 73*	Term Limits	H. Res. 116	Restrictive	1D; 3R
H.R. 4*	Welfare Reform	H. Res. 119	Restrictive	5D; 26R.
H.R. 1271*	Family Privacy Act	H. Res. 125	Open	N/A.
H.R. 660*	Housing for Older Persons Act	H. Res. 126	Open	N/A.
H.R. 1215*	The Contract With America Tax Relief Act of 1995	H. Res. 129	Restrictive	1D.
H.R. 483	Medicare Select Extension	H. Res. 130	Restrictive	1D.
H.R. 655	Hydrogen Future Act	H. Res. 136	Open	N/A.
H.R. 1361	Coast Guard Authorization	H. Res. 139	Open	N/A.
H.R. 961	Clean Water Act	H. Res. 140	Open	N/A.
H.R. 535	Corning National Fish Hatchery Conveyance Act	H. Res. 144	Open	N/A.
H.R. 584	Conveyance of the Fairport National Fish Hatchery to the State of Iowa.	H. Res. 145	Open	N/A.
H.R. 614	Conveyance of the New London National Fish Hatchery Production Facility.	H. Res. 146	Open	N/A.
H. Con. Res. 67	Budget Resolution	H. Res. 149	Restrictive	3D; 1R.
H.R. 1561	American Overseas Interests Act of 1995	H. Res. 155	Restrictive	N/A.
H.R. 1530	National Defense Authorization Act; FY 1996	H. Res. 164	Restrictive	36R; 18D; 2 Bipartisan.
H.R. 1817	Military Construction Appropriations; FY 1996	H. Res. 167	Open	N/A.
H.R. 1854	Legislative Branch Appropriations	H. Res. 169	Restrictive	5R; 4D; 2 Bipartisan.
H.R. 1868	Foreign Operations Appropriations	H. Res. 170	Open	N/A.
H.R. 1905	Energy & Water Appropriations	H. Res. 171	Open	N/A.
H.J. Res. 79	Constitutional Amendment to Permit Congress and States to Prohibit the Physical Desecration of the American Flag.	H. Res. 173	Closed	N/A.
H.R. 1944	Recissions Bill	H. Res. 175	Restrictive	N/A.
H.R. 1868 (2nd rule)	Foreign Operations Appropriations	H. Res. 177	Restrictive	N/A.
H.R. 1977 *Rule Defeated*	Interior Appropriations	H. Res. 185	Open	N/A.
H.R. 1977	Interior Appropriations	H. Res. 187	Open	N/A.
H.R. 1976	Agriculture Appropriations	H. Res. 188	Open	N/A.
H.R. 1977 (3rd rule)	Interior Appropriations	H. Res. 189	Restrictive	N/A.
H.R. 2020	Treasury Postal Appropriations	H. Res. 190	Open	N/A.
H.J. Res. 96	Disapproving MFN for China	H. Res. 193	Restrictive	N/A.
H.R. 2002	Transportation Appropriations	H. Res. 194	Open	N/A.
H.R. 70	Exports of Alaskan North Slope Oil	H. Res. 197	Open	N/A.
H.R. 2076	Commerce, Justice Appropriations	H. Res. 198	Open	N/A.
H.R. 2099	VA/HUD Appropriations	H. Res. 201	Open	N/A.
S. 21	Termination of U.S. Arms Embargo on Bosnia	H. Res. 204	Restrictive	1D.
H.R. 2126	Defense Appropriations	H. Res. 205	Open	N/A.
H.R. 1555	Communications Act of 1995	H. Res. 207	Restrictive	2R/3D/3 Bipartisan.
H.R. 2127	Labor/HHS Appropriations Act	H. Res. 208	Open	N/A.
H.R. 1594	Economically Targeted Investments	H. Res. 215	Open	N/A.
H.R. 1655	Intelligence Authorization	H. Res. 216	Restrictive	N/A.
H.R. 1162	Deficit Reduction Lock Box	H. Res. 218	Open	N/A.
H.R. 1670	Federal Acquisition Reform Act of 1995	H. Res. 219	Open	N/A.
H.R. 1617	To Consolidate and Reform Workforce Development and Literacy Programs Act (CAREERS).	H. Res. 222	Open	N/A.
H.R. 2274	National Highway System Designation Act of 1995	H. Res. 224	Open	N/A.
H.R. 927	Cuban Liberty and Democratic Solidarity Act of 1995	H. Res. 225	Restrictive	2R/2D.
H.R. 743	The Teamwork for Employees and Managers Act of 1995	H. Res. 226	Open	N/A.
H.R. 1170	3-Judge Court for Certain Injunctions	H. Res. 227	Open	N/A.
H.R. 1601	International Space Station Authorization Act of 1995	H. Res. 228	Open	N/A.
H.J. Res. 108	Making Continuing Appropriations for FY 1996	H. Res. 230	Closed	.....
H.R. 2405	Omnibus Civilian Science Authorization Act of 1995	H. Res. 234	Open	N/A.
H.R. 2259	To Disapprove Certain Sentencing Guideline Amendments	H. Res. 237	Restrictive	1D.
H.R. 2425	Medicare Preservation Act	H. Res. 238	Restrictive	1D.
H.R. 2492	Legislative Branch Appropriations Bill	H. Res. 239	Restrictive	N/A.
H.R. 2491	7 Year Balanced Budget Reconciliation Social Security Earnings Test Reform.	H. Res. 245	Restrictive	1D.
H. Con. Res. 109				
H.R. 1833	Partial Birth Abortion Ban Act of 1995	H. Res. 251	Closed	N/A.
H.R. 2546	D.C. Appropriations FY 1996	H. Res. 252	Restrictive	N/A.
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 257	Closed	N/A.
H.R. 2586	Temporary Increase in the Statutory Debt Limit	H. Res. 258	Restrictive	5R.
H.R. 2539	ICC Termination	H. Res. 259	Open	.....
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 261	Closed	N/A.
H.R. 2586	Temporary Increase in the Statutory Limit on the Public Debt	H. Res. 262	Closed	N/A.
H. Res. 250	House Gift Rule Reform	H. Res. 268	Closed	2R.
H.R. 2564	Lobbying Disclosure Act of 1995	H. Res. 269	Open	N/A.
H.R. 2606	Prohibition on Funds for Bosnia Deployment	H. Res. 273	Restrictive	N/A.
H.R. 1788	Amtrak Reform and Privatization Act of 1995	H. Res. 289	Open	N/A.
H.R. 1350	Maritime Security Act of 1995	H. Res. 287	Open	N/A.
H.R. 2621	To Protect Federal Trust Funds	H. Res. 293	Closed	N/A.
H.R. 1745	Utah Public Lands Management Act of 1995	H. Res. 303	Open	N/A.
H. Res. 304	Providing for Debate and Consideration of Three Measures Relating to U.S. Troop Deployments in Bosnia.	N/A	Closed	1D; 2R.
H. Res. 309	Revised Budget Resolution	H. Res. 309	Closed	N/A.
H.R. 558	Texas Low-Level Radioactive Waste Disposal Compact Consent Act	H. Res. 313	Open	N/A.
H.R. 2677	The National Parks and National Wildlife Refuge Systems Freedom Act of 1995.	H. Res. 323	Closed	N/A.
	PROCEDURE IN THE 104TH CONGRESS 2D SESSION			
H.R. 1643	To authorize the extension of nondiscriminatory treatment (MFN) to the products of Bulgaria.	H. Res. 334	Closed	N/A.
H.J. Res. 134	Making continuing appropriations/establishing procedures making the transmission of the continuing resolution H.J. Res. 134.	H. Res. 336	Closed	N/A.
H. Con. Res. 131				
H.R. 1358	Conveyance of National Marine Fisheries Service Laboratory at Gloucester, Massachusetts.	H. Res. 338	Closed	N/A.
H.R. 2924	Social Security Guarantee Act	H. Res. 355	Closed	N/A.
H.R. 2854	The Agricultural Market Transition Program	H. Res. 366	Restrictive	5D; 9R; 2 Bipartisan.
H.R. 994	Regulatory Sunset & Review Act of 1995	H. Res. 368	Open rule; Rule tabled	N/A.
H.R. 3021	To Guarantee the Continuing Full Investment of Social Security and Other Federal Funds in Obligations of the United States.	H. Res. 371	Closed rule	N/A.
H.R. 3019	A Further Downpayment Toward a Balanced Budget	H. Res. 372	Restrictive	2D/2R.
H.R. 2703	The Effective Death Penalty and Public Safety Act of 1996	H. Res. 380	Restrictive	6D; 7R; 4 Bipartisan.
H.R. 2202	The Immigration and National Interest Act of 1995	H. Res. 384	Restrictive	12D; 19R; 1 Bipartisan.
H.J. Res. 165	Making further continuing appropriations for FY 1996	H. Res. 386	Closed	N/A.
H.R. 125	The Gun Crime Enforcement and Second Amendment Restoration Act of 1996.	H. Res. 388	Closed	N/A.
H.R. 3136	The Contract With America Advancement Act of 1996	H. Res. 391	Closed	N/A.
H.R. 3103	The Health Coverage Availability and Affordability Act of 1996	H. Res. 392	Restrictive	N/A.
H.J. Res. 159	Tax Limitation Constitutional Amendment	H. Res. 395	Restrictive	1D.
H.R. 842	Truth in Budgeting Act	H. Res. 396	Open	N/A.
H.R. 2715	Paperwork Elimination Act of 1996	H. Res. 409	Open	N/A.
H.R. 1675	National Wildlife Refuge Improvement Act of 1995	H. Res. 410	Open	N/A.
H.J. Res. 175	Further Continuing Appropriations for FY 1996	H. Res. 411	Closed	N/A.
H.R. 2641	United States Marshals Service Improvement Act of 1996	H. Res. 418	Open	N/A.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 2149	The Ocean Shipping Reform Act	H. Res. 419	Open	N/A.
H.R. 2974	To amend the Violent Crime Control and Law Enforcement Act of 1994 to provide enhanced penalties for crimes against elderly and child victims.	H. Res. 421	Open	N/A.
H.R. 3120	To amend Title 18, United States Code, with respect to witness retaliation, witness tampering and jury tampering.	H. Res. 422	Open	N/A.
H.R. 2406	The United States Housing Act of 1996	H. Res. 426	Open	N/A.
H.R. 3322	Omnibus Civilian Science Authorization Act of 1996	H. Res. 427	Open	N/A.
H.R. 3286	The Adoption Promotion and Stability Act of 1996	H. Res. 428	Restrictive	1D; 1R.
H.R. 3230	Defense Authorization Bill FY 1997	H. Res. 430	Restrictive	41 amends; 20D; 17R; 4 bipartisan.
H.R. 3415	Repeal of the 4.3-Cent Increase in Transporation Fuel Taxes	H. Res. 436	Closed	N/A.
H.R. 3259	Intelligence Authorization Act for FY 1997	H. Res. 437	Restrictive	N/A.
H.R. 3144	The Defend America Act	H. Res. 438	Restrictive	1D.
H.R. 3448/H.R. 1227	The Small Business Job Protection Act of 1996, and The Employee Commuting Flexibility Act of 1996.	H. Res. 440	Restrictive	2R.
H.R. 3517	Military Construction Appropriations FY 1997	H. Res. 442	Open	N/A.
H.R. 3540	Foreign Operations Appropriations FY 1997	H. Res. 445	Open	N/A.
H.R. 3562	The Wisconsin Works Waiver Approval Act	H. Res. 446	Restrictive	N/A.
H.R. 2754	Shipbuilding Trade Agreement Act	H. Res. 448	Restrictive	1R.
H.R. 3603	Agriculture Appropriations FY 1997	H. Res. 451	Open	N/A.
H.R. 3610	Defense Appropriations FY 1997	H. Res. 453	Open	N/A.
H.R. 3662	Interior Appropriations FY 1997	H. Res. 455	Open	N/A.
H.R. 3666	VA/HUD Appropriations	H. Res. 456	Open	N/A.
H.R. 3675	Transportation Appropriations FY 1997	H. Res. 460	Open	N/A.
H.J. Res. 182/H.Res 461	Disapproving MFN Status for the Peoples Republic of China	H. Res. 463	Closed	N/A.
H. Con. Res. 192	Making in order a Concurrent Resolution Providing for the Adjournment of the House over the 4th of July district work period.	H. Res 465	Closed	N/A.
H.R. 3755	Labor/HHS Appropriations FY 1997	H. Res. 472	Open	N/A.
H.R. 3754	Legislative Branch Appropriations FY 1997	H. Res. 473	Restrictive	3D; 5R.
H.R. 3396	Defense of Marriage Act	H. Res. 474	Restrictive	2D.
H.R. 3756	Treasury, Postal Appropriations, FY 1997	H. Res. 475	Open	N/A.
H.R. 3814	Commerce, Justice, State Appropriations, FY 1997	H. Res. 479	Open	N/A.
H.R. 3820	Campaign Finance Reform Act of 1996	H. Res. 481	Restrictive	1D.
H.R. 3734	The Personal Responsibility Act of 1996	H. Res. 482	Restrictive	1D; 1R.
H.R. 3816	Energy and Water Appropriations, FY 1997	H. Res. 483	Open	N/A.
H.R. 2391	Working Families Flexibility Act of 1996	H. Res. 488	Restrictive	N/A.

*Contract Bills, 67% restrictive; 33% open. All legislation 1st Session, 53% restrictive; 47% open. *** All legislation 2d Session, 60% restrictive; 40% open. All legislation 104th Congress, 56% restrictive; 44% open. ***** NR indicates that the legislation being considered by the House for amendment has circumvented standard procedure and was never reported from any House committee. PQ Indicates that previous question was ordered on the resolution. Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules as well as completely closed rules and rules providing for consideration in the House as opposed to the Committee of the Whole. This definition of restrictive rule is taken from the Republican chart of resolutions reported from the Rules Committee in the 103d Congress. N/A means not available.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to the rule of H.R. 3820. This bill was originally reported out of the Rules Committee without any recommendation.

H.R. 3820 is a bad bill. Instead of improving the campaign election process, it makes the current situation worse by increasing the amount of money, particularly special interest money, in the system. The average American gives about $200 to a Federal campaign so it is clear that provisions of this bill that increase the caps on donations to candidates and to political parties is designed to favor wealthy individuals and not the average citizen.

H.R. 3820 should be sent back to the House Oversight Committee and the House Economic and Educational Opportunities Committee for further review. I urge my colleagues to vote against the rule on H.R. 3820 and work to pass a real campaign finance reform bill.

Mr. FROST. Mr. Speaker, I yield back the balance of my time.

Mr. SOLOMON. I yield myself such time as I might consume to say, Mr. Speaker, I am a little confused because my good friend, the gentleman from Texas [Mr. FROST] did not offer an amendment in the Committee on Rules to have an open rule. We might have considered that along with all of the other requests. As a matter of fact, I seem to recall that he said that they were going to give us enough votes on the floor to pass this rule to get the bill out of the floor, and that is really why we are here.

I really have not made up my mind how I am going to vote on either the Republican or the Democratic alternative, but the one thing I am going to do, I am going to support the attempt of the gentleman from California [Mr. THOMAS] to try to bring forth a more bipartisan approach on the floor of this House, and that is exactly what my colleagues are going to be voting on when they vote for this rule. They are going to be voting to bring the two bills closer together and give us that kind of an alternative.

So I hope the Members will come over. Whether they are going to vote for the bill or not, I hope they will come over here and support this rule which brings the bill to the floor so that we can have this open and meaningful debate.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the amendment and on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question on the amendment and on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 221, nays 193, not voting 19, as follows:

[Roll No. 361]

YEAS—221

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand

Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Zeliff
Zimmer

NAYS—193

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bilbray
Bishop
Blumenauer
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Holden
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roberts
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Smith (WA)
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—19

Coleman
Collins (IL)
Flake
Forbes
Ford
Hastings (FL)
Hayes
Kaptur
Kasich
Lincoln
Markey
McDade
Pelosi
Peterson (FL)
Rose
Roth
Smith (NJ)
Tanner
Young (FL)

□ 1301

Messrs. JEFFERSON, JOHNSTON of Florida, and ROBERTS changed their vote from ''yea'' to ''nay.''

Messrs. LATHAM, FLANAGAN, HANSEN, BUNN of Oregon, FRISA, and KING, Mrs. ROUKEMA, and Mr. BEREUTER changed their vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. UPTON). The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HOKE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 270, nays 140, not voting 23, as follows:

[Roll No. 362]

YEAS—270

Abercrombie
Ackerman
Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Becerra
Berman
Bevill
Bilirakis
Bishop
Bliley
Blumenauer
Boehner
Bonior
Borski
Brown (CA)
Brown (FL)
Bryant (TN)
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cramer
Crapo
Cremeans
Cubin
Cummings
Danner
de la Garza
Deal
DeLauro
DeLay
Dicks
Dooley
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Flake
Foglietta
Fowler
Frank (MA)
Franks (CT)
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gonzalez
Goodlatte
Gordon
Goss
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Hancock
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Istook
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Jones
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kingston
Kleczka
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Levin
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lofgren
Lowey
Lucas
Maloney
Manzullo
Mascara
Matsui
McCarthy
McCrery
McDermott
McHugh
McInnis
McIntosh
McKeon
McKinney
Meek
Menendez
Meyers
Mica
Millender-McDonald
Miller (FL)
Minge
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Myrick
Nadler
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Olver
Ortiz
Owens
Oxley
Pallone
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Petri
Pombo
Pomeroy
Porter
Pryce
Radanovich
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Rohrabacher
Royce
Rush
Sabo
Salmon
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Sisisky
Skaggs
Slaughter
Smith (MI)
Smith (TX)
Solomon
Souder
Spence
Spratt
Stark
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Torres
Towns
Upton
Vucanovich
Walker
Wamp
Ward
Watts (OK)
Waxman
Weldon (PA)
Weller
Whitfield
Wicker
Williams
Wise
Woolsey
Yates
Zeliff

NAYS—140

Andrews
Baesler
Baldacci
Bass
Bateman
Beilenson
Bentsen
Bereuter
Bilbray
Blute
Boehlert
Bonilla
Boucher
Brewster
Browder
Brown (OH)
Brownback
Bunn
Burton
Chabot
Chapman
Clay
Clyburn
Collins (MI)
Condit
Conyers
Costello
Coyne
Crane
Cunningham
Davis
DeFazio
Dellums
Deutsch
Diaz-Balart
Dickey
Dingell
Dixon
Doggett
Doolittle
English
Ensign
Eshoo
Filner
Flanagan
Foley
Fox
Franks (NJ)
Frelinghuysen
Frisa
Geren
Gibbons
Gillmor
Gilman
Goodling
Graham
Hall (TX)
Hansen
Hefner
Hilliard
Hoke
Holden
Horn
Inglis
Jackson (IL)
Jacobs
Johnson, Sam
Kanjorski
Kaptur
King
Klink
Klug
LaFalce
Lantos
Leach
Lewis (CA)
Lipinski
Livingston
LoBiondo
Longley
Luther
Manton
Martinez
Martini
McCollum
McHale
McNulty
Meehan
Metcalf
Miller (CA)
Mink
Mollohan
Murtha
Myers
Neal
Obey
Orton
Packard
Payne (NJ)
Peterson (MN)
Pickett
Portman
Poshard
Quillen
Quinn
Rahall
Ramstad
Rangel
Roberts
Ros-Lehtinen
Roukema
Roybal-Allard
Sanders
Sanford
Schroeder
Schumer
Serrano
Shays
Skeen
Skelton
Smith (WA)
Stearns
Stenholm
Thompson
Tiahrt
Torkildsen
Traficant
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt (NC)
Weldon (FL)
White
Wilson
Wolf
Wynn
Young (AK)
Zimmer

NOT VOTING—23

Bono
Bryant (TX)
Chrysler
Coleman
Collins (IL)
Cox
Dornan
Forbes
Ford
Hastings (FL)
Hayes
Kasich
Lincoln
Markey
McDade
Peterson (FL)
Rose
Roth
Smith (NJ)
Tanner
Torricelli
Walsh
Young (FL)

□ 1310

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 481 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3820.

□ 1311

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the union for the consideration of the bill (H.R. 3820) to amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns, and for other purposes, with Mr. INGLIS of South Carolina in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. THOMAS] and the gentleman from California [Mr. FAZIO] each will control 30 minutes.

The Chair recognizes the gentleman from California [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, I yield myself 9 minutes.

(Mr. THOMAS asked and was given permission to revise and extend his remarks.)

Mr. THOMAS. Mr. Chairman, this is an important day. There were a number of people who never thought it would come about. The argument that the House simply cannot address reform of its own rules, many said, would lead us not to this day.

Notwithstanding whatever occurred over in the Senate, we have in front of us two reform pieces of legislation with the opportunity for the minority, on the motion to recommit, to offer some variation that they choose to offer.

No one doubts that the job in front of us is a difficult one. As we heard on the rule, there are any number of Members who would like to offer a substitute. As a matter of fact, if we had an open rule, there would probably be 435 different reform procedures, which means everyone could find a home and there would not be a majority to try to bring about change.

What we have here are clearly two different approaches to reform: First of all, let me say that I want to commend the gentleman from California [Mr. FAZIO] and his staff, and I want to commend the majority on our side of the aisle on the Committee on House Oversight and out staff.

Trying to put together a package which meets the various needs of the Members even required an amendment to the rule. I do not think anyone should criticize that process. I think people sent us here to get it right. If it requires adjustments right up to the time that we discuss the bill, it is better to do that than to lock in stone some position which may not afford us an opportunity to move forward.

□ 1315

What we are trying to do today is move forward. I am very pleased that in both bills there are a significant number of common reforms. In the longest and most extensive hearings on campaign finance reform since the law was passed, we heard from a number of different witnesses. No two witnesses stressed the same theme more than the chairman of the Democratic National Committee, Don Fowler, and the chairman of the Republican national committee, Haley Barbour, when they sat side-by-side and talked about the perhaps good intentions of the reformers in the 1970's but the very serious unforeseen consequences of the law over the last 20 years on the question of political parties.

In both bills today, we see very positive reform in the area of political parties, expanded opportunities to participate in the system, fewer restrictions in trying to support the issues and the candidates that the parties put forward. As a matter of fact, one of America's foremost experts on political parties, Professor Larry Sabato, who has also coauthored a book entitled ''Dirty Little Secrets,'' about the way money flows in Washington, said this about our bill, but it extends to a certain extent to the Democrats' provisions about political parties, as well. He says, ''No title is as welcome as strengthening political parties.'' He says, ''The parties are essential, stabilizing institutions in an increasingly chaotic political environment. In our society's self-interest, they deserve to be bolstered in every reasonable way.'' He says, ''I enthusiastically support the provision on party reform.''

Also, I think a number of cynics say that we, since we are incumbents, cannot reform ourselves. I think it is important to note that in both bills, both the Republican and the Democratic bill, we ban leadership PAC's, just 1 day after one of our local newspapers ran an article about how through leadership PAC's Members of Congress are raising significant new, and in fact record, amounts of money. No one can say we are not interested in reform if we are in fact denying this kind of a structure. Banning leadership PAC's is in the Republican bill, and it is in the Democrat bill.

There are additional disclosure requirements, and we will go into some of the differences, but fundamentally both bills tighten up in the area of disclosure. However, Mr. Chairman, there are obviously fundamental differences, and the fundamental differences in the bill center around the way in which the Democrats and the Republicans choose to use government, the role of government and the use of government.

In the minority's bill, they use government to control and limit. In our bill, we use government to empower individuals. For example, in the Farr bill, there are a very confusing set of dollar amounts which are used to determine how one can participate in the political game. One can spend $600,000 in the primary and the general, but you have got to have a set amount from individuals over a set amount of dollars. If in fact you are in a close primary; that is, a primary within 20 points of your opponent, then there are new rules that apply. If you are in a run-off, there are additional rules. It is a very complicated attempt to use government to limit participation in the system.

On the other hand, we have a new approach. It is a novel approach. As a matter of fact, David Broder in The Washington Post said it may point the way to the future. It essentially reverses the traditional definition of reform. It may offer a way out of the maze. The Cleveland Plain Dealer said it comports rather well with political and constitutional realities and it is worth a try.

What we do is empower individuals. We say that the control on the amount of money spent in elections is in the hands of the people back home, local control of campaign finances. A number of our colleagues who have not yet fully appreciated the radicalness of this procedure say there are no limits at all. Pretty obviously when they are used to staying in Washington and raising money, they are not excited about having the people back home determine how much money they can spend. We hear criticisms of the system that we have to spend time in New York or in Dallas or in Hollywood raising money and we are away from our basic job of representing our constituents.

Well, folks, with the new position, the new thinking, the Republican bill, you get to go back home more often than not because you are required to raise a majority of your money back home. If that was a problem under the current system, we have changed it.

A number of folks have said special interest control, that in fact the problem is the corruption or at least the appearance of corruption with special interest money putting in a majority of money in a number of campaigns. Folks, we fix that. A majority of money has to come from individuals who live in the district. We empower the people back home.

In addition, we weaken incumbents by allowing parties to offset the incumbent carryover. This is a relatively radical idea. There have been suggestions to ban carryover, but we are the biggest sharks in the water as soon as the bell rings. What we have said is empower political parties to offset incumbent advantages.

But the biggest and the best device to control incumbents is to tell them they have to go back home and get a majority of money from people who live in the district because in Washington, we have a monopoly on attention. In any other major city, we have a monopoly on attention. When we go back to the district, we have to share our incumbency with the other candidates. We do not have the privilege of exclusivity back home. It is the most radical, the best method of controlling incumbents. When people say we do not have a limit, no, we do not use Government to control, we do not impose a one-size-fits-all limit. What we do do is empower people back home. When a majority of people in your district have

said you have spent enough, you have spent enough. Empowering people back home is a radical, positive change in campaign finance reform.

Mr. Chairman, I reserve the balance of my time.

Mr. FAZIO of California. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, let me begin by indicating that we have enjoyed working with the majority on this issue. It is never easy to deal with the issues of great interests of Members and it is always more difficult to try to set the tone to in fact lead, than to critique. We in the Democratic Party have experienced that for a number of years.

It has become obvious to most Americans that there is far too much money in politics today, giving wealthy special interests far too much influence in the election campaigns and decreasing the voice of every-day working Americans in their own government.

Fearful of the effect of big money in our political system, the Democrats have for years been fighting for changes in the campaign finance laws; however, each time reform legislation has passed this House, it has been ultimately rebuffed, either by President Bush's veto or by more recent series of Republican-led filibusters in the Senate.

Having for so long resisted Democratic efforts to limit campaign spending, the new majority recently offered its plan for changing our political system, and what was that plan of the Republican leadership? Put most plainly, the majority's so-called campaign reform was to vastly increase the role of money in politics by enormously increasing all contribution limits. They sought to ensure that those interests with the greatest wealth would be permitted to contribute even greater sums into the campaign process as if the wealthiest in our society did not already wield enough influence in our politics.

Indeed, under the majority's bill, a single individual could have contributed up to $3.1 million to candidates and political parties; that is, $3.1 million from one person. Put another way, under the Republican proposal initially proposed, a family of four could have contributed nearly $12.5 million per election cycle. It is a breathtaking sum and more than 125 times the amount permitted under current law.

Perhaps this is their version of a family's first agenda, but it is hardly the change the American people are seeking. While the political parties may need strengthening, the majority's bill went to extremes in this regard as well, permitting the party to raise obscene sums of money from special interests that then in turn funnel unlimited, yes, and I mean fully unlimited, amounts of that money back into the campaign system, creating what the New York Times called a new class of super donors. What a very Republican idea that is.

Of course the inevitable result of allowing the political parties to raise and spend unlimited amounts of money is to further centralize political power and political wealth here in Washington, DC. This is hardly returning power to the average voter or reducing the influence of special interests.

But as word got out about what the majority wanted to do, Americans of all sorts were appalled at this effort to increase the influence of the rich and the powerful. Public interest groups, newspaper editorials, concerned Democrats, even some reform-minded Republicans fought to stop this abomination from becoming law, and now thanks to these efforts the Republican leadership has offered an amended version of the bill.

But they still do not get it. There is too much money with too much influence in our political system and regrettably the majority's bill does absolutely nothing to fix the problem.

The Democratic approach to campaign finance reform differs dramatically from the bill put forth by the Republican leadership. Put most plainly, we believe that our political system will not be effectively reformed until the role of big money is reduced and the influence of special interests decline. Our substitute bill is an effort to achieve that goal and to bring some sanity back to our campaign system. Our bill is designed to reduce the cost of campaigns by establishing voluntary spending limits, and the Democratic bill would require candidates to rely much more upon small contributions from those givers who donate $200 or less to campaigns.

Unlike the majority's bill, the Democratic proposal would also reform the soft money system by eliminating virtually all such contributions to political parties. Our approach to campaign finance reform is realistic. It is balanced, and it is achievable. Through these measures, we hope to limit the influence of money in our politics and restore the influence of ordinary working Americans in their government.

Mr. Chairman, I strongly urge all my colleagues to vote against H.R. 3820 and to vote for H.R. 3505, the Democratic substitute.

Mr. Chairman, I reserve the balance of my time.

Mr. THOMAS. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. WAMP], a freshman who has had as much influence in redirecting campaign finance reform as any Member of the House.

Mr. WAMP. Mr. Chairman, I thank the chairman for yielding me the time, but more importantly for his leadership on this issue.

As a member of the Speaker's task force on reform, I have worked with many others tirelessly on this effort for many months. But Chairman THOMAS has been working on this effort for many years. Unlike other senior Members, some other senior Members of this body, he has pursued reform on campaign finance for year after year, and I commend him for this responsibility and balanced approach.

Mr. Chairman, I am 1 of only 22 Members of this body that refuses to accept any PAC money, so I really come to this argument with a desire to eliminate political action committees. As a matter of fact, I testified last week before the Committee on Rules and asked for an amendment that would ban political action committee contributions and force the Supreme Court through expedited review to go ahead now and determine should we ban political action committees or can we constitutionally do so and, if we cannot, then let us set a new limit, but let us go ahead and have the Supreme Court determine as soon as possible.

Obviously, that is not going to be done. That is my preference. But I am a reformer, one who refuses to accept the money, and I will tell you that this bill is reform. It is a step in the right direction. It is certainly not totally comprehensive, it is not perfect. Frankly, no bill that I have seen in the last 2 years is perfect, but this is a step in the right direction because it cuts PAC's, special interest political action committee contributions in half.

□ 1330

That is a step in the right direction: disconnecting so much of their influence. It requires a majority of a Member's money to come from individuals in their home district. Another great step in the right direction. Why? Because some Members take the majority of their money from people outside their district. Some stay here in Washington and raise all their money and do not count on the folks back home to tell them what to do and then follow their instructions.

It also leaves the individual limit. The bill that is on the floor today, not a bill that was floating around before, the bill this majority has brought to the floor leaves the individual limit at a thousand dollars, but it indexes it into the future because it is set for 22 years at $1,000. The cost of money has changed in the last 22 years, so it should be indexed into the future, not retroactively. This bill indexes it prospectively.

It is a commnsense solution, and it is real reform. Every Member of this body should support this reasonable approach that took many months and a roller coaster ride to arrive at.

I want to say this in closing, Mr. Chairman. The gauntlet should go down today. This issue must be addressed early in 1997 by the next Congress, regardless of this fall's elections. For the good of this country, do not put this issue off until the second year in the 105th Congress. Do not put this issue off until late in a cycle. Address it early, address it in a bipartisan way.

We have to do it, and we need to send more Members to this institution that will say no to political action committees from both parties. Let us address this in a bipartisan way.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Chairman, I rise today in strong support of real campaign finance reform. I rise, however, in opposition to the sorry excuse that the Republicans are offering today.

Had it not been for the Democrats, the Republican bill would still allow individuals to contribute up to $3.1 million a year. And while that provision was revised, the Republicans actually increase the influence of soft-money contributions.

The Democratic substitute, on the other hand, reduces this influence and requires a spending limit of $600,000. The Republican bill still allows unlimited campaign spending.

In short, Mr. Chairman, the Democratic substitute offers real reform while the born-again Republican bill increases the role of big money in politics.

Once again, Mr. Chairman, the Republican Party has demonstrated its desire to perfect the art of cash-and-carry government.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER], my good friend and another member of the Committee on House Oversight.

(Mr. HOYER asked and was given permission to revise and extend his remarks.)

Mr. HOYER. Mr. Chairman, I thank the ranking member for yielding me this time.

Mr. Chairman, I rise in strong opposition to this bill. Since the President and Speaker GINGRICH shook hands, the American people have been expecting progress on campaign finance reform. The public will be bitterly disappointed if this bill passes, even with the improvements made by the rule, because it fails it fails, it fails to deliver true reform.

Mr. Chairman, I want to focus on an issue which the chairman speaks to, empowering the people of my district. I tell my friend from California, I presume, like me, 100 percent of those who will elect me live in my district. They are empowered. They have the right to make a decision. But I, like the gentleman from California, am very cognizant of the demographics of my district and every district in America and the spread between Republicans and Democrats.

We do not have to have a very expensive poll or focus group to find out that the wealthier folks in most districts in America tend to be Republicans. Not absolutely. And, in fact, from my perspective, I have raised to this point in time much more in district, both in terms of percentage of givers—over 50 percent of the givers—and in percentage of money, than my opponent has in my district. So this will not adversely affect me.

I say to my friend, if one wanted to be cynical, one would say, if we were going to devise a system that advantages the wealthy and the powerful in America, then limit fund raising in districts so that the wealthy and powerful in every district will have the advantage. I say to my friends, that this is not reform, this is elitism disguised as reform.

Mr. THOMAS. Mr. Chairman, I yield myself 1 minute.

What we just heard was an example of a failure to really understand how radical this new idea is, because the gentleman failed to make one particular connection, and that is the end in politics are votes, not money. Money is the name of the means. If in fact we are in the district talking to people, we are in fact going toward the end. If we are in New York, outside our district, that is the means: money. If we are in Hollywood, that is the means: money. When we are in our district, we are working toward the end. Time is money.

It is a radical change. It will take time for some Members, who are so focused on money, to appreciate that we can actually get elected without it. It is called hard work. It is called organization. It is time we put the common man back in the picture working to elect someone without looking at dollars. Majority in district empowers people, not big bucks.

Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HOEKSTRA], the chairman of the reform task force.

Mr. HOEKSTRA. Mr. Chairman, I thank my colleague from California for yielding me this time and compliment him on the fantastic work he has done to bring this bill to the floor.

As a Member of Congress and someone who got out and spent somewhere in the neighborhood of 15 to 1 or 20 to 1 in my first election in a primary, I come to this debate with a different background than many of my colleagues. Also serving in my second term, I think it is important for us to take a look at the way things used to be in the House of Representatives.

Let us talk about that, It took the new majority to apply all laws that apply to the private sector and make them apply to Congress. It was the new majority that took the bold step that banned gifts. It was the new majority that conducted the first-ever audit of House finances. It was the new majority that passed comprehensive lobby reform. It was the new majority that held the first ever vote on term limits for Members of Congress. It was the new majority that passed a balanced budget amendment to the Constitution. We set term limits for the Speaker. We set term limits for committee chairs.

So for the record, as we go through this debate today, we do not need lectures from the other side of the aisle on reform. We have spent the last 18 months cleaning up after them.

As for some of the other participants that have been critical of this effort at reform, Common Cause, it is interesting. They created the current campaign finance system. Now they want to experiment with public funding, more big government, more big bureaucracy, moving decision-making away from the people and moving it to Washington. Their proposal is based on the myth of the magical Washington bureaucracy. We do not need lectures on how to reform a broken campaign finance system from the same group that gave us this system in the first place.

This is a solid campaign finance bill. It has been a frustrating process. It has been a tough process. As we have watched through the debate, it is much easier to demagog this process than it is to get something done, but we have gotten things done. We have moved decisionmaking back to the people in the district. We have reduced the influence of political action committees. We have put in measures to help those challengers who are running against well-entrenched incumbents. We have put in measures to address those candidates who are running millionaire campaign financed issues. This is real progress. This is change from the way that Washington has been doing business.

Republicans are bringing this forward. Republicans are bringing forward this change. We are continuing the process that we have been working on for 18 months. This is really one step in a long process that we are going to continue.

Mr. FAZIO of California. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Chairman, I want to thank the ranking member for yielding me this time. As I indicated on the rule, I regret we are not afforded an opportunity for more bipartisanship in presenting campaign finance reform. But the Republican bill, to me, moves backward and should be rejected by this House.

We looked at the objective of campaign finance reform, and what our primary objective should be is to reduce the cost of campaigns. Between 1980 and 1994, we have seen a doubling of the cost of campaigns in House races. The average winning seat went from $178,000 to $530,000. In 1980, 28 candidates spent over $500,000. By 1994 that number grew to 272 candidates. In 1980, two candidates spent over $1 million in their races. By 1994, that grew to over 45 races of over $1 million.

So one of our primary objectives should be to reduce the cost of campaigns and the need to raise special interest funds. The Republican bill moves in the opposite direction. It moves toward spending more money in campaigns. There is no voluntary campaign limit at all in the Republican bill. It continues and expands the use of soft money.

Now, soft money can come from corporate sources, can come from large, wealthy donors. It goes to our political parties. This bill, the Republican bill, makes it easier for those funds to end up influencing our individual campaigns by relaxing the restrictions on

the use of soft money. We should be moving in the opposite direction.

That is why Common Cause said that any Member, and I am quoting, any Member of Congress that votes for H.R. 3820 is giving a personal blessing and a personal stamp of approval to the corrupt soft money system.

The gentleman from California [Mr. THOMAS], my friend, indicates this is empowering the people within our district because we encourage contributions from our district. But Mr. THOMAS did not explain that there are many loopholes to that use of local money. We do not count the person's individual contribution. We do not count the political party's contribution.

We are seeing more and more parties from outside of our State contributing to our local congressional campaigns. Those funds are not counted as far as local funds are concerned. So it is not empowering the people in our district.

Also a wealthy person who contributes a thousand is treated the same as someone who does not. And again that is why Common Cause in its reason for opposing this bill said that any Member of Congress who votes for H.R. 3820 is speaking out for more access and influence in the political system for the wealthiest people in America and less for average American wage earners.

Make no mistake about it, look at all of the public interest of outside public groups that are opposing this bill: Common Cause, Public Citizen, U.S. PIRG, League of Women Voters. There is reason for that. We have an alternative. Vote for the Democratic substitute offered by the gentleman from California [Mr. FARR]. It will give us true campaign reform.

Mr. FAZIO of California. Mr. Chairman, I yield 2½ minutes to the gentleman from California [Mr. MARTINEZ], a member of the Committee on Economic and Educational Opportunities.

(Mr. MARTINEZ asked and was given permission to revise and extend his remarks.)

Mr. MARTINEZ. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to H.R. 3820, campaign finance reform legislation. Not because I'm against campaign finance reform, but because this is not reform.

The thrust of any reform must be to return the political process to the people on the local level, taking it out of the hands of special interests. The bill the majority is offering does not do that.

Mr. Chairman, in my humble opinion, it is merely a half-hearted attempt by the leadership to fulfill a promise to its Members that this issue would be brought before the House.

But, Mr. Chairman, to me what is even more objectionable about this legislation is the fact that yet another measure, which has seen very little committee action, is coming before this body.

Mr. Chairman, the so-called Worker Right to Know Act, which seeks to limit the access of a particular group of Americans to the political process, has been attached to this bill, adding another reason for the President to veto it.

Mr. Chairman, the so-called Worker Right to Know Act was never marked up by the Employer-Employee Relations Subcommittee nor the full Committee on Economic and Educational Opportunities to which it was referred.

And yet it is here. It doesn't surprise us. It's par for the course for the 104th Congress—as irrelevant as authorizing has become, the next step will be abolishment. Maybe that's appropriate since we move bills to the floor without markup.

Mr. Chairman, moving this bill into the Campaign Reform Act, after two hearings that in my opinion revealed that the legislation is not justified, is simply a political effort to attack a group they disagree with. In defense of it, one of my colleagues suggests that it is to enforce the Beck decision. Mr. Chairman, this Department of Labor has been enforcing the Beck decision. But regardless of that, Mr. Chairman, Members on the other side of the aisle have become so worried about the increased effort of organized labor to educate Americans about the antiworker, antifamily, antichild 104th Congress that through this so-called Worker Protection Act, they are seeking to stifle that effort.

Mr. Chairman, this is not the way to practice democracy.

Mr. Chairman, we all know that protections already exist for workers.

Workers can object to the use of their union dues for purposes other than bargaining, they can request a refund of the portion of their dues that are spent on these activities, and file a complaint with the National Labor Relations Board if they disagree with the amount that is returned to them.

In contrast to that, the outrage of some Members about the AFL–CIO's mobilization is almost comical when you consider that the AFL will still be far outspent by the Republicans' business allies.

In fact, the National Association of Manufacturers, in a recent newsletter, solicited donations from its members for a similar voter education effort being orchestrated by a business affiliation known as the coalition.

The NAM has gone so far as to propose that each business member donate what would amount to $1.80 per employee to present the other side. And Mr. Chairman, despite the fact that corporate expenditures on the political process greatly exceed those of organized labor, no one bothers to address the fact that corporations regularly use stockholder money for political purposes with which those investors may disagree. Yet I see no one offering legislation to force corporations to disclose to the stockholder their political expenditures. This legislation itself—as a whole—is so objectionable that it must have been drafted to guarantee its defeat.

I urge my colleagues to vote against the legislation.

□ 1345

Mr. THOMAS. Mr. Chairman, I yield 3 minutes and 30 seconds to the gentleman from Ohio [Mr. BOEHNER], chairman of the Republican Conference, a member of the Committee on Government Reform and Oversight.

Mr. BOEHNER. Mr. Chairman, I thank my colleague, the gentleman from California [Mr. THOMAS], for granting me the time and for his work on this very important legislation.

I also would like to congratulate my colleagues on both sides of the aisle on the Committee on House Oversight, who have spent an awful lot of time putting this together, and my colleagues on the Committee on Economic and Educational Opportunities, who have a section of this bill.

One thing that we have all learned over the last couple of years is that the 435 Members of the House each has their own idea about how to change the campaign finance system we have in America. One of the most difficult things that I have seen in the 5½ years that I have been here is the difficulty that leadership has had on each side of the aisle in trying to bring enough consensus around any kind of a bill and bring it to this floor and to get it passed.

I think that the bill that Mr. THOMAS and our committee brings to the floor today is a sincere, honest attempt at trying to reform the system, albeit in a different way than the Washington establishment has wanted to do for some time.

Yes, it is true, we do not have more bureaucracy. We do not have phony limits. We do not try to create a bureaucracy to try to control campaign spending from here in Washington. Our version says, let us let the people in each district around America decide because by requiring Members and candidates to raise half of their money for a campaign from their own congressional district, it is their contributors, their constituents who will determine in effect how much money is spent in those campaigns.

The fact that it reduces the influence of PAC's by cutting the maximum PAC contribution in half, I think, further allows the people of these local districts to make the decision about how much is going to be spent there.

But there is another very important part of this bill. That is, the last section that is the worker's right to know. What we are trying to do here is empower workers in America to have more control. Over what? Over their hard-earned money that they pay to unions around this country.

There is not an American that has not seen some radical ad being sponsored by the AFL–CIO and others attacking freshmen and Republican

Members. They have been all over the country. They are going to spend, according to a professor who came and gave testimony in our committee, $300 to $400 million in this cycle trying to influence elections. Yet all of the money virtually is being spent on one side of the political aisle. It is not on the Republican side.

Forty percent of union members around America vote for Republican candidates. This money, their money is being spent against their will. We believe that what we ought to do is to empower those workers by doing just two simple things: Requiring unions to tell their employers just how much of their union dues is actually used for representational costs. So it requires the unions to tell their Members just how much of their dues are used for representational costs.

The second thing that this section of the bill does, very simply, is to empower the worker to decide whether any money that he pays in dues, he or she pays in dues over the representational costs, can be used for other political activities.

Now, at a time when we are trying to do more to empower workers, to encourage teamwork in America, I think this is a very modest proposal to help working men and working women in terms of using their hard-earned money for the purposes that they see fit.

The CHAIRMAN. The Chair would advise the Members that the gentleman from California [Mr. THOMAS] has 10¾ minutes remaining, and the gentleman from California [Mr. FAZIO] has 16½ minutes remaining.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I rise in opposition to the phony campaign finance reform that is represented by the Thomas bill. The campaign finance reform bill offered by the Republican majority continues a pattern that goes back to their earliest days of running this House. Promises made and promises broken. They promised real reform in Washington, but instead they offer legislation to make a bad system worse.

The GOP legislation does nothing to limit campaign spending in congressional raises. Elections will continue to be contests of bank accounts and not of ideas. Public Citizen, Common Cause, other public interest groups have called the Thomas bill a fraud.

Business Week magazine, not exactly a liberal publication, commented on freshman Republicans earlier this year. They said, and I quote, although they stormed Capitol Hill promising to shake up the political establishment, the Republican class of 1994 has embraced one time-honored Washington tradition all too well, shaking the special money interest tree.

The American people truly want an end to business as usual in Washington. They deserve real reform of our campaign system. We have an opportunity to pass an honest campaign finance reform bill today, a bill that will enhance the ability of average Americans to participate in the electoral process and diminish the influence of special interests.

The Democratic alternative gives us the chance to pass real reform to limit the influence of big money. It limits spending for each congressional campaign to $600,000. It limits PAC contributions. It limits total contributions from large donors. It limits each candidate's use of personal money. It eliminates soft money.

These limits are reasonable, and they are, in fact, long overdue.

Mr. Chairman, I call on my colleagues to defeat the Gingrich-Thomas big-money bill and vote for the Farr Democratic substitute.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I thank my friend for yielding the time.

This bill should not be called the campaign finance reform bill. I have some better names for it. It should be called the wealthy country club set control of American politics bill. How about the fat cat influence on American politics bill? How about the rich and incumbent protection Republican campaign bill? That is all this is doing. This is giving special interests an even larger say in campaigns. But at least our Republican friends are consistent.

They have spent the past 2 years trying to decimate Medicare and give huge tax breaks for the rich. This is just a continuation of that pattern. Let us continue to give breaks for the rich. Let them control politics. Let them have more influence in politics.

Speaker GINGRICH said, there is not enough money in politics right now. We ought to have more money in politics. This is exactly the opposite direction that we ought to be going toward.

The Republican bill imposes no limits on how much can be spent in a campaign, allowing the influence of special interest money to continue to dominate the political system. The Republican bill increases the importance of soft money in campaigns; thereby increasing the role of special interests in their party.

The Republican bill imposes huge costs and administrative burdens on labor unions; again, a consistent Republican pattern these past 2 years of punishing working men and women in this country, punishing labor unions for speaking out, for daring to speak out against the Republican extremist agenda.

This is a highly partisan bill which is designed to create an unfair advantage to the Republican Party and their wealthy donors. The only way we can have real campaign finance reform in this Congress or any Congress is to have a bipartisan bill. We ought to do that.

The Democratic bill attempts to limit big money. It attempts to put the amount of money that a candidate can spend on a campaign to have a cap. This is the only way we are going to eliminate special interests.

The big problem to our democracy, in my opinion, is that it costs so much to run a campaign, only the very wealthy can run campaigns. Is this what we want in this country, where the very wealthy can control campaigns and run?

This goes in the wrong direction. The Republican bill ought to be defeated.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. CALVERT].

Mr. CALVERT. Mr. Chairman, I would like to thank my good friend from California for shepherding this important piece of legislation through the House.

In the last Congress I was privileged to be a member of the Task Force on Campaign Finance Reform.

One provision I fought for in particular was that 51 percent of total contributions come from within a candidate's congressional district.

This creates stronger ties to a Member's constituents and will help reduce the influence of narrow special interests. No longer will this House operate under the image that we are beholden to PAC's or individuals based thousands of miles from the people we represent.

In my past two elections I have promised to raise a majority of my money from within my district. Indeed, I have raised an average of over 60 percent of my funds from the people of the 43d District of California.

Not only does this indicate my support from my constituents, but more importantly it allows me to better represent their views.

They are the citizens who have made my congressional career possible. They are the people whom I represent.

Mr. FAZIO of California. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. MEEHAN], a real leader in our caucus on campaign finance reform and a leader of the bipartisan effort.

(Mr. MEEHAN asked and was given permission to revise and extend his remarks.)

Mr. MEEHAN. Mr. Chairman, you have to sit back and ask yourself, why in the world would the Republican Party submit this kind of proposal. It has been condemned by every public interest group that has been fighting for campaign finance reform in America.

Condemned by Common Cause, condemned by Public Citizen, United We Stand, every group in America who is trying to change the way Congress does business through reforming the campaign finance laws is against this proposal. Why in the world would they come forward with such a proposal that they may not even get the votes for?

Well, it comes right from the top. That is where it comes from. Because

when the Speaker of the House, if you look at this chart, NEWT GINGRICH, testified before the House Committee on Government Reform and Oversight on November 2, he made the preposterous statement that, One of the greatest myths of modern politics is that campaigns are too expensive. The political process in fact is underfunded. It is not overfunded.

That is what the top, the Speaker, said. When he was asked to testify on how to reform a system that everyone agrees needs to be reformed, a system that everyone agrees there is too much money involved, that is what the Speaker said.

□ 1400

So what happened after that? The Speaker got together with Republican leadership, and they came in with a proposal that increases the influence of special interest money. Americans who have been fighting for campaign finance reform all over this country recognize this bill for what it is, and that is a sham. It is nothing but a sham.

Now why in the world would Republicans go along with a bill that codifies the soft money loophole in the Federal election law? This legislation will allow special interests to continue setting the Republican agenda without restriction, and all we have to do is look at the headlines across this country under this Congress. Last year the Republicans raised more than $33 million in unrelated soft money contributions; 82 percent of these contributions came from businesses, 17 percent came from individuals, and less than 1 percent came from labor unions and single donors.

Now who are at the top of the Republican donors by industry? It should be a surprise to no one that the tobacco companies, big tobacco, donated a whopping $2.4 million in 1995; securities and investments, insurance, gas, the pharmaceuticals, the telephone utilities, telecommunications reform; all of them rank within the top 10 of donors to the Republican Party.

This should not be a surprise as to why we have a bill that increases the influence that these special interests will pay. They will pay, and they will play, due to the increase in money because they are the ones. The Republicans are setting the agenda.

Now two of the top individual contributors to the Republican Party: Philip Morris and R.J. Nabisco. No wonder the Republicans are adamantly opposed to regulating tobacco companies.

This bill is a sham.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. PORTMAN].

(Mr. PORTMAN asked and was given permission to revise and extend his remarks.)

Mr. PORTMAN. Mr. Chairman, I thank the gentleman from California for the time.

Mr. Chairman, I have to tell my colleagues it is tough as incumbents to change the rules that affect us. That is why campaign finance reform is always a hard thing to do. It is also tough because it is complicated; we have unintended consequences, as we did after the 1974 post-Watergate reforms. We now have PAC's that I think are more of a problem than a solution.

But the gentleman from California [Mr. THOMAS] has done a good job. He has taken a very tough problem, and he is tried to make a difference, and he has, and I commend him for it. I hear my colleagues going on and on about how terrible this bill is, and how it does not help this and does not help that.

As my colleagues know, I do not take PAC money. I raised almost all the money in my district. This is not perfect. I would like to see a total PAC ban. This is a great step forward. That is the point. We make incremental steps around here. Maybe next year we will do even better.

What is good about this bill? It bans leadership PAC's. Who is not for banning leadership PAC's, raise their hand. I mean over there. It is a good thing. It is a good thing we are doing. It eliminates bundling by PAC's and lobbyists. It requires candidates to raise a majority of funds in their own districts.

I heard someone earlier saying that is not a good provision. I am not sure why they said it. I mean that is true for everybody. It is going to be true for every candidate. They have to raise the majority of funds in their own districts so their own voters, not the special interests, the people who they are really accountable to, their voters, have more of a say.

Political parties, look at this chart. Despite what the last speaker said, it turns out that the chairman of the Democratic Party also feels that the great organizers of democracy, our political parties, ought to play a bigger role.

They can scream they are the people in this country who do not have a special interest. They have a political interest which is the party's, Republican and Democrat. And yes, we should increase, I think, and strengthen their role in the political process and get this special interest influence that is undue, that is too great, out of the process.

So I do not know what the last speaker was talking about. He should talk to his own chairman of the Democrat National Party, who seems to agree with us on this.

Finally, it does something incredible about the war chest that people can build up, the insurance policy, essentially roll over year to year. It actually discourages people from building up these war chests. That is anti-incumbent. I think there are two major purposes to campaign finance reform, cutting down on the special interests influences, first; and second, taking away the tremendous advantage that incumbents have, and that is precisely what this legislation does.

Again it is a tremendous first step, and I support it. I will say I would like to see a total PAC ban. I think we are not really going to get to the root of the problem in terms of special interests until we have a total ban. But at least we take 50 percent of the PAC money away.

More than half the money now in House elections is PAC money. It goes mostly to incumbents, of course. It is a problem in a system. We take it away, 50 percent of it away. That is a vast improvement of the current system.

I would urge my colleagues to support this legislation.

Mr. Chairman, I rise today in support of the Thomas bill, a bill that represents a good—and long overdue—first step in giving our elections back to the voters. The bill we are considering on the House floor today takes some very important steps toward reducing the advantages enjoyed by incumbents and the undue influence of special interests.

This bill bans leadership PAC's; eliminates bundling by PAC's and lobbyists; requires candidates to raise a majority of their campaign funds from their own district; and bans non-Federal money from Federal elections. These are all positive steps. I am also pleased that the Solomon amendment codifies the worker right-to-know provisions that were set forth in the recent U.S. Supreme Court decision in Beck. I also agree with the provisions of he new bill that would strengthen political parties. These measures will increase accountability to the voters and make elections a better representation of the people they serve.

Although this bill is a good first step, I am disappointed that it does not ban PAC's. The new bill keeps the individual limit a $1,000 and reduces the PAC limit to $2,500. Adjusting the contribution limits, in my view, is mere tinkering at the edges.

I believe that the only way to reduce both the advantages of incumbents and the undue influence of special interests is to ban Political Action Committees [PAC's].

In my view, it is wrong for corporations, labor unions, or trade associations to use money that would be an illegal contribution if made directly to the campaign for fundraising or administrative subsidies to their PAC's. I believe banning those subsidies or PAC's that receive those subsidies would clearly stand up to any constitutional test. At the very least, we should ban these so-called connected PAC's, which constitute a majority of PAC contributions.

Some have said that a ban on PAC's may be unconstitutional, citing the 1976 Supreme Court case Buckley versus Valeo, which upheld the Federal Election Campaign Act's limitations on contributions. Three points of clarification. First, the Court has never directly considered the issue of whether a PAC ban would be unconstitutional. In fact, there is helpful language in the opinion that says that limits on contributions are reasonable if they stem actual or apparent corruption. Second, there are other forms of association that are recognized under the Federal Election Campaign Act—for example, partnerships. If an individual gives money to a partnership, and the partnership in turn donates the money to candidates, that individual's contribution is attributed to the individual.

This is not the case with PAC contributions. Individuals can give to PAC's and that amount

is not attributed back to them for purposes of their own contribution limits. In essence, I do not believe there is a constitutional right to give an enhanced contribution merely because one affiliates.

For these reasons and the obvious fact that the makeup of the Supreme Court has changed in the 19 years since the Buckley decision, I think it is not at all clear that a total ban on PAC's would be found unconstitutional.

We are all aware of the tremendous growth of PAC's, both in number—from 608 in 1974 to almost 4,000 in 1995—and in influence—PAC contributions now account for more than half of the money in the typical House race.

PAC's also contribute substantially to the advantages incumbents enjoy. According to the Federal Election Commission [FEC], in recent years more than 70 percent of PAC contributions have gone to incumbents. In my own State of Ohio, PAC's supported incumbents over challengers by a margin of 10 to 1 during the past election cycle.

Mr. Chairman, this is a good bill—and I commend Chairman THOMAS on his leadership—but it is just the first step. I hope the next phase of campaign finance reform will ban PAC's altogether—an important step that will make elections more competitive, more fair, and a better reflection of the wishes of our citizens.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. FARR].

Mr. FARR of California. Mr. Chairman, I ask my colleagues here on the floor to think about what is going on today, ask themselves what exactly is reform. Less money is certainly reform. More power to small contributors is certainly reform. Preventing rich people from buying public office is certainly reform. Eliminating soft money is certainly reform. Leveling the playing field is certainly reform. Limiting special influence in campaigns is special reform.

Let me tell my colleagues what the President says about this: He says,

> Unfortunately the Republican leadership in the House appears determined to block any legitimate reform. The Republican leadership's bill, unlike your own legislation, would drive campaign financing in the wrong direction. Your bill would control campaign spending. The Republican bill would encourage dramatic increases in spending. Your bill reforms the soft money system. The Republican bill would place a premium on soft money contributions from the very wealthy.

I would like, Mr. Chairman, to enter this letter in the RECORD:

THE WHITE HOUSE,
Washington, July 16, 1996.

Hon. SAM FARR,
House of Representatives,
Washington, DC.

DEAR SAM: I want to commend you for the leadership you have demonstrated on a matter of major concern to the American people—campaign finance reform. The legislation you introduced in the House of Representatives, HR 3505, embodies principles that I believe are key to real campaign finance reform—effective spending limits, soft money reform, PAC reform, and less costly access to our nation's airwaves for political discourse.

Your bill would reduce the influence of the special interests and the wealthy few in the outcome of congressional elections. In addition, HR 3505 would put a check on the out of control spending that plagues the current system.

Although the Senate's recent failure to act on a bipartisan campaign reform bill was a terrible disappointment to the American people, the fight for reform did not end with the Senate's vote. The House of Representatives now has the opportunity to enact real campaign finance reform.

Unfortunately, the Republican leadership in the House appears determined to block any legitimate reform. The Republican leadership's bill, unlike your own legislation, would drive campaign financing in the wrong direction. Your bill would control campaign spending; the Republican bill would encourage dramatic increases in spending. Your bill reforms the soft money system; the Republican bill would place a premium on soft money contributions from the very wealthy.

I remain committed to making true campaign finance reform a reality and look forward to working with you and other members of the House in a renewed effort to attain meaningful campaign finance reform.

Sincerely,

BILL.

Mr. Chairman, I reserve the balance of my time.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. BALLENGER], who has worked actively on that portion of the bill which empowers the rank-and-file in the labor union movement.

(Mr. BALLENGER asked and was given permission to revise and extend his remarks.)

Mr. BALLENGER. Mr. Chairman, I want to talk about the ultimate in special interest money and soft money. Much has been written in the press about the partisan politics surrounding the issue of mandatory union dues. And to be sure, there is a political aspect to this issue as there is to virtually every issue we deal with here in Congress.

But, as the House considers the Worker Right to Know Act, which is included in this campaign finance reform bill, I believe it is important our colleagues understand that this issue involves a good deal more than partisan politics. It is not just about Democrats versus Republicans or labor versus management. And, it is not about union-bashing. When we get right down to it, this is an issue about basic fairness.

For instance, is it fair that any union member should automatically have money deducted from his or her paycheck to pay for political candidates or causes with which they do not agree? Is it fair that a union member should have to battle his or her union in order to object to the union's spending of dues for political purposes? And, if he or she does object, is it fair that a union member be subjected to harassment from the union, or worse, the threat of losing his or her job? And, finally, is it fair that a union member should have to resign from his or her union and give up all rights to participate in important workplace matters, simply because he or she does not agree with union politics? I certainly do not think so, Mr. Chairman, and I would hope and expect that our colleagues on both sides of the aisle would feel the same way.

The fact is that many unions are spending their members' dues on social and political causes that are not supported by the rank and file. Moreover, a number of hurdles are placed in front of employees who want to object to such expenditures. The Worker Right to Know Act would simply require unions ask their members for permission before spending their dues on those social or political causes. Is this too much to ask?

So, as we debate this issue, Mr. Chairman, we must take care that it does not get totally lost in the rancor of partisan politics. We must not lose sight of the fact that it is an issue affecting the wages of working men and women, and that more than anything else, it is an issue of basic fairness.

The Worker Right to Know Act would accord American workers with this basic right and I urge my colleagues to support this bill.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. ESHOO].

Ms. ESHOO. Mr. Chairman, I rise today in opposition to the campaign finance legislation being offered by the Republican leadership and in favor of the American Political Reform Act introduced by the gentleman from California [Mr. FARR].

Americans across the political spectrum have raised their voices in favor of real campaign finance reform, and I want to underscore that word, real campaign finance reform, and every major reform organization in America has spoken out against this Republican bill. Yet the Republican leadership is offering legislation that would actually turn the hands of the clock back on reform by restoring big money abuses that made Watergate a household word.

The Republican leadership bill imposes no spending limits on campaigns, increases the amount of money individuals can give to candidates, and opens the door to bigger and bigger contributions to parties, PAC's and politicians.

This is not reform. It only has a rubber stamp that someone found that stamped the page ''reform.'' It is not reform.

I urge my colleagues to vote for the best and the only campaign finance reform bill being offered today, the American Political Reform Act, and I hope all my colleagues will on a bipartisan basis so we can prove to the American people that we can move along and reform the system.

Mr. FAZIO of California. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, the gentleman from Ohio [Mr. PORTMAN] pointed out that the chairman of the Democratic National Committee had urged that there be no limit on what a campaign committee could give to a candidate and that was originally the position of Mr. Barbour, and until the bill was amended here on the floor today, that was the position of the majority.

I think cooler heads on the Republican side have now prevailed and an amendment providing new limits is now in place as the American people would want them to be, and in case there is any confusion about where the gentleman from South Carolina, Mr. Fowler, is on this issue, I would now like to include for the RECORD a stinging critique of this legislation:

DEMOCRATIC NATIONAL COMMITTEE,
Washington, DC, July 23, 1996.

Hon. VIC FAZIO,
Ranking Minority Member, Committee on House Oversight, Longworth HOB, Washington, DC.

DEAR CONGRESSMAN FAZIO: I am writing to protest in the strongest possible terms the misuse, by Congressman Bill Thomas, of excerpts from my testimony before the Committee on House Oversight last December. To suggest that I in any way endorse any element of the Gingrich/House Republicans' campaign finance reform bill (H.R. 3760) is a false, deliberate attempt to mislead and confuse the debate.

As I stated in my testimony before the Committee, and again before the Senate Rules Committee on April 17, 1996, there are some principles that I believe should guide the Congress in formulating campaign finance reform legislation. As the President has articulated, real campaign finance reform must limit campaign spending; restrict the role of special interests; open up the airwaves to qualifying candidates; and ban the use of soft money in federal campaigns.

The Gingrich/Republican bill utterly fails to meet any of these requirements. To the contrary, it would clearly make the problem far worse. the Gingrich/Republican bill would—

Do nothing whatsoever to cap or reduce total campaign spending.

Increase the role of special interests, by allowing wealthy individuals to contribute more than ten times the current limit to federal campaigns and the federal accounts of political parties in a single cycle. Indeed, under the Gingrich bill, a single individual could contribute more than $3.1 million to all campaigns and parties, in a single election cycle.

Do nothing whatever to increase access of candidates to the airwaves.

Allow political party committees to continue to receive unlimited soft money.

In that connection, Congressman Thomas's #4 ''Dear Colleague'' represents a particularly twisted distortion. I certainly support some expansion of the grassroots volunteer activities, but that has absolutely nothing to do with continuing to allow soft money—which we oppose and have consistently opposed.

Under current law, to the extent these grassroots activities benefit federal candidates, they must be paid for with federally-permissible funds (hard money). It has been our consistent position, as I stated in my testimony both before the Committee on House Oversight and the Senate Rules Committee, that real reform requires that both generic and mixed activity—in other words, any activity benefitting a federal candidate—be paid for entirely with federally-permissible funds (''hard money''). That would be the case both under the McCain-Feingold bill and the House Democratic bill.

By limiting the influence of special interest groups, the McCain-Feingold and House Democratic bills would increase the relative importance of the political parties in our system. Further, with spending caps imposed on candidates, candidates would require less total contributions than they do now, and more federally permissible funds would be freed to be contributed to the parties. Party resources spent on candidates—both under the section 441a(d) limits and the volunteer grassroots activities—would represent a greater portion of the candidates' total resources. Thus parties would become more significant players in our system.

By contrast, under the Gingrich/Republican bill, total contributions by wealthy individuals to campaigns would increase by enormous amounts, while the amounts parties could contribute to or expend on behalf of candidates would not increase by nearly the same proportion. Thus parties would play a less significant role, under the Gingrich/Republican bill.

Finally, Congressman Thomas has completely distorted the position of the DNC in its amicus brief filed with the U.S. Supreme Court in the Colorado Republican case. Under current law, a membership organization's communication with the public is subject to the federal campaign finance law only when it ''expressly advocates'' the election or defeat of a candidate, and we believe that standard should apply in determining when expenditure limits apply to the communications of political parties. The question is the definition of ''express advocacy.'' In our brief filed with the U.S. Court of Appeals for the Fourth Circuit in the Christian Action Network case, the DNC urged the Court to reject the definition adopted by the House Republicans and instead adopt the broader definition used by the Federal Election Commission.

In short, there should be no confusion about the fact that the Gingrich/Republican bill is a sham which would make the current system much worse. By no meaningful measure can this bill be called ''reform.'' It goes without saying that nothing I have ever said can or should be construed as an endorsement of any part of this bill. We urge the Congress of the United States to reject the Gingrich/Republican bill.

Sincerely yours,

DONALD L. FOWLER,
National Chairman.

Mr. THOMAS. Mr. Chairman, I yield myself 30 seconds.

In addition to the statement in front of the committee by the chairman of the Democratic National Committee about having no limits, which we finally decided was not as wise as we thought it was initially, this is another quote. He said on December 12 in front of the committee: ''I do believe that the contributions from individuals should be increased. If you asked me for a number, I would say $2,500.''

We thought that perhaps was an appropriate suggestion, as well. When we then began listening to the kind of outrageous statements made by people that we were enabling fat cats, we decided not to listen to the Democratic National chairman, and keep it at $1,000.

And so it is interesting the kind of quotes the Democratic National Committee chairman actually believed when it was not rhetoric.

Mr. FAZIO of California. Mr. Chairman, I yield 3 minutes to the gentlewoman from Michigan [Ms. RIVERS].

Ms. RIVERS. Mr. Chairman, well, welcome to reform week; where is it? Instead of a week, we are going to have 120 minutes of reform and, as a freshman who has worked very hard with others and on my own to introduce several bills that would deal with reform, I am quite disappointed. I took the time to testify to the Committee on Rules last week on several bills that would save money, establish accountability, reestablish trust between Congress and the American people, the bills that dealt with PAC checks on the floor, adding sunshine to our campaign reporting procedures, and what has happened? Nothing. No action.

Today, as we consider the issue of campaign finance reform, the majority bill provides more of the same, no action. For limits we find that instead of the truly egregious bill that we saw last week, now we are just going to double the individuals' ability to put money into the system.

Where is the accountability? Well, none that I can see. Soft money will still be a huge part of how we finance campaigns in this country.

Will we put less power in parties as many people in this country want? No; not at all. In fact, parties will probably see more money, the same sort of soft money that they have used up until now, and under the newest court rulings probably the ability to spend as much as they want in any race in the country.

And what will happen to ordinary people? The wealthy can now double their investment. Ordinary people, people like bricklayers, nurses, flight attendants who participate as a group through PAC organizations will see their influence cut in half under this bill. They will become spectators in a game where only the wealthy and the powerful may play.

The Farr amendment is a good bill, and I support it. It provides for real accountability by eliminating soft money, real limits on spending and donations and a real balance between the rich and poor, the powerful and the ordinary.

This is what normal, every day people in this country want, accountability, limits, balance. Please support the Farr substitute. It is a far, far better bill.

Mr. THOMAS. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. EHLERS], vice chairman of the Committee on House Oversight, someone who has spent numerous hours working with us to perfect the bill we have today.

(Mr. EHLERS asked and was given permission to revise and extend his remarks.)

Mr. EHLERS. Mr. Chairman, the previous speaker referred to reform and the need for reform. I simply want to quickly point to the chart we have before us here showing that this truly is the reform Congress. Start with the very first day of this Congress and look at the many reforms we have instituted. I simply do not have time to go through all of them, but I ask you go down the list of all the reforms that we have made during this session of Congress, and note it is a truly remarkable record.

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You see, at the very top of the chart, campaign finance reform. This is our attempt to fulfill another one of the promises we made to the American people when we were elected.

Mr. Chairman, I think it is very important to recognize that this is truly a reform bill. There have been a lot of negative comments made, but they missed the mark. I have served at the local government level, I have served at the State level, I have served at the national level. In my experience, the key point is to trust the American people to do the right thing but give them the information they need to make a good decision. That is precisely what this bill does.

As a friend of mine said to me a few weeks ago when I was talking to him about the problems we are facing with campaign finance reform, and this is someone who is not involved in politics, but he said, ''I have looked at this issue for a long time. I believe the simple answer is no cash, and full disclosure.''

This bill certainly meets his requirement, because it does provide, for the first time, full disclosure of all the money that candidates and parties get and all the money that interest groups spend on elections. I think that is a very important factor: No cash, full disclosure.

But we go beyond that. We maintain many of the contribution limits, and I think that is extremely important. But it is also important to recognize that we are in this bill empowering individuals, and we are empowering political parties, to be important players in the political process.

Mr. Chairman, it is very important for us to recognize that, in modern-day America, advertising is the name of the game. General Motors spends more than $250 in advertising for every automobile they sell. We as candidates have to present ourselves to the American public. We have to give them information about ourselves and about the issues. We cannot do it without spending money on advertising. Advertising is very expensive.

In my case a full page ad in my hometown newspaper, and it is not a large city, is $2,500 for a full page ad and it costs approximately $1,500 to $3,000 for 30 seconds on TV, and they tell me that this is cheaper than many major TV markets. We have to get the message out. It costs money to get the message out.

If we add together all the money spent on political campaigns in this Nation, State, local, and national, add it all together, it is millions of dollars; but let me tell the Members, it is less than one-third of the amount of money that this Nation spends on advertising antacids.

I ask the Members, what is more important, to give the voters information about candidates and issues, or to give them information about antacids?

I believe in this bill we have put together a good package which allows us to get the information out to the American public about candidates and about issues. It does it responsibly, it does it with full disclosure, and it does a much better job of governing campaign finance than the law we have right now.

A few interest groups oppose it, but they are themselves misleading the public on some of these issues. I think it is to their shame that they are doing this. I urge support of this bill, and I urge passage of this bill.

Mr. FAZIO of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I hate to quibble with my friend, the gentleman from Michigan, but this bill does not adequately report on what third parties are putting into the political process. That is something we can improve in the motion to recommit.

Mr. Chairman, I yield the balance of my time to the gentleman from Connecticut [Mr. GEJDENSON], a member of our committee and a long-time advocate of campaign finance reform.

The CHAIRMAN. The gentleman from Connecticut [Mr. GEJDENSON] is recognized for 3¾ minutes.

Mr. GEJDENSON. Mr. Chairman, there are lots of things to debate about in campaign finance reform, but one of them is not the proposal put forth by the gentleman from California [Mr. THOMAS] today. It is clearly somewhat better than his original proposal, but it is still a bad bill; it is universally viewed as a bad bill, a bill that goes in the wrong direction, that deals with the wrong issues.

Many of those outside this political institution have described the Thomas bill as the wrong direction, a fraud, and a sham. Why? The answer is very simple: To believe that the Thomas bill is the solution to our problems in campaign financing, you would have to believe that wealthy people do not have enough influence, that poor people and working people have too much influence in this institution, and there just is not enough money in politics today.

Mr. Chairman, I am not sure where members could get that idea, but let me tell the Members something, it is a concept that the American people and most observers recognize is ridiculous. We have too much money in politics, we spend too much time raising that money, and what we have before us is a proposition that would give wealthy and powerful individuals more access to the political process and exclude poor and working people more than ever before.

We take categories of money where there used to be limits, and the Thomas bill says there are no limits for wealthy people to give. If that is not bad enough, they found a way to hide the source of the money. We are going to take politically incorrect corporations, they will give the money to the parties, and then the parties cangive the money to the candidates. So candidates can get up and posture for welfare reform, for economic reform, for the environment, for senior citizens, and take all the contributions they can get, washed through the political parties, with no identification as to where it came from.

Yes, there will be a list of who gave to the Republican Party, but it will not reflect on the individuals. One of the only good things about today's system is at least you know where the money comes from. Under the Thomas proposal you do not know where the money comes from.

Again, listen to the fundamental proposition, Speaker GINGRICH apparently enunciated it: There is not enough money in politics today. For God's sakes, if there is one thing a third-grader would know is we all spend too much time raising money, we spend too much money, and it does not help the political debate. We need to find a way to control spending. Is the Farr bill perfect? No. The Gejdenson bill was not perfect, either. I am not sure we could come up with a perfect bill.

But I can tell the Members something, this bill is dead wrong. It goes in the wrong direction, it gives rich people more power, it cuts off working people, it cuts off poor people. For God's sakes, think about this concept. We are going to call this legislation reform, and then we are going to make it easier for a handful of millionaires to control the political process.

In three categories there are no limits to the contributions. How can we come here today, after all their talk about reform, and come up with a bill that does nothing about a spending limit, that does nothing about independent expenditures? I think those on the outside who called this bill a fraud were too kind. This bill is a blatant misrepresentation of what we need, and it is a clear attempt to deprive one group of people in this country from political participation and empower the wealthiest, most influential people in the country. It was clearer in the original Thomas bill. In the original Thomas bill an average family could give $2.4 million. Ridiculous. Vote down the Thomas bill, vote for the Farr bill.

Mr. THOMAS. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I do not have the time to correct all of the dollar errors on the gentleman's chart, and I would also tell him that all of the volume in the world does not make his statement so. We have more disclosure, not less. We have tighter rules on independent expenditures, not less.

This whole debate is about the role and use of government. Democrats, true to form, want to use government to control. They want to limit. They want to have a one-size-fits-all Washington-imposed dollar amount.

The problem is, they have no limits at all, unless people voluntarily give up their constitutional rights as defined by the court. We say, let us use government to empower individuals. Let us

let the people back home who are subjected to all of this determine how much should be spent in a campaign.

That is truly a frightening concept to the people across the aisle. They would have to go back home and justify what they are doing to the people in the district without their Washington power base, without their New York fundraisers, without their Hollywood extravaganzas. Let us empower the people back home. That is what we do. That is what is really revolutionary about the approach that we are taking. I would ask for an ''aye'' vote on the basic bill.

Mrs. ROUKEMA. Mr. Chairman, when the final chapters of the history of this Congress are written, we will have achieved many significant accomplishements. First and foremost, we have finally turned the corner on our fiscal crisis by enacting record-breaking levels of deficit reduction. In addition, we have modernized our telecommunications laws, revolutionized agricultural subsidies, and implemented badly-needed reforms in our 40-year-old lobbying laws.

And, if we all do our jobs between now and October, we will fundamentally change our out-of-control welfare system, gain control of our borders through tough immigration reform, allow working American families greater access to health insurance, and modernized our financial services laws.

Mr. Chairman, I rise today to address what should be a centerpiece of this reform Congress, but won't be—real reform of our campaign finance reform system.

Clearly, it's a system that is out of control. Campaign costs are skyrocketing. Candidates, incumbents, and challengers alike, find themselves devoting more time and more energy to fundraising. The reach and influence of political action committees continue to grow. As a result, the financial chasm between incumbent and challenger continues to widen.

Gone forever seem to be the days when a congressional challenger can run a campaign on a shoestring and defeat an entrenched incumbent, as I did through the 1978 and 1980 cycles.

All of this creates an impression in the public's mind that Members of Congress are being bought and sold by special interests with little opportunity for the average taxpaying citizen to have a real say in the process.

Let's consider the costs. Twenty years ago, the combined costs of all elections in the United States of America stood at just over $500 million. In 1992, that total exceeded $3 billion. That's three times the increase in the cost of living during that same period. In 1994, the average cost of winning a House campaign, including the many uncontested races, was more than $500,000.

The trend to these big money campaigns is terribly corrosive—and, I might add, self-perpetuating.

In the first place, candidates, including sitting Members of Congress, find themselves devoting increasing amounts of time and energy to raising money. Of course, this is time taken away from legislative or other important duties.

Which leads me directly to my second conclusion: that big money campaigns are self-perpetuating. It is a fact of political life that it is far easier for sitting Members to raise money than it is for their challengers.

I know. I've been there.

In 1978, I first ran against incumbent Representative Andrew Maguire. The money was very difficult to come by. In contrast, the Congressman was supported widely by major corporations, PAC's, and other powerful concerns.

My case was by no means unique. Today's incumbents typically have a 2-to-1 funding advantage over their challengers. A major factor in this ratio is that nearly three-quarters of PAC money goes to sitting Members—71 percent in 1994. Consider that an incumbent is typically well-known while the challenger has the difficulty of building name recognition—usually through expensive broadcast advertising—and the disparity is exaggerated. This makes a challenger's uphill battle nearly impossible.

Ironically, PAC's were once seen as a good government reform—a way for individuals who lacked power and money to band together and make their voices heard. Today, however, many PAC's are nothing more than tools of special interests and organizations that always had power and money. PAC's simply make it easier for these companies and groups to wield their considerable influence.

So the problem is well-known and, I submit, so is the solution.

Mr. Chairman, today we should be debating the bipartisan Clean Congress Act, introduced by my colleagues LINDA SMITH, CHRIS SHAYS, and MARTY MEEHAN in the House and JOHN MCCAIN and RUSS FEINGOLD in the Senate.

The bipartisan Clean Congress Act seeks to level the playing field between sitting Members and congressional challengers in a number of important areas. The bill would offer reduced rates for radio and TV commercials who agree to campaign spending limits. The bill would also prohibit PAC contributions to congressional candidates and requires that at least 60 percent of a House candidate's contributions come from the candidate's home State. Limits on lobbyists' campaign contributions would be lowered and a number of tougher important restrictions would be imposed.

Instead, we find ourselves debating two measures—neither of which is worthy of the title genuine reform.

Fundamentally, the Thomas bill will inject more money into the political system, not less, and perpetuates and expands all the corrosive effects of soft money.

The Democrat substitute also pales in comparison to our bipartisan bill. For example, it tinkers around the edges of PAC activity by trimming a mere $2,000 from the amount a PAC can contribute to a candidate.

Mr. Chairman, both of these bill are fundamentally flawed. In fact, enactment of either of these bills would do more to lock in some of the worst aspects of our campaign finance system.

Bad reform is worse than no reform. We should reject both the substitute and the base bill and start all over again. I recognize that this will not happen this year. I regret we will not be able to claim campaign finance reform on the list of accomplishments of this Congress.

If we cannot accomplish genuine reform then let's make this an issue we take to the people this election year.

Mr. POSHARD. Mr. Chairman, I rise in opposition to both the Republican campaign finance reform plan and the Farr substitute. These two proposals do not represent real reform—instead they mask the very problems that I and many of my colleagues on both sides of the aisle believe need to be addressed if we are to truly combat the influence of money in politics.

The Republican bill opens a new avenue for political parties to spend unlimited amounts of soft money on communications with their members. It is believed by many that this provision would simply codify unlimited privately funded campaigning. Additionally, both the Republican bill and the Farr substitute increase, instead of reduce, the annual aggregated contribution limit. This has the effect of giving additional buying power to the very wealthiest Americans.

Neither bill eliminates political action committee contributions, one of the biggest problems plaguing our national campaign system. Because I saw first-hand the influence of PAC money when first arrived in Washington, I have voluntarily refused PAC donations and rely instead on small, individual donors.

Because I believe drastic reforms are necessary to fix the current inequities, I am a cosponsor of the Bipartisan Clean Congress Act, a bill which eliminates PAC contributions, bans franked—taxpayer financed—mass mailings in election years, and sets voluntary spending limits with benefits of TV, radio, and postage rate discounts for those who comply with the limits. Neither of the reform bills before us today begin to meet the goals of the Clean Congress Act. While I understand there are also some concerns by an array of groups about the scope of the act, it is by far the best foundation in which to begin debating real campaign finance reform. Unfortunately, the Clean Congress Act was not allowed to come to the floor today.

We are not debating campaign finance reform today because of the House leadership's commitment to passing campaign finance reform that will dramatically change the influence on money in politics. Instead, we are here today giving Americans a false impression that a majority of Congress supports true reforms—unfortunately this is not the case. If the House was truly serious about campaign finance reform, we should be considering many of the reforms contained in the Clean Congress Act.

Mr. BLUMENAUER. Mr. Chairman, I rise in favor of passage of the substitute measure. The gentleman from California has proposed a bill that takes an important step in the direction of limiting the amount of money in Federal election campaigns. In so doing, this Democratic alternative goes in the opposite direction of H.R. 3820, which dramatically increases nearly every existing campaign contribution limit, and imposes no limit on spending.

Mr. Speaker, it is a mystery to me why the subject of campaign finance reform is one that continues to divide this House along partisan lines. There is a fundamental congruence of

interest on this issue between our constituents, who want to reduce the influence of large amounts of money on elections, and the members of this body, who must raise these enormous sums. It is demanding difficult, and demeaning to spend so much time in the pursuit of money instead of discussing and debating the issues during a campaign.

The substitute measure would, for the first time, place a spending limit on candidates for Congress, with rewards for those who honor the limits and penalties for those who do not. The limit is generous—I would favor a more restrictive limitation—but it is a start, and it includes within it further limitations on expenditures of PAC contributions and large-donor contributions, ensuring that every candidate must turn to individuals of modest means for support.

I sincerely hope my colleagues on both sides of the aisle will join in adopting these limits. I hope, too, that we will view the substitute bill as a good first step, and return to this subject again, soon.

Mr. KANJORSKI. Mr. Chairman, I first introduced legislation to overhaul our system of campaign financing 6 years ago, in 1990. I introduced my bill, because I believed then, as I believe today, that our current system of financing campaigns is broke and needs fixing. I introduced my bill, H.R. 296, the House of Representatives Election Campaign Reform Act of 1995, after lengthy consultation with Members on both sides of the aisle, with eminent academic experts on campaign finance reform, and with my constituents.

Although the campaign finance reform bills considered by the House in the 102d and 103d Congresses contained only some of the provisions of my bill, I voted for the bills which came before the House in both the 102d and 103d Congresses because I believed they made significant steps in the right direction. Unfortunately, in the 102d Congress the bill was vetoed by President Bush, and in 103d Congress Senate Republicans blocked efforts to go to conference on this important legislation, and as a result neither bill became law.

Last year, in Claremont, NH, President Clinton and Speaker GINGRICH made a public commitment to embark on a bipartisan effort to pass campaign finance reform legislation. While President Clinton subsequently submitted campaign finance reform legislation to the Congress, Speaker GINGRICH effectively reneged on his commitment and no bipartisan reform commission was ever established.

Instead, what we have today, is two separate, partisan proposals, one developed by Speaker GINGRICH and House Republicans, and the other by the House Democratic leadership. Unfortunately, because both bills were drawn up by partisans, they are both seriously flawed. Instead of trying to level the playing field for incumbents and challengers alike, for Democrats and Republicans, and for wealthy candidates and poor candidates, each bill seeks to achieve an advantage for one side or another. As a result, both bills are fatally flawed, and deserve to be rejected.

The Republican bill, H.R. 3820, which was previously, H.R. 3760, is fatally flawed because it does nothing to control the overall cost of elections, because it substantially increases the amount that individuals can contribute to candidates and parties, because it creates an enormous loophole which allows rich individuals and corporate PAC's to funnel tens of thousands, if not hundreds of thousands, of dollars to candidates through State and national parties, and because it severely restricts the ability of average working people to contribute a dollar or two every pay period to candidates.

The Democratic bill, H.R. 3505, is also fatally flawed because it restricts the rights of groups to communicate to their members how House and Senate Members voted on issues they are interested in. It also contains an inappropriate loophole in the provision which otherwise prohibits the bundling of campaign contributions, effectively allowing bundling by a few favored groups.

I deeply regret that the Republican leadership has brought these campaign finance proposals to the floor under a rule which prohibits Members from offering amendments to improve either of them. This is nothing more than an attempt to appear to be for reform, knowing full well that neither bill will become law. Instead, the existing status quo, which is fatally flawed, will be maintained.

We cannot restore the confidence of the American people in their government unless we enact campaign finance reform legislation, but we cannot achieve this goal in a partisan manner. In order to have a government in Abraham Lincoln's words, ''of the people, by the people, and for the people,'' we must eliminate the pernicious effect of enormous sums of money on our political system. That is the premise of my proposal, H.R. 296, which I believe is fair and balanced to both parties, to incumbents and challengers, and to rich and poor candidates alike.

If neither the Democratic nor the Republican proposal before us is fair, what should we do to prevent the U.S. Congress from becoming the ''Millionaires' March on Washington''?

There are two overriding concerns which should guide our actions in this area: First, public officials must be more concerned with the policy implications of legislation, than on their ability to raise campaign funds, and second, no individual or group should be able to buy an election.

Mr. Chairman, I come to this issue from a somewhat unique perspective. I am one of a relatively small number of members who grew up in one party, and later became a member of the other party. I was raised as a Republican and served in the 83d Congress as a Republican page, and I worked on several Presidential, gubernatorial, congressional, and State and local Republican campaigns in the 1950's and early 1960's. As the Republican Party moved to the extreme right in the mid 1960's and deserted those of us in the moderate Rockefeller-Scranton wing of the party, I became a Democrat, and was elected to Congress as a Democrat in 1984.

My election in 1984 was also an unusual event. I defeated an incumbent Congressman in a primary, a rare occurrence, and I was one of a mere handful of new Democrats elected to the House during the 1984 Reagan landslide.

Before I was even sworn-in for my first term in January 1985, my 1986 opponent was campaigning and raising hundreds of thousands of dollars in campaign contributions. In the 1986 campaign I was outspent nearly two-to-one by an opponent who raised and spent well over a million dollars in a district where media is relatively inexpensive and where no one had ever spent more than a couple of hundred thousand dollars in a campaign. My race turned out to be one of the two or three most expensive races in the country in 1986. Despite being massively outspent, I still managed to win with more than 70 percent of the vote.

In short, Mr. Chairman, I know what it is like to be an underdog. I know what it is like to be outspent. I know how hard it is for challengers to raise campaign funds, and I know how unfair it is when one candidate has economic resources which are not available to his opponent.

My bill, H.R. 296, the House of Representatives Election Campaign Reform Act of 1995, is an effort to bridge the gap between the parties over campaign finance reform, by enacting meaningful, but fair and balanced, reforms. It encourages honest competition and will help to further the goal of a government, ''of the people, by the people, and for the people.''

This comprehensive campaign finance reform bill addresses all of the most pressing issues in campaign finance reform: from the growth of political action committees [PAC's] and the declining influence of small contributions from individuals, to independent expenditures, the unfair advantages of candidates who are personally wealthy, and PAC's controlled by elected officials.

H.R. 296 also contains stiff criminal penalties for individuals who violate federal election laws.

Many of the provisions contained in this legislation are based on proposals originally recommended by Dr. Norman J. Ornstein, of the American Enterprise Institute for Public Policy Research. Dr. Ornstein is a nationally known as well respected scholar of the American political and constitutional systems. He is held in high regard by members of both parties, which is why his ideas may help us move beyond our past partisan differences.

The cornerstone of H.R. 296 is the significant reduction in the amount of money political action committees [PAC's] many contribute to candidates and the strong new incentives provided to encourage small contributions from instate contributors. The bill slashes the maximum contribution a PAC can make to a candidate from the current $5,000 to no more than $2,000 per election cycle. That is a 60 percent reduction.

The bill provides both a tax credit and a Federal matching payment for individual contributions of $200 or less to qualify candidates who are running for Congress in the contributor's home State.

In order to qualify for matching funds, a candidate must agree not to spend more than $100,000 of his own money on the campaign, and must raise at least $25,000 in contributions of $200 or less from instate residents. A voluntary income tax checkoff, similar to the one already used to finance Presidential elections, is created to provide the Federal matching funds.

The bill also provides reduced broadcast rates for commercials which are at least 1 minute long, thus discouraging 30-second sound bite commercials. It provides disincentives to discourage so-called independent expenditures, and it penalizes candidates who spend large sums of their personal money on their campaigns.

Mr. Chairman, I know there may be a tendency on the part of some to blame all the ills of our current system on political action committees. They are convenient scapegoats, but

they are nowhere near as responsible for our current problems as the disparity in resources between incumbents and challengers, and the amount of money which must be raised and spent in many races just to be competitive. The elections of 1994 demonstrate dramatically that all the PAC money in the world cannot save a candidate if the public does not agree with his message.

We must also remember that PAC's were created in the early 1970's as part of a reform to cure what was then an even larger problem, the fact that special interest groups could give virtually unlimited sums of money without anyone knowing who was making the contribution. PAC's were created to increase disclosure and accountability, so that everyone would know where campaign funds were coming from. In this respect they have succeeded and have increased both disclosure and accountability. Sunshine and full disclosure are the most important tools we can provide voters so that they can make informed choices.

Some people contend that if we simply do away with PAC's all of our campaign finance problems will disappear. That just is not true. It is a simplistic view of the world. It does not take into account the advantages that wealthy candidates have over candidates of modest means. It will not make an average citizen a competitive candidate. The sad truth, Mr. Chairman, is that even through PAC limits have not changed in 20 years, and have thus declined in real terms, campaign expenditures have continued to escalate, and expenditures which were extraordinary as recently as 1986, are nearly commonplace today.

That is why I also believe we need a constitutional amendment to allow us to set absolute limits on campaign expenditures and contributions.

Changes in Federal law relating to PAC's are necessary, but alone they are not sufficient to reform our campaign finance system. PAC reform without more comprehensive financing reform will not work. It would deal with the symptom, but not the underlying disease, which would eventually re-emerge and kill the patient.

In conclusion, Mr. Chairman, I would like to include in the RECORD, a full section-by-section analysis of my bill, H.R. 296, a comprehensive solution to our campaign finance problems which is much fairer to both parties and to challengers and incumbents alike, than any of the proposals we will consider today.

SECTION-BY-SECTION ANALYSIS OF HON. PAUL KANJORSKI'S HOUSE OF REPRESENTATIVES ELECTION CAMPAIGN REFORM ACT OF 1995 H.R. 296

SECTION 1. SHORT TITLE

The Act may be cited as the ''House of Representatives Election Campaign Reform Act of 1995''.

SECTION 2. LIMITATION ON CONTRIBUTING TO HOUSE OF REPRESENTATIVES CANDIDATES BY POLITICAL ACTION COMMITTEES

Reduces from $5,000 to $2,000 the maximum contribution a political action committee may make to a candidate per election.

SECTION 3. CREDIT FOR CONTRIBUTIONS TO CONGRESSIONAL CAMPAIGNS

Provides a 100% tax credit for the first $200 (or $400 in the case of a joint tax return) in personal contributions an individual makes to a House candidate running from the same state.

SECTION 4. DESIGNATION OF INCOME TAX PAYMENTS TO THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND

Provides for a $2 tax credit check-off on individual federal tax returns to be paid to the ''House of Representatives Campaign Trust Fund.''

SECTION 5. ESTABLISHMENT OF THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND

Creates a House of Representatives Campaign Trust Fund under the Secretary of the Treasury to receive funds derived from the $2 check-off on individual tax returns and authorizes expenditures from the trust fund to certified candidates who have raised not less than $25,000 in contributions of $200 or less from individual contributors from their states.

SECTION 6. AMENDMENT TO THE FEDERAL ELECTION CAMPAIGN ACT OF 1971 RELATING TO REPORTING OF INDIVIDUAL RESIDENT CONTRIBUTIONS IN ELECTIONS FOR THE OFFICE OF REPRESENTATIVE

Requires House candidates to report to the FEC when they have raised more than $25,000 in contributions of $200 or less from individuals residing in their states and requires the FEC to certify this to the Secretary of the Treasury.

SECTION 7. AMENDMENT TO THE FEDERAL ELECTION CAMPAIGN ACT OF 1971 RELATING TO MATCHING PAYMENTS FROM THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND

(a) Entitles House candidates to matching funds from the trust fund for the first $200 in contributions from individuals who reside in the state.

(b) Limits maximum total aggregate matching payments to $300,000.

(c) In order to receive the matching payments, House candidates are required to certify, under penalty of perjury, that neither they, nor their family, shall furnish more than $100,000 in personal funds or loans for the campaign.

Establishes penalties of up to $25,000 in fines and/or 5 years in prison for violations of any certifications that a candidate will not exceed $100,000 in personal funds.

(d) Provides that if a candidate for the House refuses to make a certification that he/she will not spend over $100,000 in personal funds, that candidate's opponents may receive matching funds for up to $1,000 in contributions from individuals regardless of their state of residence.

(e) Allows opponents of a House candidate, who violates a certification to limit personal spending to $100,000, to receive from the trust fund payments equal to the amount of personal funds contributed by the violating candidate in excess of $100,000.

(f) Permits certified House candidates who are the target of independent expenditures which exceed $10,000 to receive from the trust fund an amount equal to 300% of the amount of the independent expenditure. Persons found to have willfully or intentionally sought to subvert the intent of subsection may be fined up to $25,000 and/or imprisoned for up to 5 years.

(g) Requires the repayment to the trust fund of a portion of any excess campaign funds after the election in an amount equal to the pro rata share that trust fund payments accounted for of the candidate's total aggregated receipts from all sources for the election. Repayments to the trust fund shall not exceed the total amount received from the trust fund.

(h) Requires the FEC to issue regulations to biennially index the provisions of subsection (a).

SECTION 8. AMENDMENTS TO SECTION 304 OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1971 WITH RESPECT TO INDEPENDENT EXPENDITURES

Requires the reporting to the FEC, within 24 hours, of any independent expenditure in a House race which exceed $10,000, and a statement as to which candidate the independent expenditures are intended to help or hurt. Requires the FEC to notify each candidate of the independent expenditures within 24 hours.

SECTION 9. AMENDMENT RELATING TO BROADCAST MEDIA RATES AND DISCLOSURES

(a) Requires broadcast stations to offer their lowest rates, to House qualifying candidates who have agreed to limit personal spending to $100,000, for commercials which are 1 to 5 minutes in length.

(b) Requires the inclusion of the statement ''This candidate has not agreed to abide by the spending limits for this Congressional election campaign set forth in the Federal Election Campaign Act'' in any broadcast or print advertisements of House candidate who refuse to agree to limit personal spending to $100,000.

SECTION 10. PENALTIES

Makes it unlawful to furnish false information to, or to withhold information from, the FEC, punishable by up to $10,000 in fines and/or up to 5 years in prison.

SECTION 11. RESTRICTIONS ON CONTROL OF CERTAIN TYPES OF POLITICAL COMMITTEES BY CANDIDATES

Prohibits House candidates from establishing, maintaining, or controlling a political committee other than an authorized committee of the candidate.

SECTION 12. AUTHORIZATION OF APPROPRIATIONS

Authorizes such sums as are necessary to carry out the Act.

SECTION 13. EFFECTIVE DATE

Provides for the provisions of the Act to take effect after December 31, 1994.

SECTION 14. SEVERABILITY

If any provision of the Act is held to be invalid, this will not affect the other provisions of the Act.

Ms. HARMAN. Mr. Chairman, I rise to express my support for campaign finance reform and my disappointment that, once again, partisanship has colored this debate—to the disadvantage of the American people and our political system.

It's a shame that campaign finance reform—reform supported by an overwhelming majority of the American people—is being portrayed today as a partisan fight.

In fact, campaign finance reform is not partisan—and if the process by which we are considering amendments had been open, we could have proved it. Unfortunately, we are prevented from offering amendments, prevented from considering the Smith-Meehan-Shays bill, and prevented from making improvements to both of the alternatives brought before us.

Mr. Chairman, in my view, limiting campaign expenditures is not partisan. Limiting the influence of special interests, limiting a candidate's ability to self-finance a campaign, and limiting soft money are not partisan positions. They are sensible improvements designed to restore credibility and integrity to our campaign financing system.

Yet we are forced to choose between two competing bills in an environment highly charged by partisanship and acrimony. Once again, the leadership's efforts to drive wedges between the Members of this body will prevent

us from securing the best result for the American people and for the American political process.

While I want to commend BILL THOMAS for including in the House leadership bill several significant reforms, specifically the aggregate contribution limit on individuals, PAC's and parties, the Thomas bill is far too timid of the choices available. I choose the Farr substitute.

Though not perfect, the Farr substitute contains far more of the kinds of reforms that I think are necessary.

The Farr substitute establishes an overall voluntary spending limit of $600,000 on congressional campaigns. In exchange for adhering to voluntary limits, it provides candidates with discounted broadcast and mail rates.

The substitute limits contributions from PAC's and eliminates leadership PAC's altogether. It also limits the amount large donors can contribute. And, most important, it limits the amount individuals can contribute or loan to their own campaigns. In contrast, the Thomas bill only takes off restrictions if an individual self-finances above a certain dollar threshold.

Another important reform which the Farr substitute makes is a clear definition of what constitutes an independent expenditure.

It is my hope that the Farr substitute will marshal majority support in this Chamber. If it does not, public cynicism about Congress and the electoral process are likely to increase.

Mr. Chairman, we need reform. And if afforded the opportunity to consider in an open fashion the reform proposals made by some of our colleagues, including the proposal put forward by the gentlelady from Washington [Mrs. SMITH] and the gentleman from Connecticut [Mr. SHAYS] and the gentleman from Massachusetts [Mr. MEEHAN], I think we could have found a bipartisan consensus for a strong congressional campaign finance reform measure.

Under this rule, we'll never know for sure. And, as a result, campaign finance reform will continue to be used as a partisan sledgehammer instead of a tool to restore integrity and credibility to our current campaign finance system.

Mrs. COLLINS of Illinois. Mr. Chairman, I ask unanimous consent to revise and extend my remarks. I rise in support of campaign finance reform, I have always been, but this GINGRICH Republican bill is not reform, it is revolting. So I oppose this bill, H.R. 3820.

The 104th Congress, with a Republican leadership that was bought and paid for by special interest money, is a clear demonstration of what can and did happen when money talked and elephants walked into the leadership of this Congress. The GOP—guardians of the privileged—honored their obligations to their wealthy supporters: obligations to try to pass legislation to slash health, education, social services, environmental, and other programs that provide for and lift up the vulnerable among us.

In all my 23½ years in this Congress, I have never seen such flagrant special interest legislating. How can we control this buying and selling of the Congress? Easily, by cutting out the Republicans' special interest campaign finance preferential treatment bill. We must achieve meaningful reform of the Federal campaign financing system. That doesn't mean that we should raise the amounts of money wealthy supporters can contribute, that doesn't mean that we should raise the amounts of money that can be funneled into a candidate's campaign by hiding it in political party bank accounts, and it certainly doesn't mean that we should raise the limit on how much the very wealthy can spend to influence elections every year.

Until and unless we fix this boondoggle, campaigns for the U.S. Congress and the Presidency will always be in danger of being sold to the highest bidding special interests. So, what are the Republicans proposing? Guess.

What would enhance their ability to raise more money than the Democrats? Answer: Raising the amount an individual can give to a Federal candidate from $1,000 to $2,500.

How can the Republicans help their wealthy supporters have even more influence on policy and lawmaking? Answer: By raising the limit on the total amount an individual can contribute from $25,000 in an election cycle to $72,500.

How can the Republicans help their candidates get more support from the always better funded Republican party committees? Answer: By raising the amount of funds a party committee can contribute to their candidate, or doing away with a limit altogether.

Only if we defeat this Republican inspired bill will we be able to ensure that the Congress achieved significant reforms in the way in which the campaign finance system is structured and operated.

Comprehensive campaign finance reform is necessary to ensure the true revitalization of the American democratic process and I have been a strong supporter of legislative efforts designed to lessen the ever increasing costs of Congressional campaigns, as well as to provide for more competitive contests between incumbents and challengers. Understandably, the American public has become more and more disenchanted with big-money politics, and it is imperative that we renew the faith of our citizens in the ability of Congress to objectively represent the desires of our constituents.

In the 103d Congress, the House of Representatives and the Senate considered campaign finance reform legislation which included major provisions: First, a voluntary spending cap of $600,000 per House candidate in an election cycle, second, a limitation on contributions from Political Action Committees [PAC's] and large contributors of $200,000 per election cycle, third, the closing of several loopholes in current campaign law regarding independent expenditures and so-called soft money, fourth, restrictions on campaign contributions and fundraising by lobbyists, and fifth, the introduction of communications vouchers to provide greater access to television and radio time for all candidates.

In H.R. 3820, the one-sided special interest financing bill that the Republicans have designed clearly demonstrates that they never saw a special interest with too much money. Although the Republican leadership has publicly said that there needs to be more money spent in campaigns—not less, with this bill, they are trying to make sure they get the money that can.

I urge my colleagues to use some common sense and turn down this unlimited funding bill for the wealthy to elect more Republicans. Heaven forbid.

Mr. LIPINSKI. Mr. Chairman, today is a very important day in history. Today is the day when we can restore the American people's faith in Congress.

Recent polls show that the American people distrust Congress, and I can understand why. They feel that Congress is beholden to the rich and the elite. Clearly, Congress must take strong steps to restore public confidence.

However, H.R. 3820, the Campaign Finance Reform Act, is not the way. To paraphrase the New York Times, it is deformed campaign reform. It will open the floodgates for fat cats to give even more money to candidates and parties—from a maximum of $25,000 a year to more than $3 million a year. Only 1 percent of Americans contributed $200 or more during the last election. It is clear that H.R. 3820 will give this 1 percent of Americans, the elite, even more influence in the political process.

The GOP leadership has been crowing about campaign finance reform and the much touted ''Reform Week,'' but when it came time to put the product out, well, you see the result.

Then again, proponents of this measure are the same people who say that we do not spend enough money on politics and that campaigns, relative to the cost of marketing liquid detergents, are severely underfunded. Think about this for a moment. These are the same people who are behind H.R. 3820. That is probably why even my colleagues on the other side of the aisle are divided on it.

In a last minute attempt to gather support for this bill after a storm of public criticism, the Republican leadership made some substantial changes to their campaign finance bill. The changes, while a marked improvement over the original measure, still falls far short of any reasonable reform campaign finance. For instance, it still fails to address the problem of soft money. Wealthy individuals will continue to funnel unlimited amounts of cash through that backdoor leaving your average working families disenfranchised.

Ordinary citizens already feel that they are being pushed into the periphery of the political process by the rich and the elite. This bill only widens the chasm between ordinary citizens and the electoral process.

Fortunately, we have a viable alternative before us, and that is the Farr-Gephardt bill. Unlike the Republican proposal, it is real reform in the right direction. It establishes new limits on campaign spending, individual contributions, candidates' personal spending, and independent expenditures. In short, it reduces the influence of the rich and powerful, and rightfully increases the role of average working families in the political process. No longer will the elite 1 percent of the Nation dominate the political process.

So, Mr. Chairman, I strongly urge my colleagues to reject the Republican measure and support the real deal, the Farr-Gephardt bill. Let us not give the American people business as usual. Vote for meaningful reform during ''Reform Week''—not empty symbolism.

Mr. REED. Mr. Chairman, I rise to address one of the most important issues facing our Nation: reforming the electoral process. Mr. Chairman, the time has come for real campaign finance reform.

At present, too many Americans believe that our Government is for sale. Watching millions spent on political campaigns, our Nation's citizens see a system that is reserved for the wealthy and dominated by special interests.

These perceptions promote cynicism about government and undermine public faith in Congress. To win back the American people's trust, campaign spending must be brought

under control and the influence that money wields in our Nation's electoral process must be reduced.

Controlling runaway campaign costs will allow candidates to spend less time raising funds and more time discussing issues with voters. It will also level the playing field for our Nation's ordinary citizens, who now often feel that unless they are wealthy, they cannot realistically compete for public office.

Unfortunately, these goals are nowhere to be found in this Republican bill, which is opposed by nearly every group committed to government reform. United We Stand America has denounced this bill. The League of Women Voters calls it a fraud. Common Cause calls it a total phony and states, ''Any Member who votes for this bill can only be called a Protector of Corruption.''

Why has the Republican bill attracted uniform opposition? Because it ignores the American people's desire for meaningful campaign finance reform that controls the cost of campaigns.

The Republican bill does nothing to limit campaign spending in congressional elections. It does nothing to limit the role of wealthy individuals or increase that of our Nation's working families in elections. It does nothing to limit the excessive spending by political parties that the Supreme Court promoted in its Colorado Republican Party versus FEC decision. It does nothing to close the soft money loophole, which lets special interests pour millions of dollars into campaigns with no accountability.

The American people deserve better than this sham. Today the House should have an open debate on campaign finance reform to find the best answer to this critical issue. However, the Republican majority opposes such full consideration and refuses to allow the Smith-Shays-Meehan bill to reach the House floor.

Since coming to Congress, I have worked for real campaign finance reform. I have supported legislation to place voluntary spending limits on congressional campaigns, cap contributions from special interests and wealthy individuals, and close the soft money loophole. This year, I proudly sign the discharge petition to allow consideration of the Smith-Shays-Meehan bill, and I cosponsored House Joint Resolution 114, which would specifically allow Congress to place reasonable limits on campaign spending.

We need real campaign finance reform. I urge my colleagues to oppose the Republican bill and answer the American people's call to reduce the role of money in our Nation's elections.

Mr. SMITH of Michigan. Mr. Chairman, today, this Congress can pass much needed campaign finance reform. While this legislation doesn't go as far as I think it should, it's a positive step in the right direction.

I have supported campaign finance reform for a long time. I've introduced legislation in both this session and the last session of Congress that would have banned PAC contributions to congressional candidates. My proposals would also have required at least 50 percent of a candidate's total contributions come from within the congressional district. I'm pleased this important part of my proposal was adopted by the committee and is part of this legislation.

Representatives shouldn't be beholden to any interest other than the peoples' interest. And for the past 15 years, since I first ran for the Michigan Senate, I haven't accepted any special interest PAC contributions.

As a member of the Campaign Finance Reform task force, I am very concerned about the excessive amount of influence special interest political action committees [PAC's] have in Washington. During the last 19 months, as we've worked to rein in big Government lobbyists have become more aggressive in protecting their special interests. We must not let special interest PAC's with their huge political contributions decide legislation.

We've made progress in this bill, but I believe true campaign finance reform will only be achieved when we remove the undue influence of special interest PAC lobbyists and their millions of dollars in campaign contributions from the political process.

Some Members feel this bill goes to far, some think it does not go far enough. However, because of perception and because of the real undue influence of special interest lobbyists we must move ahead with campaign finance reform.

Ms. DUNN of Washington. Mr. Chairman, the electorate and those who participate in the political process are owed, at a very minimum, several fundamental protections to ensure fair and competitive elections. The House of Representatives has on its calendar the Campaign Finance Reform Act of 1996, H.R. 3820, legislation that addresses many of the injustices and shortcomings of the current campaign finance system. I want in my statement to underscore several points: the importance of guaranteeing integrity in the campaign process, the importance of requiring that candidates be accountable to the voters they seek to represent, and the importance of guarding the competitive nature of campaigns. I also intend to point out areas where I believe the efforts of the legislation before us fall slightly short.

The Campaign Finance Reform Act takes a first step toward ensuring that the interests most special to Members of Congress are the interests of the citizens of their district, and not, for example, the representatives of multicandidate political committees or lobbying firms. One of my highest legislative priorities this Congress has been the formulation of a meaningful, bipartisan campaign finance proposal—the FAIR Elections Act of 1996, H.R. 3543—the essence of which is a requirement that candidates for Federal office be more accountable to the citizens they represent.

Whereas my legislation creates fairness in the treatment of contributions from multicandidate political committees and individuals by equalizing the maximum permissible limits, the amended version of the Campaign Finance Reform Act retains the current disequilibrium. Under present law, individual limits are set at $1,000 and PAC limits at $5,000 per election. This legislation proposes to retain individual limits at $1,000, and lower PAC limits by half to $2,500 per election, indexing both prospectively for inflation. While this amendment to the original provision—which proposed to equalize the limits, but then retroactively adjusted them for inflation, in essence more than doubling the contribution limits of individuals—is an improvement over the original bill language, it is still a departure from what I believe to be the correct approach.

I believe this difference is critical to effective and meaningful reform. The proposed contribution levels create the perception that if you ban together with a group of like-minded citizens in a constitutionally protected effort to exercise your free speech rights, your voice is still a little bit more valuable, more weighted so to speak, than if you are simply an individual acting on that right. I assert that everyone's rights should be equal.

I would point out that last week, I asked the Rules Committee to make in order an amendment to the Campaign Finance Reform Act to change the original retroactive indexing to prospective indexing, thereby keeping the $1,000 equalization in place, but allowing for inflation adjustments to occur only from 1996 forward. While that request was denied, I credit Chairman THOMAS for being willing to take a second look at this provision to clean up the indexing portion of the proposal.

There have been in recent years instances of extremely wealthy candidates saturating their own campaigns with personal funds, creating an immense advantage over their opponents or keeping worthy challengers out of a race because of their inability to complete with personal funds. While some people are concerned about the amount of money being spent in campaigns, right now in our country more money is spent on the advertising of yogurt in a single election year than on all Federal races combined. I believe it is critically important to present the issues necessary to the discussion of who governs our Nation. And such a presentation requires money to buy brochures and printing and television or radio time. In my view, however, the leveling of the playing field is the critical issue.

The Campaign Finance Reform Act as originally reported provides special rules for candidates in an election when one of those candidates injects large amounts of personal wealth into the campaign. In the primary election for example, if $150,000 in personal wealth is spent, the bill raises individual contribution limits and lifts in-district fundraising rules for all candidates up to the amount spent. In the general election, if between $2,500 and $150,000 in personal wealth is spent, the bill allows political parties to contribute to the opponent a matching amount. And if over $150,000 in personal wealth is spent, the bill allows political parties to contribute matching dollars and also raises the individual contribution limits and in-district fundraising requirements.

An amendment I proposed would have lowered the triggering threshold to $50,000 in both the primary and general elections; $150,000 in personal wealth could be enough to secure a primary victory. That is why I believe the triggering limit is too generous, and why I sought to lower it.

One aspect of my own proposal would have offered incentives for individuals to become personally involved in the political process. By restoring the $100 per person tax deduction—$200 for joint returns—we would encourage citizens to contribute local dollars to candidates for State or Federal office, and thereby broaden the contribution base of a candidate.

After witnessing the political process from the perspective of a private citizen, a State party chairman, a candidate for public office, and a Federal representative, I have no doubt that reform of the current system of financing campaigns is appropriate and necessary. My certainty in this regard hovers around several tenets of reform.

The first is fairness. We should create fairness by equalizing the amount groups of like-minded individuals may contribute with what individuals may give to a candidate. We should ensure strictly voluntary participation in the political process, so that American workers are not unfairly forced to finance a political agenda with which they may adamantly disagree.

The second principle is accountability. We must encourage Members of Congress to be more accountable to their constituents, not political committees, by requiring candidates, to raise the majority of their funds in-State and in-district.

Integrity is the third aspect, enhanced through the promotion of fair competition between incumbents and challengers by, for example, restricting the use of official mail—franking—allowances, and disallowing the bipartisan habit of fundraising while Congress is conducting legislative business. Finally, other reform is long overdue, such as the restoration of a $100 income tax deduction to taxpayers who participate in the political process.

Mr. Chairman, as we endeavor to restore the public's faith in the campaign finance system, the campaign process in this country simply must retain the ability to encourage good candidates to pursue public service. Elections for office must be competitive and characterized at all times by integrity. The Campaign Finance Reform Act has been a product of several hearings and a lively, yearlong discussion of the issue and is a first step toward that end. While a far from perfect bill, it makes a bold step in the right direction and provides an excellent starting point for serious and meaningful negotiations with our colleagues in the other body. This will be a process I will continue to pursue during the remainder of the 104th Congress and through Congresses to come. The American people deserve no less.

Mr. BEILENSON. Mr. Chairman, I rise to express my opposition to H.R. 3820, the Republican leadership's campaign finance bill, and in support of the substitute to be offered by the gentleman from California [Mr. FARR].

Although neither of the two proposals do enough to reduce the amount of special-interest money in congressional campaigns, the Farr substitute, with its aggregate limit on PAC contributions and on large donations from individuals, represents an enormous improvement over the existing system in that regard. The Republican proposal, in contrast, would actually increase the influence of wealthy individuals and special-interest groups in our electoral process.

But regardless of which proposal—if either—is passed by the House today, it won't matter because the Senate is not going to revisit the issue this year, and therefore a reform bill will not be signed into law.

Campaign finance reform is, without a doubt, the most important reform we could possibly make here in Congress. A campaign finance system that would lessen the role of special interests in our political and legislative process would make a bigger difference in the way Congress operates—and would do more to restore public trust in Congress—than any other change we could possibly make to this institution.

However, the dismal record on campaign finance reform from the years when Democrats controlled Congress, and the all-but-certain failure of the Republicans' effort this year, demonstrate that much more groundwork must be done to pass a reform bill and get it signed into law.

The experience of recent years has convinced many of us that we will not succeed with this issue unless we develop a campaign finance system that has bipartisan support. It is not impossible, in my view. But it is going to require the majority leadership to reach out to and work with the minority leadership in good faith.

I am also convinced that, unpopular as it may seem, part of the solution has to be the inclusion of a significant amount of public financing. That could take the form of direct Federal payments to candidates, vouchers for media and mail, requirements for free air time for candidates as part of broadcast licensing, or other means. There is simply no way congressional candidates will ever have adequate resources to run a viable campaign, and also be less influenced by campaign contributors, unless we have a system that includes public financing.

Providing some kind of public financing is our best hope for reducing the influence of special interests in our legislative process, promoting more competitive campaigns, and ensuring that people who do not have a large amount of personal wealth will have the opportunity to run for Congress.

Mr. Speaker, it is too late to enact campaign finance reform legislation this year. But I strongly urge the leadership of both parties to come together and begin working, now, on a bipartisan plan for reforming our campaign finance system that could be considered early in the next Congress. This issue is too important for the integrity of the legislative process, and for the trust people need to have in their elected officials for democracy to work, for either party to continue to pursue partisan campaign finance proposals that are only destined for failure.

The CHAIRMAN. All time for debate has expired.

Purusant to House Resolution 481, the bill is considered read for amendment under the 5-minute rule and amendment No. 1 printed in the appropriate place in the CONGRESSIONAL RECORD by the gentleman from California [Mr. THOMAS] is adopted.

The text of H.R. 3820, as amended, is as follows:

H.R. 3820

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Campaign Finance Reform Act of 1996''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

TITLE I—RESTORING CONTROL OF ELECTIONS TO INDIVIDUALS

Sec. 101. Requiring majority of House of Representatives candidate funds to come from individuals residing in district.
Sec. 102. Reduction in allowable contribution amounts for political action committees; revision of limitations on amounts of other contributions.
Sec. 103. Modification of limitations on contributions when candidates spend or contribute large amounts of personal funds.
Sec. 104. Indexing limits on contributions.
Sec. 105. Prohibition of leadership committees.
Sec. 106. Prohibiting bundling of contributions to candidates by political action committees and lobbyists.
Sec. 107. Definition of independent expenditures.
Sec. 108. Requirements for use of payroll deductions for contributions.

TITLE II—STRENGTHENING POLITICAL PARTIES

Sec. 201. Limitation amount for contributions to State political parties.
Sec. 202. Allowing political parties to offset funds carried over from previous elections.
Sec. 203. Prohibiting use of non-Federal funds in Federal elections.
Sec. 204. Permitting parties to have unlimited communication with members.
Sec. 205. Promoting State and local party volunteer and grassroots activity.

TITLE III—DISCLOSURE AND ENFORCEMENT

Sec. 301. Timely reporting and increased disclosure.
Sec. 302. Streamlining procedures and rules of Federal Election Commission.

TITLE IV—WORKER RIGHT TO KNOW

Sec. 401. Findings.
Sec. 402. Purpose.
Sec. 403. Worker choice.
Sec. 404. Worker consent.
Sec. 405. Worker notice.
Sec. 406. Disclosure to workers.
Sec. 407. Construction.
Sec. 408. Effective date.

TITLE V—GENERAL PROVISIONS

Sec. 501. Effective date.
Sec. 502. Severability.
Sec. 503. Expedited court review.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Our republican form of government is strengthened when voters choose their representatives in elections that are free of corruption or the appearance of corruption.

(2) Corruption or the appearance of corruption in elections may evidence itself in many ways:

(A) Voters who democratically elect representatives must believe they are fairly represented by those they elect. The current election laws have led many to believe that the interests of those who actually vote for their representatives are less important than those who cannot vote, but who can influence an election by their contributions to the candidates.

(B) Failure to disclose, or timely disclose, those who contribute and how much they contribute unnecessarily withholds information voters need to cast ballots with complete confidence, thereby increasing the belief of, or the appearance of, corruption.

(C) The diminishing role of political parties, despite parties' long-standing role in advancing broad national agendas, in assisting the election of party candidates, and in organizing members, has relatively enhanced groups that pursue narrower interests. This relative shift of influence has been interpreted by some as corrupting the election process.

(D) Complicated and obsolete election laws and rules discourage citizens from becoming candidates, allow for coerced involuntary payments for political purposes, fail to keep contribution amounts current with inflation, and fail to provide reasonable compensating

contribution limits for candidates who run against candidates who wish to exercise their constitutional right of spending their own resources. The current state of laws and rules is such that if they do not corrupt, at the very least they unduly hinder fair, honest, and competitive elections.

TITLE I—RESTORING CONTROL OF ELECTIONS TO INDIVIDUALS

SEC. 101. REQUIRING MAJORITY OF HOUSE OF REPRESENTATIVES CANDIDATE FUNDS TO COME FROM INDIVIDUALS RESIDING IN DISTRICT.

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

''(i)(1) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not accept contributions with respect to an election cycle from persons other than local individual residents totaling in excess of the total of contributions accepted from local individual residents (as determined on the basis of the most recent information included in reports pursuant to section 304(d).

''(2) In determining the amount of contributions accepted by a candidate for purposes of this subsection, contributions of the candidate's personal funds shall be subject to the following rules:

''(A) To the extent that the amount of the contribution does not exceed the limitation on contributions made by an individual under subsection (a)(1)(A), such contribution shall be treated as any other contribution.

''(B) The portion (if any) of the contribution which exceeds the limitation on contributions which may be made by an individual under subsection (a)(1)(A) shall be allocated in accordance with paragraph (8).

''(3) In determining the amount of contributions accepted by a candidate for purposes of this subsection, contributions from a political party or a political party committee shall be allocated in accordance with paragraph (8).

''(4) In determining the amount of contributions accepted by a candidate for purposes of this subsection, any funds remaining in the candidate's campaign account after the filing of the post-general election report under section 304(a)(2)(A)(ii) for the most recent general election shall be allocated in accordance with paragraph (8).

''(5) In determining the amount of contributions accepted by a candidate for purposes of this subsection, any contributions accepted pursuant to subsection (j) which are from persons other than local individual residents shall be allocated in accordance with paragraph (8).

''(6)(A) Any candidate who accepts contributions that exceed the limitation under this subsection, as determined on the basis of information included in reports pursuant to section 304(d), shall pay to the Commission at the time of the filing of the report which contains the information, for deposit in the Treasury, an amount equal to 3 times the amount of the excess contributions (or, in the case of a candidate described in subparagraph (C), an amount equal to 5 times the amount of the excess contributions plus a civil penalty in an amount determined by the Commission).

''(B) Any amounts paid by a candidate under this paragraph shall be paid from contributions subject to the limitations and prohibitions of this title, including the limitation under this subsection.

''(C) A candidate described in this subparagraph is a candidate who accepts contributions that exceed the limitation under this subsection as of the last day of the period ending on the 20th day before an election or any period ending after such 20th day and before or on the 20th day after such election.

''(7) As used in this subsection, the term 'local individual resident' means an individual who resides in the congressional district involved.

''(8) For purposes of this subsection, any amounts allocated in accordance with this paragraph shall be allocated as follows:

''(A) 50 percent of such amounts shall be deemed to be contributions from local individual residents.

''(B) 50 percent of such amounts shall be deemed to be contributions from persons other than local individual residents.''.

(b) REPORTING REQUIREMENTS.—Section 304 of such Act (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(d) Each principal campaign committee of a candidate for the House of Representatives shall include the following information in reports filed under subsection (a)(2) and subsection (a)(6)(A):

''(1) With respect to each report filed under such subsection—

''(A) the total contributions received by the committee with respect to the election cycle involved from local individual residents (as defined in section 315(i)(7)), as of the last day of the period covered by the report;

''(B) the total contributions received by the committee with respect to the election cycle involved which are not from local individual residents, as of the last day of the period covered by the report; and

''(C) a certification as to whether the contributions reported comply with the limitation under section 315(i), as of the last day of the period covered by the report.

''(2) In the case of the first report filed under such subsection which covers the period which begins 19 days before an election and ends 20 days after the election—

''(A) the total contributions received by the committee with respect to the election cycle involved from local individual residents (as defined in section 315(i)(7)), as of the last day of such period;

''(B) the total contributions received by the committee with respect to the election cycle involved which are not from local individual residents, as of the last day of such period; and

''(C) a certification as to whether the contributions reported comply with the limitation under section 315(i), as of the last day of such period.''.

SEC. 102. REDUCTION IN ALLOWABLE CONTRIBUTION AMOUNTS FOR POLITICAL ACTION COMMITTEES; REVISION OF LIMITATIONS ON AMOUNTS OF OTHER CONTRIBUTIONS.

(a) REVISION OF CURRENT LIMITATIONS.—

(1) CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES.—Section 315(a)(2) of such Act (2 U.S.C. 441a(a)(2)) is amended—

(A) in subparagraphs (A) and (C), by striking ''$5,000'' and inserting ''$2,500''; and

(B) in subparagraph (B), by striking ''$15,000'' and inserting ''$40,000''.

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

(A) in subparagraph (C), by striking ''$5,000'' and inserting ''$2,500''; and

(B) in subparagraph (B), by striking ''$20,000'' and inserting ''$40,000''.

(3) AGGREGATE ANNUAL CONTRIBUTION BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$50,000''.

(b) LIMITATIONS ON CONTRIBUTIONS BY POLITICAL PARTY COMMITTEES.—

(1) IN GENERAL.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended—

(A) by redesignating paragraphs (3) through (8) as paragraphs (4) through (9); and

(B) by inserting after paragraph (2) the following new paragraph:

''(3) No political party committee may make contributions—

''(A) to any candidate or the candidate's authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $10,000; or

''(B) to any other political committees other than a political party committee in any calendar year which, in the aggregate, exceed $10,000.''.

(2) CONFORMING AMENDMENTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended—

(A) in paragraph (5) (as redesignated by paragraph (1)(A)), by striking ''paragraphs (1) and (2)'' and inserting ''paragraphs (1), (2), and (3)'';

(B) in paragraph (6) (as redesignated by paragraph (1)(A)), by striking ''paragraph (1) and paragraph (2)'' each place it appears and inserting ''paragraphs (1), (2), and (3)''; and

(C) in paragraph (7) (as redesignated by paragraph (1)(A)), by striking ''paragraphs (1), (2), and (3)''.

(c) POLITICAL PARTY COMMITTEE DEFINED.—Section 315(a)(5) of such Act (2 U.S.C. 441a(a)(4)) (as redesignated by subsection (b)(1)(A)) is amended by adding at the end the following sentence: ''For purposes of this section, the term 'political party committee' means a political committee which is a national, State, district, or local political party committee (including any subordinate committee thereof).''.

(d) OTHER CONFORMING AMENDMENTS.—Section 311(a)(6) of such Act (2 U.S.C. 438(a)(6)) is amended—

(1) in subparagraph (B), by inserting after ''multi-candidate committees'' the first place it appears the following: ''and political committees which are not authorized committees of candidates or political party committees'';

(2) in subparagraph (B), by striking ''multicandidate committees'' the second place it appears and inserting ''such committees''; and

(3) in subparagraph (C), by striking ''multicandidate committees'' and inserting ''committees described in subparagraph (B)''.

SEC. 103. MODIFICATION OF LIMITATIONS ON CONTRIBUTIONS WHEN CANDIDATES SPEND OR CONTRIBUTE LARGE AMOUNTS OF PERSONAL FUNDS.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 101(a), is further amended by adding at the end the following new subsection:

''(j)(1) Notwithstanding subsection (a), if in a general election a House candidate makes expenditures of personal funds (including contributions by the candidate to the candidate's authorized campaign committee) in an amount in excess of the amount of the limitation established under subsection (a)(1)(A) and less than or equal to $150,000 (as reported under section 304(a)(2)(A)), a political party committee may make contributions to an opponent of the House candidate without regard to any limitation otherwise applicable to such contributions under subsection (a), except that the opponent may not accept aggregate contributions under this paragraph in an amount greater than the greatest amount of personal funds expended (including contributions to the candidate's authorized campaign committee) by any House candidate (other than such opponent) with respect to the election (as reported in a notification submitted under section 304(a)(6)(B)).

''(2) If a House candidate makes expenditures of personal funds (including contributions by the candidate to the candidate's authorized campaign committee) with respect

to an election in an amount greater than $150,000 (as reported under section 304(a)(2)(A)), the following rules shall apply:

''(A) In the case of a general election, the limitations under subsections (a)(1), (a)(2), and (a)(3) (insofar as such limitations apply to political party committees and to individuals, and to other political committees to the extent that the amount contributed does not exceed 10 times the amount of the limitation otherwise applicable under such subsection) shall not apply to contributions to the candidate or to any opponent of the candidate, except that neither the candidate or any opponent may accept aggregate contributions under this subparagraph and paragraph (1) in an amount greater than the greatest amount of personal funds (including contributions to the candidate's authorized campaign committee) expended by any House candidate with respect to the election (as reported in a notification submitted under section 304(a)(6)(B)).

''(B) In the case of an election other than a general election, the limitations under subsection (a)(1) and (a)(2) (insofar as such limitations apply to individuals and to political committees other than political party committees to the extent that the amount contributed does not exceed 10 times the amount of the limitation otherwise applicable under such subsection) shall not apply to contributions to the candidate or to any opponent of the candidate, except that neither the candidate or any opponent may accept aggregate contributions under this subparagraph in an amount greater than the greatest amount of personal funds (including contributions to the candidate's authorized campaign committee) expended by any House candidate with respect to the election (as reported in a notification submitted under section 304(a)(6)(B)).

''(3) In this subsection, the term 'House candidate' means a candidate in an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

(b) 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 House candidate (as defined in section 315(j)(3)) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate 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 the amount of the limitation established under section 315(a)(1)(A) for elections in the year involved.

''(II) A notification of each such expenditure (or contribution) which, taken together with all such expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

''(III) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended with respect to the election exceeds the level applicable under section 315(j)(2) for elections in the year involved.

''(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.''.

SEC. 104. INDEXING LIMITS ON CONTRIBUTIONS.

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

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

''(i) For calendar year 1999, each such amount shall be equal to the amount described in such subsection, increased (in a compounded manner) by the percentage increase in the price index (as defined in subsection (c)(2)) for 1997 and 1998.

''(ii) For calendar year 2001 and each second subsequent year, each such amount shall be equal to the amount for the second previous year (as adjusted under this subparagraph), increased (in a compounded manner) by the percentage increase in the price index for the previous year and the second previous year.

''(B) In the case of any amount adjusted under this subparagraph which is not a multiple of $500, the amount shall be rounded to the nearest highest multiple of $500.''.

(b) APPLICATION OF INDEXING TO SUPPORT OF CANDIDATE'S COMMITTEES.—Section 302(e)(3)(B) of such Act (2 U.S.C. 432(e)(3)(B)) is amended by adding at the end the following new sentence: ''The amount described in the previous sentence shall be adjusted (for years beginning with 1997) in the same manner as the amounts of limitations on contributions under section 315(a) are adjusted under section 315(c)(3).''.

(c) APPLICATION OF INDEXING TO PROVISIONS RELATING TO PERSONAL FUNDS.—

(1) IN GENERAL.—Section 315(j) of such Act (2 U.S.C. 441a(j)), as added by section 103(a), is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following new paragraph:

''(3) Each of the amounts provided under paragraph (1) or (2) shall be adjusted for each biennial period beginning after the 1998 general election in the same manner as the amounts of limitations on contributions established under subsection (a) are adjusted under subsection (c)(3).''.

(2) CONFORMING AMENDMENT.—Section 304(a)(6)(B)(i) of such Act (2 U.S.C. 434(a)(6)(B)(i)), as added by section 103(b), is amended by striking ''section 315(j)(3)'' and inserting ''section 315(j)(4)''.

SEC. 105. PROHIBITION OF LEADERSHIP COMMITTEES.

(a) LEADERSHIP COMMITTEE PROHIBITION.—Section 302 of the Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following new subsection:

''(j) A candidate for Federal office or an individual holding Federal office may not establish, maintain, finance, or control a political committee, other than a principal campaign committee of the candidate or the individual.''.

(b) CONFORMING AMENDMENT RELATING TO JOINT FUNDRAISING.—Section 302(e)(3)(A) of such Act (2 U.S.C. 432(e)(3)) is amended by striking ''except that—'' and all that follows and inserting the following: ''except that the candidate for the office of President nominated by a political party may designate the national committee of such political party as a principal campaign committee, but only if that national committee maintains separate books of account with respect to its function as a principal campaign committee.''.

(c) EFFECTIVE DATE; TRANSITION RULE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to elections occurring in years beginning with 1997.

(2) TRANSITION RULE.—

(A) IN GENERAL.—Notwithstanding section 302(j) of the Federal Election Campaign Act of 1971 (as added by subsection (a)), if a political committee established, maintained, financed, or controlled by a candidate for Federal office or an individual holding Federal office (other than a principal campaign committee of the candidate or individual) with respect to an election occurring during 1996 has funds remaining unexpended after the 1996 general election, the committee may make contributions or expenditures of such funds with respect to elections occurring during 1997 or 1998.

(B) DISBANDING COMMITTEES; TREATMENT OF REMAINING FUNDS.—Any political committee described in subparagraph (A) shall be disbanded after filing any post-election reports required under section 304 of the Federal Election Campaign Act of 1971 with respect to the 1998 general election. Any funds of such a committee which remain unexpended after the 1998 general election and before the date on which the committee disbands shall be returned to contributors or available for any lawful purpose other than use by the candidate or individual involved with respect to an election for Federal office.

SEC. 106. PROHIBITING BUNDLING OF CONTRIBUTIONS TO CANDIDATES BY POLITICAL ACTION COMMITTEES AND LOBBYISTS.

Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

''(c)(1) No political action committee or person required to register under the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) may act as an intermediary or conduit with respect to a contribution to a candidate for Federal office.

''(2) In this subsection, the term 'political action committee' means any political committee which is not—

''(A) the principal campaign committee of a candidate; or

''(B) a political party committee.''.

SEC. 107. DEFINITION OF INDEPENDENT EXPENDITURES.

Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

''(17)(A) The term 'independent expenditure' means an expenditure by a person for a communication expressly advocating the election or defeat of a clearly identified candidate which is not made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate.

''(B) For purposes of this paragraph—

''(i) 'expressly advocating the election or defeat' means the use in the communication of explicit words such as 'vote for', 'reelect', 'support', 'cast your ballot for', 'vote against', 'defeat', or 'reject', accompanied by a reference in the communication to one or more clearly identified candidates, or words such as 'vote' for or against a position on an issue, accompanied by a listing in the communication of one or more clearly identified candidates described as for or against a position on that issue;

''(ii) 'which is not made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate' refers to the expenditure in question for the communication made by the person; and

''(iii) the term 'agent' means any person who has actual oral or written authority, either express or implied, to make or authorize the making of expenditures on behalf of a candidate.

''(C) An expenditure by a person for a communication which does not contain explicit words expressly advocating the election or defeat of a clearly identified candidate shall not be considered an independent expenditure.''.

SEC. 108. REQUIREMENTS FOR USE OF PAYROLL DEDUCTIONS FOR CONTRIBUTIONS.

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:

''USE OF PAYROLL DEDUCTIONS FOR CONTRIBUTIONS

''SEC. 323. (a) REQUIREMENTS FOR AUTHORIZATION OF DEDUCTION.—

''(1) IN GENERAL.—No amounts withheld from an individual's wages or salary during a year may be used for any contribution under this title unless there is in effect an authorization in writing by the individual permitting the withholding of such amounts for the contribution.

''(2) PERIOD OF AUTHORIZATION.—An authorization described in this subsection may be in effect with respect to an individual for such period as the individual may specify (subject to cancellation under paragraph (3)), except that the period may not be longer than 12 months.

''(3) RIGHT OF CANCELLATION.—An individual with an authorization in effect under this subsection may cancel or revise the authorization at any time.

''(b) INFORMATION PROVIDED BY WITHHOLDING ENTITY.—

''(1) IN GENERAL.—Each entity withholding wages or salary from an individual with an authorization in effect under subsection (a) shall provide the individual with a statement that the individual may at any time cancel or revise the authorization in accordance with subsection (a)(3).

''(2) TIMING OF NOTICE.—The entity shall provide the information described in paragraph (1) to an individual at the beginning of each calendar year occurring during the period in which the individual's authorization is in effect.''.

TITLE II—STRENGTHENING POLITICAL PARTIES

SEC. 201. LIMITATION AMOUNT FOR CONTRIBUTIONS TO STATE POLITICAL PARTIES.

Paragraphs (1)(B) and (2)(B) of section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) are each amended by inserting after ''national'' the following: ''or State''.

Page 47, line 6, strike ''Section 315(a)(3)'' and all that follows through ''is amended'' and insert the following: ''Section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(4)) (as redesignated by section 102(b)(1)(A)) is amended''.

SEC. 202. ALLOWING POLITICAL PARTIES TO OFFSET FUNDS CARRIED OVER FROM PREVIOUS ELECTIONS.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by sections 101 and 103(a), is further amended by adding at the end the following new subsection:

''(k)(1) Subject to paragraph (2), if, in a general election for Federal office, a candidate who is the incumbent uses campaign funds carried forward from an earlier election cycle, any political party committee may make contributions to the nominee of that political party to match the funds so carried forward by such incumbent. For purposes of this paragraph, funds shall be considered to have been carried forward if the funds represent cash on hand as reported in the applicable post-general election report filed under section 304(a) for the general election involved, plus any amount expended on or before the filing of the report for a later election, less legitimate outstanding debts relating to the previous election up to the amount reported.

''(2) The political party contributions under paragraph (1) may be made without regard to any limitation amount otherwise applicable to such contributions made under subsections (a) or (i), but a candidate may not accept contributions under this subsection in excess of the total of funds carried forward by the incumbent candidate.''.

SEC. 203. PROHIBITING USE OF NON-FEDERAL FUNDS IN FEDERAL ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 108, is further amended by adding at the end the following new section:

''RESTRICTIONS ON USE OF NON-FEDERAL FUNDS

''SEC. 324. (a) PROHIBITING USE OF FUNDS IN FEDERAL ELECTIONS.—No funds may be expended by a political party committee for the purpose of influencing an election for Federal office unless the funds are subject to the limitations and prohibitions of this Act, except as may be provided in this section.

''(b) RESTRICTIONS ON USE OF FUNDS FOR MIXED ACTIVITIES.—

''(1) PROHIBITING USE BY NATIONAL PARTY COMMITTEES.—A national committee of a political party (including any subordinate committee thereof) may not use any funds which are not subject to the limitations and prohibitions of this Act for any mixed activity.

''(2) MIXED ACTIVITY DEFINED.—In this subsection, the term 'mixed activity' means any activity which is both for the purpose of influencing an election for Federal office and for any purpose unrelated to influencing an election for Federal office, including voter registration, absentee ballot programs, and get-out-the-vote programs, but does not include the payment of any administrative or overhead costs, including salaries (other than payments made to individuals for get-out-the-vote activities conducted on the day of an election), rent, fundraising, or communications to members of a political party.

''(c) RESTRICTIONS ON USE OF FUNDS FOR MIXED CANDIDATE-SPECIFIC ACTIVITIES.—

''(1) REQUIRING ALLOCATION AMONG CANDIDATES.—A political party committee may use funds which are not subject to the limitations and prohibitions of this Act for mixed candidate-specific activities if the funds are allocated among the candidates involved on the basis of the time and space allocated to the candidates.

''(2) MIXED CANDIDATE-SPECIFIC ACTIVITY DEFINED.—In this subsection, the term 'mixed candidate-specific activity' means any activity which is both for the purpose of promoting a specific candidate or candidates in an election for Federal office and for the purpose of promoting a specific candidate or candidates in any other election.''.

SEC. 204. PERMITTING PARTIES TO HAVE UNLIMITED COMMUNICATION WITH MEMBERS.

(a) IN GENERAL.—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) For purposes of applying the limitations established under paragraphs (2) and (3), in determining the amount of expenditures made by a national committee of a political party or a State committee of a political party (including any subordinate committee of a State committee), there shall be excluded any amounts expended by the committee for communications to the extent the communications are made to members of the party.

''(B) For purposes of subparagraph (A), an individual shall be considered to be a 'member' of a political party if any of the following apply:

''(i) The individual is registered to vote as a member of the party.

''(ii) There is a public record that the individual voted in the primary of the party during the most recent primary election.

''(iii) The individual has made a contribution to the party and the contribution has been reported to the Commission (in accordance with this Act) or to a State reporting agency.

''(iv) The individual has indicated in writing that the individual is a member of the party.''.

(b) FUNDS AVAILABLE FOR PARTY COMMUNICATIONS.—Section 324 of such Act, as added by section 203, is amended by adding at the end the following new subsection:

''(d) FUNDS FOR PARTY COMMUNICATIONS WITH MEMBERS.—Subsection (a) shall not apply with respect to funds expended by a political party for communications to the extent the communications are made to members of the party (as determined in accordance with section 315(d)(4)), except that any communications which are both for the purpose of expressly advocating the election or defeat of a specific candidate for election to Federal office and for any other purpose shall be subject to allocation in the same manner as funds expended for mixed candidate-specific activities under subsection (c).''.

SEC. 205. PROMOTING STATE AND LOCAL PARTY VOLUNTEER AND GRASSROOTS ACTIVITY.

(a) ENCOURAGING STATE AND LOCAL PARTY ACTIVITIES.—

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

(A) by striking ''and'' at the end of clause (xiii);

(B) by striking the period at the end of clause (xiv) and inserting ''; and''; and

(C) by adding at the end the following new clause:

''(xv) the payment by a State or local committee of a political party for any of the following activities:

''(I) The listing of the slate of the party's candidates, including the communication of the slate to the public.

''(II) The mailing of materials for or on behalf of specific candidates by volunteers (including labeling envelopes or affixing postage or other indicia to particular pieces of mail), other than the mailing of materials to a commercial list.

''(III) Conducting a telephone bank for or on behalf of specific candidates staffed by volunteers.

''(IV) The distribution of collateral materials (such as pins, bumper stickers, handbills, brochures, posters, party tabloids, and yard signs) for or on behalf of specific candidates (whether by volunteers or otherwise).''.

(2) EXPENDITURES.—Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended—

(A) by striking ''and'' at the end of clause (ix);

(B) by striking the period at the end of clause (x) and inserting ''; and''; and

(C) by adding at the end the following new clause:

''(xi) the payment by a State or local committee of a political party for any of the following activities:

''(I) The listing of the slate of the party's candidates, including the communication of the slate to the public.

''(II) The mailing of materials for or on behalf of specific candidates by volunteers (including labeling envelopes or affixing postage or other indicia to particular pieces of mail), other than the mailing of materials to a commercial list.

''(III) Conducting a telephone bank for or on behalf of specific candidates staffed by volunteers.

''(IV) The distribution of collateral materials (such as pins, bumper stickers, handbills, brochures, posters, party tabloids, and yard signs) for or on behalf of specific candidates (whether by volunteers or otherwise).''.

(3) CONFORMING AMENDMENTS.—(A) Section 301(8)(B)(x) of such Act (2 U.S.C. 431(8)(B)(x)) is amended by striking ''in connection with volunteer activities on behalf of nominees of such party'' and inserting ''in connection with State or local activities, other than any payment described in clause (xv)''.

(B) Section 301(9)(B)(viii) of such Act (2 U.S.C. 431(9)(B)(viii)) is amended by striking ''in connection with volunteer activities on behalf of nominees of such party'' and inserting ''in connection with State or local activities, other than any payment described in clause (xi)''.

(b) FUNDS AVAILABLE FOR ACTIVITIES.—

(1) PERMITTING USE OF NON-FEDERAL FUNDS FOR MIXED ACTIVITIES.—Section 324(b) of such Act, as added by section 203, is amended—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by inserting after paragraph (1) the following new paragraph:

''(2) USE BY STATE OR LOCAL PARTY COMMITTEES.—A State, local, or district committee of a political party (including any subordinate committee thereof) may use funds which are not subject to the limitations and prohibitions of this Act for mixed activity if the funds are allocated in accordance with the process described in subsection (g).''.

(2) FUNDS AVAILABLE FOR STATE AND LOCAL PARTIES.—Section 324 of such Act, as added by section 203 and as amended by section 204(b), is amended by adding at the end the following new subsection:

''(e) FUNDS AVAILABLE FOR STATE AND LOCAL PARTY VOLUNTEER AND GRASSROOTS ACTIVITIES.—Subsection (a) shall not apply with respect to payments described in section 301(8)(B)(xv) or section 301(9)(B)(xi), except that any payments which are both for the purpose of expressly advocating the election or defeat of a specific candidate for election to Federal office and for any other purpose shall be subject to allocation in the same manner as funds expended for mixed candidate-specific activities under subsection (c).''.

(3) TREATMENT OF INTRA-PARTY TRANSFERS.—Section 324 of such Act, as added by section 203 and as amended by section 204(b) and paragraph (2), is amended by adding at the end the following new subsection:

''(f) RULE OF CONSTRUCTION REGARDING INTRA-PARTY TRANSFERS.—Nothing in this section shall be construed to prohibit the transfer between and among national, State, or local party committees (including any subordinate committees thereof) of funds which are not subject to the limitations and prohibitions of this Act.''.

(4) ALLOCATION PROCEDURES DESCRIBED.—Section 324 of such Act, as added by section 203 and as amended by section 204(b) and paragraphs (2) and (3), is amended by adding at the end the following new subsection:

''(g) STATE AND LOCAL PARTY COMMITTEES; METHOD FOR ALLOCATING EXPENDITURES FOR MIXED ACTIVITIES.—

''(1) GENERAL RULE.—All State and local party committees except those covered by paragraph (2) shall allocate their expenses for mixed activities, as described in subsection (b)(2), according to the ballot composition method described as follows:

''(A) Under this method, expenses shall be allocated based on the ratio of Federal offices expected on the ballot to total Federal and non-Federal offices expected on the ballot in the next general election to be held in the committee's State or geographic area. This ratio shall be determined by the number of categories of Federal offices on the ballot and the number of categories of non-Federal offices on the ballot, as described in subparagraph (B).

''(B) In calculating a ballot composition ratio, a State or local party committee shall count the Federal offices of President, United States Senator, and United States Representative, if expected on the ballot in the next general election, as one Federal office each. The committee shall count the non-Federal offices of Governor, State Senator, and State Representative, if expected on the ballot in the next general election, as one non-Federal office each. The committee shall count the total of all other partisan statewide executive candidates, if expected on the ballot in the next general election, as a maximum of two non-Federal offices. State party committees shall also include in the ratio one additional non-Federal office if any partisan local candidates are expected on the ballot in any regularly scheduled election during the 2 year congressional election cycle. Local party committees shall also include in the ratio a maximum of 2 additional non-Federal offices if any partisan local candidates are expected on the ballot in any regularly scheduled election during the 2 year congressional election cycle. State and local party committees shall also include in the ratio 1 additional non-Federal office.

''(2) EXCEPTION FOR STATES THAT DO NOT HOLD FEDERAL AND NON-FEDERAL ELECTIONS IN THE SAME YEAR.—State and local party committees in states that do not hold Federal and non-Federal elections in the same year shall allocate the costs of mixed activities according to the ballot composition method described in paragraph (1), based on a ratio calculated for that calendar year.''.

TITLE III—DISCLOSURE AND ENFORCEMENT

SEC. 301. TIMELY REPORTING AND INCREASED DISCLOSURE.

(a) DEADLINE FOR FILING.—

(1) REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE WITHIN 20 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.—Section 304(a)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)(A)) is amended—

(A) by striking ''after the 20th day, but more than 48 hours before any election'' and inserting ''during the period which begins on the 20th day before an election and ends at the time the polls close for such election''; and

(B) by striking ''48 hours'' the second place it appears and inserting the following: ''24 hours (or, if earlier, by midnight of the day on which the contribution is deposited)''.

(2) REQUIRING ACTUAL DELIVERY BY DEADLINE.—

(A) IN GENERAL.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)), as amended by section 103(b), is further amended by adding at the end the following new subparagraph:

''(D) Notwithstanding paragraph (5), the time at which a notification or report under this paragraph is received by the Secretary, the Commission, or any other recipient to whom the notification is required to be sent shall be considered the time of filing of the notification or report with the recipient.''.

(B) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking ''paragraph (2)(A)(i) or (4)(A)(ii)'' and inserting ''paragraphs (2)(A)(i), (4)(A)(ii), or (6))''.

(b) INCREASING ELECTRONIC DISCLOSURE.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)), as amended by section 103(b) and subsection (a)(2)(A), is further amended by adding at the end the following new subparagraph:

''(E)(i) The Commission shall make the information contained in the reports submitted under this paragraph available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.

''(ii) In this subparagraph, the term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet-switched data networks.''.

(c) CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.—Section 304(b) of such Act (2 U.S.C. 434(b)) is amended by inserting ''(or election cycle, in the case of an authorized committee of a candidate for Federal office)'' after ''calendar year'' each place it appears in paragraphs (2), (3), (4), (6), and (7).

(d) CLARIFICATION OF PERMISSIBLE USE OF FACSIMILE MACHINES TO FILE REPORTS.—Section 304(a)(11)(A) of such Act (2 U.S.C. 434(a)(11)) is amended by striking ''method,'' and inserting ''method (including by facsimile device in the case of any report required to be filed within 24 hours after the transaction reported has occurred),''.

(e) REQUIRING RECEIPT OF INDEPENDENT EXPENDITURE REPORTS WITHIN 24 HOURS.—

(1) IN GENERAL.—Section 304(c)(2) of such Act (2 U.S.C. 434(c)(2)) is amended in the matter following subparagraph (C)—

(A) by striking ''shall be reported'' and inserting ''shall be filed''; and

(B) by adding at the end the following new sentence: ''Notwithstanding subsection (a)(5), the time at which the statement under this subsection is received by the Secretary, the Commission, or any other recipient to whom the notification is required to be sent shall be considered the time of filing of the statement with the recipient.''.

(2) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)), as amended by subsection (a)(2)(B), is further amended by striking ''or (6)'' and inserting ''or (6), or subsection (c)(2)''.

(f) REQUIRING RECORD KEEPING AND REPORT OF SECONDARY PAYMENTS BY CAMPAIGN COMMITTEES.—

(1) REPORTING.—Section 304(b)(5)(A) of such Act (2 U.S.C. 434(b)(5)(A)) is amended by striking the semicolon at the end and inserting the following: '', and, if such person in turn makes expenditures which aggregate $500 or more in an election cycle to other persons (not including employees) who provide goods or services to the candidate or the candidate's authorized committees, the name and address of such other persons, together with the date, amount, and purpose of such expenditures;''.

(2) RECORD KEEPING.—Section 302 of such Act (2 U.S.C. 432), as amended by section 105(a), is further amended by adding at the end the following new subsection:

''(k) A person described in section 304(b)(5)(A) who makes expenditures which aggregate $500 or more in an election cycle to other persons (not including employees) who provide goods or services to a candidate or a candidate's authorized committees shall

provide to a political committee the information necessary to enable the committee to report the information described in such section.''.

(3) NO EFFECT ON OTHER REPORTS.—Nothing in the amendments made by this subsection may be construed to affect the terms of any other recordkeeping or reporting requirements applicable to candidates or political committees under title III of the Federal Election Campaign Act of 1971.

(g) INCLUDING REPORT ON CUMULATIVE CONTRIBUTIONS AND EXPENDITURES IN POST ELECTION REPORTS.—Section 304(a)(7) of such Act (2 U.S.C. 434(a)(7)) is amended—

(1) by striking ''(7)'' and inserting ''(7)(A)''; and

(2) by adding at the end the following new subparagraph:

''(B) In the case of any report required to be filed by this subsection which is the first report required to be filed after the date of an election, the report shall include a statement of the total contributions received and expenditures made as of the date of the election.''.

(h) INCLUDING INFORMATION ON AGGREGATE CONTRIBUTIONS IN REPORT ON ITEMIZED CONTRIBUTIONS.—Section 304(b)(3) of such Act (2 U.S.C. 434(b)(3)) is amended—

(1) in subparagraph (A), by inserting after ''such contribution'' the following: ''and the total amount of all such contributions made by such person with respect to the election involved''; and

(2) in subparagraph (B), by inserting after ''such contribution'' the following: ''and the total amount of all such contributions made by such committee with respect to the election involved''.

SEC. 302. STREAMLINING PROCEDURES AND RULES OF FEDERAL ELECTION COMMISSION.

(a) STANDARDS FOR COMMISSION REGULATION AND JUDICIAL INTERPRETATION.—Section 307 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437d) is amended by adding at the end the following new subsection:

''(f)(1) When developing prescribed forms and making, amending, or repealing rules pursuant to the authority granted to the Commission by subsection (a)(8), the Commission shall act in a manner that will have the least restrictive effect on the rights of free speech and association so protected by the First Article of Amendment to the Constitution of the United States.

''(2) When the Commission's actions under paragraph (1) are challenged, a reviewing court shall hold unlawful and set aside any actions of the Commission that do not conform with the principles set forth in paragraph (1).''.

(b) WRITTEN RESPONSES TO QUESTIONS.—

(1) IN GENERAL.—Title III of such Act (2 U.S.C. 431 et seq.) is amended by inserting after section 308 the following new section:

''OTHER WRITTEN RESPONSES TO QUESTIONS

''SEC. 308A. (a) PERMITTING RESPONSES.—In addition to issuing advisory opinions under section 308, the Commission shall issue written responses pursuant to this section with respect to a written request concerning the application of this Act, chapter 95 or chapter 96 of the Internal Revenue Code of 1986, a rule or regulation prescribed by the Commission, or an advisory opinion issued by the Commission under section 308, with respect to a specific transaction or activity by the person, if the Commission finds the application of the Act, chapter, rule, regulation, or advisory opinion to the transaction or activity to be clear and unambiguous.

''(b) PROCEDURE FOR RESPONSE.—

''(1) ANALYSIS BY STAFF.—The staff of the Commission shall analyze each request submitted under this section. If the staff believes that the standard described in subsection (a) is met with respect to the request, the staff shall circulate a statement to that effect together with a draft response to the request to the members of the Commission.

''(2) ISSUANCE OF RESPONSE.—Upon the expiration of the 3-day period beginning on the date the statement and draft response is circulated (excluding weekends or holidays), the Commission shall issue the response, unless during such period any member of the Commission objects to issuing the response.

''(c) EFFECT OF RESPONSE.—

''(1) SAFE HARBOR.—Notwithstanding any other provisions of law, any person who relies upon any provision or finding of a written response issued under this section and who acts in good faith in accordance with the provisions and findings of such response shall not, as a result of any such act, be subject to any sanction provided by this Act or by chapter 95 or chapter 96 of the Internal Revenue Code of 1986.

''(2) NO RELIANCE BY OTHER PARTIES.—Any written response issued by the Commission under this section may only be relied upon by the person involved in the specific transaction or activity with respect to which such response is issued, and may not be applied by the Commission with respect to any other person or used by the Commission for enforcement or regulatory purposes.

''(d) PUBLICATION OF REQUESTS AND RESPONSES.—The Commission shall make public any request for a written response made, and the responses issued, under this section. In carrying out this subsection, the Commission may not make public the identity of any person submitting a request for a written response unless the person specifically authorizes to Commission to do so.

''(e) COMPILATION OF INDEX.—The Commission shall compile, publish, and regularly update a complete and detailed index of the responses issued under this section through which responses may be found on the basis of the subjects included in the responses.''.

(2) CONFORMING AMENDMENT.—Section 307(a)(7) of such Act (2 U.S.C. 437d(a)(7)) is amended by striking ''of this Act'' and inserting ''and other written responses under section 308A''.

(c) OPPORTUNITY FOR ORAL ARGUMENTS BEFORE COMMISSION.—Section 309(a)(3) of such Act (2 U.S.C. 437g(a)(3)) is amended—

(1) by striking ''(3)'' and inserting ''(3)(A)''; and

(2) by adding at the end the following new subparagraph:

''(B) If a respondent submits a brief under subparagraph (A), the respondent may submit (at the time of submitting the brief) a request to present an oral argument in support of the respondent's brief before the Commission. If at least 2 members of the Commission approve of the request, the respondent shall be permitted to appear before the Commission in open session and make an oral presentation in support of the brief and respond to questions of members of the Commission. Such appearance shall take place at a time specified by the Commission during the 30-day period which begins on the date the request is approved, and the Commission may limit the length of the respondent's appearance to such period of time as the Commission considers appropriate. Any information provided by the respondent during the appearance shall be considered by the Commission before proceeding under paragraph (4).''.

(d) INDEX OF ADVISORY OPINIONS.—

(1) IN GENERAL.—Section 308 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437f) is amended by adding at the end the following new subsection:

''(e) The Commission shall compile, publish, and regularly update a complete and detailed index of the advisory opinions issued under this section through which opinions may be found on the basis of the subjects included in the opinions.''.

(2) EFFECTIVE DATE.—The Federal Election Commission shall first publish the index of advisory opinions described in section 308(e) of the Federal Election Campaign Act of 1971 (as added by paragraph (1)) not later than 60 days after the date of the enactment of this Act.

(e) STANDARD FOR INITIATION OF ACTIONS.—Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking ''it has reason to believe'' and all that follows through ''of 1954,'' and inserting the following: ''it has a reason to investigate a possible violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 that has occurred or is about to occur (based on the same criteria applicable under this paragraph prior to the enactment of the Campaign Finance Reform Act of 1996),''.

(f) APPLICATION OF AGGREGATE CONTRIBUTION LIMIT ON CALENDAR YEAR BASIS DURING NON-ELECTION YEARS.—Section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(4) as redesignated by section 102(b)(1)(A)) is amended.

(g) REPEAL REPORT BY SECRETARY OF COMMERCE ON DISTRICT-SPECIFIC VOTING AGE POPULATION.—Section 315(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(e)) is amended by striking ''States, of each State, and of each congressional district'' and inserting ''States and of each State''.

(h) COMMERCIALLY REASONABLE LOANS NOT TO BE TREATED AS CONTRIBUTIONS BY LENDER.—Section 301(8)(B)(vii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(vii)) is amended—

(1) by striking ''or a depository'' and inserting ''a depository''; and

(2) by inserting after ''Administration,'' the following: ''or any other commercial lender,''.

(i) ABOLITION OF EX OFFICIO MEMBERSHIP OF CLERK OF HOUSE OF REPRESENTATIVES ON COMMISSION.—Section 306(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a)) is amended—

(1) in paragraph (1), by striking ''and the Clerk'' and all that follows through ''designees'' and inserting ''or the designee of the Secretary''; and

(2) in paragraphs (3), (4), and (5), by striking ''and the Clerk of the House of Representatives'' each place it appears.

(j) GRANTING COMMISSION AUTHORITY TO WAIVE REPORTING REQUIREMENTS.—Section 304 of such Act (2 U.S.C. 434), as amended by section 101(b), is further amended by adding at the end the following new subsection:

''(e) The Commission may by unanimous vote relieve any person or category of persons of the obligation to file any of the reports required by this section, or may change the due dates of any of the reports required by this section, if it determines that such action is consistent with the purposes of this title. The Commission may waive requirements to file reports or change due dates in accordance with this subsection through a rule of general applicability or, in a specific case, by notifying all the political committees involved.''.

(k) PERMITTING CORPORATIONS TO COMMUNICATE WITH ALL EMPLOYEES.—

(1) IN GENERAL.—Section 316(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking ''executive or administrative personnel'' each place it appears in paragraphs (2)(A), (2)(B), (4)(A)(i), (4)(D), and (5) and inserting ''officers or employees''.

(2) CONFORMING AMENDMENT.—Section 316(b) of such Act is amended by striking paragraph (7).

(l) PERMITTING UNLIMITED SOLICITATIONS BY CORPORATIONS OR LABOR ORGANIZATIONS; PROTECTING CONFIDENTIALITY OF CONTRIBUTIONS NOT GREATER THAN $100.—Section 316(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(3)), as amended by subsection (k)(2), is amended—

(1) in paragraph (4)(A), by striking ''(B), (C),'' and inserting ''(C)'';

(2) in paragraph (4)(A)(ii), by striking the period at the end and inserting the following: '', its officers or employees and their families, employees who are not members and their families, and officers, employees, or stockholders of a corporation (and their families) in which the labor organization represents members working for the corporation.'';

(3) in paragraph (4), by striking subparagraph (B); and

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

''(7)(A) Any corporation or labor organization (or separate segregated fund established by such a corporation or such a labor organization) making solicitations of contributions shall make such solicitations in a manner that ensures that the corporation, organization, or fund cannot determine who makes a contribution of $100 or less as a result of such solicitation and who does not make such a contribution.

''(B) Subparagraph (A) shall not apply with respect to any solicitation of contributions of a corporation from its stockholders.''.

(m) GREATER PROTECTION AGAINST FORCE AND REPRISALS.—Section 316(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(3)), is amended—

(1) by redesignating subparagraphs (A) through (C) as subparagraphs (B) through (D); and

(2) by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

''(A) for such a fund to cause another person to make a contribution or expenditure by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal;''.

(n) REQUIRING COMPLAINANT TO PROVIDE NOTICE TO RESPONDENTS.—Section 309(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(1)) is amended by striking the third sentence and inserting the following: ''The complaint shall include the names and addresses of persons alleged to have committed such a violation. Within 5 days after receipt of the complaint, the Commission shall provide written notice of the complaint together with a copy of the complaint to each person described in the previous sentence, except that if the Commission determines that it is not necessary for a person described in the previous sentence to receive a copy of the complaint, the Commission shall provide the person with written notice that the complaint has been filed, together with written instructions on how to obtain a copy of the complaint without charge from the Commission.''.

(o) STANDARD FORM FOR COMPLAINTS; STRONGER DISCLAIMER LANGUAGE.—

(1) STANDARD FORM.—Section 309(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(1)) is amended by inserting after ''shall be notarized,'' the following: ''shall be in a standard form prescribed by the Commission, shall not include (but may refer to) extraneous materials,''.

(2) DISCLAIMER LANGUAGE.—Section 309(a)(1) of such Act (2 U.S.C. 437g(a)(1)) is amended—

(A) by striking ''(a)(1)'' and inserting ''(a)(1)(A)''; and

(B) by adding at the end the following new subparagraph:

''(B) The written notice of a complaint provided by the Commission under subparagraph (A) to a person alleged to have committed a violation referred to in the complaint shall include a cover letter (in a form prescribed by the Commission) and the following statement: 'The enclosed complaint has been filed against you with the Federal Election Commission. The Commission has not verified or given official sanction to the complaint. The Commission will make no decision to pursue the complaint for a period of at least 15 days from your receipt of this complaint. You may, if you wish, submit a written statement to the Commission explaining why the Commission should take no action against you based on this complaint. If the Commission should decide to investigate, you will be notified and be given further opportunity to respond.'''.

(p) BANNING ACCEPTANCE OF CASH CONTRIBUTIONS GREATER THAN $100.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by sections 101, 103(a)(1), and 202, is further amended by adding at the end the following new subsection:

''(l) No candidate or political committee may accept any contributions of currency of the United States or currency of any foreign country from any person which, in the aggregate, exceed $100.''.

(q) APPOINTMENT AND SERVICE OF STAFF DIRECTOR AND GENERAL COUNSEL OF COMMISSION.—

(1) APPOINTMENT; LENGTH OF TERM OF SERVICE.—

(A) IN GENERAL.—The first sentence of section 306(f)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(f)(1)) is amended by striking ''by the Commission'' and inserting the following: ''by an affirmative vote of not less than 4 members of the Commission and may not serve for a term of more than 4 consecutive years without reappointment in accordance with this paragraph''.

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply with respect to any individual serving as the staff director or general counsel of the Federal Election Commission on or after January 1, 1997, without regard to whether or not the individual served as staff director or general counsel prior to such date.

(2) TREATMENT OF INDIVIDUALS FILLING VACANCIES; TERMINATION OF AUTHORITY UPON EXPIRATION OF TERM.—Section 306(f)(1) of such Act (2 U.S.C. 437c(f)(1)) is amended by inserting after the first sentence the following new sentences: ''An individual appointed as a staff director or general counsel to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the individual he or she succeeds. An individual serving as staff director or general counsel may not serve in any capacity on behalf of the Commission after the expiration of the individual's term unless reappointed in accordance with this paragraph.''.

(3) APPOINTMENT OF ADDITIONAL STAFF.—

(A) IN GENERAL.—The last sentence of section 306(f)(1) of such Act (2 U.S.C. 437c(f)(1)) is amended by inserting ''not less than 4 members of'' after ''approval of''.

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply with respect to personnel appointed on or after January 1, 1997.

(r) ENCOURAGING CITIZEN GRASSROOTS ACTIVITY ON BEHALF OF FEDERAL CANDIDATES.—

(1) EXEMPTION OF INDIVIDUAL CONTRIBUTIONS UNDER $100.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)), as amended by section 205(a), is further amended—

(A) by striking ''and'' at the end of clause (xiv);

(B) by striking the period at the end of clause (xv) and inserting ''; and''; and

(C) by adding at the end the following new clause:

''(xvi) any payment of funds on behalf of a candidate (whether in cash or in kind, but not including a direct payment of cash to a candidate or a political committee of the candidate) by an individual from the individual's personal funds which in the aggregate does not exceed $100, if the funds are used for activities carried out by the individual or a member of the individual's family.''.

(2) EXEMPTION OF INDIVIDUAL EXPENDITURES UNDER $100.—Section 301(9)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)), as amended by section 205(b), is amended—

(A) by striking ''and'' at the end of clause (x);

(B) by striking the period at the end of clause (xi) and inserting ''; and''; and

(C) by adding at the end the following new clause:

''(xii) any payment of funds on behalf of a candidate (whether in cash or in kind, but not including a direct payment of cash to a candidate or a political committee of the candidate) by an individual from the individual's personal funds which in the aggregate does not exceed $100, if the funds are used for activities carried out by the individual or a member of the individual's family.''.

(s) PERMITTING PARTNERSHIPS TO SOLICIT CONTRIBUTIONS AND PAY ADMINISTRATIVE COSTS OF POLITICAL COMMITTEES IN SAME MANNER AS CORPORATIONS AND LABOR UNIONS.—

(1) TREATMENT OF CONTRIBUTIONS.—Section 301(8)(B) of the Federal Election Campaign Act (2 U.S.C. 431(8)(B)), as amended by section 205(a) and subsection (r)(1), is amended—

(A) by striking ''and'' at the end of clause (xv);

(B) by striking the period at the end of clause (xvi) and inserting ''; and''; and

(C) by adding at the end the following new clause:

''(xvii) any payment made or obligation incurred by a partnership in the establishment and maintenance of a political committee, the administration of such a political committee, or the solicitation of contributions to such committee.''.

(2) TREATMENT OF EXPENDITURES.—Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)), as amended by section 205(b) and subsection (r)(2), is amended—

(A) by striking ''and'' at the end of clause (xi);

(B) by striking the period at the end of clause (xii) and inserting ''; and''; and

(C) by adding at the end the following new clause:

''(xiii) any payment made or obligation incurred by a partnership in the establishment and maintenance of a political committee, the administration of such a political committee, or the solicitation of contributions to such committee.''.

TITLE IV—WORKER RIGHT TO KNOW

SEC. 401. FINDINGS.

The Congress finds the following:

(1) The United States Supreme Court announced in the landmark decision, Communications Workers of America v. Beck (487 U.S. 735), that employees who work under a union security agreement, and are required to pay union dues as a condition of employment, may not be forced to contribute through such dues to union-supported political, legislative, social, or charitable causes with which they disagree, and may only be required to pay dues related to collective bargaining, contract administration, and

grievance adjustment necessary to performing the duties of exclusive representation.

(2) Little action has been taken by the National Labor Relations Board to facilitate the ability of employees to exercise their right to object to the use of their union dues for political, legislative, social, or charitable purposes, or other activities not necessary to performing the duties of the exclusive representative of employees in dealing with the employer on labor-management issues, and the Board only recently issued its first ruling implementing the Beck decision nearly 8 years after the Supreme Court issued the opinion.

(3) The evolution of the right enunciated in the Beck decision has diminished its meaningfulness because employees are forced to forego critical workplace rights bearing on their economic well-being in order to object to the use of their dues for purposes unrelated to collective bargaining, to rely on the very organization they are challenging to make the determination regarding the amount of dues necessary to the union's representational function, and do not have access to clear and concise financial records that provide an accurate accounting of how union dues are spent.

SEC. 402. PURPOSE.

The purpose of this title is to ensure that workers who are required to pay union dues as a condition of employment have adequate information about how the money they pay in dues to a union is spent and to remove obstacles to the ability of working people to exercise their right to object to the use of their dues for political, legislative, social, or charitable causes with which they disagree, or for other activities not necessary to performing the duties of the exclusive representative of the employees in dealing with the employer on labor-management issues.

SEC. 403. WORKER CHOICE.

(a) RIGHTS OF EMPLOYEES.—Section 7 of the National Labor Relations Act (29 U.S.C. 157) is amended by striking ''membership'' and all that follows and inserting the following: ''the payment to a labor organization of dues or fees related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation as a condition of employment as authorized in section 8(a)(3).''.

(b) UNFAIR LABOR PRACTICES.—Section 8(a)(3) of such Act (29 U.S.C. 158(a)(3)) is amended by striking ''membership therein'' and inserting ''the payment to such labor organization of dues or fees related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation''.

SEC. 404. WORKER CONSENT.

(a) WRITTEN AGREEMENT.—Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end the following:

''(h) An employee subject to an agreement between an employer and a labor organization requiring the payment of dues or fees to such organization as authorized in section 8(a)(3) may not be required to pay to such organization, nor may such organization accept payment of, any dues or fees not related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation unless the employee has agreed to pay such dues or fees in a signed written agreement that must be renewed between the first day of September and the first day of October of each year. Such signed written agreement shall include a ratio of the dues or fees related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation and the dues or fees related to other purposes.''.

(b) WRITTEN ASSIGNMENT.—Section 302(c)(4) of the Labor Management Relations Act, 1947 (29 U.S.C. 186(c)(4)) is amended by inserting before the semicolon the following: '': *Provided further,* That no amount may be deducted for dues unrelated to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation unless a written assignment authorizes such a deduction''.

SEC. 405. WORKER NOTICE.

Section 8 of the National Labor Relations Act (29 U.S.C. 158), as amended by section 404(a), is further amended by adding at the end the following:

''(i) An employer shall be required to post a notice, of such size and in such form as the Board shall prescribe, in conspicuous places in and about its plants and offices, including all places where notices to employees are customarily posted, informing employees of their rights under section 7 of this Act and clarifying to employees that an agreement requiring the payment of dues or fees to a labor organization as a condition of employment as authorized in subsection (a)(3) may only require that employees pay to such organization any dues or fees related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation.''.

SEC. 406. DISCLOSURE TO WORKERS.

(a) EXPENSES REPORTING.—Section 201(b) of the Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. 431(b)) is amended by adding at the end the following new sentence: ''Every labor organization shall be required to attribute and report expenses by function classification in such detail as necessary to allow its members to determine whether such expenses were related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation or were related to other purposes.''.

(b) DISCLOSURE.—Section 201(c) of the Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. 431(c)) is amended—

(1) by inserting ''and employees required to pay any dues or fees to such organization'' after ''members''; and

(2) inserting ''or employee required to pay any dues or fees to such organization'' after ''member'' each place it appears.

(c) REGULATIONS.—The Secretary of Labor shall prescribe such regulations as are necessary to carry out the amendments made by this section not later than 120 days after the date of the enactment of this Act.

SEC. 407. CONSTRUCTION.

Nothing in this title shall be construed to affect section 14(b) of the National Labor Relations Act or the concurrent jurisdiction of Federal district courts over claims that a labor organization has breached its duty of fair representation with regard to the collection or expenditure of dues or fees.

SEC. 408. EFFECTIVE DATE.

This title shall take effect on the date of enactment, except that the requirements contained in the amendments made by sections 404 and 405 shall take effect 60 days after the date of the enactment of this Act.

TITLE V—GENERAL PROVISIONS

SEC. 501. EFFECTIVE DATE.

Except as otherwise specifically provided, this Act and the amendments made by this Act shall take effect January 1, 1997.

SEC. 502. SEVERABILITY.

If any provision of this Act or any amendment made by this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 503. EXPEDITED COURT REVIEW.

(a) RIGHT TO BRING ACTION.—The Federal Election Commission, a political committee under title III of the Federal Election Campaign Act of 1971, or any individual eligible to vote in any election for the office of President of the United States may institute an action in an appropriate district court of the United States (including an action for declaratory judgment) as may be appropriate to construe the constitutionality of any provision of this Act or any amendment made by this Act.

(b) HEARING BY THREE-JUDGE COURT.—Upon the institution of an action described in subsection (a), a district court of three judges shall immediately be convened to decide the action pursuant to section 2284 of title 28, United States Code. Such action shall be advanced on the docket and expedited to the greatest extent possible.

(c) APPEAL OF INITIAL DECISION TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by the court of 3 judges convened pursuant to subsection (b) in an action described in subsection (a). Such appeal shall be brought not later than 20 days after the issuance by the court of the judgment, decree, or order.

(d) EXPEDITED REVIEW BY SUPREME COURT.—The Supreme Court shall accept jurisdiction over, advance on the docket, and expedite to the greatest extent possible an appeal taken pursuant to subsection (c).

The CHAIRMAN. No other amendment shall be in order except an amendment in the nature of a substitute consisting of the text of H.R. 3505, modified by the amendment printed in House Report 104–685. That amendment may be offered only by the gentleman from Missouri [Mr. GEPHARDT] or his designee, shall be considered read, shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment.

AMENDMENT IN THE NATURE OF A SUBSTITUTE AS MODIFIED BY THE RULE OFFERED BY MR. FAZIO OF CALIFORNIA

Mr. FAZIO of California. Mr. Chairman, I offer an amendment in the nature of a substitute as the designee of the minority leader.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment in the nature of a substitute, as modified by the rule, is as follows:

Amendment in the nature of a substitute, as modified by the rule, offered by Mr. FAZIO of California.

H.R. 3505

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''American Political Reform Act''.

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

Sec. 1. Short title; table of contents.

TITLE I—CONGRESSIONAL CAMPAIGN SPENDING LIMITS AND BENEFITS

Subtitle A—Election Campaign Spending Limits and Benefits

Sec. 101. Spending limits and benefits.

Subtitle B—Limitations on Contributions to House of Representatives Candidates
Sec. 121. Limitations on political committees.
Sec. 122. Limitations on political committee and large donor contributions that may be accepted by House of Representatives candidates.
Subtitle C—Related Provisions
Sec. 131. Reporting requirements.
Sec. 132. Registration as eligible House of Representatives candidate.
Sec. 133. Definitions.
Subtitle D—Tax on Excess Political Expenditures of Certain Congressional Campaign Funds
Sec. 141. Tax treatment of certain campaign funds.
TITLE II—INDEPENDENT EXPENDITURES
Sec. 201. Clarification of definitions relating to independent expenditures.
Sec. 202. Reporting requirements for certain independent expenditures.
TITLE III—CONTRIBUTIONS AND EXPENDITURES BY POLITICAL PARTY COMMITTEES
Sec. 301. Definitions.
Sec. 302. Contributions to political party committees.
Sec. 303. Increase in the amount that multicandidate political committees may contribute to national political party committees.
Sec. 304. Merchandising and affinity cards.
Sec. 305. Provisions relating to national, State, and local party committees.
Sec. 306. Restrictions on fundraising by candidates and officeholders.
Sec. 307. Reporting requirements.
TITLE IV—CONTRIBUTIONS
Sec. 401. Restrictions on bundling.
Sec. 402. Contributions by dependents not of voting age.
Sec. 403. Prohibition of acceptance by a candidate of cash contributions from any one person aggregating more than $100.
Sec. 404. Contributions to candidates from State and local committees of political parties to be aggregated.
Sec. 405. Prohibition of false representation to solicit contributions.
Sec. 406. Limited exclusion of advances by campaign workers from the definition of the term ''contribution''.
Sec. 407. Amendment to section 316 of the Federal Election Campaign Act of 1971.
Sec. 408. Prohibition of certain election-related activities of foreign nationals.
TITLE V—REPORTING REQUIREMENTS
Sec. 501. Change in certain reporting from a calendar year basis to an election cycle basis.
Sec. 502. Disclosure of personal and consulting services.
Sec. 503. Political committees other than candidate committees.
Sec. 504. Use of candidates' names.
Sec. 505. Reporting requirements.
Sec. 506. Simultaneous registration of candidate and candidate's principal campaign committee.
Sec. 507. Reporting on general campaign activities of persons other than political parties.
TITLE VI—BROADCAST RATES AND CAMPAIGN ADVERTISING
Sec. 601. Broadcast rates and campaign advertising.
Sec. 602. Campaign advertising amendments.
Sec. 603. Eligibility for nonprofit third class bulk rates of postage.
TITLE VII—MISCELLANEOUS
Sec. 701. Prohibition of leadership committees.
Sec. 702. Appearance by Federal Election Commission as amici curiae.
Sec. 703. Prohibiting solicitation of contributions by members in hall of the House of Representatives.
TITLE VIII—EFFECTIVE DATES; AUTHORIZATIONS
Sec. 801. Effective date.
Sec. 802. Severability.
Sec. 803. Expedited review of constitutional issues.
Sec. 804. Regulations.

TITLE I—CONGRESSIONAL CAMPAIGN SPENDING LIMITS AND BENEFITS

Subtitle A—Election Campaign Spending Limits and Benefits

SEC. 101. SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—The Federal Election Campaign Act of 1971 is amended by adding at the end the following new title:

''TITLE V—ELECTION SPENDING LIMITS AND BENEFITS

''TITLE V—ELECTION SPENDING LIMITS AND BENEFITS
''Subtitle A—Election Campaigns for the House of Representatives
''Sec. 501. Expenditure limitations.
''Sec. 502. Personal contribution limitations.
''Sec. 503. Definition.
''Subtitle B—Administrative Provisions
''Sec. 511. Certifications by Commission.
''Sec. 512. Examination and audits; repayments and civil penalties.
''Sec. 513. Judicial review.
''Sec. 514. Reports to Congress; certifications; regulations.
''Sec. 515. Closed captioning requirement for television commercials of eligible candidates.
''Subtitle C—Congressional Election Campaign Fund
''Sec. 521. Establishment and operation of the Fund.
''Sec. 522. Designation of receipts to the Fund.

''Subtitle A—Election Campaigns for the House of Representatives

''SEC. 501. EXPENDITURE LIMITATIONS.

''(a) IN GENERAL.—An eligible House of Representatives candidate may not, in an election cycle, make expenditures aggregating more than $600,000.

''(b) RUNOFF ELECTION AND SPECIAL ELECTION AMOUNTS.—

''(1) RUNOFF ELECTION AMOUNT.—If an eligible House of Representatives candidate is a candidate in a runoff election, the candidate may make additional expenditures aggregating not more than $200,000 in the election cycle.

''(2) SPECIAL ELECTION AMOUNT.—An eligible House of Representatives candidate who is a candidate in a special election may make expenditures aggregating not more than $600,000 with respect to the special election.

''(c) CLOSELY CONTESTED PRIMARY.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 20 percentage points or less, the candidate may make additional expenditures aggregating not more than $200,000 in the election cycle.

''(d) EXCEPTIONS TO LIMITATIONS.—

''(1) NONPARTICIPATING OPPONENT.—The limitations imposed by subsections (a) and (b) do not apply in the case of an eligible House of Representatives candidate if any other general election candidate seeking nomination or election to that office—

''(A) is not an eligible House of Representatives candidate; and

''(B) makes expenditures in excess of 30 percent of the limitation under subsection (a).

''(2) INDEPENDENT EXPENDITURES AGAINST ELIGIBLE CANDIDATE.—The limitations imposed by subsections (a) and (b) do not apply in the case of an eligible House of Representatives candidate if the total amount of independent expenditures made during the election cycle on behalf of candidates opposing such eligible candidate exceeds $15,000.

''(3) CONTINUED ELIGIBILITY FOR BENEFITS.—An eligible House of Representatives candidate referred to in paragraph (1) or paragraph (2) shall continue to be eligible for all benefits under this title.

''(e) EXEMPTION FOR LEGAL COSTS AND TAXES.—

''(1) IN GENERAL.—Any costs incurred by an eligible House of Representatives candidate or his or her authorized committee, or a Federal officeholder, for qualified legal services, for Federal, State, or local income taxes on earnings of a candidate's authorized committees, or to comply with section 512 shall not be considered in the computation of amounts subject to limitation under this section.

''(2) QUALIFIED LEGAL SERVICES.—For purposes of this subsection, the term 'qualified legal services' means—

''(A) any legal service performed on behalf of an authorized committee; or

''(B) any legal service performed on behalf of a candidate or Federal officeholder in connection with his or her duties or activities as a candidate or Federal officeholder.

''(f) EXEMPTION FOR FUNDRAISING OR ACCOUNTING COSTS.—Any costs incurred by an eligible House of Representatives candidate or his or her authorized committee in connection with the solicitation of contributions on behalf of such candidate, or for accounting services to ensure compliance with this Act, shall not be considered in the computation of amounts subject to expenditure limitation under subsection (a) to the extent that the aggregate of such costs does not exceed 10 percent of the expenditure limitation under subsection (a).

''(g) INDEXING.—The dollar amounts specified in subsections (a), (b), and (c) shall be adjusted at the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1996.

''(h) RECALL ACTIONS.—The limitations of this section do not apply in the case of any recall action held pursuant to State law.

''SEC. 502. PERSONAL CONTRIBUTION LIMITATIONS.

''(a) PERSONAL CONTRIBUTIONS.—An eligible House of Representatives candidate may not, with respect to an election cycle, make contributions or loans to the candidate's own campaign totaling more than $50,000 from the personal funds of the candidate. Contributions from the personal funds of a candidate may not qualify for certification for voter benefits under this title.

''(b) LIMITATION EXCEPTION.—The limitation imposed by subsection (a) does not apply—

''(1) in the case of an eligible House of Representatives candidate if any other general election candidate for that office makes contributions or loans to the candidate's own campaign totaling more than $50,000 from the personal funds of the candidate; or

''(2) with respect to any contribution or loan used for costs described in section 501 (e) or (f).

''(c) AGGREGATION.—For purposes of subsection (a), any contribution or loan to a candidate's campaign by a member of a candidate's immediate family shall be treated as made by the candidate.

''SEC. 503. DEFINITION.

''As used in this title, the term 'benefits' means, with respect to an eligible House of Representatives candidate, reduced charges for use of a broadcasting station under section 315 of the Communications Act of 1934 (47 U.S.C. 315) and eligibility for nonprofit third-class bulk rates of postage under section 3626(e) of title 39, United States Code.

''Subtitle B—Administrative Provisions

''SEC. 511. CERTIFICATIONS BY COMMISSION.

''(a) GENERAL ELIGIBILITY.—The Commission shall certify whether a candidate is eligible to receive benefits under subtitle A. The initial determination shall be based on the candidate's filings under this title. Any subsequent determination shall be based on relevant additional information submitted in such form and manner as the Commission may require.

''(b) CERTIFICATION OF BENEFITS.—

''(1) DEADLINE FOR RESPONSE TO REQUESTS.—The Commission shall respond to a candidate's request for certification for eligibility to receive benefits under this section not later than 5 business days after the candidate submits the request.

''(2) REQUESTS.—Any request for certification submitted by a candidate shall contain—

''(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

''(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirement of this title.

''(3) PARTIAL CERTIFICATION.—If the Commission determines that any portion of a request does not meet the requirement for certification, the Commission shall withhold the certification for that portion only and inform the candidate as to how the request may be corrected.

''(4) CERTIFICATION WITHHELD.—The Commission may withhold certification if it determines that a candidate who is otherwise eligible has engaged in a pattern of activity indicating that the candidate's filings under this title cannot be relied upon.

''(c) WITHDRAWAL OF CERTIFICATION.—If the Commission determines that a candidate who is certified as an eligible House of Representatives candidate pursuant to this section has made expenditures in excess of any limit under subtitle A or otherwise no longer meets the requirements for certification under this title, the Commission shall revoke the candidate's certification.

''SEC. 512. EXAMINATION AND AUDITS; REPAYMENTS AND CIVIL PENALTIES.

''(a) EXAMINATIONS AND AUDITS.—

''(1) GENERAL ELECTIONS.—After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 5 percent of the eligible House of Representatives candidates, as designated by the Commission through the use of an appropriate statistical method of random selection, to determine whether such candidates have complied with the conditions of eligibility and other requirements of this title. The Commission shall conduct an examination and audit of the accounts of all candidates for election to an office where any eligible candidate for the office is selected for examination and audit.

''(2) SPECIAL ELECTION.—After each special election involving an eligible candidate, the Commission shall conduct an examination and audit of the campaign accounts of all candidates in the election to determine whether the candidates have complied with the conditions of eligibility and other requirements of this Act.

''(3) AFFIRMATIVE VOTE.—The Commission may conduct an examination and audit of the campaign accounts of any eligible House of Representatives candidate in a general election if the Commission determines that there exists reason to believe whether such candidate may have violated any provision of this title.

''(b) NOTIFICATION OF EXCESS EXPENDITURES.—If the Commission determines that any eligible candidate who has received benefits under this title has made expenditures in excess of any limit under subtitle A, the Commission shall notify the candidate.

''(c) CIVIL PENALTIES.—

''(1) EXCESS EXPENDITURES.—

''(A) LOW AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subtitle A by 2.5 percent or less shall pay to the Commission an amount equal to the amount of the excess expenditures.

''(B) MEDIUM AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subtitle A by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to three times the amount of the excess expenditures.

''(C) LARGE AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subtitle A by 5 percent or more shall pay to the Commission an amount equal to three times the amount of the excess expenditures plus, if the Commission determines such excess expenditures were knowing and willful, a civil penalty in an amount determined by the Commission.

''(2) MISUSED BENEFITS OF CANDIDATES.—If the Commission determines that an eligible House of Representatives candidate used any benefit received under this title in a manner not provided for in this title, the Commission may assess a civil penalty against such candidate in an amount not greater than 200 percent of the amount involved.

''(d) LIMIT ON PERIOD FOR NOTIFICATION.—No notification shall be made by the Commission under this section with respect to an election more than 3 years after the date of such election.

''SEC. 513. JUDICIAL REVIEW.

''(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

''(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

''(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

''SEC. 514. REPORTS TO CONGRESS; CERTIFICATIONS; REGULATIONS.

''(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the House of Representatives setting forth—

''(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

''(2) the benefits certified by the Commission as available to each eligible candidate under this title; and

''(3) the names of any candidates against whom penalties were imposed under section 512, together with the amount of each such penalty and the reasons for its imposition.

''(b) DETERMINATIONS BY COMMISSION.—Subject to sections 512 and 513, all determinations (including certifications under section 511) made by the Commission under this title shall be final and conclusive.

''(c) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (d), to conduct such audits, examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

''(d) REPORT OF PROPOSED REGULATIONS.—The Commission shall submit to the House of Representatives a report containing a detailed explanation and justification of each rule and regulation of the Commission under this title. No such rule, regulation, or form may take effect until a period of 60 legislative days has elapsed after the report is received. As used in this subsection, the terms 'rule' and 'regulation' mean a provision or series of interrelated provisions stating a single, separable rule of law.

''SEC. 515. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE CANDIDATES.

''No eligible House of Representatives candidate may receive benefits under subtitle A unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.''.

Subtitle B—Limitations on Contributions to House of Representatives Candidates

SEC. 121. LIMITATIONS ON POLITICAL COMMITTEES.

(a) MULTICANDIDATE POLITICAL COMMITTEES.—Section 315(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(A)) is amended by striking out ''with respect'' and all that follows through ''$5,000,'' and inserting in lieu thereof: ''which, in the aggregate, exceed $5,000 with respect to an election for Federal office or $8,000 with respect to an election cycle (not including a runoff election);''.

(b) CANDIDATE'S COMMITTEES.—(1) Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) For the purposes of the limitations provided by paragraphs (1) and (2), any political committee which is established or financed or maintained or controlled by any candidate or Federal officeholder shall be deemed to be an authorized committee of such candidate or officeholder. Nothing in this paragraph shall be construed to permit the establishment, financing, maintenance, or control of any committee which is prohibited by paragraph (3) or (6) of section 302(e).''

(2) Section 302(e)(3) of such Act (2 U.S.C. 432(e)(3)) is amended to read as follows:

''(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

''(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

''(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.''

(c) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after December 31, 1996.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received before January 1, 1997; or

(B) contributions made to, or received by, a candidate on or after January 1, 1997, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate before January 1, 1997, over

(ii) such contributions received by the candidate before January 1, 1997.

SEC. 122. LIMITATIONS ON POLITICAL COMMITTEE AND LARGE DONOR CONTRIBUTIONS THAT MAY BE ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATES.

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

''(i) LIMITATIONS ON CONTRIBUTIONS ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATE.—

''(1) POLITICAL COMMITTEES.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions from political committees aggregating in excess of $200,000.

''(2) PERSONS OTHER THAN POLITICAL COMMITTEES.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions aggregating in excess of $200,000 from persons other than political committees whose contributions total more than $200.

''(3) CONTESTED PRIMARIES.—In addition to the contributions under paragraphs (1) and (2), if a House of Representatives candidate in a contested primary election wins that primary election by a margin of 20 percentage points or less, the candidate may accept contributions of—

''(A) not more than $66,600 from political committees; and

''(B) not more than $66,600 from persons referred to in paragraph (2).

''(4) RUNOFF ELECTIONS.—In addition to the contributions under paragraphs (1) and (2), a House of Representatives candidate who is a candidate in a runoff election may accept contributions of (A) not more than $100,000 from political committees; and (B) not more than $100,000 from persons referred to in paragraph (2).

''(5) EXEMPTION FOR CERTAIN COSTS.—Any amount—

''(A) accepted by a House of Representatives candidate; and

''(B) used for costs incurred under section 501 (e) and (f),

shall not be considered in the computation of amounts subject to limitation under this subsection.

''(6) TRANSFER PROVISION.—The limitations imposed by this subsection shall apply without regard to amounts transferred from previous election cycles or other authorized committees of the same candidate. Candidates shall not be required to seek the redesignation of contributions in order to transfer such contributions to a later election cycle.

''(7) INDEXATION OF AMOUNTS.—The dollar amounts specified in this subsection shall be adjusted at the beginning of each calendar year based on the increase in the price index determined under subsection (c), except that, for the purposes of such adjustment, the base period shall be calendar year 1996.''

Subtitle C—Related Provisions

SEC. 131. REPORTING REQUIREMENTS.

Title III of the Federal Election Campaign Act of 1971 is amended by adding after section 304 the following new section:

''REPORTING REQUIREMENTS FOR HOUSE CANDIDATES

''SEC. 304A. A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who—

''(1) makes contributions in excess of $50,000 of personal funds of the candidate to the authorized committee of the candidate; or

''(2) makes expenditures in excess of 50 percent and 100 percent of the limitation under section 501(a);

shall report that the threshold has been reached to the Commission not later than 48 hours after reaching the threshold. The Commission shall transmit a copy to each other candidate for election to the same office within 48 hours of receipt.''

SEC. 132. REGISTRATION AS ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATE.

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

''(6)(A) In the case of a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, who desires to be an eligible House of Representatives candidate, a declaration of participation of the candidate to abide by the limits specified in sections 315(i), 501, and 502 and provide the information required under section 503(b)(4) shall be included in the designation required to be filed under paragraph (1).

''(B) A declaration of participation that is included in a statement of candidacy may not thereafter be revoked.''

SEC. 133. DEFINITIONS.

(a) IN GENERAL.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraph (19) and inserting the following new paragraphs:

''(19) The term 'election cycle' means—

''(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

''(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election.

''(20) The term 'general election' means any election which will directly result in the election of a person to a Federal office.

''(21) The term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

''(A) the date of such general election; or

''(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

''(22) The term 'immediate family' means—

''(A) a candidate's spouse;

''(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

''(C) the spouse of any person described in subparagraph (B).

''(23) The term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for a Federal office.

''(24) The term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

''(A) the date of the first primary election for that office following the last general election for that office; or

''(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election.

''(25) The term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for a Federal office.

''(26) The term 'runoff election period' means, with respect to any candidate, the period beginning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office.

''(27) The term 'special election' means any election (whether primary, runoff, or general) for Federal office held by reason of a vacancy in the office arising before the end of the term of the office.

''(28) The term 'special election period' means, with respect to any candidate for any Federal office, the period beginning on the date the vacancy described in paragraph (28) occurs and ending on the earlier of—

''(A) the date the election resulting in the election of a person to the office occurs; or

''(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

''(29) The term 'eligible House of Representatives candidate' means a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress, who, as determined by the Commission under section 511, is eligible to receive benefits under subtitle A of title V by reason of filing a declaration of participation under section 302(e) and complying with the continuing eligibility requirements under section 511.''

(b) IDENTIFICATION.—Section 301(13)(A) of such Act (2 U.S.C. 431(13)(A)) is amended by striking ''mailing address'' and inserting ''permanent residence address''.

Subtitle D—Tax on Excess Political Expenditures of Certain Congressional Campaign Funds

SEC. 141. TAX TREATMENT OF CERTAIN CAMPAIGN FUNDS.

(a) GENERAL RULE.—Chapter 41 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new subchapter:

''Subchapter B—Excess Political Expenditures of Certain Congressional Campaign Funds

''Sec. 4915. Tax on excess political expenditures of certain campaign funds.

''SEC. 4915. TAX ON EXCESS POLITICAL EXPENDITURES OF CERTAIN CAMPAIGN FUNDS.

''(a) IMPOSITION OF TAX.—If any applicable campaign fund has excess political expenditures for any election cycle, there is hereby

imposed on such excess political expenditures a tax equal to the amount of such excess political expenditures multiplied by the highest rate of tax specified in section 11(b). Such tax shall be imposed for the taxable year of such fund in which such election cycle ends.

''(b) APPLICABLE CAMPAIGN FUND.—For purposes of this section, the term 'applicable campaign fund' means any political organization if—

''(1) such organization is designated by a candidate for election or nomination to the House of Representatives as such candidate's principal campaign committee for purposes of section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)), and

''(2) such candidate has made contributions to such political organization during the election cycle in excess of the contribution limitation which would have been applicable under section 501(a) or 512(a) of such Act, whichever is applicable, if an election under such section had been made.

''(c) EXCESS POLITICAL EXPENDITURES.—

''(1) IN GENERAL.—For purposes of this section, the term 'excess political expenditures' means, with respect to any election cycle, the excess (if any) of the political expenditures incurred by the applicable campaign fund during such cycle, over, in the case of a House of Representatives candidate, the expenditure ceiling which would have been applicable under subtitle B of title V of such Act if an election under such subtitle had been made.

''(2) SPECIAL RULE FOR DETERMINING AMOUNT OF EXPENDITURES.—For purposes of paragraph (1), in determining the amount of political expenditures incurred by an applicable campaign fund, there shall be excluded any such expenditure which would not have been subject to the expenditure limitations of title V of the Federal Election Campaign Act of 1971 had such limitations been applicable, other than any such expenditure which would have been exempt from such limitations under section 501(e) or 501(f) of such Act.

''(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) ELECTION CYCLE.—The term 'election cycle' has the meaning given such term by section 301 of the Federal Election Campaign Act of 1971.

''(2) POLITICAL ORGANIZATION.—The term 'political organization' has the meaning given to such term by section 527(e)(1).

''(3) CERTAIN RULES MADE APPLICABLE.—Rules similar to the rules of section 4911(e)(4) shall apply.''

(b) CLERICAL AMENDMENTS.—

(1) Chapter 41 of such Code is amended by striking the chapter heading and inserting the following:

''CHAPTER 41—LOBBYING AND POLITICAL EXPENDITURES OF CERTAIN ORGANIZATIONS

''Subchapter A. Public charities.

''Subchapter B. Excess political expenditures of certain campaign funds.

''Subchapter A—Public Charities''.

(2) The table of sections for subtitle D of such Code is amended by striking the item relating to chapter 41 and inserting the following:

''Chapter 41. Lobbying and political expenditures of certain organizations.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

TITLE II—INDEPENDENT EXPENDITURES

SEC. 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

''(17)(A) The term 'independent expenditure' means an expenditure that—

''(i) contains express advocacy; and

''(ii) is made without the participation or cooperation of and without consultation with a candidate or a candidate's representative.

''(B) The following shall not be considered an independent expenditure:

''(i) An expenditure made by an authorized committee of a candidate for Federal office

''(ii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

''(iii) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

''(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

''(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

''(iv) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office. For purposes of this clause, the term 'professional services' shall include any services (other than legal and accounting services solely for purposes of ensuring compliance with any Federal law) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

''(18)(A) The term 'express advocacy' means, when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party.

''(B) The term 'expression of support for or opposition to' includes a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or to refrain from taking action.''.

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of such Act (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking ''or'' after the semicolon at the end;

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

(3) by adding at the end the following new clause:

''(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that is not an independent expenditure under paragraph (17).''.

SEC. 202. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

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

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

(2) by redesignating paragraph (3) as paragraph (9); and

(3) by inserting after paragraph (2), as amended by paragraph (1), the following new paragraphs:

''(3)(A) Any person (including a political committee) making independent expenditures (including those described in subsection (b)(6)(B)(iii)) with respect to a candidate in an election aggregating $1,000 or more made after the 20th day, but more than 24 hours, before the election shall file a report within 24 hours after such independent expenditures are made. An additional report shall be filed each time independent expenditures aggregating $1,000 are made with respect to the same candidate after the latest report filed under this subparagraph.

''(B) Any person (including a political committee) making independent expenditures with respect to a candidate in an election aggregating $2,500 or more made at any time up to and including the 20th day before the election shall file a report within 48 hours after such independent expenditures are made. An additional report shall be filed each time independent expenditures aggregating $2,500 are made with respect to the same candidate after the latest report filed under this paragraph.

''(C) A report under subparagraph (A) or (B) shall be filed with the Commission and the Secretary of State of the State involved, and shall identify each candidate whom the expenditure is actually intended to support or to oppose. Not later than 48 hours after the Commission receives a report, the Commission shall transmit a copy of the report to each candidate seeking nomination or election to that office.

''(D) For purposes of this section, an independent expenditure shall be considered to have been made upon the making of any payment or the taking of any action to incur an obligation for payment.

''(4)(A) If any person (including a political committee) intends to make independent expenditures with respect to a candidate in an election totaling $2,500 or more during the 20 days before an election, such person shall file a report no later than the 20th day before the election.

''(B) A report under subparagraph (A) shall be filed with the Commission and the Secretary of State of the State involved, and shall identify each candidate whom the expenditure is actually intended to support or to oppose. Not later than 48 hours after the Commission receives a report under this paragraph, the Commission shall transmit a copy of the statement to each candidate identified.

''(5) The Commission may, upon a request of a candidate or on its own initiative, make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any candidate in any election which in the aggregate exceed the applicable amounts under paragraph (3) or (4). The Commission shall notify each candidate in such election of such determination within 48 hours after making it. Any determination made at the request of a candidate shall be made within 48 hours of the request.

''(6) At the time at which an eligible House of Representatives candidate is notified under paragraph (3), (4), or (5) with respect to expenditures during a general election period, the Commission shall certify eligibility to receive benefits under section 504(a)(3)(B) or section 513(f).

''(7)(A) A person that makes a reservation of broadcast time to which section 315(a) of the Communications Act of 1947 (47 U.S.C. 315(a)) applies, the payment for which would constitute an independent expenditure, shall at the time of reservation—

''(i) inform the broadcast licensee that payment for the broadcast time will constitute an independent expenditure;

''(ii) inform the broadcast licensee of the names of all candidates for the office to

which the proposed broadcast relates and state whether the message to be broadcast is intended to be made in support of or in opposition to each such candidate;

''(iii) transmit to all candidates for the office to which the proposed broadcast relates a script or tape recording of the communication, or an accurate summary of the communication if a script or tape recording is not available.''.

TITLE III—CONTRIBUTIONS AND EXPENDITURES BY POLITICAL PARTY COMMITTEES

SEC. 301. DEFINITIONS.

(a) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (x)—

(i) by striking ''and'' at the end of subclause (2),

(ii) by inserting ''and'' at the end of subclause (3), and

(iii) by adding at the end the following new subclause:

''(4) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;'';

(B) in clause (xi), by striking ''That'' and all that follows through ''Act;'' and inserting ''That—

''(1) such payments are made from contributions subject to the limitations and prohibitions of this Act; and

''(2) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;'' and

(C) in clause (xii)—

(i) by inserting ''in connection with volunteer activities'' after ''such committee'',

(ii) by striking ''for President and Vice President'',

(iii) by striking ''and'' at the end of subclause (2),

(iv) by inserting ''and'' at the end of subclause (3), and

(v) by adding at the end the following new subclause:

''(4) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;''.

(2) Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended—

(A) in clause (viii)—

(i) by striking ''and'' at the end of subclause (2),

(ii) by inserting ''and'' at the end of subclause (3), and

(iii) by adding at the end the following new subclause:

''(4) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;''; and

(B) in clause (ix)—

(i) by inserting ''in connection with volunteer activities'' after ''such committee'',

(ii) by striking ''for President or Vice President'', and

(iii) by striking ''and'' at the end of subclause (2), by inserting ''and'' at the end of subclause (3), and by adding at the end the following new subclause:

''(4) such activities are conducted solely by, and any materials are prepared for distribution and are distributed (if other than by mailing) solely by, volunteers;''.

(b) GENERIC ACTIVITIES; STATE PARTY GRASSROOTS FUND.—Section 301 of such Act (2 U.S.C. 431), as amended by section 133, is further amended by adding at the end the following new paragraphs:

''(30) The term 'generic campaign activity' means a campaign activity that promotes a political party rather than any particular Federal or non-Federal candidate.

''(31) The term 'State Party Grassroots Fund' means a separate segregated fund established and maintained by a State committee of a political party solely for purposes of making expenditures and other disbursements described in section 324(d).''.

SEC. 302. CONTRIBUTIONS TO POLITICAL PARTY COMMITTEES.

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

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

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

(3) by inserting after subparagraph (B) the following new subparagraph:

''(C) to—

''(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000; or

''(ii) any other political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $5,000,

except that the aggregate contributions described in this subparagraph which may be made by a person to the State Party Grassroots Fund and all committees of a State committee of a political party in any State in any calendar year shall not exceed $20,000; or''.

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Section 315(a)(2) of such Act (2 U.S.C. 441a(a)(2)) is amended—

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

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

(3) by inserting after subparagraph (B) the following new subparagraph:

''(C) to—

''(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $15,000; or

''(ii) to any other political committee established and maintained by a State committee of a political party which, in the aggregate, exceed $5,000,

except that the aggregate contributions described in this subparagraph which may be made by a multicandidate political committee to the State Party Grassroots Fund and all committees of a State committee of a political party in any State in any calendar year shall not exceed $15,000; or''.

(c) OVERALL LIMIT.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended to read as follows:

''(3)(A) No individual shall make contributions during any election cycle which, in the aggregate, exceed $100,000.

''(B) No individual shall make contributions during any calendar year—

''(i) to all candidates and their authorized political committees which, in the aggregate, exceed $25,000; or

''(ii) to all political committees established and maintained by State committees of a political party which, in the aggregate, exceed $20,000.

''(C) For purposes of subparagraph (B)(i), any contribution made to a candidate or the candidate's authorized political committees in a year other than the calendar year in which the election is held with respect to which such contribution is made shall be treated as made during the calendar year in which the election is held.''.

(d) PRESIDENTIAL CANDIDATE COMMITTEE TRANSFERS.—(1) Section 315(b)(1) of such Act (2 U.S.C. 441a(b)(1)) is amended to read as follows:

''(B) in the case of a campaign for election to such office, an amount equal to the sum of—

''(i) $20,000,000, plus

''(ii) the amounts transferred by the candidate and the authorized committees of the candidate to the national committee of the candidate's political party for distribution to State Party Grassroots Funds.

In no event shall the amount under subparagraph (B)(ii) exceed 2 cents multiplied by the voting age population of the United States (as certified under subsection (e)). The Commission may require reporting of the transfers described in subparagraph (B)(ii), may conduct an examination and audit of any such transfer, and may require the return of the transferred amounts to the Presidential Election Campaign Fund if not used for the appropriate purpose.''

(2) Subparagraph (A) of section 9002(11) of the Internal Revenue Code of 1986 is amended—

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

(B) in clause (iii), by striking ''offices,'' and inserting the following: ''offices, or (iv) consisting of a transfer to the national committee of the political party of a candidate for the office of President or Vice President for distribution to State Party Grassroots Funds (as defined in the Federal Election Campaign Act of 1971) to the extent such transfers do not exceed the amount determined under section 315(b)(1)(B)(ii) of such Act,''.

SEC. 303. INCREASE IN THE AMOUNT THAT MULTICANDIDATE POLITICAL COMMITTEES MAY CONTRIBUTE TO NATIONAL POLITICAL PARTY COMMITTEES.

Section 315(a)(2)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(B)) is amended by striking ''$15,000'' and inserting ''$25,000''.

SEC. 304. MERCHANDISING AND AFFINITY CARDS.

Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

''(c) Notwithstanding the provisions of this section or any other provision of this Act to the contrary, an amount received from a corporation (including a State-chartered or national bank) by any political committee (other than a separate segregated fund established under section 316(b)(2)(C)) shall be deemed to meet the limitations and prohibitions of this Act if such amount represents a commission or royalty on the sale of goods or services, or on the issuance of credit cards, by such corporation and if—

''(1) such goods, services, or credit cards are promoted by or in the name of the political committee as a means of contributing to or supporting the political committee and are offered to consumers using the name of the political committee or using a message, design, or device created and owned by the political committee, or both;

''(2) the corporation is in the business of merchandising such goods or services, or of issuing such credit cards;

''(3) the royalty or commission has been offered by the corporation to the political committee in the ordinary course of the corporation's business and on the same terms and conditions as those on which such corporation offers royalties or commissions to nonpolitical entities;

''(4) all revenue on which the commission or royalty is based represents, or results from, sales to or fees paid by individual consumers in the ordinary course of retail transactions;

''(5) the costs of any unsold inventory of goods are ultimately borne by the political committee in accordance with rules to be prescribed by the Commission; and

''(6) except for any royalty or commission permitted to be paid by this subsection, no goods, services, or anything else of value is provided by such corporation to the political committee, except that such corporation may advance or finance costs or extend credit in connection with the manufacture and distribution of goods, provision of services, or issuance of credit cards pursuant to this subsection if and to the extent such advance, financing, or extension is undertaken in the ordinary course of the corporation's business and is undertaken on similar terms by such corporation in its transactions with nonpolitical entities in like circumstances.''

SEC. 305. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—Title III of the Federal Election Campaign Act of 1971 is amended by inserting after section 323 the following new section:

''POLITICAL PARTY COMMITTEES

''SEC. 324. (a) LIMITATIONS ON NATIONAL COMMITTEE.—(1) A national committee of a political party and the congressional campaign committees of a political party may not solicit or accept contributions or transfers not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) Paragraph (1) shall not apply to contributions—

''(A) that—

''(i) are to be transferred to a State committee of a political party and are used solely for activities described in clauses (xi) through (xvii) of paragraph (9)(B) of section 301; or

''(ii) are described in section 301(8)(B)(viii); and

''(B) with respect to which contributors have been notified that the funds will be used solely for the purposes described in subparagraph (A).

''(b) ACTIVITIES SUBJECT TO THIS ACT.—Any amount solicited, received, expended, or disbursed directly or indirectly by a national, State, district, or local committee of a political party with respect to any of the following activities shall be subject to the limitations, prohibitions, and reporting requirements of this Act:

''(1)(A) Any get-out-the-vote activity conducted during a calendar year in which an election for the office of President is held.

''(B) Any other get-out-the-vote activity unless subsection (c)(2) applies to the activity.

''(2) Any generic campaign activity.

''(3) Any activity that identifies or promotes a Federal candidate, regardless of whether—

''(A) a State or local candidate is also identified or promoted; or

''(B) any portion of the funds disbursed constitutes a contribution or expenditure under this Act.

''(4) Voter registration.

''(5) Development and maintenance of voter files during an even-numbered calendar year.

''(6) Any other activity that—

''(A) significantly affects a Federal election, or

''(B) is not otherwise described in section 301(9)(B)(xvii).

Any amount spent to raise funds that are used, in whole or in part, in connection with activities described in the preceding paragraphs shall be subject to the limitations, prohibitions, and reporting requirements of this Act.

''(c) GET-OUT-THE-VOTE ACTIVITIES BY STATE, DISTRICT, AND LOCAL COMMITTEES OF POLITICAL PARTIES.—(1) Except as provided in paragraph (2), any get-out-the-vote activity for a State or local candidate, or for a ballot measure, which is conducted by a State, district, or local committee of a political party shall be subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) Paragraph (1) shall not apply to any activity which the State committee of a political party certifies to the Commission is an activity which—

''(A) is conducted during a calendar year other than a calendar year in which an election for the office of President is held,

''(B) is exclusively on behalf of (and specifically identifies only) one or more State or local candidates or ballot measures, and

''(C) does not include any effort or means used to identify or turn out those identified to be supporters of any Federal candidate (including any activity that is undertaken in coordination with, or on behalf of, a candidate for Federal office).

''(d) STATE PARTY GRASSROOTS FUNDS.—(1) A State committee of a political party may make disbursements and expenditures from its State Party Grassroots Fund only for—

''(A) any generic campaign activity;

''(B) payments described in clauses (v), (x), and (xii) of paragraph (8)(B) and clauses (iv), (viii), and (ix) of paragraph (9)(B) of section 301;

''(C) subject to the limitations of section 315(d), payments described in clause (xii) of paragraph (8)(B), and clause (ix) of paragraph (9)(B), of section 301 on behalf of candidates other than for President and Vice President;

''(D) voter registration; and

''(E) development and maintenance of voter files during an even-numbered calendar year.

''(2) Notwithstanding section 315(a)(4), no funds may be transferred by a State committee of a political party from its State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except a transfer may be made to a district or local committee of the same political party in the same State if such district or local committee—

''(A) has established a separate segregated fund for the purposes described in paragraph (1); and

''(B) uses the transferred funds solely for those purposes.

''(e) AMOUNTS RECEIVED BY GRASSROOTS FUND FROM STATE AND LOCAL CANDIDATE COMMITTEES.—(1) Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in subsection (b) that are for the benefit of that candidate shall be treated as meeting the requirements of subsection (b) and section 304(e) if—

''(A) such amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount specified in section 315(a) (1)(A) and (2)(A); and

''(B) the State or local candidate committee—

''(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether such requirements are met; and

''(ii) certifies that such requirements were met.

''(2) For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in such paragraph—

''(A) a State or local candidate committee's cash on hand shall be treated as consisting of the funds most recently received by the committee, and

''(B) the committee must be able to demonstrate that its cash on hand contains sufficient funds meeting such requirements as are necessary to cover the transferred funds.

''(3) Notwithstanding paragraph (1), any State Party Grassroots Fund receiving any transfer described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act, and shall submit to the Commission all certifications received, with respect to receipt of the transfer from such candidate committee.

''(4) For purposes of this subsection, a State or local candidate committee is a committee established, financed, maintained, or controlled by a candidate for other than Federal office.

''(f) RELATED ENTITIES.—The provisions of this Act shall apply to any entity that is established, financed, or maintained by a national committee or State committee of a political party in the same manner as they apply to the national or State committee.''

(b) CONTRIBUTIONS AND EXPENDITURES.—

(1) CONTRIBUTIONS.—Section 301(8)(B) of such Act (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (viii), by inserting after ''Federal office'' the following: '', or any amounts received by the committees of any national political party to support the operation of a television and radio broadcast facility'';

(B) by striking ''and'' at the end of clause (xiii);

(C) by striking clause (xiv); and

(D) by adding at the end the following new clauses:

''(xiv) any amount contributed to a candidate for other than Federal office;

''(xv) any amount received or expended to pay the costs of a State or local political convention;

''(xvi) any payment for campaign activities that are exclusively on behalf of (and specifically identify only) State or local candidates and do not identify any Federal candidate, and that are not activities described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1);

''(xvii) any payment for administrative expenses of a State or local committee of a political party, including expenses for—

''(I) overhead, including party meetings;

''(II) staff (other than individuals devoting a significant amount of their time to elections for Federal office and individuals engaged in conducting get-out-the-vote activities for a Federal election); and

''(III) conducting party elections or caucuses;

''(xviii) any payment for research pertaining solely to State and local candidates and issues;

''(xix) any payment for development and maintenance of voter files other than during the 1-year period ending on the date during an even-numbered calendar year on which regularly scheduled general elections for Federal office occur; and

''(xx) any payment for any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office and which is not an activity described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1).''.

(2) EXPENDITURES.—Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended—

(A) by striking ''and'' at the end of clause (ix);

(B) by striking the period at the end of clause (x) and inserting a semicolon; and

(C) by adding at the end the following new clauses:

''(xi) any amount contributed to a candidate for other than Federal office;

''(xii) any amount received or expended to pay the costs of a State or local political convention;

''(xiii) any payment for campaign activities that are exclusively on behalf of (and specifically identify only) State or local candidates and do not identify any Federal candidate, and that are not activities described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1);

''(xiv) any payment for administrative expenses of a State or local committee of a political party, including expenses for—

''(I) overhead, including party meetings;

''(II) staff (other than individuals devoting a significant amount of their time to elections for Federal office and individuals engaged in conducting get-out-the-vote activities for a Federal election); and

''(III) conducting party elections or caucuses;

''(xv) any payment for research pertaining solely to State and local candidates and issues;

''(xvi) any payment for development and maintenance of voter files other than during the 1-year period ending on the date during an even-numbered calendar year on which regularly scheduled general elections for Federal office occur; and

''(xvii) any payment for any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office and which is not an activity described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1).''.

(c) LIMITATION APPLIED AT NATIONAL LEVEL; PERMITTING COMMITTEES TO MATCH INDEPENDENT EXPENDITURES MADE ON OPPONENT'S BEHALF.—Section 315(d) of such Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (3), by striking ''The national committee'' and inserting ''Subject to paragraph (4), the national committee''; and

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

''(4)(A) Notwithstanding paragraph (3), the applicable congressional campaign committee of a political party shall make the expenditures described in such paragraph which are authorized to be made by a national or State committee with respect to a candidate in any State unless it allocates all or a portion of such expenditures to either or both of such committees.

''(B) For purposes of paragraph (3), in determining the amount of expenditures of a national or State committee of a political party in connection with the general election campaign of a candidate for election to the office of Representative, Delegate, or Resident Commissioner, there shall be excluded an amount equal to the total amount of independent expenditures made during the campaign on behalf of candidates opposing the candidate.''.

(d) LIMITATIONS APPLY FOR ENTIRE ELECTION CYCLE.—Section 315(d)(1) of such Act (2 U.S.C. 441a(d)(1)) is amended by adding at the end the following new sentence: ''Each limitation under the following paragraphs shall apply to the entire election cycle for an office.''.

SEC. 306. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.

(a) STATE FUNDRAISING ACTIVITIES.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 122, is further amended by adding at the end the following new subsection:

''(j) LIMITATIONS ON FUNDRAISING ACTIVITIES OF FEDERAL CANDIDATES AND OFFICEHOLDERS AND CERTAIN POLITICAL COMMITTEES.—(1) For purposes of this Act, a candidate for Federal office, an individual holding Federal office, or any agent of the candidate or individual may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

''(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

''(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under subsections (a) (1) and (2), and are not from sources prohibited by such subsections with respect to elections to Federal office.

''(2)(A) The aggregate amount which a person described in subparagraph (B) may solicit from a multicandidate political committee for State committees described in subsection (a)(1)(C) (including subordinate committees) for any calendar year shall not exceed the dollar amount in effect under subsection (a)(2)(B) for the calendar year.

''(B) A person is described in this subparagraph if such person is a candidate for Federal office, an individual holding Federal office, an agent of such a candidate or individual, or any national, State, district, or local committee of a political party (including a subordinate committee) and any agent of such a committee.

''(3) The appearance or participation by a candidate for Federal office or individual holding Federal office in any fundraising event conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if such candidate or individual does not solicit or receive, or make disbursements from, any funds resulting from such activity.

''(4) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law.

''(5) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual—

''(A) holds a Federal office; or

''(B) holds a position described in level I of the Executive Schedule under section 5312 of title 5, United States Code.''.

(b) TAX-EXEMPT ORGANIZATIONS.—Section 315 of such Act (2 U.S.C. 441a), as amended by section 122 and subsection (a), is further amended by adding at the end the following new subsection:

''(k) TAX-EXEMPT ORGANIZATIONS.—(1) If an individual is a candidate for, or holds, Federal office during any period, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if—

''(A) the organization is established, maintained, or controlled by such individual; and

''(B) a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns.

''(2) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual—

''(A) holds a Federal office; or

''(B) holds a position described in level I of the Executive Schedule under section 5312 of title 5, United States Code.''.

SEC. 307. 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 new subsection:

''(d) POLITICAL COMMITTEES.—(1) The national committee of a political party and any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

''(2) A State, district, or local committee of a political party to which section 324 applies shall report all receipts and disbursements for the reporting period, including separate schedules for receipts and disbursements for State Grassroots Funds.

''(3) Any political committee shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 324(d)(2) and shall itemize such amounts to the extent required by section 304(b)(3)(A).

''(4) The Commission may prescribe regulations to require any political committee to which paragraph (1) or (2) does not apply to report any receipts or disbursements used in connection with a Federal election, including those which are also used, directly or indirectly, to affect a State or local election.

''(5) 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 subsection (b) (3)(A), (5), or (6).

''(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of such Act (2 U.S.C. 431(8)) is amended by inserting at the end the following new subparagraph:

''(C) The exclusion provided in clause (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 (and disbursements therefrom) shall be reported.''.

(c) REPORTS BY STATE COMMITTEES.—Section 304 of such Act (2 U.S.C. 434), as amended by subsection (a), is further amended by adding at the end the following new subsection:

''(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.''.

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Section 304(b)(4) of such Act (2 U.S.C. 434(b)(4)) is amended—

(A) by striking ''and'' at the end of subparagraph (H);

(B) by adding ''and'' at the end of subparagraph (I); and

(C) by adding at the end the following new subparagraph:

''(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;''.

(2) NAMES AND ADDRESSES.—Section 304(b)(5)(A) of such Act (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking ''within the calendar year'', and

(B) by inserting '', and the election to which the operating expenditure relates'' after ''operating expenditure''.

TITLE IV—CONTRIBUTIONS

SEC. 401. RESTRICTIONS ON BUNDLING.

Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read as follows:

''(8)(A) No person, either directly or indirectly, may act as a conduit or intermediary for any contribution to a candidate.

''(B)(i) Nothing in this section shall prohibit—

''(I) joint fundraising conducted in accordance with rules prescribed by the Commission by 2 or more candidates; or

''(II) fundraising for the benefit of a candidate that is conducted by another candidate.

''(ii) No other person may conduct or otherwise participate in joint fundraising activities with or on behalf of any candidate.

''(C) The term 'conduit or intermediary' means a person who transmits a contribution to a candidate or candidate's committee or representative from another person, except that—

''(i) a House of Representatives candidate or representative of a House of Representatives candidate is not a conduit or intermediary for the purpose of transmitting contributions to the candidate's principal campaign committee or authorized committee;

''(ii) a professional fundraiser is not a conduit or intermediary, if the fundraiser is compensated for fundraising services at the usual and customary rate;

''(iii) a volunteer hosting a fundraising event at the volunteer's home, in accordance with section 301(8)(b), is not a conduit or intermediary for the purposes of that event; and

''(iv) an individual is not a conduit or intermediary for the purpose of transmitting a contribution from the individual's spouse.

For purposes of this section a conduit or intermediary transmits a contribution when receiving or otherwise taking possession of the contribution and forwarding it directly to the candidate or the candidate's committee or representative.

''(D) For purposes of this section, the term 'representative'—

''(i) shall mean a person who is expressly authorized by the candidate to engage in fundraising, and who, in the case of an individual, is not acting as an officer, employee, or agent of any other person;

''(ii) shall not include—

''(I) a political committee with a connected organization;

''(II) a political party;

''(III) a partnership or sole proprietorship;

''(IV) an organization prohibited from making contributions under section 316; or

''(V) a person required to register under the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.).

''(E) For purposes of this section, the term 'acting as an officer, employee, or agent of any other person' includes the following activities by a salaried officer, employee, or paid agent of a person described in subparagraph (D)(ii)(IV):

''(i) Soliciting contributions to a particular candidate in the name of, or by using the name of, such a person.

''(ii) Soliciting contributions to a particular candidate using other than the incidental resources of such a person.

''(iii) Soliciting contributions to a particular candidate under the direction or control of other salaried officers, employees, or paid agents of such a person.

For purposes of this subparagraph, the term 'agent' shall include any person (other than individual members of an organization described in subparagraph (b)(4)(C) of section 316) acting on authority or under the direction of such organization.''.

SEC. 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by sections 122 and 306, is further amended by adding at the end the following new subsection:

''(l) For purposes of this section, any contribution by an individual who—

''(1) is a dependent of another individual; and

''(2) has not, as of the time of such contribution, attained the legal age for voting for elections to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them.''.

SEC. 403. PROHIBITION OF ACCEPTANCE BY A CANDIDATE OF CASH CONTRIBUTIONS FROM ANY ONE PERSON AGGREGATING MORE THAN $100.

Section 321 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441g) is amended by inserting '', and no candidate or authorized committee of a candidate shall accept from any one person,'' after ''make''.

SEC. 404. CONTRIBUTIONS TO CANDIDATES FROM STATE AND LOCAL COMMITTEES OF POLITICAL PARTIES TO BE AGGREGATED.

Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)), as amended by section 121, is further amended by adding at the end the following new paragraph:

''(10) Notwithstanding paragraph (5)(B), a candidate for Federal office may not accept, with respect to an election, any contribution from a State or local committee of a political party (including any subordinate committee of such committee) if such contribution, when added to the total of contributions previously accepted from all such committees of that political party, exceeds a limitation on contributions to a candidate under this section.''.

SEC. 405. 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)''; and

(2) by adding at the end the following:

''(b) 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. 406. LIMITED EXCLUSION OF ADVANCES BY CAMPAIGN WORKERS FROM THE DEFINITION OF THE TERM ''CONTRIBUTION''.

Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)), as amended by section 305, is amended—

(1) in clause (xix), by striking ''and'' after the semicolon at the end;

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

(3) by adding at the end the following new clause:

''(xxi) any advance voluntarily made on behalf of an authorized committee of a candidate by an individual in the normal course of such individual's responsibilities as a volunteer for, or employee of, the committee, if the advance is reimbursed by the committee within 10 days after the date on which the advance is made, and the value of advances on behalf of a committee does not exceed $500 with respect to an election.''.

SEC. 407. AMENDMENT TO SECTION 316 OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1971.

Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended—

(1) by striking ''(2) For'' and inserting ''(2)(A) Except as provided in subparagraph (B), for'';

(2) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively; and

(3) by adding at the end the following:

''(B) Payments by a corporation or labor organization for candidate debates, voter guides, or voting records directed to the general public shall be considered contributions unless—

''(i) in the case of a candidate debate, the organization staging the debate is either an organization described in section 301 (9)(B)(i) whose broadcasts, cablecasts, or publications are supported by commercial advertising, subscriptions, or sales to the public, including a noncommercial educational broadcaster, or a nonprofit organization exempt from Federal taxation under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 that does not endorse, support, or oppose candidates or political parties, and any such debate features at least 2 candidates competing for election to that office;

''(ii) in the case of a voter guide, the guide is prepared and distributed by a corporation or labor organization and consists of questions posed to at least two candidates for election to that office; and

''(iii) in the case of a voting record, the record is prepared and distributed by a corporation or labor organization at the end of a session of Congress and consists solely of votes by all Members of Congress in that session on one or more issues;

except that such payments shall be treated as contributions if any communication made by a corporation or labor organization in connection with the candidate debate, voter guide, or voting record contains express advocacy, or any structure or format of the candidate debate, voter guide, or voting record, or any preparation or distribution of any such guide or record, reflects a purpose of influencing the election of a particular candidate.''.

SEC. 408. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended by adding at the end the following new subsection:

''(c) A foreign national shall not directly or indirectly direct, control, influence, or participate in any person's election-related activities, such as the making of contributions or expenditures in connection with elections for any local, State, or Federal office or the administration of a political committee.''.

TITLE V—REPORTING REQUIREMENTS

SEC. 501. CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.

Paragraphs (2), (3), (4), (6), and (7) of section 304(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b) (2)–(7)) are each amended by inserting ''(election cycle, in the case of an authorized committee of a candidate for Federal office)'' after ''calendar year'' each place it appears.

SEC. 502. DISCLOSURE OF PERSONAL AND CONSULTING SERVICES.

(a) REPORTING BY POLITICAL COMMITTEES.—Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end the following: '', except that if a person to whom an expenditure is made by a candidate or the candidate's authorized committees is merely providing personal or consulting services and is in turn making expenditures to other persons (not including its owners or employees) who provide goods or services to the candidate or the candidate's authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed''.

(b) RECORDKEEPING AND REPORTING BY PERSONS TO WHOM EXPENDITURES ARE PASSED

THROUGH.—Section 302 of such Act (2 U.S.C. 432) is amended by adding at the end the following new subsection:

''(j) The person described in section 304(b)(5)(A) who is providing personal or consulting services and who is in turn making expenditures to other persons (not including employees) for goods or services provided to a candidate shall maintain records of and shall provide to a political committee the information necessary to enable the political committee to report the information described in section 304(b)(5)(A).''.

SEC. 503. POLITICAL COMMITTEES OTHER THAN CANDIDATE COMMITTEES.

Section 303(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 433(b)) is amended—

(1) in paragraph (2), by inserting '', and if the organization or committee is incorporated, the State of incorporation'' after ''committee''; and

(2) by striking the ''name and address of the treasurer'' in paragraph (4) and inserting ''the names and addresses of any officers (including the treasurer)''.

SEC. 504. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)(4)) is amended to read as follows:

''(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 such 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. 505. REPORTING REQUIREMENTS.

(a) FILING ON THE 20TH DAY OF A MONTH.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended—

(1) in paragraph (2)(A)(iii), by striking ''15th'' and inserting ''20th'';

(2) in paragraph (3)(B)(ii), by striking ''15th'' and inserting ''20th'';

(3) in paragraph (4)(A)(i), by striking ''15th'' and inserting ''20th''; and

(4) in paragraph (8), by striking ''15th'' and inserting ''20th''.

(b) OPTION TO FILE MONTHLY REPORTS.—Section 304(a)(2) of such Act (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A), by striking ''and'' at the end;

(2) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(3) by inserting the following new subparagraph at the end:

''(C) in lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-primary election report and a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year.''.

(c) POLITICAL COMMITTEES.—Section 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended in subparagraph (A)(i) by inserting '', and except that if at any time during the election year a committee receives contributions in excess of $100,000 ($10,000 in the case of a multicandidate political committee), or makes disbursements in excess of $100,000 ($10,000 in the case of a multicandidate political committee), monthly reports on the 20th day of each month after the month in which that amount of contributions is first received or that amount of disbursements is first anticipated to be made during that year'' before the semicolon.

(d) INCOMPLETE OR FALSE CONTRIBUTOR INFORMATION.—Section 302(i) of such Act (2 U.S.C. 432(i)) is amended—

(1) by inserting ''(1)'' after ''(i)'';

(2) by striking ''submit'' and inserting ''report''; and

(3) by adding at the end the following new paragraph:

''(2) A treasurer shall be considered to have used best efforts under this section only if—

''(A) all written solicitations include a clear and conspicuous request for the contributor's identification and inform the contributor of the committee's obligation to report the identification in a statement prescribed by the Commission;

''(B) the treasurer makes at least 1 additional request for the contributor's identification for each contribution received that aggregates in excess of $200 per calendar year and which does not contain all of the information required by this Act; and

''(C) the treasurer reports all information in the committee's possession regarding contributor identifications.''.

(e) WAIVER.—Section 304 of such Act (2 U.S.C. 434), as amended by section 307, is further amended by adding at the end the following new subsection:

''(f) WAIVER.—The Commission may relieve any category of political committees of the obligation to file 1 or more reports required by this section, or may change the due dates of such reports, if it determines that such action is consistent with the purposes of this Act. The Commission may waive requirements to file reports in accordance with this subsection through a rule of general applicability or, in a specific case, may waive or extend the due date of a report by notifying all political committees affected.''.

SEC. 506. SIMULTANEOUS REGISTRATION OF CANDIDATE AND CANDIDATE'S PRINCIPAL CAMPAIGN COMMITTEE.

Section 303(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 433(a)) is amended in the first sentence by striking ''no later than 10 days after designation'' and inserting ''on the date of its designation''.

SEC. 507. REPORTING ON GENERAL CAMPAIGN ACTIVITIES OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) REPORTING REQUIREMENT.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 307 and 505, is further amended by adding at the end the following new subsection:

''(g) CERTAIN COMMUNICATIONS BY CORPORATIONS AND LABOR ORGANIZATIONS.—(1) Any person making disbursements to pay the cost of applicable communication activities aggregating $5,000 or more with respect to a candidate in an election after the 20th day, but more than 24 hours, before the election shall file a report of such disbursements within 24 hours after such disbursements are made.

''(2) Any person making disbursements to pay the cost of applicable communications activities aggregating $5,000 or more with respect to a candidate in an election at any time up to and including the 20th day before the election shall file a report within 48 hours after such disbursements are made.

''(3) Any person required to file a report under paragraph (1) or (2) which also makes disbursements to pay the cost directly attributable to a get-out-the-vote campaign described in section 316(b)(2)(B) aggregating $25,000 or more with respect to an election shall file a report within 48 hours after such disbursements are made.

''(4) An additional report shall be filed each time additional disbursements described in paragraph (1), (2), or (3), whichever is applicable, aggregating $10,000 are made with respect to the same candidate in the same election as the initial report filed under this subsection. Each such report shall be filed within 48 hours after the disbursements are made.

''(5) For purposes of this subsection, the term 'applicable communication activities' means activities which are covered by the exception to section 301(9)(B)(iii).

''(6) Any statement under this subsection—

''(A) shall be filed in the case of—

''(i) disbursements relating to candidates for the House of Representatives, with the Clerk of the House of Representatives and the Secretary of State of the State involved, and

''(ii) any other disbursements, with the Commission, and

''(B) shall contain such information as the Commission shall prescribe.''

(b) CONFORMING AMENDMENT.—Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended by inserting ''and shall, if such costs exceeds the amount described in paragraph (1), (2), or (4) of section 304(g), be reported in the manner provided in section 304(g)'' before the semicolon at the end of clause (iii).

TITLE VI—BROADCAST RATES AND CAMPAIGN ADVERTISING

SEC. 601. BROADCAST RATES AND CAMPAIGN ADVERTISING.

(a) BROADCAST RATES.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by amending subsection (b) to read as follows:

''(b)(1) Except as provided in paragraph (2), the charges made for the use of a broadcasting station by a person who is a legally qualified candidate for public office in connection with the person's campaign for nomination for election, or election, to public office shall not exceed the charges made for comparable use of such station by other users thereof.

''(2) In the case of an eligible House of Representatives candidate, during the 30 days preceding the date of the primary or primary runoff election and during the 60 days preceding the date of a general or special election in which the person is a candidate, the charges made for the use of a broadcasting station by the candidate shall not exceed 50 percent of the lowest unit charge of the station for the same class and amount of time for the same period.'';

(2) by redesignating subsections (c) and (d) as subsections (f) and (g), respectively;

(3) by inserting after subsection (b) the following new subsections:

''(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1)(A), of a broadcast station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to subsection (b)(1)(A).

''(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.

''(d) If any person makes an independent expenditure through a communication on a broadcasting station that expressly advocates the defeat of an eligible House of Representatives candidate, or the election of an

eligible House of Representatives candidate (regardless of whether such opponent is an eligible candidate), the licensee, as applicable, shall, not later than 5 business days after the date on which the communication is made (or not later than 24 hours after the communication is made if the communication occurs not more than 2 weeks before the date of the election), transmit to the candidate—

''(1) a statement of the date and time on which the communication was made;

''(2) a script or tape recording of the communication, or an accurate summary of the communication if a script or tape recording is not available; and

''(3) an offer of an equal opportunity for the candidate to use the broadcasting station to respond to the communication without having to pay for the use in advance.

''(e) A licensee that endorses a candidate for Federal office in an editorial shall, within the time period stated in subsection (d), provide to all other candidates for election to the same office—

''(1) a statement of the date and time of the communication;

''(2) a script or tape recording of the communication, or an accurate summary of the communication if a script or tape recording is not available; and

''(3) an offer of an equal opportunity for the candidate or spokesperson for the candidate to use the broadcasting station to respond to the communication.''; and

(4) in subsection (f), as redesignated by paragraph (2)—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting ''; and''; and

(C) by adding at the end the following new paragraph:

''(3) the terms 'eligible House of Representatives candidate' and 'independent expenditure' have the meanings stated in section 301 of the Federal Election Campaign Act of 1971.''.

(b) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of such Act (47 U.S.C. 312(a)(7)) is amended—

(1) by striking ''or repeated'';

(2) by inserting ''or cable system'' after ''broadcasting station''; and

(3) by striking ''his candidacy'' and inserting ''his or her candidacy, under the same terms, conditions, and business practices as apply to its most favored advertiser''.

(c) MEETING REQUIREMENTS FOR RATES AS CONDITION OF GRANTING OR RENEWAL OF LICENSE.—Section 307 of such Act (47 U.S.C. 307) is amended by adding at the end the following new subsection:

''(f) The continuation of an existing license, the renewal of an expiring license, and the issuance of a new license shall be expressly conditioned on the agreement by the licensee or the applicant to meet the requirements of section 315(b), except that the Commission may waive this condition in the case of a licensee or applicant who demonstrates (in accordance with such criteria as the Commission may establish in consultation with the Federal Election Commission) that meeting such requirements will impose a significant financial hardship.''.

SEC. 602. CAMPAIGN ADVERTISING AMENDMENTS.

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

(1) in the matter before paragraph (1) of subsection (a), 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'';

(2) in the matter before paragraph (1) of subsection (a), by striking ''an expenditure'' and inserting ''a disbursement'';

(3) in the matter before paragraph (1) of subsection (a), by striking ''direct'';

(4) in paragraph (3) of subsection (a), by inserting after ''name'' the following ''and permanent street address''; and

(5) by adding at the end the following new subsections:

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

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

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

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

''(d)(1) Any communication described in subsection (a)(1) or (a)(2) that is provided to and distributed by any broadcasting station or cable system (as such terms are defined in sections 315 and 602, respectively, of the Federal Communications Act of 1934) shall include, in addition to the requirements of subsections (a)(1) and (a)(2), 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) contains any visual images, the communication shall include a written statement which contains the same information as the audio statement and which—

''(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)(1) Any communication described in subsection (a)(3) that is provided to and distributed by any broadcasting station or cable system described in subsection (d)(1) shall include, in addition to the requirements of that subsection, 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.

''(2) If the communication described in paragraph (1) contains visual images, the communication shall include a written statement which contains the same information as the audio statement and which appears 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. 603. ELIGIBILITY FOR NONPROFIT THIRD-CLASS BULK RATES OF POSTAGE.

Paragraph (2) of section 3626(e) of title 39, United States Code, is amended—

(1) in subparagraph (A) by striking ''Committee, and the'' and inserting ''Committee, the'', and by striking ''Committee;'' and inserting ''Committee, and a qualified campaign committee;'';

(2) by striking ''and'' at the end of subparagraph (B);

(3) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(4) by adding at the end the following:

''(D) the term 'qualified campaign committee' means the campaign committee of an eligible House of Representatives candidate; and

''(E) the term 'eligible House of Representatives candidate' has the meaning given that term in section 301 of the Federal Election Campaign Act of 1971.''.

TITLE VII—MISCELLANEOUS

SEC. 701. PROHIBITION OF LEADERSHIP COMMITTEES.

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

(1) by amending paragraph (3) to read as follows:

''(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

''(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

''(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.''; and

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

''(6)(A) A candidate for Federal office or any individual holding Federal office may not establish, finance, maintain, or control any Federal or non-Federal political committee other than a principal campaign committee of the candidate, authorized committee, party committee, or other political committee designated in accordance with paragraph (3). A candidate for more than one Federal office may designate a separate principal campaign committee for each Federal office. This paragraph shall not preclude a Federal officeholder who is a candidate for State or local office from establishing, financing, maintaining, or controlling a political committee for election of the individual to such State or local office.

''(B) For 2 years after the effective date of this paragraph, any political committee established before such date but which is prohibited under subparagraph (A) may continue to make contributions. At the end of that period such political committee shall disburse all funds by one or more of the following means: making contributions to an entity qualified under section 501(c)(3) of the Internal Revenue Code of 1986; making a contribution to the treasury of the United States; contributing to the national, State or local committees of a political party; or making contributions not to exceed $1,000 to candidates for elective office.''.

SEC. 702. APPEARANCE BY FEDERAL ELECTION COMMISSION AS AMICI CURIAE.

Section 306(f) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(f)) is amended by striking out paragraph (4) and inserting in lieu thereof the following new paragraph:

''(4)(A) Notwithstanding the provisions of paragraph (2), or of any other provision of law, the Commission is authorized to appear on its own behalf in any action related to the exercise of its statutory duties or powers in any court as either a party or as amicus curiae, either—

''(i) by attorneys employed in its office, or

''(ii) by counsel whom it may appoint, on a temporary basis as may be necessary for such purpose, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title. The compensation of counsel so appointed on a temporary basis shall be paid out of any funds otherwise available to pay the compensation of employees of the Commission.

''(B) The authority granted under subparagraph (A) includes the power to appeal from,

and petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which the Commission appears pursuant to the authority provided in this section.''.

SEC. 703. PROHIBITING SOLICITATION OF CONTRIBUTIONS BY MEMBERS IN HALL OF THE HOUSE OF REPRESENTATIVES.

(a) IN GENERAL.—A Member of the House of Representatives may not solicit or accept campaign contributions in the Hall of the House of Representatives, rooms leading thereto, or the cloakrooms.

(b) DEFINITION.—In subsection (a), the term ''Member of the House of Representatives'' means a Representative in, or a Delegate or Resident Commissioner to, Congress.

(c) EXERCISE OF RULEMAKING AUTHORITY.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives, and as such this section is deemed a part of the rules of the House of Representatives and supersedes other rules only to the extent inconsistent therewith; and

(2) with full recognition of the constitutional right of the House of Representatives to change the rule at any time, in the same manner and to the same extent as in the case of any other rule of the House of Representatives.

TITLE VIII—EFFECTIVE DATES; AUTHORIZATIONS

SEC. 801. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act, but shall not apply with respect to activities in connection with any election occurring before January 1, 1997.

SEC. 802. SEVERABILITY.

(a) IN GENERAL.—Except as otherwise provided in this section, if any provision of this Act (including any amendment made by this Act), or the application of any such provision to any person or circumstance, is held invalid, the validity of any other provision of this Act, or the application of such provision to other persons and circumstances, shall not be affected thereby.

(b) EXCEPTIONS.—If any provision of subtitle A of title V of the Federal Election Campaign Act of 1971 (as added by title I) is held to be invalid, all provisions of such subtitle, and the amendment made by section 122, shall be treated as invalid.

SEC. 803. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—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 finding any provision of this Act or amendment made by this Act to be unconstitutional.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. 804. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out the provisions of this Act within 12 months after the effective date of this Act.

The CHAIRMAN. Pursuant to House Resolution 481, the gentleman from California [Mr. FAZIO] and the gentleman from California [Mr. THOMAS] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. FARR] who has led the effort on our side of the aisle to propose an alternative to this very unfortunate bill.

Mr. FARR of California. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise urging my colleagues to support the bill that is under consideration, H.R. 3505. Mr. Chairman, this is a good bill. Let me tell the Members why. This bill imposes spending limits on political candidates. It reduces the influence on special interest money. It eliminates soft money. It corrals unregulated advocacy spending. It is a good bill because this is what the American people have asked for, and it is what they deserve: campaigns that are free of big money, free of powerful interests, and unregulated third party spending. It is a good bill because it brings sanity to an insane world of campaign finance reform. It is a good bill because it lets us say goodbye to the high-roller politics.

Let us take a look at what is happening in America. Right now there are no spending limits, and certainly under the bill of the gentleman from California [Mr. THOMAS], there are no limits. Candidates can spend whatever and however they want to spend. There is a $600,000 spending limit in a 2-year cycle under our bill. The American people want to see limits on what people spend in campaigns. They think there is too much money being spent in campaigns.

Earlier this year the League of Women Voters ran a series of citizen assemblies focused on the issues of campaign finance reform and found overwhelmingly: ''The citizens feel it is obscene to spend so much money on elections in this time of scarce public resources.''

In the last election cycle we in this Chamber, the Members who got elected in this Chamber, spent a total of $230.8 million to get elected, $230.8 million, and that does not even count our opponents, the people who ran against us. Those who ran against us spent $300 million or so trying to defeat us. On the average, together, those who got elected and those who did not, we spent over $500,000 each to get here. That is a lot of money. The trend is for more money to be spent, not less.

Over the last 10 years, the total amount spent by winning House candidates has just about doubled. Where are we going to be under the Thomas legislation 10 years from now? In the last 20 years, the total amount spent by winning House candidates has increased by more than 14 times. It is runaway. Not only is a lot of money being spent, it takes a lot of time to raise it.

If we end the money chase, our elections will focus more on issues and on policy debates and less on the issue of collecting dollars. That is what my bill seeks to do, to end the money chase. We debate here daily about tightening our belts and reducing Government spending. How many votes in the last few days or weeks have been cast on the floor where we were cutting appropriations, limiting Government expenditures? Why can we not do that for campaigns?

□ 1430

Why can we not cut, squeeze, and trim? The spending limits in the bill that I am offering are voluntary. They show a commitment on the part of the candidate to spend money wisely and responsibly. They put limits on the amount we can raise from PAC's. They put limits on the amount we can raise from wealthy people, on the amount of money a wealthy person can put into his or her own campaign. The opposition bill has no limits.

We ask this of our government bureaucrats. We ask it of welfare recipients. We should ask no less of politicians. I urge an ''aye'' vote on my bill.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. I thank the gentleman for yielding me this time.

Mr. Chairman, I want to talk about two things about this bill that actually are good and go in the right direction and that are good enough to at least encourage me to reluctantly vote for the bill. First of all, we reduce from $5,000 to $2,500 per election the amount of money that a political action committee can give to a candidate. The previous speaker from Connecticut suggests that this means that working people and less affluent people will not have the same opportunities for political expression as a result of that and it is absolutely false.

The fact is that there is a tremendous difference between the character of a political action committee and the character of individual contributions. Individuals are infinitely complex. They are subtle. They are varied. They have a very wide spectrum of causes and concerns and issues that matter to them, whereas political action committees representing special interests that are based for the most part in Washington, DC, are thick. They are narrow. They have a very crude view of the political process, and it is fundamentally transactional. The first transactional is access; the second is influence; and, finally, the transaction is to get a vote.

On how many issues, how many votes in a 2-year cycle; maybe one, maybe five, certainly not many more than that. The idea, the game, is to get a specific result. That is not how individuals are. That is not how individuals contribute.

PAC's, political action committees, representing special interests, are an undermining influence on this U.S. Congress. The public knows that. Going from $5,000 to $2,500 is the right direction. It ought to be from $2,500 to zero.

The second thing that is good about this bill is that it requires a majority

of the contributions must come from individuals who live inside the district which is electing that particular person to the Congress.

Mr. FAZIO of California. Mr. Chairman, I yield 2½ minutes to the gentleman from Georgia [Mr. LEWIS] who hails from the Olympic capital, Atlanta.

Mr. LEWIS of Georgia. Mr. Chairman, I rise today to urge my colleagues to oppose this so-called Thomas campaign finance reform bill. The Thomas bill is a shame, a sham, a scam. It is a farce, it is a joke, because it is not reform at all. This is a special interest bill designed to allow the superwealthy to funnel hundreds of thousands of dollars into the Republican campaign coffers.

The American people are in agreement. Our political process is sick. It is corrupt. There is too much money, too much special interest influence on our elections. But that is Dr. GINGRICH's prescription for this problem? Well, testifying before the Committee on House Oversight, GINGRICH said there was not too much money in our political process, there was too little. Far more money is needed, he contended.

Well, this bill is Dr. GINGRICH's solution. It would increase the ability of superwealthy people to influence our election. In fact, in its original form this bill would have allowed an individual to donate more than $3 million to Republican coffers. Only when the Democrats in the House exposed this scandal did the Republicans change this bill overnight.

Mr. Chairman, NEWT GINGRICH has succeeded in funneling between $10 and $20 million into campaigns through his personal political slush fund, GOPAC, without ever reporting a single dime. It is alleged that he used nonprofit groups to further channel funds to his pet political projects.

Mr. Chairman, this bill will open the floodgates of special interest funds. This bill is the Republican way to do under the law what must now be done by going around the law.

This bill, not Medicare, Mr. Chairman, deserves to wither on the vine. Let me say it again, Mr. Chairman: This bill, not Medicare, deserves to wither on the vine.

Mr. THOMAS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the gentleman is from the Olympic city and just as the IBM computers are garbling the various statistics and data going on at the Olympics, I think we are beginning to see that in terms of the dollar amounts involved in these various bills, so I think it is time to review the bidding.

We have a $1,000 amount for individuals, indexed prospectively. The Democrats have the same amount. For PAC's we have $2,500. They have $8,000 in an election cycle, $5,000 in an election, twice as much as we do. On the aggregate amount that an individual can give a party, they have $100,000, we have $100,000.

So when you get wound up in your rhetoric about what our bill does versus the Farr bill, please, it's the same amount on individuals, half as much on PAC's, and the same amount on aggregate amount to parties.

Where we went wrong temporarily was listening to Don Fowler, the chairman of the Democratic National Committee, who said they should be unlimited to parties and that the amount that individuals could give should be $2,500. We put that in the bill. When we examined it more closely, we decided he was a bit too exuberant. So when you look at the numbers, please keep in mind facts and reality.

Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. FAWELL], the chairman of an extremely important subcommittee of the Committee on Economic and Educational Opportunities which has given us a very valuable addition to the bill known as the Worker's Right To Know.

Mr. FAWELL. I thank the gentleman for yielding me this time, Mr. Chairman, and I rise in opposition to the substitute and in support of the Thomas bill.

Mr. Chairman, I would like to, as the gentleman from California [Mr. THOMAS] has indicated, center my comments in regard to title IV. But I do want to laud the gentleman from California [Mr. THOMAS]. I know of no man in this Congress who more avidly pursues campaign reform, and whatever topic he goes after, he does it, I think, in a very fine, workmanlike manner. I commend him. I think that nothing is perfect, but I think this gentleman has done a service for the Congress.

Mr. Chairman, the Worker Right to Know Act, I think, can be, understandably, easily misunderstood; and there is a proclivity, I think, to misunderstand it. I would summarize it as being a procedural Bill of Rights, constitutional rights to the workers of America, and something that can give them some empowerment.

It implements the Beck decision, which was passed by the Supreme Court back in 1988 and never really has had any implementation from the National Labor Relations Board. Basically, what it states is this: A union cannot accept noncollective-bargaining dues from workers without having their written consent.

There are not many workers in America who are going to object to something like that as being terrible. In addition, it also puts an obligation of disclosure upon unions, and it states that at the time that you wish to collect these noncollective-bargaining dues from union members, at the same time you have to disclose the ratio between noncollective-bargaining dues and collective-bargaining dues. And that is only reasonable because it is not the union workers who understand these ratios.

Obviously, the union has all this knowledge. So why do they not easily share it with their membership? There is nothing wrong with that. So what we have here is notice and consent and disclosure. I just cannot see where many people can get too uptight about something like that.

There is also a provision that the union in reporting its expenses should do so by functional classification so as to be able to better serve their membership so the membership can better ascertain how the money is being spent in terms of, again, collective bargaining and noncollective bargaining.

What in the world is wrong with that? Compare it to the current procedure that exists today. The Supreme Court indeed has said that a worker has the right to object to paying noncollective-bargaining dues. But if you are a worker, you should have come to our hearings and listened to what the workers of America had to say about what they have to go through in order to be able to exercise these rights.

They really do not know what procedures; it varies from union to union. In fact, a poll showed that 78 percent of all the union workers, at least of some, I think 2,000 or 3,000 of union workers that were polled, perhaps more than that, 78 percent did not even know they had the right to object to paying noncollective-bargaining dues. They were not even aware of that.

The stories they told to our subcommittee, oftentimes they face great intimidation, they have to resign from the union. So here is this poor guy who comes along or this gal, and she wants to object to the fact that her dues might be being used for political purposes that she does not agree with. Forty percent of the workers are voting Republican, by the way. And they tell her, ''You've got to resign.'' They kick her out of the union because she brings this up.

We are not even changing that, by the way. After they have to resign from the union, which is customarily what happens, we know they still have to continue to pay collective-bargaining dues. But we do not change the law which states they have nothing to say, they have to give up all their rights of membership which means they have no right to vote on a strike or not to strike, or any of the other crucial decisions. They have to give all that up. We are not even altering that law.

We are just basically saying, do you not think it would be a good idea if the worker has the right to opt in rather than have the burden of opting out? Is that not fair?

In my district, there are groups of labor union workers who are endorsing this concept. They look upon it as a nice piece of democracy that will strengthen the union. I hope that Members will look at it that way, too. This is minority rights, and it is something that we all ought to endorse as a good, decent part of this Thomas legislation.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER], a strong advocate of working men and women in this country.

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Chairman, campaign money at its current levels in the Congress of the United States is dangerous to our democracy, it is toxic to our system, it is corrosive of our values and it is corrupting of this institution. It is time that we get it under control and that once again we allow average men and women in this country to participate. But unfortunately the legislation brought forth by the Republicans does not do that. It does not do that because in fact, as the gentleman just explained, it makes it more difficult for working men and women to participate in campaigns while making it easier for the wealthy of this country to participate. It still allows soft money, which has become the sewer of campaign money, to run unregulated and has nothing to do about that.

Soft money. I bet a lot of Americans wish they had soft money. They only have hard money, money that they work hard for every day. But some people are so wealthy they have soft money. It is given out in $20,000 and $30,000 and $50,000 and $100,000 bundles to parties, to unregulated activities, to influence campaigns.

□ 1445

What has been the result? Well, we saw what the results were with Republicans when in the first 100 days during the Contract on America, they were raising money in unprecedented levels. They threw open the doors of the offices around here to lobbyists to write legislation. They created the Thursday Club so lobbyists could come in and consult with them, but you could not get in the room unless you gave them campaign money. Campaign money bought you access to that room. Mr. and Mrs. America could not get in that room, but if you gave them enough money for their party, for their candidates, then you could get in that room and you could rewrite the Clean Water Act, the Clean Air Act. You could rewrite the regulations, the Endangered Species Act if you gave them enough campaign money. Congressman DELAY made it clear, if you are not on the list, if you were not contributing, you do not get to participate.

What happens to the rest of the American citizenry that cannot come to Washington, that cannot give soft money, that cannot give hundreds of thousands of dollars? Under the Thomas bill, they are out of luck, but so is democracy when we start excluding those kinds of individuals.

Mr. THOMAS. Mr. Chairman, I yield myself 30 seconds to place in the RECORD a letter from Common Cause. It starts out, ''Dear President Clinton: According to recent news reports, the Democratic National Committee has promised special access to you and other top administration officials in exchange for large campaign contributions,'' et cetera, et cetera, et cetera.

The letter referred to follows:

COMMON CAUSE,
Washington, DC, July 5, 1995.

DEAR PRESIDENT CLINTON: According to recent news reports, the Democratic National Committee (DNC) has promised special access to you and other top Administration officials in exchange for large campaign contributions.

We call on you immediately to end these fundraising tactics, and to publicly make clear that neither you nor members of your Administration will engage in such activities.

According to an article published in the Chicago Sun-Times:

For $100,000, a contributor gets two meals with you and two meals with Vice President Gore, as well as a slot on a foreign trade mission with party leaders, and other benefits such as a daily fax report and an assigned DNC staff member ''to assist them in their personal request.''

For $50,000, a contributor gets invited to a reception with you, one dinner with Vice President Gore, two special high-level briefings, and other benefits.

For $10,000, a contributor gets invited to a presidential reception, a dinner with Vice President Gore and ''preferred'' status at the 1996 Democratic Convention.

In promoting this fundraising approach, the DNC has apparently surveyed the ''access and influence'' marketplace, toted up a price tag, published a catalog and advertised a sale of your time and attention, as well as that of the Vice President and other top Administration officials.

There is no defense for this. It is not enough to say that this type of fundraising is just an unfortunate part of the current campaign finance system. Nor is it enough to say that past Administrations have engaged in similar sales of access to the Presidency.

This is wrong, pure and simple. Every American knows that it is wrong and your own statements make clear that you know it is wrong.

In your book, ''Putting People First,'' you said that American politics ''is being held hostage by big money interests . . . while political action committees, industry lobbies, and cliques of $100,000 donors buy access to Congress and the White House.''

Yet despite your own statements, you are now participating in a fundraising effort that will allow ''cliques of $100,000 donors'' to ''buy access'' to *your* White House. This kind of fundraising perpetuates the all too prevalent cynicism in this country that our government is for sale, that the wealthy have privileged access to elected officials and that special-interest money dominates the political process to the benefit of the few at the expense of the many.

Most Americans could not even dream of making a $100,000 campaign contribution. The vast majority of Americans earn far less than $100,000 a year. It is tremendously disillusioning for the American people to see privileged access sold to those who are already the most privileged in our society.

The DNC's fundraiser makes explicit what is often only implicit in campaign fundraising: that in exchange for large campaign contributions, you can buy the time and attention of this Nation's elected officials. The fundraiser also is a perfect illustration of the corrupting evils of the existing soft money system, where large contributions of $100,000 or more are again part of the American presidential election system, just as they were during the Watergate era.

President Clinton, we strongly urge you to end this blatant peddling of access to your Presidency. We call on you to publicly announce that you are closing down the DNC's sale of access, and to make clear that neither you nor any member of your Administration will participate in the activities offered by the DNC in exchange for large campaign contributions.

Sincerely,

ANN MCBRIDE,
President.

Mr. Chairman, I yield 2½ minutes to the gentlewoman from California [Mrs. SEASTRAND], an in-the-flesh working woman.

Mrs. SEASTRAND. Mr. Chairman, I rise in opposition to the substitute bill and support the Thomas bill.

As we consider the Worker Right to Know Act included in the campaign finance reform bill, some have suggested that this is a solution in search of a problem, that unions today rarely, if ever, bring pressure to bear on workers to join the union. Unfortunately, such assertions ignore the reality of what is really taking place in many American workplaces.

As evidence of this fact, I would like to draw Members' attention to the following excerpt from a newsletter published by the International Brotherhood of Electrical Workers in their October 1995 newsletter. I quote: ''Employees who elect to become agency fee payers—that is, who choose not to become full-fledged IBEW members—forfeit the right to enjoy a number of benefits available only to members. Among the benefits available only to full union members are the right to attend and participate in union meetings; to nominate and vote for candidates for union office; the right to participate in contract ratification and strike votes; the right to participate in the formulation of IBEW collective bargaining demands; and the right to serve as delegates to the international convention.''

Now, if this were not subtle enough, I would point out the letter Mr. Gary Bloom of Medina, MN, received from local 12 of the Office of Professional Employees Union. In their correspondent with Mr. Bloom, the union was very direct when they informed Mr. Bloom: ''If you choose not to be a member of local 12, I shall have no alternative but to request GHI that your employment be terminated.''

The fact of the matter is that every day unions are bringing extreme pressure to bear on American workers to join their ranks, including threats of reprisal and termination of employment. Moreover, once they have pressured these workers to join the union, they then often take dues from those workers and spend them on political or social causes which the worker may not support.

So the contentions of organized labor notwithstanding, the fact is that there is a problem out there today in the American workplace with respect to mandatory assessment of union dues, and it is the one that affects the wages of working men and women across this country.

The Worker Right to Know Act will address that problem by simply requiring that the union tell workers how

their dues are spent and then ask permission to spend those dues on noncollective bargaining purposes. When you get right down to it, it is really an issue of basic fairness, and I urge my colleagues to support the Worker Right to Know Act and oppose this substitute bill.

Mr. FAZIO of California. Mr. Chairman, I include for the RECORD at this point letters condemning this legislation offered by the majority from Common Cause and Public Citizen.

The letters referred to follows:

COMMON CAUSE,
Washington, DC, July 24, 1996.

DEAR REPRESENTATIVE: The repackaged Thomas bill—H.R. 3820—is phony reform that locks in the corrupt status quo, leaves open the floodgates for special-interest PAC money and increases the amount that wealthy individuals can contribute to influence federal elections.

Any Member of Congress who votes for the Thomas bill is voting to protect the corrupt way of life in Washington, DC.

H.R. 3820 codifies and expands the soft money system—the most flagrant and corrupt abuse in politics today. This system allows unlimited corporate, union and huge individual contributions to be laundered through the political parties to affect federal elections.

Any Member of Congress who votes for H.R. 3820 is giving a personal blessing and a personal stamp of approval to the corrupt soft money system.

H.R. 3820 fails to make any real reductions in the PAC system of funding House races. If the Thomas bill had been in effect during the last election, it would have cut less than nine percent of PAC contributions and would have continued the PAC incumbent protection system where 72 percent of PAC funds go to incumbents (and 10 percent go to challengers) and where 90 percent of incumbents are reelected.

Any Member of Congress who votes for H.R. 3820 is personally endorsing the status quo PAC system and the incumbent protection it provides.

H.R. 3820 doubles the amount that wealthy individuals can give in hard money to candidates and parties. Under H.R. 3820, an individual could give $100,000 per election cycle—an amount that is more than three times the annual income of the average American wage earner.

Any Member of Congress who votes for H.R. 3820 is speaking out for more access and influence in the political system for the wealthiest people in America and less for average American wage earners.

The Thomas bill is a fraud. Any Member of Congress who wants real reform will simply refuse to go along with this charade and will vote no on H.R. 3820.

Sincerely,

ANN MCBRIDE,
President.

PUBLIC CITIZEN,
Washington, DC, July 25, 1996.

DEAR REPRESENTATIVE: Late in the day on Wednesday, Rep. Bill Thomas (R–CA) released amendments to his campaign finance bill, H.R. 3820. The amendments do away with the extraordinary increases in contribution limits, but they do not make H.R. 3820 real reform. It is still a big step in the wrong direction on campaign finance and should be defeated. We urge you to vote NO on H.R. 3820.

Despite the changes, the underlying philosophy of the H.R. 3820 bill remains the same—that there is not enough money in politics. That premise is fundamentally wrong, and therefore, H.R. 3820 still is not worthy of the title of ''Reform.'' In particular, we oppose this bill because it:

Gives congressional approval to the disgraceful soft money system, under which corporations, labor unions, and wealthy individuals contributed nearly $60 million to the national political party committees last year.

Opens a huge new avenue for the parties to spend that soft money (which would be illegal if contributed to federal candidates) by allowing them to spend unlimited amounts of soft money on ''communications'' with their members. This provision will lead to unlimited corporate funded newsletters, bulletins, and ads from the opposing party attacking Members of Congress starting on the very first day of the Congress.

Doubles the annual total amount that wealthy individuals can contribute to PACS, parties, and candidates. Only 167,000 contributions of $1,000 were made to federal candidates in the 1994 cycle—less than 7/100 of a percent of the American public. There is simply no justification for giving additional ''buying power'' to the very rich in our country. (The Democratic alternative contains a similar increase in the annual aggregate contribution limit. But unlike H.R. 3820, that alternative bans soft money. The new aggregate limit in the Democratic bill allows individuals to make additional contributions to state party ''Grassroots Funds'' to pay for activities that heretofore were generally financed with soft money; it maintains the aggregate limit in existing law for contributions to candidates, PACs, and parties. H.R. 3820 preserves soft money and allows wealthy individuals to make additional hard money contributions to candidates, PACs, and parties. That is not reform.)

Fails to significantly reduce PAC funding of campaigns because it has no aggregate limit for PAC contributions. A cut in the PAC limit to $2,500 per election will have only a slight effect on PAC giving, and that limit will in any event be raised to $3,000 per election in 1999 because of the indexing provisions of the bill.

Provides for a 50% increase in the individual contribution limit in 1999 under the new indexing provisions. This provision will magnify the influence of the tiny portion of the public able to make the maximum contribution, further alienating people of average means from political process.

Perpetuates incumbent campaign spending advantages through in-district fundraising requirements that impose de factor spending limits on candidates who lack financial support from the wealthy elite in their district.

Fails to prohibit bundling by corporate executives who are not technically lobbyists but wield great influence in the legislative process.

Promotes independent attacks on candidates in the form of ''issue ads'' by writing into law the most restrictive and unrealistic definition of ''express advocacy''.

The Thomas bill will not solve the campaign finance problem, and in many respects will make it much worse. Members who truly wish to respond to the public's desire for real reform will vote NO on H.R. 3820.

Thank you for your consideration.

Sincerely,

JOAN CLAYBROOK,
President.

ROBERT F. SCHIFF,
Staff Attorney, Congress Watch.

Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Chairman, our Founding Fathers envisioned a government of the people, by the people and for the people, a Government made up of citizens from all walks of life, rich and poor, not just the elite.

As we have seen in recent elections, a well-financed candidate can practically buy their way to victory. The Republican bill will continue to increase the influence of wealthy candidates and special interest pandering. My colleagues, if you are serious about campaign finance reform, I urge Members to support the Farr substitute.

The Farr substitute is real campaign finance reform. This timely legislation will place voluntary limits on campaign spending and most importantly will limit candidates' personal expenditures, effectively leveling the playing field for all candidates. The American people deserve the effective spending limits, soft money reforms and PAC reforms included in the Farr substitute.

Mr. Chairman, I am saddened to see the American public becoming more and more disenchanted with the political process. The American democracy was built on equal opportunity. Right now I am not so sure the ordinary Americans have a place and a voice in the political arena. The average American should not only have the opportunity to run for an elected office, but to run and win.

I remember a time when political campaigns were determined by the moral character and message of the candidate, not the money in their pocket. Let us turn back the clock for the American people. Vote for real campaign reform. Vote yes on the Farr substitute.

We have talked about campaign finance reform for a long time around here, but somehow, some way, we have got to put an aggregate number, a ceiling on campaign spending. Let us support the Farr substitute.

Mr. THOMAS. Mr. Chairman, I yield myself 30 seconds, and I am going to try it one more time.

Their limit is voluntary. If someone wants to spend as much money as they want, all the rules are out; they do not control spending. What we do is change the rules. If a wealthy candidate wishes to exercise their rights, we allow parties, we allow individuals, we allow PAC's to assist a candidate against the person who exercises their constitutional rights. They do not have a solution, they have an argument.

Mr. Chairman, I yield 2½ minutes to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman from California for yielding me the time.

Mr. Chairman, I rise in support of the Worker Right to Know Act, which is title IV of the campaign finance bill we are now considering. In doing so, Mr. Chairman, I must take issue with the suggestion from my colleagues on the other side of the aisle that it is Republicans who have politicized the issue of compulsory union dues. After all, it was at a special convention of the

AFL–CIO that the union announced that it would impose a special assessment on every union member to fund the union's election-year political campaign, a campaign in which the union made its intentions clear, to attack Republican Members of Congress.

Also at the convention, the leadership announced its endorsement of the Clinton-GORE reelection campaign. So here you have the Washington union bosses taking more money out of the pockets of union members without any input from the rank and file for the explicit purpose of funding the President's reelection campaign and attacking House Republicans, all of this when recent polling shows that nearly half of union members vote Republican.

It has also been suggested by my colleagues on the other side that Republican interest in compulsory union dues is nothing more than a recent political response to the AFL–CIO's transparent attempt to buy the November elections. Unfortunately, such assertions ignore the facts. The fact of the matter is that since 1985, congressional Republicans have introduced more than 20 separate pieces of legislation aimed at providing workers with greater control over their union dues.

So let us be clear on this point, it is Washington union bosses and their supporters in the Democrat Party that have recently politicized the issue of compulsory union dues and Republicans who have been working for years to give employees a greater say in how their dues are spent.

We may disagree on the policy, but American workers deserve our honesty with regard to politics. I urge my colleagues to support the Worker Right to Know Act.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Chairman, I want to thank again the ranking member for yielding me the time.

Mr. Chairman, I have listened to the gentleman from California [Mr. THOMAS] trying to justify a similarity between the substitute in the Republican bill on limits. Good try, just not accurate. You have not explained the fact that with soft money under the Republican bill, millions of dollars can be poured in by special interest and by corporations into our national parties, into our State parties and can be funneled into local elections. The substitute bans soft money.

Yes, it is true that we have a voluntary $600,000 limit. The Republicans have no limit in their bill. But let me explain that voluntary limits have worked, it worked in our Presidential campaign. It is consistent with the Constitution. If we do not try to limit the amount of money being spent, with recent trends we are going to find the average campaign over $1 million.

We also discourage independent expenditures. The Republican bill does nothing about that. We have limits on large contributors. The Republican bill does nothing but encourage more money from large contributors. The substitute will reduce the amount of money being spent in campaigns, the Republican bill will increase it.

Mr. Chairman, I urge my colleagues to support the substitute.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Chairman, both sides argue good points and there are some I agree with. If they were just standing here on the floor with a provision that would say union members get to know, I would be voting for it because my husband is union and we need to know and be asked before they spend our money, but that is not what we are talking about.

What we are talking about today is a bill that does not change anything, anything with what happens here in Washington, DC. Every night Members of Congress can still hold their fundraisers across the street and raise, listen to this, 50 percent of their money at these fundraisers because there is no aggregate cap. If they raise $1 million, they can raise $500,000 at these PACs' fundraisers. This does not change anything.

But worse yet, tobacco money still can be funneled through the parties, made legitimate by the Republican bill; funneled through in hundreds of thousands and millions of dollars, to be then funneled through to candidates.

Mr. Chairman, what is worse, wealthy people now prevail. I go home to blue-collar America, folks, and we cannot afford $25 a month, much less $25,000 to $50,000 and more.

Mr. THOMAS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would suggest to the gentlewoman from Washington that if she is able to raise $500,000 from individuals back home, she does not have to come to Washington, because the whole concept is she would have already won the election because every one of those people she talked to back home has a vote.

When you have a majority required from your district, you are not only raising money, you are raising votes. That is the concept of the underlying bill.

Let me take just a minute, because I think it is time to exercise the ''gotcha rule.'' You have heard the Democrats and the gentleman from Maryland go through and extol the virtues of their bill versus ours. What they will never do is talk about the fine print. That is our job, so I will do it: Gotcha.

Take a look at section 304 of the Democrat campaign reform bill. Currently, corporate contributions cannot be admitted in Federal political campaigns. What they are not telling us is that they have a provision in their bill, section 304, which says corporate funds from credit card royalties are to be converted into Federal PAC contributions. If you take out a credit card, and we have all seen these schemes with various organizations, and it says ''Democratic Party'' on it, the royalties that come from the corporation that sold the credit card and carried on the processing of the papers are magically converted into Federal funds.

□ 1500

They will not tell us that. They will criticize our bill on the time they are supposed to be explaining their bill, so I thought I would. Gotcha.

Mr. Chairman, I yield 3½ minutes to the gentleman from Pennsylvania [Mr. GREENWOOD], one of the more thoughtful Members of the House.

Mr. GREENWOOD. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in opposition to the Farr substitute and in support of H.R. 3820

As many Members of this body are aware, I have had serious reservations about some provisions of the Republican campaign reform bill. When we opened debate on this key reform proposal, I envisioned a new day in American politics: A crisp November morning when the stars and stripes that fly above our city and town halls, our local schools and in our parks would honor an electoral process free from the corruption of special interests; an election day morning when Americans could go to the polls and cast their votes realizing that their political involvement was again valued in our campaign system.

Over the last 16 years I have been a candidate in 15 elections. During my career in the State legislature, in the State senate, I accepted PAC contributions; but since my election to the Congress 4 years ago, I have not accepted PAC checks, and I love the difference. In 1992 I defeated a 14-year incumbent who received the vast majority of his contributions from outside our Philadelphia suburban district.

These experiences, as well as my long-time commitment to reforming our Nation's electoral process, led me to take an active role in this debate.

Indeed, during the Committee on Rules consideration of this bill, I offered amendments. My provisions would have banned connected PAC's, which are corporate or labor union PAC's that use union or corporate treasuries to subsidize their administrative and solicitation costs.

In addition, my amendments would have eliminated the retroactive indexing originally in this bill and brought both individual and PAC contribution levels down to $1,000. Unfortunately, I was not offered the opportunity to offer my amendments before this body.

The Republican campaign finance reform bill, even with the manager's amendment, has a number of weaknesses, in my view. It does fail to adequately address real PAC reform and to remove the special interests from our electoral system. This legislation also maintains a disparity between the individual and PAC contribution limits,

and injects more money into the electoral system through increases in the aggregate contribution limit.

I do not believe this is a comprehensive campaign finance reform package, yet acknowledging these weaknesses, this legislation is a step forward and a step forward for which the gentleman from California [Mr. THOMAS] should be commended, and I will vote for the bill as amended.

By cutting the PAC contribution limit in half and requiring that 50 percent of the candidate's campaign funds come from inside one's district, this bill does work to return elections to individual Americans. Furthermore, this reform package includes provisions to reduce the influence of wealthy candidates, to eliminate leadership PAC's and bundling, and to encourage grass roots volunteers and increased FEC disclosure.

In conclusion, Mr. Chairman, I see the passage of this legislation not as the conclusion of our campaign finance debate but rather as a beginning, the beginning of a true commitment by the Republicans in this Congress to craft real campaign finance reform. I am confident and hopeful that we can and will use this legislation as a starting point from which to launch our debate on this difficult and crucial issue in the next Congress.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. BARRETT], a strong advocate of reform.

Mr. BARRETT of Wisconsin. Mr. Chairman, I thank the gentleman from California for yielding me this time.

Mr. Chairman, this is a disappointing day for Congress, but more than that, it is a disappointing day for the people of this country, because they were promised that we would have campaign finance reform in this Congress.

Instead of getting campaign finance reform, we are getting campaign finance deform, because what this bill that has been presented by the Republicans does, it allows wealthier Americans to have more influence in the political system. I would venture to guess if we put a poll to the American people and asked them if they want wealthy Americans to have more influence in this system, overwhelmingly the people would say no.

For as long as there is going to be politics, Democrats will complain about Republican money and Republicans are going to complain about Democratic money. The only way to resolve this problem is to take some of the money out of the system, to lower the amount that candidates can spend, and that is what the Farr alternative attempts to do.

The Republican bill does not do that. In fact, the Republican bill is based on the premise there is not enough money in this system. That is ludicrous. The problem is there is too much money. Vote down the Republican alternative. Support the Farr alternative.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to H.R. 3820, the Republican campaign finance reform bill before us today. This bill only further solidify the stranglehold of special interests on our representative process. It is not true reform.

It is interesting to note the manner in which the Republican leadership has handled this issue. With much fanfare they made the campaign finance reform bill the centerpiece of a proposed reform week. Just as the reform week turned out to be a sham, so too has this campaign finance reform bill.

The American people want less, not more money in the electoral process. H.R. 3820, the Republican bill, increases the amount of money in the electoral process. It increases the amount a wealthy individual can give to a campaign, it increases the aggregate amount a wealthy individual can give to all campaigns in general, and it increases the amount that wealthy individuals can give to the parties.

We must increase participation of average people in our country, not the participation of the wealthiest individuals and the participation of even more money.

We do have a chance today to reform campaign finance, but it is through the passage of Representative FARR's campaign finance reform bill, not through the Republican campaign finance sham. The Democratic alternative being offered today reduces the amount of money in politics. It imposes a voluntary limit on campaign spending.

I urge my colleagues to support the Democratic alternative, which is true campaign finance reform, and to oppose the Republican leadership's bill, which is a campaign finance promotion bill.

It is time to deliver our system out of the hands of the special interests which control it and back into the hands of the American people. We have a responsibility to remove obstacles of participation in the electoral process for the American people. We can do that by passing the Farr legislation today and rejecting the Republican leadership sham.

Mr. HOEKSTRA. Mr. Chairman, I thank my colleague for yielding time to me.

As it concerns the wealthy individuals, the Republican bill and the Democratic bill are almost identical. The Republicans limit individual contributions to $1,000. On PAC's, we say that wealthy individuals or any individual can only give $2,500 to a PAC.

The Democratic side says we will be cheaper than that. We will only give $5,000. I think it is kind of like the Democratic math again. They let wealthy candidates give more money to PAC's than Republicans do.

On the aggregate amount, Republican and Democratic bills have the same amount. So I think the previous speaker misrepresented what is in the Republican bill.

But let us take a look at what this bill does. It is genuine movement forward: Fifty percent in-district; provisions for wealthy candidates; provisions for carryover funds; reduced PAC funding; bans leadership PAC's; and goes after compulsory dues.

The bottom line: This is genuine reform in the Republican bill. It is progress. It is not perfect but it is a significant step forward. I urge support of the Thomas bill.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BERMAN].

(Mr. BERMAN asked and was given permission to revise and extend his remarks.)

Mr. BERMAN. Mr. Chairman, I have a somewhat different position than many of my party on this particular proposal. I think many of its provisions are very interesting. The idea of strengthening political parties, frankly, prior to the amendments the gentleman made in the Committee on Rules, the notion of opening up larger individual contributions made sense to me.

There are many interesting ideas for participation in this process that I respect and that I think are worth seriously discussing. But I would suggest the provisions the majority has included in this bill dealing with union members and union dues demonstrates a level of animus, hostility, and hypocrisy. A deregulatory majority that speaks with such passion about the onus on the average person of government regulation, in the context of a series of laws that protect and require union democracy, elected representatives, have prohibited closed shops, have made compulsory unionism through union shop agreements weaker by allowing dues, who through the Beck decision have provided for rebate of monies spent that are not directly related to the collective bargaining process, by adding to all those existing schemes, a process that is so regulatory, which is so costly to the union movement, and which so denies the premises of elected representation and rule of the majority in that political process, demonstrates a hypocrisy which undermines the credibility of the entire bill.

This should never have been put that in. It takes away from the arguments about political pluralism, participation, and how to broaden it. It demeans the very subject the gentleman claims to try to reform by doing it.

I find it ironic that so many of the speakers from the majority party who speak on this issue do not focus upon the campaign reform provisions in this. They come in here to bash the unions, to bash the representatives of the working people of this country. They are not just trying to reform a political process and a campaign finance process, they are trying to tilt it against

the interests that the union movement has always held historic, the protection of working people, the promotion of civil rights, the safety of the workplace, and to tilt it in favor of the corporations that have been their historic and traditional financiers.

I do not think this is the place for that kind of a provision.

Mr. FAZIO of California. Mr. Chairman, how much time is reminding for each side?

The CHAIRMAN. The gentleman from California [Mr. FAZIO] has 12½ minutes remaining, and the gentleman from California [Mr. THOMAS] has 10 minutes remaining.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Chairman, I rise today to urge my colleagues to vote against the Republican campaign finance bill and support the commonsense Farr substitute.

The Republican bill is basically a sham. The Republicans received so much criticism from their own parties and groups, such as Common Cause and United We Stand, that they are now seeking to amend their own bill. It is clear the Republican bill is changing campaign spending to allow more money into the political process, not less, completely contrary to the will of the American people.

Now, let me tell my colleagues why I like the Farr substitute. Every source of private funds for a campaign, in my opinion, is basically bad. I would like to see public financing of campaigns, but we are not voting on that today. But the nice thing, the good thing about the Farr substitute is it caps the amount of money that is spent on a campaign and then mixes up the sources of those funds, $600,000 maximum, and then it says only $200,000 from PAC's, only $200,000 from large donors, which is defined as $200 or more, only $50,000 of a Member's own individual money, and I guess the rest probably small donors.

That is what we need, a mixture of various sources of funding so no funding source, not wealthy individuals, not PAC's or individual contributions, is the primary source of money for a campaign. It is only through mixing the sources and capping the amount of money that we can spend on a campaign that I think we have a way of financing a campaign that basically makes sense and does not allow for special interests or any particular interests to influence too much what happens to the campaign.

In the same way the Farr bill also allows for lower postal rates, it reduces rates for broadcasting, and so it allows the message to get out better. That is what campaigns should be all about: Who is the best candidate? Who has the best message? Not who has the wealthiest contributor or who has the most PAC money or who has the most money overall.

The reason why this Republican bill is terrible and is a sham is because it is trying to put more money into campaigns and not limit the amount and the sources of the financing.

□ 1515

Mr. THOMAS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the gentleman correctly described the Democratic bill. What it does is coerce people to provide subsidies so that government can attempt to convince people they should not exercise their free speech rights. That is the typical approach that the Democrats use in the use of government; that is, coercion, control, and limits.

But I really would like to focus on the bill itself. If anyone is interested, section 304 says, merchandising and affinity cards. We have heard the term ''true reform.'' We have heard common sense in terms of the way the Democrats are approaching this.

Take a look at section 304. It says,

> Notwithstanding the provisions of this section or any other provision of this Act to the contrary, an amount received from a corporation shall be deemed to meet the limitations and prohibitions of this act if such amount represents a commission or a royalty.

True reform or a scam?

Mr. FAZIO of California. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I will yield on the gentleman's time.

Mr. FAZIO of California. Mr. Chairman, I was hoping the gentleman would yield on his time, since he raised the issue twice.

Mr. THOMAS. No. I do not have the time. I will not yield on my time. I would be more than happy to yield on the gentleman's time.

Mr. FAZIO of California. Well, we will put in the RECORD what is a de minimis issue.

Mr. THOMAS. The gentleman says taking money from corporations on under the guise of hard dollars is a de minimis issue. I think the American people would differ with him. That is why he is not talking about that section.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Chairman, I thank the gentleman from California [Mr. THOMAS] for yielding the time to me.

I have concerns. I support the Thomas bill and not the Farr bill. I have concerns that the Farr bill does not address this worker right to know issue.

The people, the rank and file dues-paying union members who are concerned about the second amendment, they want to keep their guns. They are concerned about the issue of abortion or balancing the budget and so forth. They do not know where their money is going.

They are told that their PAC is bipartisan. Let me talk to you about bipartisan PAC's. Here is the actual campaign dollars spent in 1994 by certain PAC's. AFL–CIO, $804,000; 99.15 percent going to Democrats. The American Trial Lawyers Association, $1,759,000; 95 percent of it going to Democrats. The Longshoremen, $300,000; 96 percent going to Democrats.

Here is one, Mr. Chairman, my colleagues will really like, the rank and file workers are told that the Democrat Republican Independent Voter Education Committee is a bipartisan PAC, but $2,131,000 was spent on Democrats or 97 percent of their total budget. They should change the name and just call this the Democrat status quo PAC.

The NEA, the National Education Association, $1,968,000; 99 percent of it going to Democrats.

I say there is nothing wrong with rank and file union members being told, hey, 99 percent of your money is going to the Democrat party who stands against the balanced budget, who stands against protecting and increasing Medicare, who stands for all kinds of left wing causes like taking your guns away and so forth. I just think that the guys back home would like to know that if you are told your PAC is bipartisan, it is not. I have a whole list of them, Mr. Chairman. I will submit these for the RECORD.

The fact is, our American workers have the right to know where their money is spent. I say vote ''no'' on Farr; vote ''yes'' for Thomas.

Mr. Chairman, I include for the RECORD the following information:

Donors—Who's really snared by special interest groups?

[PAC Funding—1994 House of Representatives Race]

PAC	Democrat	Republican
AFL–CIO	$804,709 (99.15%)	$6,880 (0.85%)
American Federation of Teachers	$1,053,690 (99.33%)	$7,000 (0.66%)
ATL	$1,759,285 (95.00%)	$92,500 (5.00%)
Human Rights	$470,495 (96.51%)	$17,000 (3.49%)
Community Action Program	$42,250 (96.57%)	$1,500 (3.43%)
Democrat Republican Independent Voter Ed. Committee	$2,131,517 (97.82%)	$47,475 (2.18%)
ILGWU	$229,672 (96.51%)	$8,070 (3.49%)
Int'l Longshoreman's Assoc.	$300,125 (96.66%)	$10,350 (3.33%)
IUE	$204,050 (100%)	$0 (0.00%)
Int'l Union of Bricklayers	$143,550 (98.97%)	$1,500 (1.03%)
NEA	$1,968,750 (99.00%)	$19,800 (1.00%)
Office and Professional Employees	$65,150 (98.49%)	$1,000 (1.51%)
Service Employees Int'l	$699,694 (98.18%)	$13,000 (1.82%)
UAW Voluntary Comm. Action	$1,914,376 (99.25%)	$14,455 (0.75%)

Mr. FAZIO of California. Mr. Chairman, I simply would like to say to the gentleman from Georgia, we are going to be giving everyone an opportunity to let people know where the money comes from and where it goes with the motion to recommit.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Missouri [Ms. MCCARTHY].

Ms. MCCARTHY. Mr. Chairman, I thank the gentleman from California for yielding me the time.

I rise today in strong support of genuine campaign finance reform, and urge my colleagues to vote for the Farr substitute. I am glad my Republican friends have significantly changed their original proposal to embrace the Farr bill. Unfortunately the House leadership's catering to special interests still goes too far and fails to meet real reform standards.

Our initiative, the Farr substitute, will change the way business is done in Washington. One significant difference in the Farr bill is a call for voluntary spending limits. Until we have limits on revenues and expenditures in campaigns there will continue to be huge amounts of money spent on politics.

In an attempt to further alienate citizens who are thoroughly sick of negative advertising the House Leadership bill actually invites independent expenditures on these activities, as well as the potential for nondisclosure of these contributions.

The Farr bill makes important strides towards encouraging participation by average Americans by limiting the amount of money in campaigns, limiting the extent to which a candidate can rely upon large contributions from individuals, and limiting contributions from PAC's. The Farr bill is the only plan to eliminate ''soft money,'' the only plan to encourage candidates to rely on small contributions, and by observing spending limits, the only plan to reduce the costs of TV and mail.

The demands of running a campaign today can distract public officials from their responsibility to citizens. Our commitment to improving the lives of American families ought to be our primary concern.

Real campaign finance reform is important and necessary. The Farr bill will provide that reform, the House Leadership plan will not. I urge my colleagues to support the Farr substitute.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Chairman, like other Members of this Congress, I have been successful under the current system. I will keep doing the things necessary. If we want to serve in Congress, we have no choice but to be out trying to raise hundreds of thousands of dollars. But I do not like it because I know it is not too much to say that unless we fundamentally change this system, ultimately campaign finance will consume the very essence of our democracy.

We are reaching the point wherever every Member of this Congress is going to have to spend more time out raising money than tending to the Nation's business. It is fundamentally a corrupting influence on the operation of this body.

What answer does Speaker GINGRICH provide? He tells us, contrary to what every authority has said that it is a myth it is not true, it is just one of the greatest myths of modern politics that campaigns are too expensive. The American people do not know what they see on TV. The political process is, in fact, underfunded. It is not overfunded.

Well, that idea that we do not have enough special interest money, we do not have enough tobacco money, for example, in this Congress to make it healthy here makes about as much sense as we do not have enough tobacco smoking to make our physical health healthy, which seems to be something else the Dole-Gingrich ticket is a bit confused about. All this, of course, from the same man who pioneered tax-exempt campaign finance through GOPAC.

No, we have no opportunity for a bipartisan solution today. You have yet to hear throughout any part of this debate any of the 10 Republicans, 10 Republicans who condemn this proposal as fundamentally flawed, as freezing out ordinary Americans, to stand up and defend it. You have yet to hear one citizen organization that has worked over the years to try to see that we get fundamental campaign finance reform do anything but to condemn the speech of Mr. GINGRICH and the proposal before us.

This is, as they have said, a sham, a fraud. It is not reform.

Mr. THOMAS. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. HOEKSTRA].

Mr. HOEKSTRA. Mr. Chairman, I would just like to tell my colleague from Texas that we, as Members, do have a choice. It is within our power to say how we are going to raise funds for our campaigns. We do have a choice about whether we are going to take political action committee money.

We do have a choice about who and what individuals we are going to accept and how much money we are going to spend in campaigns. Nobody tells us to go out and raise a million dollars. Nobody tells us to go out and raise a quarter of a million dollars from political action committees. We do have that choice.

There are many Members here who are taking perhaps what may be seen as a risk, but the American people are rewarding them because they are not swayed by that.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to H.R. 3820 and say that the real campaign finance reform is the Farr bill.

First of all, it limits spending to $600,000. And then to the gentleman from Georgia let me say, he referred to the guys back home. This campaign finance reform refers to the ladies back home, individuals who have to have those who can represent their interests that are not spoken for by the very high cost special interests.

And yes, what is wrong with having for challengers and others who are cash poor the television system willing to provide information to the constituencies so they, too, know the issues and are not just around high priced receptions where you cannot get any information.

The Farr bill allows for a third class bulk nonprofit rate on postage which, again, allows cash-poor challengers to have access to the U.S. Congress. Interestingly enough, the New York Times really called it well, on July 17, 1996. They say, the Republican bill is campaign reform deformed. But what they really say is, here is a bill that allows you to go from a $25,000 donation in Federal campaigns to $3 million. That is not reform.

Mr. Chairman, I rise in support of the Democratic substitute offered by my colleague, Congressman SAM FARR. This substitute represent our best hope during this session of Congress of reducing the influence of special interests over the political process. As you know, the Senate has failed to act on campaign finance reform. The simple truth of the matter is that the bill, H.R. 3820 increases the amount of money that special interests and wealthy individuals can give to candidates.

This substitute contains a voluntary spending limit of $600,000 for the 2-year election cycle. It indexes the limit for future inflation. Furthermore, the substitute would limit the contributions of large individual donors to $200,000 in an election cycle and limits a candidate to spending no more than $50,000 of their own money, including loans. The bill, however, would allow an individual to give up to $3,000,000 per election cycle including funding to candidates and political parties.

In exchange for candidates agreeing to the voluntary measures set forth in the substitute, they would receive a discount rate for broadcasting and a third class bulk nonprofit rate on postage. Candidates who do not agree to the voluntary limits would pay the regular commercial rate for broadcast time and the regular third class postage bulk rate.

Additionally, this substitute eliminates bundling of campaign contributions except for nonaffiliated, independent PAC's that do not lobby such as Emily's List. Leadership PAC's are eliminated at the end of this year. Contributions from PAC's to individual candidates are limited to a maximum of $8,000 during each election cycle. Candidates are also limited to receiving no more than $200,000 from PAC's per election cycle unless there is a runoff election, which would enable PAC's to give additional funds.

This substitute is a stronger statement for reform. It strikes a good balance between protecting the first amendment rights of individuals and fostering a positive role for Government in reducing the influence of special interests. The bill, however, really goes too far in requiring candidates to raise half of their campaign funds from individuals who reside in their congressional districts. This provision would hurt candidates who are running in poorer congressional districts and favor candidates with significant personal wealth.

I urge my colleagues to support real campaign finance reform by voting in favor of this substitute to the bill. It represents an opportunity for all of us to make real the promise that President Clinton and Speaker GINGRICH made to produce real reform in our political process.

Mr. THOMAS. Mr. Chairman, I yield myself 15 seconds. The last statement of the gentlewoman from Texas is simply not true.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Chairman, I want to thank the gentleman for his hard work on campaign finance reform.

Mr. Chairman, I rise in support of Democratic bill, the Farr bill, which voluntarily limits expenditures, contributions, and soft money. We have before us today two bills that are dramatically different in philosophy and direction. One allows more money in politics; one limits money in politics.

But in reality, both bills are dead because the Senate has already acted. Congress has tried to reform campaign finance by itself since 1974. Unless we change course dramatically, all we will have is the same old shell game that Congress continues to play with campaign finance reform. Now you see a bill; now you do not. Now you pass one in the House but not in the Senate. Now you pass them in the House and the Senate but it does not get signed.

Realistically, Mr. Chairman, the only way, the only way to enact meaningful campaign finance reform in the 104th Congress is to enact an independent commission that will come forth with a principled plan that will be voted up or down, similar to the Army suggestion on base closing.

I have introduced such a bill, H.R. 1100, which has bipartisan support, including the gentleman from California [Mr. DREIER] and many others.

Mr. Chairman, the Speaker is the only one who could make it happen. I hope he will move to pass a campaign finance reform independent commission.

Mr. THOMAS. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. WAMP].

Mr. WAMP. Mr. Chairman, cutting PAC's, political action committees, contributions from $5,000 to $4,000 simply is not enough. Let us cut them in half to $2,500. That is one basic difference.

We have seen an exhibition on partisanship and demagoguery. For the gentleman from Texas or New Jersey to tell me that this proposal is a sham is offensive.

Listen to me. I am one of 22 Members, as is our chairman, that does not accept PAC money. We are the ones you should listen to. A journey of 1,000 miles begins with a single step. This is a small step, but it is a step in the right direction.

This bill is late. I wish we would have been addressing this bill last year. We tried to push it. It took too long. The bill is late, but it is not a dollar short. This bill is real reform. It moves us in the right direction.

We have got to cut PAC's in half and listen to the folks who have the guts not to accept the PAC money, not the people with a million bucks in the bank that take all the PAC money they can get. Listen to us, the people who make the phone calls to individuals in our district to raise our money. The pure people say, pass this bill.

Mr. FAZIO of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE].

(Mr. KILDEE asked and was given permission to revise and extend his remarks.)

Mr. KILDEE. Mr. Chairman, I rise in opposition to this bill.

Mr. Chairman, I rise today in opposition to this Republican campaign finance reform bill.

Instead of stopping the tidal waive of special interest money into congressional campaigns, the Republican bill opens the flood gates for wealthy individuals to influence the outcome of congressional elections.

Mr. Chairman, I also want to set the record straight on the issue of donations by union members to labor PAC's.

And I want to use the American Federation of State, County, and Municipal Employees as an example of how unions are responsive to those union members who do not wish to contribute to the PAC.

Since 1974, AFSCME members have had the right to receive a refund for that portion of their union dues that goes for political activities.

All an AFSCME member must do is send a letter to the union's Washington office requesting the refund.

This year alone, about 15,000 AFSCME members will take advantage of that right and receive such a rebate.

In contrast, Mr. Chairman, corporate shareholders, the real owners of American corporations, currently have no right to object to the use of their corporation's funds for political purposes.

Shareholders do not have the ability to get a rebate on their corporation's funds used to support candidates and parties that they themselves do not support.

Retirees who own stock through their pensions, or workers who own stock in their companies—these individuals cannot demand that the company they own give them a refund on the portion of the corporation's funds used to support a political party that is hostile to their interests as retirees or workers.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, the previous speaker from the other side of the aisle, the PAC-pure gentleman from Tennessee, says that this bill is not a dollar short, referring to the Republican alternative. Amen, brother. It is a dollar long. It is dollars long. It is hundreds of thousands of dollars long. It is millions of dollars long. It ain't a dollar short. You said it like it is.

The American public wants less, not more money in campaigns. That is the message. That is what the Farr bill says, and is not what your bill says.

I tell my friend from Tennessee, it is not the Members that are calling it a sham. It is the community, the citizens, the activists who have been working for reform who call it a sham.

□ 1530

I say to my colleagues, you bet. It's a dollar long, not a dollar short.

Mr. THOMAS. Mr. Chairman, I yield myself 30 seconds.

The gentleman from Maryland [Mr. HOYER] is correct. Those people who are urging support for the Farr bill and oppose the Republican bill are the people who believe that government should be used to impose controls on people and to limit and coerce them into giving up their free speech rights. What we do is empower individuals.

Mr. FAZIO of California. Mr. Chairman, I yield myself the remaining time.

The CHAIRMAN. The gentleman from California is recognized for 2½ minutes.

Mr. FAZIO of California. Mr. Chairman, clearly we do not all agree on how best to reform our present campaign system. Democrats wish to limit spending, Republicans prefer a variety of other solutions, and there seem to be on both sides of the aisle, very honestly, a thousand variations of what to do. But surely, surely, all of us can agree on the need for full and complete disclosure of the money spent in the campaign system. Surely all of us can agree that the American people deserve to know where the money comes from and where it goes. As I indicated to the gentleman from Georgia [Mr. KINGSTON] a few minutes ago, we should give them nothing less.

Now in the newspaper locally here today, the Washington Post, the first paragraph of a headline story on the front page, an unnamed corporate donor has put up $1.3 million to help the Republican Party broadcast coverage on its convention next month on the Christian Coalition founder Pat Robertson's family channel, unnamed corporate donor. My friends across the aisle have said in the past that they support disclosure. Now is their chance to practice what they preach for we must approach this issue in a bipartisan way if we are going to get anywhere.

Because the hidden money is a problem in our political system, in a few moments we will propose a motion to recommit which adopts a definition of independent expenditure which is virtually identical to that definition found in the Smith-Meehan bipartisan bill. This provision will allow a reasonable remedy for a problem which haunts our system. This is an area of concern for everyone, and we will ask for our colleagues' support. We want it to be the beginning of a bipartisan effort that, with full disclosure, will allow us to operate perhaps on the same plane in the next Congress when perhaps the desire for real campaign reform may be reborn.

We think it is time for a consensus step forward, and we think we need to begin by reaching a basis of understanding about just who it is that is part of the political process. Labor, management; left, right; we really do

not care where the chips fall. We simply think that we cannot be critical of interest groups and individuals when we do not really know who they are or who is contributing.

It seems to me that we have an opportunity here in a few minutes to get beyond the partisan wrangling and to put it all out on the table. But for now, let us vote ''aye'' on the real reform proposal on the floor today offered by my friend from California [Mr. FARR]. It is the only one that really steps up to the plate and takes on the difficult questions of dealing with the real way to limit the amount of money that flows into the political process.

The Farr bill is the product of many, many, many years of effort to reach consensus. There is opposition to it today that never existed before from groups that now fear that it is catching fire and may, in fact, gain a majority vote on this floor, and we are very hopeful that people will put aside their partisanship and see an opportunity to show their constituents that even if this is not real and we are not going to pass something this year, we ought to at least begin to move in the direction of the kind of campaign reform we have long advocated.

It has been vetoed, it has been filibustered. Let us give it a new life. Vote ''aye'' on the Farr substitute.

Mr. Speaker, clearly, we do not all agree on how best to reform our present campaign system. Democrats wish to limit spending; Republicans prefer other solutions; and there seems to be a thousand variations of what to do.

But surely—surely—all of us can agree on the need for full and complete disclosure of the money spent in the campaign system. Surely, all of us can agree that the American people deserve to know where the money comes from—and where it goes. We should give them nothing less.

My friends across the aisle have said in the past that they support disclosure. Now is your chance to practice what you preach, for we must approach this issue in a bipartisan way. Because the hidden money is a problem in our political system, in a few moments, we will propose a motion to recommit which adopts a definition of independent expenditure which is virtually identical to that definition found in the Smith-Meehan bipartisan bill. This provision will allow a reasonable remedy for a problem which haunts our system. This is an area of concern for everyone—and we will ask for your support. That would be a real consensus step forward. But for now vote aye on the only real reform bill on the floor today—vote ''aye'' on the Farr bill.

Mr. THOMAS. Mr. Speaker, I yield the balance of our time to the gentleman from Georgia [Mr. GINGRICH] to conclude the debate both on the Republican bill and on the Farr substitute, a gentleman who prior to becoming Speaker was the ranking member on the House Administration Committee that oversees all of the Federal election laws, someone who is very familiar with this area. It is my pleasure for our side to yield to the Speaker of the House.

The CHAIRMAN. The Speaker of the House is recognized for 5 minutes.

Mr. GINGRICH. I want to thank the gentleman from California [Mr. THOMAS] for yielding this time to me, and I want to thank all of my colleagues on both sides of the aisle for today's debate and for the effort to come to grips with some very real challenges in our political system. The fact is that every voter has the right to expect of their country that we ought to have a political system where on election day they have full knowledge of the facts and they have a real opportunity to make a real choice. The fact is, in a free society, one of the keys to that freedom is to be able to fire incumbents and hire new people, and the fact is that in an ideal setting no candidate would have a unique advantage, and the voter would have full information, and for at least a quarter of a century now we have been trying to wrestle with how, as we enter the information age, can we achieve that kind of reform?

We began to go down a trail over 20 years ago of limiting expenditures, which frankly does not work. We see it clearly not working today in the Presidential campaign where in theory the taxpayer pays the full cost of the campaign with the result now that the unions are spending millions on ads, the Democratic National Committee is spending millions on ads, and the fact is the Republican National Committee is trying to answer what the Democratic National Committee and the unions are spending. So instead of having taxpayer-financed Presidential campaigns and no other spending, which was the theory of that reform, we now have tax-paid Presidential campaigns plus other spending, and in fact the nontax-paid spending this year on the Presidential campaigns will probably be 2 to 3 times the size of the amount spent by the Presidential campaign.

So we have seen Bob Woodward in his new book, ''The Choice,'' says President Clinton clearly, consciously and systematically is getting around the law and knows it and has designed his campaign to do it because the law does not work. In a free society it is very hard to establish limits, and I know that our good friends on the left are trying to, and I sympathize with the frustration that leads them toward trying to set limits, but they are not real. When we have labor unions announcing they are going to spend $500,000 per district trying to beat Republican freshmen, to then suggest a $600,000 limit for the campaign so that the liberal candidate would have their own $600,000, plus the $500,000 from the union, is clearly the kind of limits that in the real world make no sense.

Furthermore, if a colleague happens to be in a media market where the media is biased against him or her, the editorial writer gets to write for free. The television commentator gets to commentate for free. The talk show host gets to be a talk show host for free. The result is we can have hundreds of thousands spent before reaching the very first ad. It may take a great deal of time and effort to undo the damage done by people who are given the time for free or given the print for free.

So I think that going to route of an overall limit simply has not worked.

David Broder pointed out in a column on July 17 entitled: ''A New Twist In Campaign Finance,'' quote, ''House Republicans have come forward with a new approach to the conundrum of campaign finance reform. It will not become law this year, but it may point the way to the future.''

Now, I am not at all sure it will not become law this year, because we have not seen what will happen. I hope it will pass here and start a new dialog in the Senate. But I am certain that David Broder was right when he said, quote, ''it may point the way to the future.'' Broder himself points out, quote, ''Classic reformers—Common Cause and its allies—have scrambled around for years to find ways to stem the tide. It hasn't worked.''

And so we are trying to find a way in the real world that we believe will work. We start with a very important principle. This bill, the Republican campaign reform proposal, returns control to the people of the United States by establishing the principle that 50 percent of candidates' money has to be raised in the district they represent so they have to go back home to talk with the people of their own district to raise the money.

Furthermore, it says that all the outside money combined cannot exceed what is raised at home. So one's ability to convince the people they are supposed to represent—in effect, it combines the geographic precinct with the financial precincts, and one can no longer earn or raise all the money out of Washington's groups, or raise it from Hollywood stars, or raise it from New York trial lawyers, or raise it from other kinds of PAC's. They actually have to go home to raise the money.

Second, it says we are going to take serious steps to offset the millionaires who are buying seats. It is just wrong to have the U.S. Senate or the U.S. House begin to be the playpen of millionaires who, as a hobby, decide that instead of buying a yacht or a third home they will buy a congressional seat or a Senate seat.

And so as this campaign finance reform bill begins to create the opportunity for middle-class candidates to raise money without limit if their opponent spends over $100,000 personally, so we begin to balance the odds, and we no longer allow millionaires to have an unfair advantage.

Third, this bill strengthens the political parties and begins to reestablish institutional support so that middle-class candidates can rise by working within the framework of their party, and that means it also establishes responsibility beyond the ego of the individual candidate because the party has

a longer view and the party has the right vehicle to strengthen if we want stable politics.

In addition, it allows the parties to begin to offset some of the advantages of incumbency so that we do not have the field totally biased in favor of incumbents, and I want to commend the gentleman from California [Mr. THOMAS] because now that we are the majority party he has continued the same tradition of trying to make it relatively easier for a challenger to have a fair chance to win even though as the majority party that is to our disadvantage. It was the right thing to do.

Finally, this bill establishes the principle that union members have the right to know how their money is spent. The union members have the right to know which of their dues are taken for representational purposes and which of their dues were taken for nonrepresentational purposes. This right was given to them in the Beck decision 8 years ago by the Supreme Court when Justice Brennan wrote a decision that said every union member has the right to know how their money is being spent, and this bill not only requires full disclosure, but it allows the union member to decide whether or not they want to give the additional nonrepresentational money, which is exactly what the Supreme Court said their rights should be 8 years ago.

So all we are doing in that section is putting into legislation the rights that the Supreme Court said were due to the working men and women of America and allowing them to know how their union spent their money and allowing them to decide voluntarily for the nonrepresentational part. It does not change at all the legitimate obligation to pay representational dues, but it does provide for worker information.

So, in closing, on the one side we have what I think is a failed effort to provide a cap that will not work, which would actually strengthen the power of the biased media, would actually strengthen the power of outside independent expenditures, would actually strengthen the power of people other than candidates and parties. On the other hand what we have done is we return power to the district, to the local district, we require 50 percent of the money to be raised at home, we actually lower the PAC's far more than do our Democratic friends, and weaken the PACs' ability to have impact far more. We actually strengthen middle-class candidates against millionaires. We actually strengthen the parties and thereby strengthen challengers against incumbents, and we allow union members to have the right to know how their money is spent and decide whether or not they want to voluntarily give the money the Supreme Court said they could not be forced to give.

We think it is a good reform bill, it is a first step in the right direction. I commend the gentleman from California [Mr. THOMAS], I commend the gentleman from Michigan [Mr. HOEKSTRA], and others who worked very, very hard to make this possible. I believe my colleagues should vote ''no'' on the Democratic substitute, they should vote ''yes'' on final passage, and I urge our colleagues let us pass a good campaign finance bill moving in the right direction, as David Broder said, and let us then see if we cannot convince our colleagues in the Senate to work with us to pass a good campaign finance bill this year.

□ 1545

The CHAIRMAN. The question is on the amendment in the nature of a substitute as modified by the rule, offered by the gentleman from California [Mr. FAZIO].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. THOMAS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 243, not voting 14, as follows:

[Roll No. 363]

AYES—177

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bilirakis
Bishop
Blumenauer
Blute
Boehlert
Bonior
Borski
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clayton
Clement
Clyburn
Coburn
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Doyle
Duncan
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Forbes
Frank (MA)
Frisa
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kleczka
LaFalce
Lantos
Leach
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Nadler
Neal
Olver
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Pomeroy
Quinn
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Skaggs
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Zimmer

NOES—243

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bilbray
Bliley
Boehner
Bonilla
Bono
Boucher
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clinger
Coble
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gingrich
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kildee
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Poshard
Pryce
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Volkmer
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Zeliff

NOT VOTING—14

Bevill
Coleman
Collins (IL)
Deutsch
Ford
Hastings (FL)
Hayes
Lincoln
McDade
Peterson (FL)
Quillen
Roth
Tanner
Young (FL)

□ 1604

Messrs. STENHOLM, KILDEE, TAYLOR of Mississippi, and TEJEDA changed their vote from ''aye'' to ''no.''

Mr. NADLER and Mr. FLAKE changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute, as modified by the rule, was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DEUTSCH. Mr. Chairman, I missed one rollcall vote earlier today because I was unavoidably detained. Had I been present, I would have voted "yes" on rollcall vote No. 363, the Fazio substitute for campaign finance reform.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DREIER) having assumed the chair, Mr. INGLIS of South Carolina, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3820) to amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns, and for other purposes, pursuant to House Resolution 481, he reported the bill, as amended pursuant to that rule, back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. FAZIO OF CALIFORNIA

Mr. FAZIO of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. FAZIO of California. Yes I am, Mr. Speaker, most definitely.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. FAZIO of California moves to recommit the bill H.R. 3820 to the Committee on House Oversight with instructions to report the same back to the House forthwith with the following amendment:

Strike section 107 and insert the following (and conform the table of contents accordingly):

SEC. 107. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

''(17)(A) The term 'independent expenditure' means an expenditure that—

''(i) contains express advocacy; and

''(ii) is made without the participation or cooperation of and without consultation with a candidate or a candidate's representative.

''(B) The following shall not be considered an independent expenditure:

''(i) An expenditure made by an authorized committee of a candidate for Federal office.

''(ii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

''(iii) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

''(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

''(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

''(iv) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office. For purposes of this clause, the term 'professional services' shall include any services (other than legal and accounting services solely for purposes of ensuring compliance with any Federal law) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

''(18)(A) The term 'express advocacy' means, when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party.

''(B) The term 'expression of support for or opposition to' includes a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or to refrain from taking action.''.

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of such Act (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking ''or'' after the semicolon at the end;

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

(3) by adding at the end the following new clause:

''(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that is not an independent expenditure under paragraph (17).''.

Mr. FAZIO of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. FAZIO] is recognized for 5 minutes in support of his motion to recommit.

Mr. FAZIO of California. Mr. Speaker, it is pretty obvious by now that Democrats believe there is too much money in our political system today. But we think it is equally important that all the money in our political system be fully disclosed to the American people. Voters must know who paid for an advertisement to help them evaluate its purpose.

Toward that end, Mr. Speaker, this motion to recommit includes the commonsense definition of what is called an independent expenditure, as set forth a decade ago by the Court of Appeals in the Fergatch case, which has never been overruled by the U.S. Supreme Court.

The Republican bill, by contrast, adopts the narrowest possible definition, one that is riddled with loopholes. As a result, the Republican bill would deprive Americans of the information they want by reducing the requirements for disclosure of political money. It would also, frankly, have the unfortunate effect of encouraging the anonymous negative advertising that has grown so common lately in this country.

The Republican aversion to disclosure is not limited to independent expenditures. Time and time again the Republican leadership has sought to stifle communication from working people in the labor movement who have fought so hard for an increase in the minimum wage. Specific antilabor provisions were grafted onto the Republican bill as an exercise, I believe, in union bashing. It seems the majority prefers to create a campaign issue rather than seek a solution to the alleged problem.

Recently every Republican on the Committee on House Oversight voted against an amendment to require disclosure of the funding sources for election-related communication expenditures. This provision would have required disclosure by labor unions and it would also have required disclosure of the vast amounts of money favored by Republicans and their allies, groups like the NFIB and GOPAC, groups which funnel far greater amounts of money in total than organized labor.

□ 1615

The majority, it seems, prefers to talk about disclosure but cannot bring themselves to disclose where their supporters get such funding. We Democrats say let it all hang out. Business groups, labor groups, left, right, middle, everything should be disclosed for public review. Sunlight is the greatest disinfectant we can apply, because there is such a problem with hidden money in our political system.

We offer our motion to recommit with instructions to resolve this problem in a reasonable, common-sense way, in a way that protects first amendment interests while providing the public with the information they want, need and deserve. I reach out to every one of my colleagues of both parties to join us in this effort. This will be their chance to put their vote behind their rhetoric. If they would not support disclosure here today, let the American people never again hear them whining about labor unions or other groups they oppose. Let us put it all on the record.

Mr. Speaker, I yield the remainder of my time to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Speaker, when I came to the Congress of the United States, I looked to a senior Member to help me in my efforts to work on campaign finance reform. He taught me

that we have to work in a bipartisan manner if we are going to get real campaign finance reform passed.

That was Mike Synar, and he introduced a bill that I signed on to, that Republicans signed on to, to have real campaign finance reform in a bipartisan way. That is why I have worked so hard in this session in a bipartisan way to get real campaign finance reform, in the history and tradition of Mike Synar.

The gentleman from California has introduced a piece of that bipartisan bill. It involves disclosures and making sure when people make independent expenditures, like the independent expenditures that were made against Mike Synar and many other Members, that the American people have a right to know where their money comes from. The American people have a right to know who is funding this.

And guess what? Both Democrats and Republicans behind this bipartisan effort, every public interest group in America supports this language: the League of Women Voters, Common Cause, Public Citizen, United We Stand. There is not anyone in the country who is fighting for campaign finance reform that does not support this language.

Let us have a tremendous opportunity to take a bad bill and make it a heck of a lot better. Let us send this bill back with this provision, in the history of bipartisan reform, in the tradition of Mike Synar, in the tradition of good Democratic politics.

The SPEAKER pro tempore (Mr. DREIER). Is there a Member who rises in opposition to the motion to recommit?

Mr. THOMAS. Mr. Speaker, I rise in opposition.

The SPEAKER pro tempore. The gentleman from California is recognized for 5 minutes.

Mr. THOMAS. Mr. Speaker, some people will say, how in the world can anyone stand up and oppose that? The fact of the matter is, Members really need to know the whole story. This is not about disclosure. If it were about disclosure, we can deal with that in any number of statutes.

The gentleman from California said this is sunlight. Let me tell the gentleman, if we pass this, what will happen. He will think it is sunlight. Someone else will think it is a grow light. Somebody else will think it is a 100-watt bulb. Somebody else will think it is a 300-watt bulb. What is it?

The Supreme Court, not a lower court, not some district court, the Supreme Court said free speech is so fundamental to a free society that we have got to let people express themselves. Advocacy is a fundamental right. If you express support for someone, that is express advocacy.

What they have not told us is that their amendment contains this, on page 3 of the amendment: The term ''express advocacy'' means, they want to say, when taken as a whole.

The Court in Buckley said it means when you use the words expressly, vote for, elect, support, cast your ballot for, not when taken as a whole. They said when it is sunlight, it is sunlight and everybody knows it.

Do not give in to the urge to take the freedom of speech away from people. Justice Potter Stewart said, ''I can't define obscenity but I know it when I see it,'' these people want to take the definition ''I know it when I see it'' and suppress free speech.

The Supreme Court in Buckley said no, it is not your judgment as to whether or not it is free speech. It is the words as they are stated. When they are stated, it is. When we think they are, it is not. If you believe in a free society, if you believe in the Constitution, you do not take the words taken as a whole, you take the words. Reject their motion to recommit.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. FAZIO of California. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 209, noes 212, not voting 13, as follows:

[Roll No. 364]

AYES—209

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Bass
Becerra
Beilenson
Bentsen
Berman
Bishop
Blumenauer
Blute
Boehlert
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Castle
Chapman
Clay
Clayton
Clement
Clyburn
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Forbes
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
Klug
LaFalce
Lantos
Leach
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Riggs
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Zimmer

NOES—212

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gingrich
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pickett
Pombo
Porter
Portman
Pryce
Radanovich
Ramstad
Regula
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Vucanovich
Walker
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Zeliff

NOT VOTING—13

Bevill	Hayes	Roth
Coleman	Lincoln	Tanner
Collins (IL)	McDade	Young (FL)
Ford	Peterson (FL)	
Hastings (FL)	Quillen	

□ 1637

Mr. FLANAGAN and Mr. MARTINI changed their vote from ''aye'' to ''no.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. DREIER). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. THOMAS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 162, nays 259, not voting 13, as follows:

[Roll No. 365]

YEAS—162

Allard	Fields (TX)	McKeon
Archer	Flanagan	Meyers
Armey	Fox	Mica
Bachus	Franks (CT)	Miller (FL)
Baker (CA)	Funderburk	Molinari
Baker (LA)	Gallegly	Moorhead
Ballenger	Ganske	Myrick
Barr	Gekas	Ney
Barrett (NE)	Gilchrest	Norwood
Bartlett	Gillmor	Nussle
Barton	Gingrich	Oxley
Bass	Goodlatte	Parker
Bateman	Goss	Paxon
Bereuter	Greene (UT)	Petri
Bilirakis	Greenwood	Pombo
Bliley	Gunderson	Porter
Boehner	Gutknecht	Portman
Bono	Hastert	Pryce
Bryant (TN)	Hastings (WA)	Ramstad
Bunn	Hayworth	Regula
Bunning	Hefley	Riggs
Burr	Heineman	Rogers
Buyer	Herger	Rohrabacher
Callahan	Hilleary	Royce
Calvert	Hobson	Salmon
Camp	Hoekstra	Scarborough
Campbell	Hoke	Schaefer
Canady	Hostettler	Schiff
Chabot	Hunter	Seastrand
Chambliss	Hutchinson	Sensenbrenner
Chenoweth	Hyde	Shadegg
Christensen	Istook	Shaw
Chrysler	Johnson (CT)	Shuster
Clinger	Jones	Skeen
Coble	Kasich	Smith (MI)
Coburn	Kelly	Smith (TX)
Collins (GA)	Kim	Spence
Cox	Kingston	Stearns
Crane	Knollenberg	Stockman
Crapo	Kolbe	Stump
Cremeans	LaHood	Talent
Cubin	Largent	Tauzin
Cunningham	Latham	Taylor (NC)
Deal	LaTourette	Thomas
DeLay	Laughlin	Thornberry
Dickey	Lazio	Upton
Dreier	Lightfoot	Vucanovich
Duncan	Linder	Walker
Dunn	Livingston	Wamp
Ehlers	Lucas	Weldon (FL)
Ehrlich	Manzullo	Weldon (PA)
Everett	McCollum	Weller
Ewing	McCrery	Wicker
Fawell	McIntosh	Zeliff

NAYS—259

Abercrombie	Beilenson	Bonilla
Ackerman	Bentsen	Bonior
Andrews	Berman	Borski
Baesler	Bilbray	Boucher
Baldacci	Bishop	Brewster
Barcia	Blumenauer	Browder
Barrett (WI)	Blute	Brown (CA)
Becerra	Boehlert	Brown (FL)
Brown (OH)	Holden	Pastor
Brownback	Horn	Payne (NJ)
Bryant (TX)	Houghton	Payne (VA)
Burton	Hoyer	Pelosi
Cardin	Inglis	Peterson (MN)
Castle	Jackson (IL)	Pickett
Chapman	Jackson-Lee (TX)	Pomeroy
Clay	Jacobs	Poshard
Clayton	Jefferson	Quinn
Clement	Johnson (SD)	Radanovich
Clyburn	Johnson, E. B.	Rahall
Collins (MI)	Johnson, Sam	Rangel
Combest	Johnston	Reed
Condit	Kanjorski	Richardson
Conyers	Kaptur	Rivers
Cooley	Kennedy (MA)	Roberts
Costello	Kennedy (RI)	Roemer
Coyne	Kennelly	Ros-Lehtinen
Cramer	Kildee	Rose
Cummings	King	Roukema
Danner	Kleczka	Roybal-Allard
Davis	Klink	Rush
de la Garza	Klug	Sabo
DeFazio	LaFalce	Sanders
DeLauro	Lantos	Sanford
Dellums	Leach	Sawyer
Deutsch	Levin	Saxton
Diaz-Balart	Lewis (CA)	Schroeder
Dicks	Lewis (GA)	Schumer
Dingell	Lewis (KY)	Scott
Dixon	Lipinski	Serrano
Doggett	LoBiondo	Shays
Dooley	Lofgren	Sisisky
Doolittle	Longley	Skaggs
Dornan	Lowey	Skelton
Doyle	Luther	Slaughter
Durbin	Maloney	Smith (NJ)
Edwards	Manton	Smith (WA)
Engel	Markey	Solomon
English	Martinez	Souder
Ensign	Martini	Spratt
Eshoo	Mascara	Stark
Evans	Matsui	Stenholm
Farr	McCarthy	Stokes
Fattah	McDermott	Studds
Fazio	McHale	Stupak
Fields (LA)	McHugh	Tate
Filner	McInnis	Taylor (MS)
Flake	McKinney	Tejeda
Foglietta	McNulty	Thompson
Foley	Meehan	Thornton
Forbes	Meek	Thurman
Fowler	Menendez	Tiahrt
Frank (MA)	Metcalf	Torkildsen
Franks (NJ)	Millender-McDonald	Torres
Frelinghuysen	Miller (CA)	Torricelli
Frisa	Minge	Towns
Frost	Mink	Traficant
Furse	Moakley	Velazquez
Gejdenson	Mollohan	Vento
Gephardt	Montgomery	Visclosky
Geren	Moran	Volkmer
Gibbons	Morella	Walsh
Gilman	Murtha	Ward
Gonzalez	Myers	Waters
Goodling	Nadler	Watt (NC)
Gordon	Neal	Watts (OK)
Graham	Nethercutt	Waxman
Green (TX)	Neumann	White
Gutierrez	Oberstar	Whitfield
Hall (OH)	Obey	Williams
Hall (TX)	Olver	Wilson
Hamilton	Ortiz	Wise
Hancock	Orton	Wolf
Hansen	Owens	Woolsey
Harman	Packard	Wynn
Hefner	Pallone	Yates
Hilliard		Young (AK)
Hinchey		Zimmer

NOT VOTING—13

Bevill	Hayes	Roth
Coleman	Lincoln	Tanner
Collins (IL)	McDade	Young (FL)
Ford	Peterson (FL)	
Hastings (FL)	Quillen	

□ 1655

Mr. SMITH of New Jersey changed his vote from ''yea'' to ''nay.''

So the bill was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill just considered.

The SPEAKER pro tempore (Mr. DREIER). Is there objection to the request of the gentleman from California?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2823, INTERNATIONAL DOLPHIN CONSERVATION PROGRAM ACT

Mr. GOSS (before the vote on final passage of H.R. 3820) from the Committee on Rules, submitted a privileged report (Rept. No. 104–708) on the resolution (H. Res. 489) providing for consideration of the bill (H.R. 2823) to amend the Marine Mammal Protection Act of 1972 to support the International Dolphin Conservation Program in the eastern tropical Pacific Ocean, and for other purposes, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT REGARDING AMENDMENT PROCESS FOR H.R. 123, ENGLISH AS THE OFFICIAL LANGUAGE OF GOVERNMENT

(Mr. GOSS asked and was given permission to address the House for 1 minute.)

Mr. GOSS. Mr. Speaker, the Rules Committee is planning to meet this Wednesday, July 31, to grant a rule which may limit the amendments which may be offered to H.R. 123, English as the Official Language of Government.

Subject to the approval of the Rules Committee, this rule may include a provision limiting amendments to those specified in the rule. Any Member who wishes to offer an amendment should submit 55 copies and a brief explanation of the amendment by 12 noon on Tuesday, July 30, to the Rules Committee, at room H–312 in the Capitol. Members should also have the amendment printed in the CONGRESSIONAL RECORD by Tuesday, July 30.

Amendments should be drafted to the text of the Goodling substitute, which will be printed in the CONGRESSIONAL RECORD of July 25, as an amendment in the nature of a substitute to H.R. 123. The rule is likely to self-execute in the Goodling amendment as a new base text for H.R. 123.

Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.