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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. NEY).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 14, 1998.

I hereby designate the Honorable ROBERT W. NEY to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

Give us, we pray, the gifts of the spirit. O gracious God, from whom all blessings flow, remind us that our daily lives can be filled with benefits that come from Your good spirit. The gifts of love, joy, peace, patience, kindness, goodness, faithfulness, gentleness, and self-control. May these lively contributions to the human condition bless, strengthen and give encouragement to our daily lives and keep us all in Your grace now and evermore. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Alabama (Mr. ADERHOLT) come forward and lead the House in the Pledge of Allegiance.

Mr. ADERHOLT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 255. Concurrent resolution authorizing the use of the Capitol Grounds for the Greater Washington Soap Box Derby.

H. Con. Res. 262. Concurrent resolution authorizing the 1998 District of Columbia Special Olympics Law Enforcement Torch Run to be run through the Capitol Grounds.

H. Con. Res. 263. Concurrent resolution authorizing the use of the Capitol Grounds for the seventeenth annual National Peace Officers' Memorial Service.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2676, An act to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2676) ''An Act to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes,'' requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ROTH, Mr. CHAFEE, Mr. GRASSLEY, Mr. HATCH, Mr. MURKOWSKI, Mr. NICKLES, Mr. GRAMM, Mr. MOYNIHAN, Mr. BAUCUS, Mr. GRAHAM, Mr. BREAUX, and Mr. KERREY; and from the Committee on Governmental Affairs: Mr. THOMPSON, Mr. BROWNBACK, Mr. COCHRAN, Mr. DURBIN, and Mr. CLELAND, to be the conferees on the part of the Senate.

The message also announced that the Senate passed bills of the following titles, in which concurrence of the House is requested:

S. 1244. An act to amend title 11, United States Code, to protect certain charitable contributions, and for other purposes.

S. 1260. An act to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes.

MOTION TO ADJOURN

Mr. SERRANO. Mr. Speaker, I have a privileged motion to adjourn at the desk.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. SERRANO moves that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from New York (Mr. SERRANO).

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

Mr. SERRANO. 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 15, nays 379, answered ''present'' 1, not voting 37, as follows:

[Roll No. 152]

YEAS—15

Ackerman	Frank (MA)	McDermott
Brown (CA)	Hoyer	McNulty
Conyers	Johnson, E. B.	Sabo
Eshoo	Lewis (GA)	Serrano
Filner	Martinez	Slaughter

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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NAYS—379

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Evans
Everett
Ewing
Farr
Fawell
Fazio
Foley
Forbes
Ford
Fossella
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Rahall
Ramstad
Rangel
Redmond
Regula
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Rush
Ryun
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stokes
Strickland
Stump
Stupak
Sununu
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)

ANSWERED ''PRESENT''—1

DeFazio

NOT VOTING—37

Barton
Bateman
Becerra
Bryant
Christensen
Davis (FL)
Dixon
Engel
Fattah
Fowler
Gonzalez
Goodling
Greenwood
Harman
Hefner
Jones
Kaptur
Kolbe
McDade
Meeks (NY)
Myrick
Norwood
Pombo
Quinn
Radanovich
Reyes
Riggs
Rothman
Skaggs
Stark
Stearns
Stenholm
Talent
Torres
Traficant
Weldon (PA)
Young (AK)

□ 1026

Ms. FURSE, Ms. PELOSI, and Messrs. RILEY, EWING, DAVIS of Virginia, LATHAM, LEWIS of California, and KASICH changed their vote from ''yea'' to ''nay.''

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

PRIVILEGES OF THE HOUSE—EXPRESSING DISAPPROVAL OF CONDUCT OF COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT'S INVESTIGATION BY REPRESENTATIVE BURTON

Mr. GEPHARDT. Mr. Speaker, I rise to a question of the privileges of the House, and I send to the desk a privileged resolution (H. Res. 431), pursuant to clause 2 of rule IX, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 431

Whereas the Supreme Court of the United States has noted that, although the power to conduct investigations is inherent in the legislative process, that power is not unlimited, may be exercised only in aid of the legislative function, and cannot be used to expose for the sake of exposure alone;

Whereas the Supreme Court of the United States has further noted that the investigative power of Congress contains ''no general authority to expose the private affairs of individuals without justification in terms of the functions of Congress'';

Whereas Representative Burton is the only member in the history of the House of Representatives who has had the power to unilaterally issue subpoenas and the power to disclose information obtained therefrom, and has abused these powers;

Whereas the Committee on Standards of Official Conduct has determined that it is improper to alter a House document if such alteration changes the meaning or extensively modifies the document;

Whereas the Speaker of the House of Representatives has correctly and steadfastly called for adherence to the Rule of Law and emphasized that no man is above the law;

Whereas those upon whom the House of Representatives has bestowed its Constitutional power to investigate must abide by the Rule of Law, and must exercise the investigative power fairly and judiciously and in a manner that will preserve the dignity of the House and reflect credit thereon.

Whereas the Rules of the House of Representatives provide that documents and other materials obtained pursuant to a Committee subpoena are records of the Committee that may not be publicly disclosed by a chairman without authorization by the Committee;

Whereas the Committee on Government Reform and Oversight has adopted procedures governing the public disclosure of documents and other materials obtained pursuant to a Committee subpoena;

Whereas pursuant to a Committee subpoena, Representative Burton obtained from the Department of Justice tape recordings of the telephone conversations engaged in by Webster Hubbell while in prison;

Whereas the Department of Justice advised Representative Burton of his responsibility to pay special regard to the sensitive nature of the tape recordings, which recordings the Department of Justice could not lawfully disclose to the public;

Whereas Representative Burton intentionally violated the Rules of the House of Representatives and the procedures of the Committee on Government Reform and Oversight and displayed an utter disregard for both the privacy rights of those involved and the ability of the Bureau of Prisons to perform its functions effectively by publicly disclosing the tape recordings and transcripts of telephone conversations between Webster Hubbell and his wife, other family members, friends, and attorneys;

Whereas the transcripts publicly disclosed by Representative Burton in violation of the Rules of the House of Representatives and the procedures of the Committee had been altered and selectively edited so as to mislead Members of the House of Representatives and the public, distort the public record; impair the ability of the House of Representatives to perform its legislative and oversight functions, and violate the integrity of Committee proceedings.

Whereas the materials publicly disclosed by Representative Burton in violation of the Rules of the House of Representative and the procedures of the Committee contained conversations between a husband and wife pertaining to family, personal, medical, and marital problems;

Whereas, through these actions, his failure to abide by the Rule of Law, and his consistent abuse of the investigative powers of the House of Representatives, Representative Burton has brought discredit upon the House of Representatives: Now, therefore, be it

Resolved, That the House of Representatives disapproves of the manner in which Representative Burton has conducted the Committee on Government Reform and Oversight's investigation of political fundraising improprieties and possible violations of law.

□ 1030

The SPEAKER pro tempore (Mr. NEY). In the opinion of the Chair, the

resolution constitutes a question of the privileges of the House under rule IX.

MOTION TO TABLE OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Speaker, I move to lay the resolution on the table.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ARMEY) to lay the resolution on the table.

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

RECORDED VOTE

Mr. GEPHARDT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 223, noes 196, not voting 13, as follows:

[Roll No. 153]

AYES—223

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Porter
Portman
Pryce (OH)
Ramstad
Redmond
Regula
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—196

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Towns
Turner
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—13

Bateman
Fowler
Gonzalez
Harman
Hefner
John
Pombo
Quinn
Radanovich
Riggs
Skaggs
Torres
Traficant

□ 1057

Messrs. GREENWOOD, LIVINGSTON and ROGAN changed their vote from ''no'' to ''aye.''

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. NEY). The Chair will recognize five Members from each side for the purpose of 1-minute speeches.

WHITE HOUSE WOULD RESERVE PRIVACY RIGHTS FOR CRIMINALS AND NOT THE INNOCENT

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, we have just gone through an exercise talking about the rule of law. The White House has recently become remarkably solicitous of the privacy rights of convicted felons.

While the coddling of criminals is nothing new for liberals, what is new is the idea that the White House cares about privacy rights for the law-abiding.

I ask the White House, what about the privacy rights of the 900 Republicans whose FBI files ended up in the hands of political operatives in the White House?

What about the privacy rights of Billy Dale and the other Travel Office employees? Rights which were trampled upon by the IRS and the FBI in a despicable smear campaign.

In this strange new world, privacy rights are reserved for convicted criminals and denied to the innocent.

Mr. Speaker, this entire episode is a perfect example of the liberal mindset when it comes to crime: Misplaced priorities, double standards, and always, always, always, preference for the rights of criminals over the rights of the law-abiding.

□ 1100

TIME IS NOW TO END U.S. SUPPORT FOR SUHARTO DICTATORSHIP

(Mr. SANDERS asked and was given permission to address the House for 1 minute.)

Mr. SANDERS. Mr. Speaker, the time is now to end U.S. support for the Suharto dictatorship in Indonesia and to help that country move for democracy.

General Suharto is a dictator who has been in office for over 30 years and during that period has committed horrendous atrocities. Today his political opponents are in jail, they are being tortured, they are being kidnapped by the secret police.

Just the other day, six unarmed student protesters were shot down in cold blood. General Suharto is known not only for his brutality but for his corruption and greed. In a country where the average income is less than $20 a week, his family has amassed a fortune of over $30 billion.

Mr. Speaker, if the brave students of Indonesia are prepared to put their lives on the line to end the Suharto dictatorship, how can we ignore their cries for freedom? Let us end our support for Suharto now.

TRIBUTE TO DEPUTY RICH OWEN

(Mr. HUTCHINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUTCHINSON. Mr. Speaker, last November, deputies and employees of the Benton County Sheriff's Office in Arkansas voted Rich Owen Deputy of the Year. They selected him for the award, they noted, because of his outstanding professionalism and devotion to helping others. Within days of that vote, Deputy Owen died in the line of duty. He died from injuries he received in an auto accident while responding to a burglary call.

This week is National Law Enforcement Officers' Memorial Week, a time dedicated to the memory of heroes like Rich Owen, men and women who gave their lives serving and protecting others. I am at once proud and at the same time sad to pay tribute to these officers. I am proud that Arkansas has produced such courageous individuals as Deputy Owen, but I am sad that some have paid such an awful price for that dedication.

I would like to pay special tribute to Deputy Owen's son, Brandon, who is with me here today. And I offer my condolences to Brandon's mother, Frankie Owen, as well. These two stand as a constant reminder of the sacrifices not only our police officers pay every day, but their families as well. They stand here today as a reminder of the debt the rest of us owe to our law enforcement community. The courage we pay tribute to here today is not only that of the officers, but of their families as well. The sacrifices they make are great.

GENETIC INFORMATION NONDISCRIMINATION IN HEALTH INSURANCE ACT

(Ms. SLAUGHTER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, scientists recently announced a breakthrough in the treatment of cancer, one of the deadliest and most common diseases plaguing humanity. A combination of two drugs has been shown to prevent tumors from spawning the growth of new blood vessels that allow the tumor to grow.

The advances in genetic testing now allows us to pinpoint people who are at high risk for common cancers like breast cancer and colorectal cancer. Tragically, however, people are afraid to take those genetic tests that would allow them to take advantage of new anti-cancer drugs at the earliest possible phases of cancer. They refuse to take these tests because they fear genetic discrimination, especially in health insurance.

Congress could solve the problem by passing H.R. 306, The Genetic Information Nondiscrimination Health Insurance Act, which has 200 bipartisan sponsors. To date, however, we have not been able to get a schedule to vote on this proposal; and, as a result, Americans are forced to make a Hobson's choice between learning vital health information and risking their health insurance.

I urge my colleagues to demand a vote on H.R. 306 to protect all of our constituents against genetic discrimination and allow them to make health decisions based on sound medical facts.

FREEDOM FROM RELIGIOUS PERSECUTION ACT

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, today the House will vote on the freedom from religious persecution bill, which covers only cases of torture, enslavement, abduction, and death.

Noted Russian Jewish dissident Natan Sharansky said, ''When the West stood up for its most basic values,'' as this bill does, ''and spoke up for persecuted Soviet Jewish communities, Soviet chains around churches and political dissidents began to shatter.''

Noted Chinese dissident Wei Jingsheng sent a letter yesterday and said, ''If I did not see it myself, even I would not imagine the shameful and despicable means the Communists use against believers.''

This bill gives the President total and complete waiver authority. Cardinal O'Connor of New York, in a letter yesterday said, ''The Freedom from Religious Persecution Act could begin the desperately needed process of ending the legitimizing of such persecution.''

Failure to pass the bill would send a message to all of the dictators all over the world that it is open season for people of all religious beliefs. I hope and I pray that this bill will pass with an almost unanimous vote.

CAMPAIGN FINANCE REFORM

(Mr. KANJORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KANJORSKI. Mr. Speaker, I rise today and perhaps I should ask for a moment of silence because the vote that was taken to table the privileged resolution from the gentleman from Missouri (Mr. GEPHARDT) is a sad moment in the House of Representatives.

I have the distinct honor and pleasure of serving on the Committee on Government Reform and Oversight. The fact that we have had a difficult time in the administration of our mission over the last 18 months is evident to everyone in this Chamber and everyone in this Nation.

The privileged resolution would have given this House the opportunity to air the problems in that committee and to attempt to find a solution so that we could move on in our mission of adequate investigation of financial and campaign finance violations of the 1996 election.

I think, as a result of our failure to use the debate process on that privileged resolution, we will find that May 14, 1998, by a vote of 223–196, this House has decided not to reform campaign finance but to start the political campaign of 1998.

FREEDOM OF RELIGION IN PAKISTAN

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, I rise today to speak on behalf of a person imprisoned because of his religious beliefs in Pakistan.

Recently, a Pakistani Christian, Ayub Masih, was sentenced to death under Pakistan's blasphemy law. In Pakistan, no one has yet been officially executed under the blasphemy law. However, extremists have killed a number of accused believers.

On May 6, 1998, human rights activist Bishop John Joseph allegedly committed suicide to protest the blasphemy law and Masih's death sentence. Although the Pakistani Constitution protects freedom of religion, the blasphemy law contradicts the constitution and a number of international human rights standards.

Mr. Speaker, every person, every country in the world should have this fundamental human right, the freedom of religion. I urge the Pakistani Government to acquit Mr. Ayub Masih and release him from prison with full protection of his rights and to protect him and his family.

TIME FOR CHAIRMAN BURTON TO STEP DOWN AS HEAD OF INVESTIGATION

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, I rise today to decry the use of taxpayer funds for an investigation that has in fact turned into nothing more than a partisan political witch hunt.

According to yesterday's Washington Post, the investigation of the gentleman from Indiana (Mr. BURTON) ''began more than a year ago and has cost several million dollars,'' yet has ''produced little information beyond what was disclosed during a similar investigation by the Senate Governmental Affairs Committee.''

Meanwhile, the gentleman from Indiana (Mr. BURTON) has blatantly abused his power by unilaterally issuing over 500 subpoenas, releasing tapes of personal, private conversations and altering the content of those tapes to suit his own political purposes.

It is time to restore some integrity to this investigation. It is time to end

this waste of taxpayer money. It is time for the gentleman from Indiana (Mr. BURTON) to step down as head of this investigation.

CHILD CUSTODY PROTECTION ACT

(Ms. ROS-LEHTIMEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, although we live in the world's greatest democracy, we also live in a society that, unfortunately, in the name of women's rights permits parents to be stripped of our inherent and sacred right, our right to parent.

H.R. 3682, The Child Custody Protection Act, will protect every parent's right to be a parent. It will prevent every parent from being stripped, deprived, and divested of our profound right to protect our young daughters from abortions and life-altering and life-threatening procedure.

Pro-abortion groups wrongfully claim a right to procure secret abortions for minors. But it is not up to a stranger to determine whether our daughters should have an abortion. The Congress and the American people will take a strong stand against the twisted notion that the Constitution somehow confers upon strangers a right to parent our children.

Together with Senator SPENCER ABRAHAM, our bill will be heard in committees next week and we hope that we can get even more cosponsors for our pro-family protection bill.

CAMPAIGN FINANCE REFORM

(Mr. TIERNEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIERNEY. Mr. Speaker, campaign finance reform still is a critical issue confronting this House and needs to be addressed.

The Committee on Government Reform and Oversight had a particular opportunity to address this issue, to hold hearings, and to come up with some solutions and some facts that were a basis as to how we should proceed in that area.

So far, however, due to lack of leadership in that committee, we have been unable to embark on that process. We have had instead a very partisan hearing process, a fiscally irresponsible process, one that is motivated by personal vindictiveness not only of persons on the majority but also of their staff.

In fact, we have had a tremendous amount of incompetence in those proceedings that have cost the American taxpayers some $6 million. New committee leadership is needed to restore credibility to that committee and dignity and credibility to this House.

It is a shame, Mr. Speaker, that the Members of the majority were unable to take the action that would allow us to move in that process. It now is incumbent upon the gentleman from Indiana (Mr. BURTON) as the head of that committee to realize that he can no longer function properly and to move that leadership to another member of that committee.

FREEDOM FROM RELIGIOUS PERSECUTION ACT OF 1998

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 430, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 430

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. 2431) to establish an Office of Religious Persecution Monitoring, to provide for the imposition of sanctions against countries engaged in a pattern of religious persecution, 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 International Relations. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments recommended by the Committees on International Relations, the Judiciary, and Ways and Means now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of H.R. 3806, modified by the amendments printed in part 1 of the report of the Committee on Rules accompanying this resolution. That amendment in the nature of a substitute shall be considered as read. No amendment to that amendment in the nature of a substitute shall be in order except those printed in part 2 of the report of the Committee on Rules. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in the report 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 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 or to the amendment in the nature of a substitute made in order as original text. 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.

The SPEAKER pro tempore. The gentleman from Florida (Mr. DIAZ-BALART) is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to my good friend, the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, this rule, House Resolution 430, is a structured rule providing for the consideration of H.R. 2431, The Freedom from Religious Persecution Act of 1998. The admirable purpose of this legislation is to reduce the widespread and ongoing religious persecution taking place, unfortunately, in many places in the world today.

□ 1115

The rule provides for 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations, which had primary jurisdiction over the legislation.

Because the bill was referred to five committees for their consideration, and three of those committees reported varying versions of the bill, a new bill for the purpose of amendment, H.R. 3806, was introduced last week.

The gentleman from New York (Mr. SOLOMON), chairman of the Committee on Rules announced on the House floor on May 7 that the bill, H.R. 3806, would be used as the base text for purposes of amendment. The rule, therefore, makes in order as an original bill for purposes of amendment an amendment in the nature of a substitute consisting of the text of H.R. 3806 as modified by the amendments in Part 1 of the report of the Committee on Rules and provides that the amendment in the nature of a substitute shall be considered as read.

Mr. Speaker, this is a fair rule which allows for a broad range of amendments on a very narrowly focused bill. The goal of the bill is to combat religious persecution, and clearly all forms of persecution are to be condemned. But the crafters of this bill, as I stated, created a very focused religion-specific bill to make clear that we are focusing on one particular aspect of unacceptable persecution which must, must be combated.

Thus, the bill was not brought with an amendment, for example, from the distinguished gentleman from North Carolina (Mr. WATT) who offered an amendment which would have expanded the scope of the bill to cover all forms of persecution prohibited by the Geneva Convention. It was felt by the framers of the legislation, however, that this bill, to have an opportunity to be considered and to have an opportunity for passage, should be framed as specifically and narrowly as it has been.

I believe that the gentleman from North Carolina (Mr. WATT), when he moves forward, if he does, with his concept, will get tremendous support on a bipartisan basis. I certainly would be supportive of the effort by the gentleman from North Carolina (Mr. WATT), but I think that it is important to keep in mind what the purpose of this bill is.

It is a very focused, I would maintain, modest and reasonable and, hopefully, achievable piece of legislation to focus on upon that egregious and condemnable practice which occurs all too often in different parts of the world, religious persecution. I would urge my colleagues to support both this fair rule and the underlying bill.

The bill prohibits Federal agencies and U.S. persons from exporting goods to entities engaged in religious persecution. I think that is an important step to demonstrate that we are serious about condemning and opposing that unconscionable practice.

Mr. Speaker, though the bill has been limited in the process of amendment and of discussion, this is a very important piece of legislation that we are dealing with today. I would say it is somewhat of a definitional piece of legislation for this Congress at this particular moment in our history.

I often think about what we have witnessed in the last years and the fact that we are in a transitional moment. I often think about the fact that, while doubtless, we saw an ''evil empire,'' as President Reagan often called it, collapse, I wonder what it is that has won. What is it that has won? And what kind of world is it that we are walking into at this stage in our history?

In a certain sense that is what we are discussing. That is what will be discussed and debated with this particular legislation. We have to decide, ultimately, if what we accept and what we wish to embrace as a society and as a world, as an international community, is ethics as some sort of guide, some sort of factor in human conduct; or whether we are officially going to embrace the law of the jungle, if we are going to simply embrace the concept, as Dostoyevsky said when he pointed out that in his belief, those who say that God does not exist in effect are saying that anything is possible. In other words, if the concept of ethics will have no relevance whatsoever, then we might as well officially proclaim that in this era in which we are living.

So what the framers have done, the gentleman from Virginia (Mr. WOLF), the gentleman from New Jersey (Mr. SMITH), the gentleman from New York (Mr. GILMAN), and so many others who have worked so tirelessly on this legislation, through this legislation, this very focused legislation, is to say that that particular egregious conduct, religious persecution, torture, being put into a dungeon, into a cage, being tortured or killed because of a human being's religious beliefs and practices is going to be officially, by the United States Congress, condemned today.

Even though there are all sorts of waivers, as the gentleman from Virginia (Mr. WOLF) stated earlier, and he will state subsequently, in his legislation for the President, the same President who will be, according to what I am told, standing, in just a few weeks, at Tiananmen Square, being received officially by the Chinese Government with all the symbolism that that means in the world of diplomacy, that there could be no other place to be received in Beijing except Tiananmen Square.

Even though this bill, as focused as it is, as limited as it is, grants multiple waiver authority to the President of the United States, it is, nonetheless, a very important piece of legislation. It is a piece of legislation that is going to be watched. What we do today is going to be watched throughout the world and, most especially, by those who languish in dungeons and in caves and who are tortured and oppressed because of their religious views and practices.

So I would urge my colleagues to not only support this fair rule, but the underlying legislation.

Mr. Speaker, I again want to commend the framers of the legislation. I have great admiration for all of them: the gentleman from New York (Mr. GILMAN), of course, the gentleman from Virginia (Mr. WOLF), the gentleman from New Jersey (Mr. SMITH), the gentleman from Ohio (Mr. HALL), who is here, my dear friend on the other side of the aisle and to whom I have yielded the customary 30 minutes on this rule, a tireless champion, as well, for human rights and human decency throughout this world.

I thank them all for their hard work on this legislation and other similar pieces of legislation that have dignified this Congress in the past.

So I would urge my colleagues to support the rule. I know that we have the distinguished presence here of the gentlewoman from Florida (Ms. ROS-LEHTINEN) who will be speaking on the rule, also, by the way, an extraordinary fighter for human rights.

Mr. Speaker, I reserve the balance of my time

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Florida (Mr. DIAZ-BALART) for yielding me the time and his very, very kind words.

Mr. Speaker, this is a structured rule. It will allow debate on H.R. 2431, which is called the Freedom From Religious Persecution Act. As my colleague has described, this rule will provide 1 hour of general debate that will be equally divided and controlled by the chairman and the ranking minority member of the Committee on International Relations.

The rule self-executes two amendments. In addition, it makes in order four amendments which may be offered on the House floor.

Mr. Speaker, religious freedom is one of the most fundamental rights of Americans. It is enshrined in the first amendment to the Constitution. It is a foundation of the American government. It is more than just an American right. The right to freedom of religion is recognized by international law, including the Universal Declaration of Human Rights.

Unfortunately, the brutal suppression of religious expression is all too common beyond the borders of the United States. In my travels and in the travels of many of the sponsors of the bill, especially the gentleman from Virginia (Mr. WOLF) and the gentleman from New Jersey (Mr. SMITH), we have witnessed firsthand the extraordinary intolerance against people who chose to practice their faith outside the officially approved religions.

In Romania, the gentleman from Virginia (Mr. WOLF) and the gentleman from New Jersey (Mr. SMITH) and I saw churches that were burned down, people that were thrown in prison, Bibles by the thousands that were shredded into toilet paper under the official government policy of repression.

In northern Uganda, I saw Catholic girls who were mutilated for no other reason than their faith. Their ears and their noses were cut off. I visited them in the hospitals. It goes on in so many countries in the world that practice this brutality.

But when I and my fellow House Members would return to the United States from these countries, there was little we could do about the horror we saw. We did not have the legal tools necessary to stop it.

The bill before us today is such a tool. The bill was introduced by my friend, the gentleman from Virginia (Mr. WOLF), who, as I have said before, I have accompanied on many international trips to investigate human rights abuses.

His bill establishes the Office of Religious Persecution Monitoring to identify and report on religious persecution. If the Secretary of State determines persecution exists, then a series of sanctions take effect, including a prohibition on exports and U.S. foreign aid.

Because of the importance of religious freedom to our Nation, it seems fair that our government express this in our foreign policy. While we cannot dictate the internal policies of other countries, we can direct the State Department and our foreign assistance programs to deny support for countries and individuals that repress religious freedom contrary to basic American values.

President Clinton has already taken an important step towards universal freedom of religious expression by establishing a Commission on Religious Liberty to advise the State Department. However, I believe we can do more.

I regret that we are taking up this bill under such a restrictive rule. I would prefer that we would have more of an open rule, but I strongly support this bill to express U.S. outrage over the religious persecution in other countries and to help stop the brutality.

Reluctantly, I do support this rule so that we can proceed with the consideration of a bill that I consider a most important piece of legislation.

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

Mr. DIAZ-BALART. Mr. Speaker, I yield 5 minutes to the gentlewoman from Florida (Ms. ROS-LEHTINEN), my distinguished colleague and friend.

Ms. ROS-LEHTINEN. Mr. Speaker, I thank the gentleman from Florida (Mr. DIAZ-BALART), my colleague from Miami, for his leadership on this issue.

Mr. Speaker, along with the gentleman from Florida (Mr. DIAZ-BALART) and the gentleman from Ohio (Mr. HALL), I also rise in strong support of H.R. 2431, the Freedom From Religious Persecution Act of 1998. I especially commend my colleagues, the gentleman from Virginia (Mr. WOLF), the gentleman from New Jersey (Mr. SMITH), and the gentleman from New York (Mr. GILMAN), chairman of the Committee on International Relations for their leadership and for their dedication in bringing forward such a critical piece of legislation.

Jose Marti, the man who liberated my homeland of Cuba from tyranny, said, ''To witness a crime in silence is to be an accomplice of that crime.''

Today, my colleagues and I are making a statement to the world that the United States will not stand by silently. We will bear witness to the thousands of our fellow human beings who are tortured and, indeed, even murdered for exercising their fundamental right to religious freedom.

Today, we will give a voice to those whose cries for freedom and justice have been equaled by violent and repressive regimes that seek to destroy that which is so precious to us as children of God.

□ 1130

This bill will help ensure that practicing one's faith will not become a death sentence, as it has been, unfortunately, for so many men, women and children throughout the world.

When we speak of religious persecution, we need to fully recognize that in many countries this does not mean simple harassment, but it refers to unthinkable, monstrous acts, ranging from imprisonment, forced slavery, torture, starvation and murder. These acts, endorsed, and in many cases imposed, by extremist, repressive regimes, have gone unpunished for too long.

As we reflect on this issue today, we ask that you think of people like the 18 year old girl from Laos who was arrested by government forces and is currently sitting in a squalid prison cell. And what is her crime? Teaching Bible classes to neighborhood children. Or think about the student from Tibet who did nothing but record traditional music from Tibet, and, for this offense, he was sentenced to 18 years.

I ask you to picture the father who was shot in the streets of Iran because he was not in the mosque at prayer time. There are many prisoners in my native homeland of Cuba who are in jail because they dared to hold religious meetings at their homes, and there are evangelical Christians and Jehovahs' Witnesses routinely harassed in Cuba.

These are just a few examples of the grim destiny that so many of our global brothers and sisters face at the hands of those who hold no respect for religious beliefs and no respect for human life.

Religious persecution following the Cold War has not diminished. Sadly, it has only persisted, and has now reached new heights. H.R. 2431 will provide a permanent mechanism for the United States to investigate religious persecution and ensure that these cases receive high priority at the State Department.

By creating an Office of Religious Persecution Monitoring within the State Department, we will help to develop a mechanism that will help to strengthen and improve our methods of addressing religious freedom and persecution throughout the world. If and when a country is identified in engaging in widespread and ongoing acts of persecution, the United States would terminate non-humanitarian U.S. foreign aid and require U.S. opposition to loans to such regimes from taxpayer supported international agencies. It bans the export of torture and other crime control related supplies to offending countries, and it bans visas to known persecutors.

This bill furthers U.S. interests by ensuring that U.S. funds do not go to pariah states which engage in practices that run contrary to our values and our beliefs and which violate basic human dignity. Through this bill, we will finally shine light into the eyes of those who seek to oppress and destroy lives, and we will hold them responsible for their cruel acts.

Pope John Paul II has said,

> Religious persecution is an intolerable and unjustifiable violation of the most fundamental human freedom, that of practicing one's faith openly, which for human beings is their reason for living.

Let us not stand idly by while thousands continue to suffer. Let us make these rogue regimes accountable for their crimes against humanity. Let us render strong support for H.R. 2431.

I once again congratulate the gentleman from Virginia (Mr. WOLF) for his tenacity, dedication, and never-wavering focus on the issue of religious persecution worldwide. I regret the bill has been changed as it has moved through the committee process, but it definitely is still a powerful weapon to foster international religious freedom. We are truly blessed in this house to have a man of vision like the gentleman from Virginia (Mr. WOLF) guiding our efforts.

Mr. Speaker, I thank the gentleman from Florida (Mr. DIAZ-BALART) for yielding me this time.

Mr. HALL of Ohio. Mr. Speaker, I yield 7 minutes to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I want to start by joining my friend, the gentleman from Florida (Mr. DIAZ-BALART) in praising the work of the gentleman from Ohio (Mr. HALL). There is not a person in this body more respected on issues related to hunger and protecting the rights of people who have been persecuted around the world for whatever reason than the gentleman from Ohio (Mr. HALL). I want to associate myself with comments that have been made in praise of the gentleman by the gentleman from Florida (Mr. DIAZ-BALART).

Mr. Speaker, I am rising in opposition to the rule on this bill. I rise in opposition to the rule because the Committee on Rules ruled that an amendment that I attempted to offer on the floor was not in order. I think the Committee on Rules should have made my amendment in order.

There is not a person in this house or in our country, I believe, who would not find offensive and abhorrent the abduction, enslavement, killing, imprisonment, rape, crucifixion or any forms of torture, which this bill condemns and sanctions. This bill condemns and sanctions those forms of torture, but it does it only when the victims are tortured because of religious beliefs.

The amendment that I sought to offer would have expanded this bill to offer the same kind of protections for those persecuted because of race, nationality, membership in a particular social group or political opinion.

This bill sets up two new categories in the law, a category 1 and a category 2, for people who have been enslaved or killed for religious persecution, and, by doing so, implies that somehow religious persecution is more abhorrent than persecution for other reasons, such as race or political belief or nationality or group membership.

The very example that the gentleman from Florida (Mr. DIAZ-BALART) referred to about the President going to China and standing in Tiananmen Square, imagine, if you would, that the tanks in Tiananmen Square had just rolled right over the protesters there. Nothing in this bill would address that issue, because those protesters were there for political reasons, not for religious reasons.

So I rise to say all forms of persecution, whether they are for religious reasons, whether they are for racial reasons, whether they are for nationality reasons, whether they are because people are standing up for their political beliefs, most often in defense of democracy, all forms of persecution should be covered under this bill. And the Committee on Rules has decided that it will not allow an amendment to be debated on this floor, to be considered and voted on on this floor, that would expand the coverage of this bill to those other forms of persecution. By doing so, it is implying to the world that somehow religious persecution should be given extra protection and heightened priority.

Mr. Speaker, we should provide special protections against all forms of persecution.

Some people would have you believe that we are paying less attention to religious persecution in the world than we are to the other kinds of persecution that I have made reference to, but let me suggest that that is simply not the case.

The United States has 78,000 refugee slots allocated for 1998. Twenty-five thousand of those funded slots are allocated to those Bosnians who are Muslim. Religious reasons. Twenty-one thousand of those slots are allocated to religious minorities from the former Soviet Union. So 59 percent of our refugee allocation is set aside for victims of religious persecution in one way or another. Does that mean that we are treating religious persecution in some lesser fashion? I think not.

The only thing I would say to this body is that this bill ought to be broader, and everybody keeps telling me, ''Well, you ought to go and introduce a separate bill.''

My response to that is, we have a bill on the floor. If everybody thinks this is a good idea to expand the protections in this bill to victims of persecution based on race, nationality, group membership or political opinion, as the gentleman from Florida (Mr. DIAZ-BALART) indicated everybody does, then put it in this bill, and let us vote it up or down. Because it is not in the bill and the amendment has not been made in order, I oppose this rule.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with what the gentleman from North Carolina (Mr. WATT) has said. I think we have to recognize that we have a coalition of interests opposing us that, in effect, want there to be absolutely no sanctions on any sort of conduct anywhere in the world, and that the law of the world should be if there is a buck to be made anywhere, no matter what the conditions, no matter under what the circumstances, no matter if it is dealing in or contributing to the most horrendous conduct conceivable, that that is acceptable. That is the coalition against us.

The message that we will send out today to that coalition, to the world and to those who are imprisoned, is that we will not be defeated, and that we are going to continue to make progress.

Mr. Speaker, I yield 6 minutes to my dear friend, the distinguished gentleman from Virginia (Mr. WOLF), a leader in human rights throughout the world.

Mr. WOLF. Mr. Speaker, I thank the gentleman for yielding me time. I appreciate the comments of the gentleman, and I appreciate the comments the gentleman made about my very good friend, the gentleman from Ohio (Mr. HALL). I second those, and completely agree.

Passing this bill will say to the world that the United States will no longer remain silent while people of faith are being tortured—because that is what this bill covers—enslaved, abducted and killed for their religious beliefs. Passing the bill will shatter the silence.

There are troubling things taking place all over the world. In the past decade in Sudan alone, 1.5 million Christians and Muslims and Animists have been killed for their faith. Starvation is that government's weapon of choice, liberally spiced with high altitude bombing in the villages, and mass murders. And there is slavery, the selling into slavery in Sudan of young Sudanese boys and girls.

In China, Catholic priests and bishops are imprisoned today, as we now speak, some for decades, simply for offering holy communion. Protestant pastors are thrown in jail for having house church services, and Muslims suffer persecution, as do Buddhist monks and nuns in Tibet.

In Tibet, where I have been, China's government has systematically destroyed up to 4,000 to 6,000 monasteries, and the government tightly controls all of the existing monasteries.

Many around the world are enduring hardships simply because they practice their faith. They endure mostly in silence and away from the public spotlight and with little hope of improvement. This bill would apply to all faiths, Jewish, Muslim, Hindu, Christian, Buddhist and all others.

This bill is moderate, it is balanced, and this bill gives the President total waiver authority, meaning that if the President does not want this bill to go into effect, it will not go into effect.

Finally, the bill, I think, will send a message to help so many people. It is a bipartisan effort, Republicans and Democratic Members alike, with 131 cosponsors.

I will tell Members, on three different occasions I personally have looked into the eyes of young boys in southern Sudanese refugee villages who have lost their moms and dads and had nobody to care for them.

□ 1145

I have seen the monasteries that are plundered in Tibet and the gentleman from New Jersey (Mr. SMITH) and I have been to Beijing Prison No. 1 in China.

Cardinal O'Connor of New York wrote a letter yesterday where he said, ''The Freedom From Religious Persecution Act could begin the desperately needed process of ending the legitimizing of such persecution. In my judgment,'' Cardinal O'Connor said, ''its passage would be an act of historic proportions.''

Catholic Archbishop Theodore McCarrick, who just returned from China said, and I quote from a letter yesterday, ''The bill represents a modest step that reflects the growing awareness that this vital human rights issue has too often been overlooked, and a growing conviction that the core American values, including religious liberty, must play a proper role in foreign policy.''

Other supporters of the bill, and there are so many, are the International Campaign for Tibet, the Christian Coalition, the U.S. Catholic Bishops Conference, the Family Research Council, the National Jewish Coalition, the Anti-Defamation League, the Religious Action Center for Reformed Judaism. The Southern Baptist Ethics and Religious Liberty Commission, the American Family Association, Prison Fellowship Ministries, the Union of Orthodox Congregations of America, the Salvation Army, the Catholic Alliance, B'Nai B'rith, and many, many others. This bill is also supported by so many others that we will put their names in the RECORD.

Mr. Speaker, when this bill hopefully becomes law, America will reaffirm for the world that we still honor those words that Jefferson penned where he said: ''We hold these truths to be self-evident, that all men women are created equal, endowed by their Creator, by God, with life and liberty and the pursuit of happiness.''

These words by Jefferson were not just for Virginians, they were not only for Americans, but they were for people around the world. Passage of the bill will reaffirm the words of President Reagan where he said, ''We must be staunch in our conviction that freedom is not the sole prerogative of a lucky few, but the inalienable and universal right of all human beings.''

The last two points. If this bill were to fail, can we imagine what the prison wardens would say to those who are imprisoned in Sudan today, those who are in the ghost houses? What that would say would be that nobody cares. On the other hand, when this Congress passes this bill, and those in Yei and Torit and little villages in southern Sudan and those in little villages in China, as they tune into their crystal radio sets and listen, they will know that the people's House, the United States Government, the United States Congress has stood on behalf of those who are persecuted. And it will send a message, as Natan Sharansky said when he was in the old Soviet Perm 35 and he heard that the Congress stood for him; it will send a message that we stand for the least of these and we stand with them boldly, whereby those words of Jefferson hold true for everybody around the world.

Mr. Speaker, I urge and plead that everyone support this bill.

Mr. Speaker, I rise in strong support of H.R. 2431, the Freedom from Religious Persecution Act. Passing this bill will say to the world that the United States will no longer remain silent while people of faith around the world are being tortured, enslaved, abducted and killed for their religious beliefs. For too long the U.S. has remained silent on this issue—passing H.R. 2431 helps shatter that silence.

There are troubling things taking place in the world. In just the past decade, the government of Sudan has killed or allowed to starve over a million of its own people. The fallen—mostly Christians, Animists and some Muslims in southern Sudan—are victims of a religious war. Starvation is that government's weapon of choice, liberally spiced with high-altitude bombing, mass murder and even selling Sudanese boys and girls as slaves.

In China, Catholic priests and bishops are in prison—some for decades, simply for practicing their faith. Protestant pastors are thrown in jail just for holding house church services. Muslims suffer persecution, as do Buddhist monks and nuns.

In Tibet, the Chinese government has systematically destroyed up to five thousand Buddhist monasteries. The monasteries still standing have a cadre of Chinese police to monitor what goes on. The government tightly controls the activities of the monks and nuns and even pictures of the Dalai Lama are forbidden.

In Pakistan, Ahmadi Muslims and Christians are victimized by the ominously named ''blasphemy'' law under which those who speak against the prophet Mohammed can be given the death sentence. Just last week, as we prepared to debate this bill, one of Pakistan's leading Catholic bishops, Bishop John Joseph committed suicide to protest a death sentence handed down to Christian Ayub Masih. Bishop Joseph reportedly said just before putting a shot through his head ''It is no longer possible for my people to live in Pakistan.''

Many around the world are enduring hardships simply because they practice their faith. They endure mostly in silence and away from the public spotlight and with little hope for a brighter tomorrow. The Freedom from Religious Persecution Act is for them. It would apply to people of all faiths—Jew, Muslim, Hindu, Christian, Buddhist and others.

The bill establishes the Office of Religious Persecution Monitoring at the State Department—a permanent mechanism to monitor religious persecution overseas. Countries found to be engaged in ''widespread and ongoing'' persecution which involves abduction, enslavement, killing, imprisonment, forced mass relocation, rape, torture or the imposition of particularly severe fines, would be named and subjected to four punitive actions. These actions are:

(1) A ban on non-humanitarian foreign aid;

(2) A ban on visas to individuals known to be responsible for persecution;

(3) A ban on U.S. support for loans by international financial institutions to offending countries, and

(4) Two narrowly-targeted export bans which ban the sale of items used for torture to offending countries and the direct export of goods to entities responsible for persecution.

The bill is moderate and balanced. It provides the President with the authority to waive the sanctions when national security interests would be served or if waiving the sanctions would ''promote the objectives of the act.''

Finally, the bill imposes sanctions on the government of Sudan until it ceases its massive campaign of religious persecution—the same sanctions that were imposed on the government of South Africa in the 1980's for its immoral apartheid policy.

When America speaks out, it makes a difference. Just ask noted Russian Jewish dissident Natan Sharansky, who languished for years in Soviet gulags as a prisoner of conscience. He sent a letter to a group of religious leaders gathered to talk about this bill, ''When the West stood up for its most basic values and spoke up for persecuted Soviet Jewish communities, Soviet chains around churches and political dissidents began to shatter.''

This bill has broad bipartisan support—over 131 cosponsors. It is supported by a broad coalition of religious and civic groups.

For example, Wei Jingsheng, one of China's most well known and well respected political dissidents, supports H.R. 2431. I quote from his recent letter:

> I have personally witnessed the oppression and exploitation of religious groups and individuals that occurs today in China. The true situation may be difficult for Americans to imagine, and it is difficult for the Chinese people to imagine. If I did not see it myself, even I would not imagine the shameful and despicable means the Communists use against religious believers . . . I feel that if a government such as China which for such a long time totally denied the rights of freedom of religion to its citizens cannot receive sanction, than it is completely unjust. I urge the friends of human rights to support this effort.

I submit Wei's entire letter for the record. He knows that pressure works—he's out of jail today because the U.S. pressed for his release.

Cardinal O'Connor of New York says, and I quote,

> The Freedom from Religious Prosecution Act could begin the desperately needed process of ending the legitimizing of such persecution. In my judgment, its passage would be an act of historic proportions.

Archbishop Theodore McCarrick says,

> The bill represents a modest step that reflects growing awareness that this vital human rights issue has too often been overlooked, and a growing conviction that core American values—including respect for religious liberty—must play proper roles in shaping the U.S. foreign policy agenda.

Both letters are submitted for the RECORD.

Other supporters of the bill include: the International Campaign for Tibet, the Christian Coalition, the U.S. Catholic Bishops' Conference, the Family Research Council, the National Jewish Coalition, the Anti-Defamation League, the Religious Action Center for Reformed Judaism, the Southern Baptist Ethics and Religious Liberty Commission, the American Family Association, Prison Fellowship Ministries, the Union of Orthodox Congregations of America, the Salvation Army, the Catholic Alliance and B'Nai B'rith.

The bill is also supported by a number of groups representing ethnic groups suffering persecution like the American Coptic Association, the Cardinal Kung Foundation, the Free Vietnam Alliance, the Pakistani-American Association, the Ahmadiyya Movement in Islam and Southern Sudanese in America.

And there are many, many more. A total list of supporters is submitted for the RECORD. All have worked tirelessly to pass this bill and I thank them for their efforts.

When H.R. 2431 becomes law, America will reaffirm for all the world that we still honor those ringing words in the Declaration of Independence that, ''We hold these Truths to be self-evident, that all Men [and women] are created equal * * * endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness.''

These words by Thomas Jefferson are not for America alone, but for people everywhere. And passage of this bill will reaffirm the words of President Ronald Reagan, spoken on a different occasion, when he said, ''We must be staunch in our conviction that freedom is not the sole prerogative of a lucky few, but the inalienable and universal right of all human beings.''

I urge you to vote for H.R. 2431. It will help people of faith everywhere.

ORGANIZATIONS IN SUPPORT OF H.R. 2431

American Baptist Evangelicals
American Coptic Association
American Copts of California
American Family Association
Anti-Defamation League
Assyrian Academic Alliance
Assyrian National Congress
Assyrian National Foundation
B'Nai B'rith
Campus Crusade for Christ
Cardinal Kung Foundation
Catholic Alliance
Christian Coalition
Christian Legal Society
Christian Reformed Church
Christian Solidarity International
Concerned Women for America
Empower America
Ethics and Public Policy Center
Evangelical Free Church of America
Evangelicals for Social Action
Family Research Council
Focus on the Family
Freedom House's Puebla Program
Institute on Religion and Democracy
International Campaign for Tibet
International Christian Concern
International Fellowship of Christians and Jews
Iranian Christian International
National Association of Evangelicals
National Jewish Coalition
National Religious Broadcasters
Open Doors with Brother Andrew
Prison Fellowship Ministries
Religious Action Center for Reformed Judaism
The Rutherford Institute
The Salvation Army
Seventh Day Adventist Church
Southern Baptist Convention
U.S. Catholic Bishops Conference
Union of American Hebrew Congregations
Union of Orthodox Jewish Congregations of America
Voice of the Martyrs
World Evangelical Fellowship-Religious Liberty Commission

THE COALITION FOR THE DEFENSE OF HUMAN RIGHTS UNDER ISLAMIZATION

Advocates International
Agape International
American Coptic Association
American Coptic Union
Asian Christian Ministries
Assyrian International News Agency
Assyrian National Congress
Assyrian Political Review
Bangladesh Reformed Presbyterian Theological Seminary
Bet-Nahrain
Canadian Coptic Association
Christian Amnesty
Christian Copts of California
Christian Voice of Pakistan
Coptic American Friendship Association
Coalition Committee of Experts
Coming Home USA
CREED
Egyptian Relief Agency

Eritrean Academic Committee
Federation of Hindu Associations
Foundation for Faith in Search of Understanding
Freedom USA
Institute on Religion and Democracy
Indo-American Kashmir Forum
International AWAZ
International Christian Concern
Iranian Christians International
HIS
Jubilee Campaign
Law and Liberty Trust
Lebanese Organization of New York
MECHRIC
Middle East Research Center
National Interreligious Task Force
New Sudan Foundation
Operation Nehemiah for South Sudan
Open Doors-Netherlands
Pakistani-American Association
Pakistani Apostolate
Persecution Relief
Research and Education Foundation
South Lebanese Christian Association
Southern Sudanese in America
Southern Sudan Resource Center
Society of St. Stephen
The Trinitarians Religious Freedom Program
Toronto Coptic Association
Wake-up Coalition
World Evangelical Fellowship-Religious Liberty Commission
World Lebanese Organization
World Maronite Union
Zwemer Institute of Muslim Studies

CHRISTIAN LEGAL SOCIETY,
Annandale, VA, May 11, 1998.

Hon. NEWT GINGRICH, RICHARD GEPHARDT, DICK ARMEY, and DAVID BONIOR,
U.S. Congress,
Washington, DC.

DEAR MR. SPEAKER, CONGRESSMEN GEPHARDT, ARMEY, AND BONIOR: We take great heart from recent House actions in support of a growing, nationwide movement of conscience against religious persecution.

We are deeply grateful for the stunning 31–5 House International Relations Committee vote in favor of the Freedom From Religious Persecution Act. We are further grateful for the House Leadership's scheduling of a floor vote on this Act on May 14. We note as well Senate Leadership commitments to ensure 105th Congress consideration of anti-persecution legislation. These developments are critical steps towards achieving the imperative goal of ending today's widespread and ongoing persecutions of vulnerable communities of faith.

Because further Congressional action remains to be taken, we believe it useful to set out our view of the elements necessary for effective legislation.

In so doing we again endorse the Freedom From Religious Persecution Act, in the strongest terms, and reiterate our intent to work for its rapid passage. The Act's prospects in the House result from efforts of a broad coalition of religious groups and such House leaders as Representatives Wolf, Berman, Gilman, Gjedenson, Hall, Pelosi, Chris Smith and Majority Leader Armey. We believe that these efforts will produce historic legislation, and for the following reasons:

The Act's baseline sanction of withdrawing non-humanitarian foreign aid from persecuting regimes is both limited and meaningful—and will be a powerful tool to end the threats of murder, torture, rape, starvation and enslavement now faced by millions of believers.

The Act's limited but targeted focus on hard-core persecution ensures that its reach will not exceed its grasp.

The Act's waiver provisions fully allow the President to maintain non-humanitarian aid to persecution regimes while also creating real accountability on his part if he chooses to do so.

The Act's small, distinguished and independent office will have no policy-making authority—thus leading to fact-based, less politicized findings of whether and where religious persecution actually occurs.

The Act's application of the South Africa sanctions against Sudan will ensure that we treat genocide with no less resolve than was brought to bear against apartheid.

The Act's moderate reform of immigration practices, in a manner fully consistent with existing immigration law, will help secure traditional American protection for victims of religious persecution.

Because various provisions of the Act may be the subject of amendments on the House floor, we believe it useful to set forth our views on a number of important matters.

Sudan: This is a regime responsible for wholesale torture, rape, starvation, murder and enslavement of religious communities. Thus, the Act's Sudan provision reflects a central moral premise of our movement—the need for full parity in America's resistance to South African apartheid and Sudanese genocide. We urge the House to restore the most effective sanction against this regime: a ban on imports from the Sudan.

Immigration Reform: Given America's establishment as a haven for victims of religious persecution, today's often-hostile treatment of religious asylum claimants is deeply troublesome. Yet, despite statutory provisions barring the summary exclusion of some classes of asylum applicants, the Act maintains the Immigration Service's right to summarily exclude religious asylum applicants without full hearings. The Act's modest reforms represent minimal progress in a critical area of concern. We will fight hard to restore them.

Non-Humanitarian Foreign Aid: The Act's response to regimes engaged in ''widespread and ongoing'' acts of hard-core religious persecution—ending their non-humanitarian taxpayer subsidies—qualifies as a ''sanction'' only by stretching the meaning of that term. We believe it axiomatic that no taxpayer subsidies should go towards such regimes, and therefore strongly oppose the removal of Export Import Bank subsidies from the Act's reach. Further, because Presidential waivers can restore those subsidies, and because some hard-core persecutors will be largely unaffected by the Act without withdrawal of Export-Import Bank subsidies, we strongly believe that the Act will not have its necessary effectiveness without this vital feature.

The Freedom From Religious Persecution Act is moderate in its responses to persecution but serious about putting those responses into effect. It will make the President accountable if he exercises his broad authority to waive its sanctions. By its targeted focus on hard-core persecution it offers real protection to vulnerable believers. It will deal evenhandedly with all persecuting regimes, whether strong or weak. It is modeled on the Jackson-Vanik law, which helped bring freedom to people of all faiths in the Soviet Union and elsewhere. It puts America on the right side of history and ensures that the world will not see us as the Swiss are now seen to be—a country willing to abet evil in the pursuit of expedient goals and short-term financial gain.

Prayerfully and with full determination, we intend to work for the Act's overwhelming adoption by the House, and for Congressional enactment of effective legislation. We remain at your pleasure in our continuing effort to realize this long-needed and historic outcome.

Respectfully,

John Ackerly, President, International Campaign for Tibet; The Right Reverend Keith Ackerman, The Episcopal Church, Bishop of Quincy; William Armstrong, Former U.S. Senator (1979–1990); Gary L. Bauer, President, Family Research Council; William J. Bennett, Co-Director, Empower America; Dr. Bill Bright, President, Campus Crusade for Christ; Charles Colson, Chairman of the Board, Prison Fellowship Ministries; Michael Cromartie, Senior Fellow, Ethics and Public Policy Center; Nathan J. Diament, Director, Institute for Public Affairs, The Union of Orthodox Jewish Congregation of America; Bishop Alex D. Dickson, Director, Institute for Christian Leadership, and Vice President, American Anglican Council; Dr. James Dobson, President, Focus on the Family; Rev. John C. Eby, National Coordinator, American Baptist Evangelicals; Sam Elisha, Director, Special Ministries Division, HIS International, Inc.; David H. Engelhard, General Secretary, Christian Reformed Church of North America; Edward L. Foggs, General Secretary, Leadership Council, Church of God; Deacon Keith A. Fournier, Catholic Alliance; Abraham H. Foxman, National Director, Anti-Defamation League; Jim Geist, Executive Director, Interfaith Alliance for Christian Human Rights; Chris Gersten, President, Institute for Religious Values; Dr. Scott M. Gibson, President, American Baptist Evangelicals; Dr. Os Guinness, Senior Fellow, The Trinity Forum; E. Brandt Gustavson, President, National Religious Broadcasters; Michael Horowitz, Director, Project for International Religious Freedom, Hudson Institute; Clyde M. Hughes, General Overseer, International Pentecostal Church of Christ; Charles ****, Research Director, American Anti-Slavery Group; James Jacobson, President, Christian Freedom International; The Right Reverend Stephen H. Jecko, The Episcopal Church, Bishop of Florida; D. James Kennedy, Ph. D., Coral Ridge Presbyterian Church; Ed Koch, Former Mayor of New York City, New York; Diane Knippers, Institute on Religion and Democracy; Bishop Richard W. Kohl, Evangelical Congregational Church; Shawley F. Koras, President, American Coptic Association; Dr. Beverly LaHaye, Chairman, Concerned Women for America; Dr. Richard Land, President and CEO, Ethics and Religious Liberty Commission, Southern Baptist Convention; Dr. Duane Litfin, President, Wheaton College; Michael McConnell, Presidential Professor, University of Utah College of Law; Steven T. McFarland, Director, Center for Law and Religious Freedom, Christian Legal Society; Michael Medved, Film Critic, Radio Host; Rev. Dr. Peter Moore, Dean and President, Trinity Episcopal School for Ministry; Father Richard Neuhaus, Editor-in-Chief, First Things Journal, Institute on Religion and Public Life; Michael Novak, George Frederick Jewett Chair, in Religion and Public Policy, American Enterprise Institute; Marvin Olasky, Editor, World Magazine; The Very Rev. Keith Roderick, Coalition for the Defense of Human Rights Under Islamization; Rabbi David Saperstein, Director, Religious Action Center of Reform Judaism; Nina Shea, Director, Center for Religious Freedom, Freedom House; Ronald J. Sider, President, Evangelicals for Social Action; Steven L. Snyder, President, International

Christian Concern; Jack Stone, General Secretary, Headquarters Operations Officer, Church of the Nazarene; Randy Tate, Executive Director, Christian Coalition; Jim Wallis, Editor-in-Chief, Sojourners Magazine; The Right Reverend William C. Wantland, The Episcopal Church, Bishop of Eau Claire; Commissioner Robert A. Watson, National Commander, The Salvation Army; Tom White, The Voice of the Martyrs.

WEI JINGSHENG FOUNDATION,
Washington, DC, May 12, 1998.

To All Members of the House of Representatives:

I have recently heard that you will soon consider the Freedom from Religious Persecution Act that is sponsored by my friend Congressman Frank Wolf. I want to express the great interest I have for this effort to sanction the Chinese communist authorities for their denial of the basic right of freedom of religion.

I strongly believe that the freedom of religious beliefs is one important component of man's fundamental human rights. The Chinese communist leadership continues to trample on freedom of religion as it tramples on the basic rights of all Chinese people. I have personally witnessed the oppression and exploitation of religious groups and individuals that occurs today in China. The true situation may be difficult for Americans to imagine, and it is difficult for the Chinese people to imagine. If I did not see myself, even I would not imagine the shameful and despicable means the Communists use against religious relievers.

I feel that if a government such as China which has for such a long time totally denied the rights of freedom of religion to its citizens cannot receive sanction, then it is completely unjust. I urge the friends of human rights to support this effort.

Respectfully,

WEI JINGSHENG.

CARDINAL'S OFFICE,
New York, NY, May 12, 1998.

Hon. FRANK R. WOLF,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN WOLF: Be assured of my strong support for the Freedom from Religious Persecution Act and my firm hope that the House of Representatives will vote in favor of it overwhelmingly.

I have been following the tragic course of religious persecution with close attention for many years. No religious body can assume itself to be exempt. The Freedom from Religious Persecution Act could begin the desperately needed process of ending the legitimizing of such persecution. In my judgment, its passage would be an act of courage of historic proportions.

I am deeply grateful for your personal role.

Faithfully,

Cardinal O'CONNOR,
Archbishop of New York.

INTERNATIONAL CAMPAIGN FOR TIBET,
Washington, DC, May 13, 1998.

Hon. BENJAMIN A. GILMAN,
Chairman, Committee on International Relations, House of Representatives, Washington, DC.

DEAR CHAIRMAN GILMAN: It has come to my attention that some House Members are using a May 11 New York Times column by Anthony Lewis to advance the position that the Dalai Lama opposes ''The Freedom from Religious Persecution Act,'' scheduled for a vote in the House tomorrow.

It is the custom of the Dalai Lama not to take a position on specific U.S. legislation. However, he has been aware for many months of Frank Wolf's particular efforts to advance the issue of religious freedom in the Congress. In February of this year the Dalai Lama sent a message, which I enclose, to a Washington meeting on religious persecution which focused on strategies to advance the Wolf bill. I also enclose remarks he made this morning at the Wisconsin state legislature, the column mentioned above, and a letter to the editor from Rabbi David Saperstein taking issue with Mr. Lewis' ''misassessment.''

It would be unfortunate if the efforts of the International Campaign for Tibet, Students for Free Tibet and other U.S. Tibet support groups to bring attention to the fact of religious persecution in Tibet and to gain Congressional support for Mr. Wolf's bill were eclipsed by a misrepresentation of the Dalai Lama's views in the final hours of debate.

I hope you will share this information with your colleagues should the need arise.

Sincerely,

MARY BETH MARKEY,
Director of Government Relations.

MESSAGE OF THE DALAI LAMA

All religions teach compassion and aim to alleviate suffering. It is therefore no surprise that Christian men and women in the United States have taken on a campaign to end the suffering of those persecuted around the world for their religious faith. As a Tibetan and a monk, I am deeply gratified by the efforts you are undertaking to draw attention to China's policies in my country which are increasingly focused on the eradication of the Tibetan Buddhist culture.

While many people remember Mao Tse-tung's terrible admonition that ''religion is poison,'' few people understand that this remains China's policy on religion to this day, nor do they understand the insidious nature of that government's involvement in religion practice in China and Tibet. For example, in my country, monasteries and temples are under the purview of the Religious Affairs Bureau (a local government body), the local Communist Party Committee, Party work teams, and branches of police stations set up under the Public Security Bureau. Since 1959, almost every monastery has been overseen by a Democratic Management Committee (DMC) which manages the monastery's affairs including religious affairs, study, security and finances. These DMCs have supplanted the traditional role of abbot in guiding the religious and administrative functioning of the monastery.

The Tibetan people are deeply religious and suffer great cruelties for their faith. From the Buddhist point of view, this suffering is in itself a kind of teaching and benefits the spiritual growth of the individual. I know that suffering is of special significance in the Christian faith as Jesus himself took on the suffering of mankind. Your campaign to end religious persecution bears witness to the suffering of others, challenging devout men and women to recommit to the teachings of their faith, which includes the development of compassion, not just to friends, but to everyone. Again, I commend you for your compassionate work for peace in Tibet and in the world.

DEPARTMENT OF SOCIAL DEVELOPMENT AND WORLD PEACE,
Washington, DC, May 11, 1998.

U.S. House of Representatives,
Washington, DC.

DEAR MEMBER: I am writing to renew our support for the Freedom from Religious Persecution Act (H.R. 2431), which passed the House International Relations Committee by an overwhelmingly 35–1 vote.

The Freedom from Religious Persecution Act rightly links U.S. aid to a country's performance on religious liberty, a linkage that the U.S. Catholic bishops have long urged for the full range of fundamental human rights. This bill represents a modest step that reflects growing awareness that this vital human rights issue has too often been overlooked, and a growing conviction that core American values—including respect for religious liberty—must play proper roles in shaping the U.S. foreign policy agenda.

The Freedom from Religious Persecution Act, as revised, covers persecution against believers of all faiths in all countries. The bill provides appropriate responses to the most egregious forms of religious persecution involving widespread killing, torture, enslavement, forced relocation and the like. It ends military aid, sales and financing to some of the world's most brutal regimes that, in many cases, also violate the full range of fundamental human rights. The bill also ends most other forms of U.S. assistance, while exempting humanitarian and development aid to avoid indirect harm to those whom the bill seeks to help. It does not impose embargoes, but rather imposes modest, highly-targeted sanctions against specific governmental entities directly involved in egregious persecution.

In addition, the revised bill provides ample waivers for national security reasons and for cases where the president deems sanctions counter-productive. Finally, the revised bill contains other helpful features, such as improved training for asylum and foreign service officers.

As pastors of a universal Church we are all too familiar with the human face of religious persecution. That is why we respectfully urge you to support H.R. 2431 as a modest but valuable step toward relieving the plight of those who suffer solely for their faith.

Sincerely yours,

THEODORE E. MCCARRICK,
Archbishop of Newark,
Chairman, International Policy Committee.

RELIGIOUS ACTION CENTER OF REFORM JUDAISM,
Washington, DC, May 12, 1998.

DEAR REPRESENTATIVE: On behalf of the Union of American Hebrew Congregations and the Central Conference of American Rabbis, which represent 1.5 million Reform Jews and 1,800 Reform rabbis in North America, I write to express support for the Freedom From Religious Persecution Act of 1997 (H.R. 2431) and to urge you to vote for its passage when the full House considers the bill on Thursday, May 12.

We have been horrified by stories of religious minorities suffering brutal persecution at the hands of governments and local authorities. Tibetans are ruthlessly punished by the Chinese for simply owning a picture of their spiritual leader, the Dalai Lama; the Islamic government in Sudan commits atrocities against its Christian population including torture, rape and murder; and in Egypt, the Coptic Christian minority has been the target of Islamic fundamentalist violence. We cannot turn our back against innocent people whose sole ''crime'' is the expression of their deepest religious beliefs. Having so often been the victim of persecution, it is our duty and obligation as part of the Jewish community to not only speak out against the persecution of other religious groups around the world, but to take affirmative steps to prevent such persecution in the future.

The Freedom from Religious Persecution Act (H.R. 2431) works to protect people of all religions from persecution on the basis of their faith. The coalition supporting it is broad and unified, spanning the political

spectrum. The bill is not, nor does it purport to be, a solution to all violations of religious liberty around the world. It does, however, offer a serious important and modest tool for combating the most blatant forms of religious persecution and helping to improve the situation of millions who suffer simply because of their faith.

As committed as we are to combating religious persecution, the legislation as it was originally introduced was problematic for some of us. However, the bill coming to the House floor is substantially different from when it was introduced in September, 1997. The current version of the bill now addresses some of our most pressing concerns by: broadening the coverage of the bill to include all religious groups in all countries; moving the monitoring office from the White House to the State Department; providing a presidential waiver for sanctions when they would endanger the persecuted group; ending U.S. military aid, military sales and military financing to some of the world's most brutal regimes; broadening the exemption for humanitarian and development aid; and restoring some vital procedural safeguards for those seeking asylum from persecution on account of their religion, safeguards that we urge also be restored for those claiming persecution on grounds of race nationality, membership in a particular social group, or political opinion.

We urge you to support this bill and to oppose any major changes to the legislation when it comes to the floor on May 14th; in particular, to oppose efforts to change the definition of persecution, to eliminate the automatic sanctions requirement, or to weaken the refugee and asylum provisions.

I hope you will help pass legislation which represents a modest and long overdue effort to address vital human rights concerns.

Sincerely,

RABBI DAVID SAPERSTEIN.

ANTI-DEFAMATION LEAGUE,
New York, NY, March 19, 1998.

Hon. FRANK WOLF,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE WOLF: On behalf of the Anti-Defamation League, we commend your longstanding efforts on behalf of persecuted peoples and your leadership in introducing legislation that has already sparked action to raise the diplomatic profile of the issue internationally.

Enactment of the Freedom from Religious Persecution Act will strengthen our nation's hand in dealing with countries which torture and oppress individuals on the basis of their faith. It would codify the kind of increased reporting and training of U.S. personnel that will be critical to monitoring and addressing this horrific problem.

We welcome recent modifications in the legislation which take into consideration both the safety of victims on the ground and the disparate circumstances in which persecution may occur. While the mechanism created by the bill was always designed to protect all persecuted peoples, the language now makes clearer that it is inclusive of all faiths. Also, the bill seeks to safeguard protections already in place for victims of all human rights abuses.

ADL supports addressing all forms of oppression with equal vigor, but also recognizes the value of spotlighting problems such as religious persecution which is a bellwether for how countries behave on other fronts. We view this legislation as an important tool to make religious freedom a more prominent factor in U.S. diplomacy. As the bill moves forward, we are open to exploring further refinements that may ensure that U.S. policy will alleviate the suffering of victims in the most forceful and effective manner possible.

Sincerely,

HOWARD P. BERKOWITZ,
National Chairman.
ABRAHAM H. FOXMAN,
National Director.

THE SALVATION ARMY,
Alexandria, VA, March 10, 1998.

Re Freedom from Religious Persecution Act (H.R. 2431).

Hon. FRANK R. WOLF,
241 Cannon House Office Building,
Washington, DC.

DEAR FRANK: I urge you to support the captioned bill.

The Salvation Army serves in 103 countries around the world. We see enough evidence of documented religious persecution to know it is important for the United States to take a moral stand, which hopefully can bring some relief to those who are suffering because of their beliefs.

You have many matters that require thought, prayer, and action. I urge you to consider supporting this legislation.

May God bless you.

Sincerely,

ROBERT A. WATSON,
National Commander.

FOOD & ALLIED SERVICE TRADES,
Washington, DC, May 13, 1998.

Hon. FRANK R. WOLF,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE WOLF: I am writing to express my support for H.R. 2431, the Freedom From Religious Persecution Act of 1998. This bill would improve the monitoring of religious persecution and provide for the imposition of sanctions against countries engaged in a pattern of religious persecution.

Sadly, people of faith continue to be tormented in many countries. By simply exercising their beliefs they risk bodily harm, prison, and sometimes death. Your bill reaffirms the idea that this country stands in support of basic human rights and human dignity and that our national interest transcends narrow economic advantage. It places the United States on the side of the oppressed, not the oppressors.

You are to be commended for your leadership on this issue, and I hope this bill receives favorable consideration by the House.

Sincerely,

JEFFREY L. FIEDLER,
President.

The SPEAKER pro tempore (Mr. KINGSTON). The Chair would remind the gentleman from Florida (Mr. DIAZ-BALART) he has 9 minutes remaining, and the gentleman from Ohio (Mr. HALL) has 18 minutes remaining.

Mr. DIAZ-BALART. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, first of all, let me say that I am very proud to be a cosponsor of H.R. 2431, the Freedom From Religious Persecution Act. The Subcommittee on International Operations and Human Rights, of which I am privileged to serve as chairman, has held extensive hearings on the subject of religious persecution, including hearings on the rising tide of persecution of Christians, and the rising tide of worldwide anti-semitism. We have heard riveting and revolting first-person account testimony of the torture of Tibetan Buddhist monks and nuns, of atrocities against Muslims in Bosnia and East Turkistan, and of Baha'i in Iran.

The time has come, Mr. Speaker, not just to talk about the problem of religious persecution—talk is often cheap—but to do something about it. The gentleman from Virginia (Mr. WOLF), a hero of the human rights movement, has clearly shown us the way.

During the course of the legislative process, the gentleman from Virginia worked closely with a broad coalition of evangelical Christians, Jewish organizations, the United States Catholic Conference, and the International Campaign for Tibet, in order to improve the bill. It has truly been, I say to my colleagues, a work in progress. We worked very hard to incorporate meaningful reforms and language that were suggested by the administration. As a matter of fact, I offered the amendments during markup in full committee that makes it very clear that it is the Secretary of State and not the director who makes the final call. That was a recommendation that came from the White House, and I think the bottom line is that it probably improves the bill.

We also made it very clear—and I offer this as well, because there was some ambiguity, although never at all is the intent of the gentleman from Virginia (Mr. WOLF)—that this bill applies to everyone, Christians, Jews, Muslims, Hindus, religious believers of every and any faith, and I think it is important that that be underscored this morning.

Let me repeat, we not only focused on persecuted Christians, but also on persecuted Muslims. For example, the bill contains a specific finding suggested by the gentleman from California (Mr. ROHRABACHER) with respect to the Uighur, an overwhelmingly Muslim ethnic group in the formerly independent Republic of East Turkistan, who are now severely persecuted by the Communist Government of China.

The bill also makes crystal-clear that in affording heightened protection for members of religious communities whose situation is particularly compelling, the Freedom From Religious Persecution Act will not sacrifice any of the protections currently afforded to victims of other forms of persecution, whether it be on religious grounds or for any other reason. There is no hierarchy of human rights. That is an absolutely bogus contention. Every time we pass a human rights bill, we are saying we want to focus on that, we want to advance the bill to protect a persecuted or somehow disadvantaged group of individuals around the world.

I truly believe that we finely tuned and carefully calibrated the sanctions in this bill, and I would remind Members and ask them to read the bill. We

are not talking about discrimination, as bad as that is; we are talking about persecution. We are talking about people who have severely suffered for their faith.

We also have a waiver. The waiver states, and there are two waivers, that if the national security interests of the United States justify a waiver, the President has that option, or if such a waiver will substantially promote the purposes of this act, so there are two good waivers contained in this bill.

Mr. Speaker, I do ask Members to support the rule, and I hope they will support the underlying bill when it comes up on the floor.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Speaker, last weekend in Marietta, Ohio I had a chance to talk with the newly appointed Chinese ambassador, and I raised with him the issue of Christians and others of religious faith who are imprisoned in China. He denied that that was the case. Following that exchange, a young student attending Ohio University came to me and thanked me for raising the issue, saying that he had been a part of the Tiananmen Square student uprising, and he could attest to the fact that China imprisons people of faith.

It is almost impossible for us to imagine a place where worship and fellowship is illegal, but The New York Times has reported and others have substantiated that for people who live in China and other oppressive countries, religious persecution is a constant reality.

The Chinese Government likes to claim that it allows religious pursuits and only arrests Christians who are troublemakers. But what they do not say is that the so-called churches they point to, the State-sanctioned churches, are actually under the control of the Communist Party. China prohibits Christians from worshipping in any churches except those they deem patriotic ones, that submit to the Communist Party's religious domination, registration, regulation, control of clerical appointments, and censorship reached to the pulpit and to the altar, like forbidding the Second Coming of Jesus Christ.

China is by no means the only country that denies religious liberty. The Government of Sudan, for instance, uses tactics such as slavery, forced conversion, starvation, torture and the kidnapping of children against Christians and even Muslims they do not agree with.

All of this is why I urge support for the Freedom From Religious Persecution Act. This act seeks to use America's leverage as the world's only superpower to pressure oppressive countries into allowing more religious freedom. If we do not act, who will? If not now, when?

Mr. DIAZ-BALART. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Utah (Mr. COOK).

Mr. COOK. Mr. Speaker, I rise in support of The Freedom From Religious Persecution Act. This bill clearly puts America on the side of religious liberty. Why should America give economic aid to countries that oppress and persecute people just because of their religion? The thought that a country can have widespread government-tolerated, and in some cases, government-sponsored religious oppression and still receive U.S. aid is an absolute travesty. While this bill will stop nonessential aid to offending governments, it does allow continued humanitarian and agricultural aid, so it will not hurt the people it aims to help, and it gives the President broad authority to grant a waiver if sanctions are deemed counterproductive. Clearly, this is a very balanced and a flexible bill.

Many of our forefathers came to America to escape the same kind of religious intolerance this bill will help to stop. So of all of the free Nations of the world, we should have the strongest policy of supporting religious freedom. I urge my colleagues to support this very important measure.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume to say in closing that this is a good bill, it is an important piece of legislation. The gentleman from Virginia (Mr. WOLF) has provided great vision and direction in this, and along with the gentleman from New Jersey (Mr. SMITH) and the gentleman from New York (Mr. GILMAN), they have given it great support and direction. I urge support of the rule and of the bill.

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

Mr. DIAZ-BALART. Mr. Speaker, I thank the gentleman from Ohio (Mr. HALL) and others, and especially the gentleman from Virginia (Mr. WOLF) who worked so hard on this legislation, so diligently.

In the last weeks we have witnessed a series of diplomatic gestures which served as blank checks of acceptance for the actions of tyrants and thugs. The U.N. Human Rights Commission failed to take up a resolution on China completely. The U.N. Human Rights Commission voted down a resolution condemning the tyranny in Cuba, despite an increase in repression there in recent months.

The President, as I mentioned before, is going to be received officially in the next weeks when he goes to Communist China at Tiananmen Square. There can be no clearer message to the Chinese people of what that means in terms of acquiescence to the conduct of that regime, of brutality, and of inhumanity.

□ 1200

This very week the First Lady is going to stay in the same hotel in Geneva as the Cuban tyrant. Is there no other hotel that could have been chosen by the Government of the United States in Switzerland? What kind of message does that send to the ongoing repression that is being suffered at this point by the Cuban people?

I remember Dr. Veguilla, a constituent of mine now, who was expelled from Cuba because he was an evangelical; and he still is an evangelical minister. Because of his religion and his activities in Cuba, he was placed by the Cuban dictatorship in a cell with a bear as a form of tyranny.

It is to the Dr. Veguillas of the world who, today we say, we remember you, the United States of America stands with you and the conduct of brutal regimes made up of thugs will not only not be acquiesced, but will be condemned by the people's House, in representation of the sovereign people of the United States of America.

I would urge passage of this rule and passage of the underlying legislation, Mr. Speaker.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. KINGSTON). Pursuant to House Resolution 430 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. 2431.

□ 1201

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. 2431) to establish an Office of Religious Persecution Monitoring, to provide for the imposition of sanctions against countries engaged in a pattern of religious persecution, and for other purposes, with Mr. LAHOOD 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 New York (Mr. GILMAN) and the gentleman from Indiana (Mr. HAMILTON) each will control 30 minutes.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

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

Mr. GILMAN. As we begin today's historic debate, Mr. Chairman, on the Freedom From Religious Persecution Act, I want to commend the gentleman from Virginia (Mr. WOLF) for his outstanding work in drawing attention to the problems of religious persecution around the world, and for introducing this legislation to permanently enlist the United States in the fight against persecution.

The tireless efforts of the gentleman from Virginia (Mr. WOLF) on behalf of persecuted religious believers has been an inspiration to all of us and a blessing for followers of all faiths.

Mr. Chairman, I also want to commend the gentleman from New Jersey (Mr. SMITH), the distinguished chairman of our Subcommittee on International Operations and Human Rights, for his unwavering support of human rights around the world and for his diligent efforts on behalf of this important legislation.

Mr. Chairman, let there be no doubt that the results of the passage of H.R. 2431, the Freedom From Religious Persecution Act, is going to be felt around the world. That is what is intended. While reaffirming our Nation's commitment to the vital protection of religious rights, it also sends a long overdue signal to repressive governments that their repulsive behavior is no longer going to be overlooked. We are not just going to talk about it.

Persecuted Christians in Sudan, in China, North Korea, Cuba, Laos, Vietnam, Indonesia, Saudi Arabia, Pakistan, and other nations will be encouraged in their struggle to freely practice their religion when they learn that world opinion is awakening to their plight. They will take comfort from the knowledge that at least our Nation will stop providing economic assistance and taking other actions to prop up the very governments that have been oppressing them.

I am aware that H.R. 2431 has been criticized as a ''sanctions bill'' by those who are concerned about making a profit by trading with tyrants, and that it has become fashionable in some circles to disparage economic sanctions as retrograde and being ineffective and, indeed, even as being isolationist.

Those who espouse that view conveniently forget that economic sanctions contributed significantly to our Nation's triumph in the Cold War, and that the bipartisan policy we followed for nearly 50 years of resisting communism around the world was the most internationalist policy our Nation ever followed.

Sanctions helped bring about the end of apartheid, and the threat of U.S. sanctions is today one of the most important tools we have in the combatting of international drug trafficking, and to discourage the proliferation of weapons of mass destruction.

Mr. Chairman, I ask Members to please bear in mind that the purpose of this bill is not to impose sanctions on foreign nations that engage in or condone religious persecution. The main purpose is to encourage countries to stop persecution. The degree to which sanctions are actually imposed under this measure will be the degree to which the bill has failed. The degree to which sanctions are not imposed will be the degree to which it has succeeded.

Our sanctions are targeted to make certain that only oppressive governments will be denied foreign aid and other U.S. benefits, not the innocent people who live under such governments. Humanitarian assistance will never be cut off under this measure.

This bill, Mr. Chairman, is intended to make the world a better, more humane place in accordance with the finest moral values and traditions of our Nation. Accordingly, it deserves our full support, and I urge its adoption.

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

Mr. HAMILTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to H.R. 2431.

Mr. Chairman, we all agree that the United States should do more to promote religious freedom around the world. I think everyone in this Chamber wants to do that. I believe that the bill that is before us is brought forward with the very best of intentions. The question is, what is the best way to accomplish our objective? I do not believe this bill, as presently drafted, is the best way. I will oppose it.

I oppose it, really, for three reasons. First of all, I think the bill will do very serious harm to the United States' national interest. The United States' national interest in any country is multifaceted, but this bill forces the President to conduct American foreign policy toward countries on the basis of a single standard, tolerance of religious freedom, as defined in the bill.

The mandatory, automatic sanctions in this bill sharply restrict the President's ability to conduct foreign policy. A determination of religious persecution would automatically trigger all of the sanctions listed in this bill. Even if the President chose to waive the sanctions, such a determination would damage relations with countries of enormous importance to the United States.

The bill will deprive the President of the ability to determine what to condemn and how to condemn it and how to deal with it. We are saying in this bill that there is only one way to deal with this problem; that is to apply sanctions.

Foreign policy is not that simple. In making sanctions decisions, this bill gives the Secretary of State no authority to balance our concern about religious persecution against any other national interest, not our economic stake in a foreign country, not our security interests, not even our interest in promoting other basic human rights.

The Secretary of State has no authority under this bill to exercise judgment about how best to promote religious freedom in any particular country. The Secretary would be compelled to impose sanctions. The sanctions waiver does not mitigate the automatic public censure this bill requires, so the bill gives the President a single tool, sanctions, to promote religious freedom.

On a question of immense complexity in every country, this bill shackles the United States and says, automatic sanctions is the answer. I think it harms our ability to promote religious freedom.

Let me try to give Members some examples of what this bill will do. In Egypt there are, of course, reports of abuse against the Coptic Christians. How would automatic sanctions against Egypt help Coptic Christians whose leaders are opposed to this bill? How would automatic sanctions against Egypt, the first and most important Arab country to make peace with Israel, help the peace process at this moment in time?

Or let us take Saudi Arabia. Christians have been beaten there, services stopped, converts have been beheaded. How would sanctions against Saudi Arabia advance the vital U.S. national interest in the secure flow of oil? How would sanctions promote the goal of containing Saddam Hussein and enforcing U.S. Security Council resolutions against Iraq?

Or Pakistan? Right now we are making every effort, at this moment in time, to persuade Pakistan not to conduct nuclear tests. Automatic sanctions would make that difficult to ask, even much more difficult. If we impose automatic sanctions, what chance do we have that the Pakistanis would pay any attention to us?

Likewise, a similar situation in Indonesia. Catholics are persecuted in East Timor. The State Department says that every single country in Southeast Asia, except Australia and New Zealand, could be sanctioned under this bill.

Would sanctions help the United States address the financial crisis in Indonesia and in Asia today, with the threat that that poses to the entire world's financial system? How would a financial collapse promote religious tolerance?

On and on we can go, in Germany, in Greece, and even in Israel. In Israel, Jehovah's Witnesses have been threatened and attacked, and their meeting hall was firebombed. Is it really in the U.S.'s interest to apply automatic sanctions on our friend and staunch ally, Israel, because of such incidents?

This bill places the question of religious persecution ahead of every other question in American foreign policy, and I think it is going to cause harm to the American national interest.

My second objection is that the bill will harm and not promote efforts to protect religious freedom. This is not some kind of theoretical concern that I am spinning here. We have heard from churches and evangelical groups with tens of thousands of missionaries. We have heard from people like Ned Graham, Billy Graham's son, who heads a major Christian mission in China.

What do these religious leaders say? They do not like the bill. They worry that sanctions will produce a backlash against the persecuted religious community that they are trying to help. The bill will put greater pressure on minority religious communities, and these minority communities will be accused of complicity in American sanctions.

The third reason I oppose this bill is because it creates a damaging hierarchy of human rights violations. What this bill does is it makes religious persecution the top priority of human rights and human immigration policy. This bill says that religious persecution is more important than any other kind of persecution: more important than female infanticide, more important than racial discrimination, more important than press censorship, more important than ethnic cleansing. None of these equally serious rights abuses would be monitored by a special State Department office and punished with its own unique set of sanctions.

It is a mistake, in my view, to establish a hierarchy of human rights violations in U.S. law, and when we state that one form of persecution takes priority over another form of persecution, we invite governments to test our tolerance for other forms of persecution.

In conclusion, Mr. Chairman, may I say that I think it is appropriate and important for Congress to address this important issue. I want to say that the sponsors of this bill have been willing to make adjustments on it, and I appreciate that, and I hope they will be willing to make more.

I know it is very, very difficult for any Member to come into this Chamber and vote against this bill, but we need a bill that will not provoke a backlash against persecuted religious communities. We need a bill that will give the President and the Secretary of State the power to balance our interests in reducing religious persecution against the full range of important and even vital national interests, and we need a bill that gives the President the ability to craft an appropriate response to each distinct instance of religious persecution. This is not that bill.

Because it falls short in these key respects, the President's senior advisers will recommend that he veto it, and I urge Members to vote against it.

Congress has before it other legislative proposals designed to promote religious freedom overseas. I am hopeful that we will ultimately be able to agree on a bill that has strong bipartisan support and the backing of the President, a bill to promote our shared objective of religious freedom, without the damaging consequences of this bill.

□ 1215

I urge a no vote.

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

Mr. GILMAN. Mr. Chairman, I yield 6 minutes to the gentleman from New Jersey (Mr. SMITH), distinguished chairman of our Subcommittee on International Operations and Human Rights.

Mr. SMITH of New Jersey. Mr. Chairman, I thank the gentleman for yielding the time to me and commend him for his great work on this, and the gentleman from Virginia (Mr. WOLF) as well.

Let us focus on exactly what kind of religious persecution this bill seeks to address. We are not talking about discrimination or harassment, although these are very bad things. This bill punishes only the worst of the worst: governments that engage in widespread, ongoing persecution that includes murder, torture and other particularly shocking forms of persecution. Let us look at what we mean by this.

To my left in the photograph is Palden Gyatso, a Tibetan Buddhist monk. Palden Gyatso testified at one of our subcommittee hearings and told us that the Chinese Government routinely uses electric shock guns, serrated and hooked knives, handcuffs and thumbcuffs treatment and other forms of torture. He showed us some of the torture implements that have been used against himself and other prisoners of conscience in Tibet. Other witnesses at the hearing included Harry Wu and Katherine Ho who corroborated the monk's testimony. Their witness to torture brought tears to my eyes.

On October 10, the second picture, a mob destroyed several Christian churches in Situbondo, Indonesia. At the time, some official sources maintained that this might not be religious persecution, that the churches just might have been random targets. But the slogans that were painted on the church by the people who burned it (the translation is ''Jesus Excrement''—and they used a word far worse than that—''Mother Mary Communist'') leave no room for doubt.

The third picture, this was a church in which an elderly minister, his wife and two children and a young woman who worked at the church were burned to death. The next picture shows their charred bodies burned almost beyond recognition.

At the funeral of their five victims, the caskets had to be closed because the persecutors had done their work so well.

This next picture, Mr. Chairman, is the last view of Reverend Noor Alam, a Christian clergyman who was murdered in front of his family in Pakistan by a mob who first brought down the walls of his under-construction church building on December 6, 1997, and later killed him by lynching. Lynching has become increasingly common in Pakistan in recent years, as have convictions of Christians and other religious dissenters for blasphemy. The most recent tragedy to result from this spiral of violence was the death of Catholic Bishop John Joseph, who took his own life in public protest after a member of his diocese was sentenced to death for blasphemy. At Bishop Joseph's funeral, the mourners chanted, ''End persecution of Christians.'' The police fired tear gas and bullets that wounded three people, including a young girl.

Picture No. 6 on my left, this picture is of a Sudanese Christian boy in a refugee camp in Kenya. A member of a congressional staff delegation, led by my staff director, Joseph Rees, asked him why he was afraid to return to Sudan. He said, ''Because I want to see.'' If Members look closely, his eye has been plucked out. The staff member asked who tortured him. He said they did it because of his religious beliefs.

Mr. Chairman, let me speak briefly to two objections raised by the administration in their talking points against the bill. First, they say that by protecting victims of religious persecution in a bill that does not address other human rights violations, we are establishing a so-called hierarchy of human rights. This is a bogus argument and unworthy of those who employ it. The argument clearly ignores some very basic facts about the legislative process. Not every bill can address every subject. By addressing one urgent problem in this bill, we are not denying the existence of other urgent problems that should be addressed by other legislation or by other means.

Under the administration's argument, it would have been wrong to enact the Jackson-Vanik amendment which protected freedom of immigration and had the laudatory consequence of protecting Soviet Jews and others who had been denied right to emigrate. We risked superpower confrontation with the Soviet Union because we believed Soviet Jews mattered and we would never again turn our back on persecuted Jews?

Not even the anti-apartheid sanctions against South Africa in the 1980s, which I supported and voted for would pass the test proposed by the State Department's talking points, because those sanctions were designed to help victims of racial discrimination and racial persecution but did not address freedom of religion or other important human rights. Frankly, if we stuck to the administration's talking points, no important human rights legislation would ever pass because no bill, no matter how good, can do everything.

Next, the administration suggests that it is wrong for Congress to enact what they call ''automatic sanctions''—sometimes they call them ''one size fits all'' sanctions—even against the most brutal governments. But we have to wonder whether whoever wrote those talking points had actually read the bill. The sanctions are not automatic. They will not go into effect if the President waives them, and he can waive them for either national security reasons or because he believes that the waiver will serve the objective of promoting religious freedom.

Let me just remind my colleagues, this is a very generous waiver. The only way we could go further would be to give the President the freedom to do absolutely nothing at all in the face of severe, widespread and ongoing human rights violations and persecution. In evaluating legislation that deals with persecution of any kind, we must always remember that tyrants understand strength. They also understand weakness. Of all the millions of people who are victimized by tyrants around

the world, many are in trouble because they share our values. This bill is designed to help our brothers and sisters around the world who have faith and suffer because of it.

Wei Jingsheng, who also testified before our subcommittee, a great leader of human rights who spent his life in the gulag because of it, said: ''If I did not see it myself, even I could not imagine the shameful and despicable means the Communists use against religious believers.''

Religious persecution is on the rise. This bill puts us on a track of saying we will no longer look the other way. We will stand up for those brethren who are suffering.

Mr. HAMILTON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Chairman, first of all, I would like to associate myself with the remarks of the gentleman from Indiana (Mr. HAMILTON). He stated the case about as well as one can. The problem that this bill creates for me is that it pits individuals one side on the other, as though some Members are in favor of religious persecution and do not want to do anything about it and other Members really care and they want to do this.

The problem with that argument is that it is not clear what automatic kinds of sanctions really do. We are presently in the midst of automatic sanctions under the nuclear explosions in India. We are very likely to have automatic sanctions against Pakistan. And the question is, how many, what is the ramification of that when we give the President no flexibility to tailor or to craft a response to an event that all of us deplore? There is nobody on this floor that thinks India should have exploded nuclear devices, absolutely none. The question is whether or not the President has the ability to craft.

The bill before us says, on page 21, the President shall instruct the United States executive director of each multilateral development bank and the International Monetary Fund to vote against and use his or her best efforts to deny any loan or other utilization of funds of their respective institutions.

It also talks about the Eximbank.

Now, what we are talking about here? Let us just take Indonesia. We have the largest Muslim country in the world in tremendous chaos. Their currency is in real problems, and the International Monetary Fund has been working with them under our leadership to gradually give them money when they make changes. We have pushed on the issue of corruption. We have pushed on a number of issues. And what we are saying is, we are going to back out of Indonesia and leave it, leave the President no way to deal with that.

I think this is wrong to put the President of the United States in that position. Therefore, I will vote against it.

Mr. GILMAN. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas (Mr. ARMEY), our majority leader, a staunch advocate of human rights and religious freedom throughout the world.

Mr. ARMEY. Mr. Chairman, I thank the gentleman from New York for yielding time to me.

I want to personally, if I may, personally thank the gentleman from Virginia (Mr. WOLF) for his work on this legislation and his uncompromising commitment to move it through the House. I would like to appreciate the work of the Committee on International Relations, the Committee on the Judiciary, and the Committee on Ways and Means.

This bill has been examined from every possible angle. It is prepared. It is ready. And while it is assertive on the question of religious liberties and freedom from religious persecution, it is also mindful of and respectful of the affairs of state with respect to matters of less importance in the lives of people, matters such as monetary systems and trade relationships.

It does allow flexibility.

Let me just focus for a moment on the essential purpose of this bill. The purpose of this bill is for this great Nation to stand before the world and say we cannot condone and we will not tolerate nations that persecute people on the basis of their practice of religious faith. That is not only fundamental but I think is absolutely prerequisite to and essential to our observation of all of our liberties.

As we study the religions of the world, in each and every case the religions of the world define, in the hearts and the minds of their practitioners, the fundamentals from which other understandings of rights, liberties, and responsibilities are gathered.

In my own faith, we know beyond a shadow of a doubt that freedom is a right granted to us by God Almighty, our Creator. And from our recognition of that and our desire to honor that, we develop an appreciation of, a respect, a practice of and a requirement for so many other liberties.

I do not want to stand before my colleagues as an economist and say that monetary systems are not important, that systems of trade are not important. Of course, these things are important. But let me ask my colleagues: Would you not allow others to say and would you not endorse all others across the Nation to say what you know and I know we would say in our own heart and for our own life? If you take away from me the right to my faith, can these other things even matter?

Without the right of each and every person on this globe to know they are free, respected, supported and honored to practice their faith, most certainly they will be lost and in the end so will we. So let us stand together in support of this legislation, and with a clear declaration we require for all the peoples of the world the same respect, freedom, and dignity we require for ourselves.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. HOUGHTON).

Mr. HOUGHTON. Mr. Chairman, I thank the gentleman from Indiana (Mr. HAMILTON) for yielding the time.

First of all, I want to say that this is a very, very difficult subject because it digs right down into our emotions, our religious beliefs and what is right and what is wrong.

I have tremendous respect for the gentleman from Virginia (Mr. WOLF) and I am sure he is a far better Christian than I am. I am sure he really has thought through this thing very carefully. I just come out on a different side of this thing.

I talked a little bit about this last night, so therefore I will not go into all the sort of philosophic background here. I just would like to make a few points.

First of all, there is not anybody that I know of who likes persecution, particularly those people who are being persecuted. The worst kind of persecution, of course, is religious persecution.

□ 1230

And we would all like to have it stopped, period, end of it. The question is how do we get at it?

It seems to me that when we want to help somebody, we should make sure that the people we want to help want to be helped. That is a sort of a basic human axiom. And the research I have done and the contacts I have made, particularly through the National Council of Churches, or through other friends I have had in the world, I have traveled around to different parts of this world and talked not only to business and political, but also religious leaders, not a single religious group wants this.

So I am saying, why are we doing this? Why are we superimposing our feeling of guilt upon people who do not want us to get involved?

Now, there are a lot of horror stories, and I am sure I can give them on either side, but the question is, do we want to put ourselves in a position of sort of being post-colonial arbiters of what is right and what is wrong as far as religion is concerned?

People are scared. Dr. Billy Graham's son is scared for what will happen in China. I know some of the people in Russia are scared of what will happen there. I know people in Sudan are scared. I have talked to somebody who is the titular head of 29 million Muslims in Indonesia; they are scared of what the United States is doing.

There are always horrifying acts. We had one in Waco. Obviously, there was one in Israel when Prime Minister Rabin was shot. But these are fringe religious groups, and no government can control fanatical religions. It is wrong to, therefore, label a government because of those fanatics.

We must be sure that as we reach out to the rest of the world, we are attuned to what they need, what they want,

what are those things which are so important to them, not just how we approach it. Because it is those people that we will affect.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself 15 seconds to very briefly respond.

A large number of national and international religious groups support this legislation, including the B'nai B'rith, National Association of Evangelicals, the U.S. Catholic Bishops' Conference, the Anti-Defamation League, the Southern Baptist Convention on Ethics and Religious Liberty, the National Jewish Coalition, the International Campaign for Tibet, the Religious Action Center for Reformed Judaism, the Union of Orthodox Congregations of America, Campus Crusade for Christ, the Seventh Day Adventist Church, the Salvation Army, National Religious Broadcasters, and I can go on and on. But large numbers of religious bodies wholeheartedly embrace this legislation.

Mr. HAMILTON. Mr. Chairman, I yield 30 seconds to the gentleman from New York (Mr. HOUGHTON).

Mr. HOUGHTON. Mr. Chairman, I am sure those people the gentleman just referred to feel very deeply about this, but I want to say in response to that that I have not had a single letter from anybody other than Washington or New York who has espoused this. None from overseas.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. WOLF).

Mr. WOLF. Mr. Chairman, I have a letter from Wei Jingsheng, who spent 17 years in prison, who was earlier with us today. He said, ''I strongly believe that the freedom of religious belief is one important component of man's fundamental human rights.'' And he goes on to say, ''The true situation may be difficult for Americans to imagine, and it is difficult for the Chinese to imagine. If I did not see it myself, a man in prison for 17 years, I would not imagine the shameful and despicable means.''

Many of these groups around the world all support this bill, but they are afraid to come forward because if they do, they may very well be killed. We get communication daily from groups in all these countries that say they support what we are doing, but they are afraid to come forward publicly.

Mr. HAMILTON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Tennessee (Mr. CLEMENT).

Mr. CLEMENT. Mr. Chairman, I commend my colleague, the gentleman from Virginia (Mr. WOLF), for his passionate advocacy for the persecuted and for bringing this to our attention.

I have had the opportunity to participate in the debate in the committee on this most important issue. I do think this bill is important for all of us in dealing with these tragedies.

I stand before my colleagues in support of this legislation, knowing that religious persecution is a problem in this world. And we always have to remind ourselves why the United States of America was created. How did it get its roots? Why did people come to the United States? And let us always be respectful to all religions and all faiths and all beliefs in the world.

Nearly 2 years ago I cosponsored House Resolution 515, condemning persecution of Christians worldwide. Since that time I have been closely involved in trying to craft better policies for us to address religious persecution worldwide. I wholeheartedly support the attention that this bill has brought to the issue and a number of its provisions, particularly in training our foreign service and immigration officers.

Still, we have more progress to make to reach our goal of the most effective, comprehensive legislation possible. We must address, report on and respond to religious persecution not only at its most violent stage of rape, murder and torture as defined in this bill, but before it escalates to such terrible levels.

We must also have more tools to address persecution rather than sanctions only in an all-or-nothing approach policy for all countries in the world. Sometimes the means will be diplomatic, sometimes economic, but let us look at all the foreign policy tools to bring about changes in the world and end religious Christian persecution in the world that does exist.

Support the Wolf legislation.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the gentlewoman from Washington (Mrs. LINDA SMITH).

Mrs. LINDA SMITH of Washington. Mr. Chairman, I first want to stand and show strong support for the chairman, and I believe that this particular sponsor, the gentleman from Virginia (Mr. FRANK WOLF), is doing something that all America wants him to do. He is saying that all policy in America has to have a heart and all policy has to have a conscience.

This bill says that all constructive engagement, as the President likes to say, will keep in mind the religious freedom of all people.

Now, earlier today several speakers have said this takes away all the latitude from the President. This bill is drafted in a way that the moment his administration makes a recommendation that there is gross, very strong religious persecution in a country and there should be sanctions, he can immediately say no to the sanctions.

It just simply says that he has to stop being silent. It simply says that we as a Nation will declare that religious persecution, that persecution of any kind, is wrong; that this is an America that stands for freedom, for liberty, and for religious liberty. These are the things America stands for.

Now, the President calls for constructive engagement, and yet he is silent on harvesting livers and corneas from religious and political prisoners in China. Is this constructive engagement? He was silent on the Tibetan monks being tortured and murdered because of their faith. He has been silent on the Government of Sudan intensifying attacks upon Christians and tribal faiths.

I guess if that is the policy, we need this bill, because although it does not do a whole lot toward making the President do anything, it does make him break his silence on all of the things that are going on in the world. Whether it be in China, whether it be in Pakistan, if America does not stand for freedom, if America does not stand for the worker and the family all over the world, then what is America?

I say today that this bill does one thing: It says America has a conscience and America has a heart, and I think we should pass it today.

Mr. HASTINGS of Florida. Mr. Chairman, I yield 1 minute and 10 seconds to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in opposition to this bill.

I appreciate the many changes that its sponsors have made to prevent it from having the devastating impact it would have had in its original form on our trade and security interests and on our ability to provide the leadership the world needs to prevent the very persecution the bill seeks to punish.

I oppose the bill because it is fundamentally flawed. It would force the United States to treat government-sponsored or -permitted persecution, that is, killing, imprisonment, enslavement, forced mass relocation, rape, torture and the confiscation of property differently if these crimes were committed against people for their religious beliefs than if these crimes were committed against people for their political beliefs or for ethnic cleansing. That is just not right.

American foreign policy has always opposed religious persecution, political oppression, ethnic cleansing policies. It is profoundly unwise to adopt a policy that implies that government-supported persecution is more acceptable if used for political oppression and ethnic cleansing than for religious persecution. This is what this bill would do.

This bill sets up a very bureaucratic mechanism that encourages an automatic sanctions process without any consideration as to whether or not the sanctions would hurt American interests or have any effect on the sanctioned country. Most seriously, it discourages the broader range of diplomatic and multilateral actions that would have a far greater impact.

Furthermore, government-sponsored persecution should provoke a far more comprehensive response than this bill envisions. Under current law we have the full range of diplomatic tools at our disposal, even recalling our ambassador and working to mobilize multilateral sanctions, always more effective a multilateral response than a single-nation response.

I appreciate how deeply troubled my colleague, the gentleman from Virginia (Mr. WOLF), is by religious persecution,

but I oppose setting up a separate bureaucracy, a rigid process to identify and respond to religious persecution as opposed to a comprehensive response to such violations of human rights for political and ethnic origin as well.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. PELOSI).

Mr. HASTINGS of Florida. Mr. Chairman, I yield the gentlewoman from California (Ms. PELOSI) 1 minute.

The CHAIRMAN. The gentlewoman from California (Ms. PELOSI) is recognized for 3 minutes.

Ms. PELOSI. Mr. Chairman, I rise today to commend the gentleman from Virginia (Mr. WOLF) for his leadership in bringing this legislation to the floor and to express my gratitude to him for giving us this opportunity today to speak out for American values.

It is interesting for me to hear some of our colleagues, who have always opposed any initiatives that we have on this floor on human rights in every aspect, political, freedom of the press, religious, to come to the floor now and say, oh, no, we cannot support this because it is only about religion and it creates a hierarchy. They were not there for us when we had the full array.

We have an opportunity today with this religious persecution act to begin to address the full array, and it is an opportunity that I believe we must take.

My colleagues have said no one likes religious persecution. Of course we do not, and I would stipulate that every person in this body is viscerally and intellectually opposed to religious persecution. But the business community is once again weighing in and saying, oh, this bill does not go far enough in terms of protecting human rights throughout the world. If this was not such a serious matter, that would almost be laughable. It is pathetic.

But, Mr. Chairman, I come to the floor today to say that what this bill does is give recognition to the persecution of people on the basis of their religious faith. What it does not do is tie the President's hands. Indeed, it gives the President more leverage. It gives him more leverage because he can then say to a country that this is what the Congress has said: I can exercise a waiver if I see that it would be beneficial to the cause and in our national interest. But the persecuting country must demonstrate that use of the waiver would be beneficial.

So I believe that this is appropriate. I think the Committee on International Relations did an excellent job in modifying the legislation so that it would have the support of many more people here who were concerned about the Presidential discretion.

Mr. Chairman, as we debate this bill today, I am sad to report that in China the Catholic bishop, elderly and frail Bishop Zeng Jingmu, 78 years old, who is the unofficial bishop of Yujiang, a diocese among the poorest in China, was at the top of the list of the jailed Catholics in China.

Perhaps my colleagues saw recently on May 10 the news in the paper that he had been released. Did my colleagues know that he was imprisoned for his Catholic beliefs? Maybe not, but, oh, there was great celebration when this was released. But released he was not; he was assigned to house arrest.

An elderly Catholic bishop whose health is failing, who had been assigned to 3 years in a reform-through-labor camp, was, in order to get some kudos from the Clinton administration, freed from the labor camp and put under house arrest.

The problems are severe. This legislation is modest and moderate. I thank the gentleman from Virginia for giving us the opportunity to vote our conscience today. I urge my colleagues to support the Wolf legislation.

□ 1245

Mr. HASTINGS of Florida. Mr. Chairman, how much time is remaining on each side?

The CHAIRMAN. The gentleman from Florida (Mr. HASTINGS) has 11½ minutes remaining. The gentleman from New Jersey (Mr. SMITH) has 11¾ minutes remaining.

Mr. HASTINGS of Florida. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Pennsylvania (Mr. ENGLISH).

Mr. ENGLISH of Pennsylvania. Mr. Chairman, while I salute the intention of the authors of this legislation, I rise to strongly oppose this bill, freighted as it is with unintended consequences.

This legislation would put our foreign policy and our trade policy on auto pilot to be dictated by an unelected bureaucrat in the bowels of the State Department. It would insert America into a surprising range of domestic policy disputes in Muslim nations where Shihites suppress Shunites, or vice versa, in Germany, in France, in Greece, in Turkey, Mexico, even in Egypt and Israel.

But most importantly, Mr. Chairman, if we are to pursue the dubious course of using clumsy, unilateral trade sanctions indiscriminately to change the domestic policies of our trading partners, why is it that under this bill we would restrict our ability to export to offending nations but not their ability to export to the United States?

This bill would increase our trade deficit. And in the end, the only human rights that this legislation is certain to affect is the right of many American workers to earn a living. Vote it down.

Mr. Chairman, I rise in strong opposition to H.R. 3806, the Freedom from Religious Persecution Act.

Like every American, I am committed to continued U.S. leadership on religious freedom. But, I am deeply concerned that this bill—however well intentioned—could backfire badly.

In addition, I am deeply worried that a one size-fits-all strategy, based on using unilateral U.S. sanctions to promote Christianity and religious freedom, could put American interests and security at risk.

If implemented, this legislation could impose U.S. sanctions over such longstanding allies as Israel, Saudi Arabia, Egypt, Turkey, Great Britain, Mexico, Greece and Germany.

This bill could also oblige us to impose U.S. economic sanctions on the world's key emerging powers—China and Russia.

U.S. sanctions could be profoundly destabilizing from the standpoint of ensuring continued global peace.

Scenario 1: Should the United States impose economic sanctions of Saudi Arabia—a key ally—because it has put down a riot by Iranian Shiites who are on pilgrimage to the holy sites of Mecca?

Scenario 2: Should the United States sanction Israel, because it has imprisoned Hamas terrorists who engage in violence against the innocent in the name of Islamic fundamentalism?

As Members of Congress, we need to look long and hard before we push America into each and every religious conflict through unilateral economic sanctions, which history shows can backfire on American interests.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2¼ minutes to the distinguished gentleman from Illinois (Mr. EWING).

Mr. EWING. Mr. Chairman, I wonder if I could join in a colloquy with the sponsor of the bill, the gentleman from Virginia (Mr. WOLF).

I am wondering if it is the understanding of the gentleman that under this bill there is no general prohibition of exports to a country which is deemed to contain responsible entities who are committing religious persecutions, as defined by the director of the Office of Religious Persecution Monitoring, but rather, the ban on export covers only those to the responsible entities themselves?

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. EWING. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, the gentleman from Illinois (Mr. EWING) is correct. Under this bill, exports of items other than persecution facilitating products are prohibited from being exported only to the responsible entities themselves, such as prisons or slave labor camps, as the case may be, and not to the country generally. Furthermore, under this act, ''responsible entities'' are to be defined as narrowly as possible.

Mr. EWING. So, then, if I understand the gentleman, if a farmer exports grain to a country that the director of the Office of Religious Persecution Monitoring deems to contain responsible entities engaged in religious persecution, and exports that grain to other parties either governmental or private that are not deemed by the Director to be responsible entities, the farmer has not violated this act?

Mr. WOLF. Mr. Chairman, if the gentleman would further yield, that is absolutely correct. Under this act, there is no blanket prohibition on exports but only exports to the responsible entities engaged in persecution.

Furthermore, I would point out to the gentleman from Illinois (Mr. EWING) that if a farmer or exporter exports grain to a country deemed to contain responsible entities engaged in religious persecution but sends the grain to a party other than a responsible entity, the gulag, that farmer or exporter has not violated this act even if the grain eventually reaches the responsible entity itself.

Mr. EWING. So there is no provision in this act that would punish the farmer or exporter if the product exported eventually reached a responsible entity?

Mr. WOLF. That is correct. There is no requirement that the exporter know or be responsible for the ultimate end user of his product, but only that the exporter does not export to those found by the director to be responsible entities engaged in religious persecution.

Mr. EWING. And is it the understanding of the gentleman that under this act there is no prohibition on P.L. 480, GSM, or other commodity-related aid from the United States Government to other nations under this act?

Mr. WOLF. Yes. Under the definition of ''United States assistance'' in this act, any assistance under the Foreign Assistance Act of 1961 is barred. However, this definition of ''United States assistance'' explicitly carves out an exemption for ''assistance which involves the provision of food, including the monetization of food.''

Mr. EWING. I thank the gentleman for answering my questions.

Mr. HASTINGS of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Chairman, I thank the gentleman for yielding. Mr. Chairman, I rise in opposition to H.R. 2431.

This bill, The Freedom From Religious Persecution Act, is a well-intentioned piece of legislation but it is sadly misguided. I think like every Member of this body, I share the belief that every individual, wherever they are in the world, ought to be able to practice their faith freely without fear of harassment or persecution. And if I believed for one minute that this bill would enhance that right, I would use every tool at my disposal to ensure its passage. But the sad fact is it will not. In fact, it may do the opposite.

The problem of this bill is the problem that is at the core of all sanctions legislation. It allows Members of Congress to feel like they are taking actions to solve the legitimate foreign policy problem, without taking any responsibility for the long-term consequences of their actions or the unintended impacts of this legislation.

My greatest fear is that this bill will actually lessen tolerance for religious freedom abroad. Let me explain why I say that. Today there are a large number of faith-based organizations performing missionary work abroad, organizations such as East Gates Ministries, working in China to distribute Bibles and provide religious training to the Chinese people. These people that work for these organizations, empowered by their faith, work daily under very harsh and dangerous conditions, subjecting themselves to the scrutiny and the whims of their host governments.

A bill such as The Freedom From Religious Persecution Act could seriously jeopardize their ability to continue performing missionary activities abroad. Imagine for a moment that they were a foreign government or a representative. All of a sudden they are singled out for condemnation and automatic economic sanctions by the United States because of their actions, even because of actions that are beyond their control, towards Christians, Jews, Muslims or any other religious sect.

In many nations the response is not going to be to openly embrace the criticism levied but to respond in more predictable ways, to rally around the flag, embrace their nationalistic roots, retaliate against those who antagonize them.

In fact, we are seeing this in India today. And by the way, if we had given away all of our sanctions on religious persecution in India, we would not have anything today to deal with the nuclear proliferation problem.

Mr. Chairman, I urge my colleagues to have the courage to vote no on this bill. Do not place the work of those who do missionary work abroad in jeopardy.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Pennsylvania (Mr. GOODLING) senior member of the Committee on International Relations.

Mr. GOODLING. Mr. Chairman, I thank the gentleman for yielding.

It has been said that the opposite of love is not hate but indifference. And unfortunately, American indifference to religious persecution lends our tacit, if indirect, support and approval of some of the most awful abuses of human rights, particularly abuses of a right we sometimes take for granted, which of course is the freedom of religion.

As a senior member of the House Committee on International Relations, I have heard a great deal of testimony about the persecution of individuals abroad, persecution based solely on religious beliefs.

In committee we heard about the atrocities committed by the Chinese Government against Tibetan Buddhists. We heard eye-witness testimony of frightened, weak, and near starving Tibetans who traveled hundreds of miles, often barefoot with nothing but the shirt on their back, over the cold and often deadly Himalayan Mountains into India to seek relief.

Most Americans would be shocked to learn that Christians in the Sudan are actually sold into slavery on a daily basis. Those Buddhist monks and others that I mentioned, the Chinese Government rapes, tortures, and murders them. The execution of religious minorities in Iran is almost commonplace.

The business community is concerned how economic sanctions will hurt American businesses abroad. And as chairman of the House Committee on Education and the Workforce, I take a back seat to no one in supporting American business. But as Americans who live under the protection of the first amendment, we must make it clear that the almighty dollar does not and will not take precedence over American values and morals, the beliefs upon which this great Nation was founded.

Religion is a very personal matter to me, and I am proud to be part of this exercise today.

Mr. HASTINGS of Florida. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California (Mr. DOOLEY).

(Mr. DOOLEY Of California asked and was given permission to revise and extend his remarks.)

Mr. DOOLEY of California. Mr. Chairman, we all rise today in opposition of religious persecution. There is not one Member of this House that does not abhor the religious persecution that we find all too often, far too frequently in many parts of the world.

But I guess where there is a fundamental difference is whether or not we are going to be most effective in turning back religious persecution by taking actions which further isolate some of the countries which are the worst perpetrators of that act.

Many of us contend that by engaging both economically, socially and culturally, we are going to be far more effective in ensuring that the citizens of the countries throughout the world will not be subject to the degree of religious persecution that now persists.

I rise in opposition to this bill today because I sincerely believe that we will be shutting the door on perhaps the greatest opportunity we have in order to improve the plight of people throughout the various countries of the world.

I think when I look at the issues of sanctions, that is what brings me to the greatest concern. Because I think all too often we have seen the implementation of sanctions that in fact have actually worked to the detriment of the very people that we are trying to help. And I am also very concerned that when we also take actions that are going to impose economic sanctions that are focused primarily on preventing the exportation of goods which are produced by working men and women of the United States, it is going to be our citizens who are going to be paying a good portion of the economic cost of this legislation.

We need to be diligent in our efforts to ensure that we are going to eliminate religious persecution, but let us not tie the hands of the administration, let us not tie the hands of our President. Let us not empower a director of this new department with the

sole responsibility of making a determination on which people are being persecuted and which portion or entity of the government is responsible for that entity.

I very much believe that this is a measure that once again will not advance the interests of freedom and religious freedom throughout the world, and I rise in opposition.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Chairman, I thank the gentleman for yielding. I rise in strong support of this legislation.

I want to first of all commend my friends the gentleman from Virginia (Mr. WOLF) and the gentleman from New Jersey (Mr. SMITH) for their very hard work on this bill. This is a very moderate and reasoned and sensible approach to a problem that is, unfortunately, growing very rapidly around the world.

I am pleased to be an original cosponsor, and I am also pleased that such a wide array of religious organizations have endorsed this bill.

Many immigrants came to our country over 200 years ago to practice religion as they chose and be free from religious persecution. And if we just look above the Speaker's rostrum, we see the words ''in God we trust.'' This serves as a reminder of how important religion has been and is to this Nation.

Religious freedom is one of the most basic of all human rights, one of the most basic human rights that any individual can have. This legislation does not apply to simply one religion or just one religion, it applies to them all. No matter what a person's faith or beliefs, people around the world should be able to worship as they wish, free from fear of abduction and enslavement, imprisonment, murder, rape, torture and so forth. And believe me, that is occurring around this world, those types of things, even as we speak.

I first became interested in this after reading a portion of Nina Shea's recent book called ''The Lion's Den.'' In that book Nina Shea said this, quote:

> Millions of American Christians pray in their churches each week, oblivious to the fact that Christians in many parts of the world suffer brutal torture, arrest, imprisonment, and even death, their homes and communities laid waste, for no other reason than that they are Christians. The shocking untold story of our time is that more Christians have died in this century simply for being Christians than in the first 19 centuries after the birth of Christ.

Mr. Chairman, I think this is deplorable. In addition, I read a recent interview by Michael Horowitz, a leader in speaking out against this persecution.

□ 1300

Mr. Horowitz, who happens to be Jewish, says in a recent interview, ''I am speaking out on behalf of persecuted Christians precisely because I am a Jew in the most deeply rooted sense. I see eerie parallels,'' Mr. Horowitz said, ''between the way the elites of the world are dealing with Christians who have become the scapegoats of choice for thug regimes around the world and the way the elites dealt with the Jews when Hitler came to power.

''Another parallel is the tongue-tied silence of the Christian community in the face of persecution. A similar silence was evident in the years leading to the Holocaust. Silence, anybody's silence in the face of persecution, is deadly. So for me'', Mr. Horowitz said, ''sparking our campaign for awareness in action is the most important thing I expect to do. What thugs did to Jews, they are now doing to Christians. Christians are become the Jews of the 21st Century.''

All faiths, Catholics, Protestants, Jews, people from all walks of life have joined in support of this very important bill. This is good legislation. I urge all my colleagues to support it.

The CHAIRMAN. The gentleman from Florida (Mr. HASTINGS) has 6½ minutes remaining, and the gentleman from New Jersey (Mr. SMITH) has 5 minutes remaining.

Mr. HASTINGS of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I realize that some Members are supporting this bill out of frustration with what they perceive as the apparent lack of progress on foreign religious persecution issues.

I would like to share with the body comments made in an editorial opinion by Samuel Berger, the President's National Security Advisor. Mr. Berger says what I believe is something critical that we need to pay attention to. He says that, ''Moreover, the more the United States is perceived as making unilateral, peremptory judgments on the performance of other countries, the less we will be able to work with those countries, including on issues of religious freedom.''

Mr. Chairman, I have had the good fortune, along with many Members in this body, to travel to a significant number of countries in the world. In each delegation that I participated in, be it in China or in Africa or elsewhere, we have raised the subject of religious persecution.

I traveled to China with the chairman of the Committee on International Relations, and the template of our remarks to all of the Chinese interlocutors had to do with religious persecution in China.

I traveled to China with the Speaker of the House. In each instance when we met, ranging all the way from the prime minister to the president to various persons that we were interlocutors with, each time, the subject of religious persecution was among our highest priorities, including those that we share with the concerns for the rule of law.

I traveled to China with the gentleman from Nebraska (Mr. BEREUTER), one of the most respected Members of this body. In each instance, the gentleman from Nebraska (Mr. BEREUTER) and myself and others traveling with us raised subjects of religious persecution.

So long as we are not making those peremptory judgments, so long as we are not acting unilaterally, we have been able to make some progress. With reference to this administration, it needs to be clear that there is more that can be done, but a lot has been done.

Last year, the President imposed sanctions on Sudan because of the persistent and severe persecution of Christians and others by the Government of Sudan. Religious persecution refugees, more than any other category of refugees, we are granting them asylum here in the United States.

The President sent 20,000 United States troops, and most of us in this body backed that effort, to Bosnia to keep the peace to help end religion-based conflict. Secretary of State Albright and other U.S. officials have raised religious persecution in numerous meetings with foreign officials, quiet and sometimes not so quiet.

Diplomacy has reaped dividends. Religious prisoners have been released in China. Christian Orthodox classes have been permitted in Turkey. I have seen evidence of substantial change in Kazakhstan and Uzbekistan, places where, we formerly knew them as of the Soviet Union.

The Secretary of State has also instructed all United States embassies to upgrade their reporting and advocacy on this issue. Later, I will introduce an amendment that will discuss what we might do to enhance the activities of our embassies with reference to advocacy on the issue of religious persecution.

In Austria and in Greece, United States embassies have succeeded in easing restrictions on religious practices. I, for one, have witnessed and talked with embassy officials in each of those countries and seen the evidence of their work.

The State Departments human rights reports now devote more attention to religious freedom. Procedures for reviewing asylum cases have been modified to increase sensitivity to religious persecution.

In January, the Secretary of State established a new assistant secretary-level coordinator position for issues relating to religious persecution. In essence, that is what this legislation is trying to do at, yet, another level.

I urge the administration to fill that position soon, and it would then allow that we are doing parallel activity with what the administration has done.

At the United Nations Commission on Human Rights, the United States has led the successful effort to create a special repertoire on religious intolerance. I can go on and on and on; I shall not at this time, Mr. Chairman.

We need a bill that will not promote a backlash against persecuted religious communities. We need a bill that will

enable the President and the Secretary of State to balance our interests in reducing religious persecution against the full range of important and even vital national interests.

We need a bill that gives the President of the United States the ability to craft an appropriate response to each distinct instance of religious persecution. This is not that bill.

Some of us, in an amendment that I offer, will be trying to make it a little bit better. But this bill falls short in key respects. Specifically, the President's senior advisors intend to recommend that he veto it. I urge Members to vote against it.

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

Mr. SMITH of New Jersey. Mr. Chairman, I yield 3½ minutes to the distinguished gentleman from Mississippi (Mr. PICKERING), a good friend and colleague.

Mr. PICKERING. Mr. Chairman, I rise in support today of the Freedom From Religious Persecution Act.

I would like to start my time by going back to the beginning of our Nation, correspondence between the Hebrew Newport congregation and a letter written to our first President, George Washington.

It says ''Deprived as we hitherto have been of the invaluable rights of precitizens, we now, with a deep sense of gratitude to the Almighty Disposer of all events, behold a government erected by the majesty of the people, a government which to bigotry gives no sanction, to persecution no assistance, but generously affording to all liberty of conscience and immunities of citizenship, deeming everyone of whatever nation, tongue, or language equal parts of the great government.''

George Washington's response to the Hebrew Congregation at Newport, Rhode Island, ''The citizens of the United States of America have a right to applaud themselves for having given to mankind examples of an enlarged and liberal policy, a policy worthy of imitation; for, happily, the government of the United States gives to bigotry no sanction, to persecution no assistance.''

This is what we are trying to do today, to say that our Nation, which was founded on the cornerstone of the freedom of conscience, of religious liberty, that we will give no assistance to those who persecute people of faith.

Today I would like to share a little of my own experience that I bring to this debate, for I lived in a Communist country in 1986 and 1987, in Budapest, Hungary.

I saw during that time, before the collapse of communism, what happens when religious freedoms are deprived. I met with ministers who had been in prison for practicing their faith. I saw the refugees who had fled their countries into the West with the hopes and the dream of having the freedom to practice their faith, to capture the dream that we cherish in this land of freedom.

Then I saw in my lifetime, and we have seen in our lifetime, the modern-day miracle of Jericho where we saw the walls of communism collapse. We have to ask ourselves why. If you go to Poland, it was the church, the Catholic church that led the descent.

In Czechoslovakia and Romania, it was the Protestant church which allowed the people of faith and courage and conviction to rise up and to stand for their God-given rights which brought about as much as anything that we ever did in the West with military containment. It was the force of the religious convictions and conscience that brought about the renewal and the reform and the collapse of a brutal and evil system.

Today we are trying to say we should have the same policy, that we stand with the persecuted, that we stand for the same cornerstone in our country of religious liberty. From that, we will have greater economic freedom, greater trade, greater democracy across the world. We will have greater stability with our allies. This is the cornerstone of our Nation, to stand with those to have the freedom of conscience and faith.

I ask all of my colleagues that we follow the words of our founder George Washington, that we give to bigotry no sanction, to persecution, no assistance.

The CHAIRMAN. The gentleman from Florida (Mr. HASTINGS) has 30 seconds remaining. The gentleman from New Jersey (Mr. SMITH) has 1½ minutes remaining.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1 minute to the gentleman from Alabama (Mr. ADERHOLT).

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

Mr. ADERHOLT. Mr. Chairman, I applaud the gentleman from Virginia (Mr. WOLF), the gentleman from New Jersey (Mr. SMITH), and all the other Members of this House and this body who have worked to fight against the persecution of people of faith throughout the world.

I am proud to be a cosponsor of this bill, because I believe that we can no longer ignore the cruelty of some government authorities around the world that has been directed towards people whose only crime is faith in God.

We must not forget that there are those who are suffering in other countries; people are being tortured, enslaved, and killed for their beliefs. This bill will send a clear and resounding message that the United States does not support this violation of human rights and religious freedom.

Abraham Lincoln, the President who is probably best noted for his work to free those who were enslaved and mistreated, once said, ''Those who deny freedom to others deserve it not for themselves; and under a just God, cannot long retain it.''

If enacted into law, this bill will impose immediate sanctions on those countries that have mistreated and abused Christians and people of other faiths, time and time again.

I urge my colleagues to vote in support of the Freedom From Religious Persecution Act.

The CHAIRMAN. The gentleman from Florida (Mr. HASTINGS) has 30 seconds.

Mr. HASTINGS of Florida. Mr. Chairman, I yield myself the remaining portion of my time.

Mr. Chairman, last night, I listened to the gentleman from New York (Mr. HOUGHTON) who, on both sides of the aisle, is respected, not only in this arena, but for his evenhanded approach to trying to develop bipartisan efforts.

Last night, he spoke agonizingly, as I do now, about this particular legislation. We would want to dispel the notion that there are any among the 435 of us who would stand and say we favor religious persecution anywhere in the world. We do not. And that is all of the Republicans and all of the Democrats and all of those on the committee.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, in 1984, on one of several human rights trips to Romania, the gentleman from Virginia (Mr. WOLF), the gentleman from Ohio (Mr. HALL), and myself pushed for the release of persecuted Christians and, in particular, Father Calccu.

For over a decade, during both the Carter and the Reagan administrations, Father Calccu endured unspeakable tortured beatings, solitary confinement in coffins that were vertical. Yet, the world, the State Department, everybody said, Ceausescu, the dictator in Romania was somehow a good guy, we need to work with him.

The gentleman from Pennsylvania (Mr. GOODLING) said it well. Hate is not the opposite of love; indifference is. This bill ends our indifference, our bipartisan indifference towards religious persecution.

□ 1315

Religious persecution has been and it is today the orphan of human rights. We need to stand strong. This is against religious persecution, things like torture. I urge support for this bill, hopefully in a very bipartisan way.

Mr. QUINN. Mr. Chairman, I want to express my strong support for H.R. 2431, the Freedom From Religious Persecution Act. This bill would reassert the position that the United States is a defender of personal liberty, including the liberty to choose and practice one's religion.

The Freedom From Religious Persecution Act makes significant changes in U.S. policy that will help identify and terminate discrimination against religions around the world. The bill calls for the creation of the office of Religious Persecution Monitoring within the State Department. This office will make an annual report on the existence and extent of religious persecution around the world.

This report will be the basis for punitive sanctions against countries who take part in or allow religious persecution. Some may say

that the United States should not interfere in others' business. Yet the United States has always stood for personal liberties and unalienable rights. For us to stand by and be mute while thousands of people are discriminated against or killed for their faith, would be unacceptable.

Did you know that in China, a 76 year-old Protestant leader was sentenced to 15 years in prison for merely passing out bibles? And in Iran, some religious groups are denied the right to organize and worship and have no legal rights. Worst of all, in Sudan, government soldiers have systematically enslaved and murdered thousands of people because they are Christians.

I know the Freedom From Religious Persecution Act will not end suffering throughout the world. But it will put the United States on record as a nation that is concerned with the fundamental right of people to follow their faith. I am pleased to be able to support legislation that will make a real difference in the lives of those who aren't free to practice their own religion.

Mr. DINGELL. Mr. Chairman, persecution for one's religious beliefs is wrong. It should not be permitted anywhere, and this bill, the ''Freedom from Religious Persecution Act,'' has the important and laudable goal of intending to reduce and eliminate the widespread and ongoing religious persecution taking place throughout the world today. The United States, as a world leader, should do what we can to eradicate this human rights abuse. This Nation was founded on principles of religious freedom, and we have thriving faith communities today because of our commitment to those principles. Persecution is reprehensible, and we need to pursue all appropriate ways to stop it.

The bill seeks to achieve its objective by increasing the priority attached in U.S. foreign policy to the problem of religious persecution. The bill would impose sanctions on foreign governments that carry out or condone serious religious persecution. Also, the bill would seek to increase the refugee and asylum protections available to victims of religious persecution.

While I want to end religious persecution globally, there are defects in this bill that do not permit me to support the measure as reported to the House. The bill's automatic sanctions, which include restrictions on exports and foreign assistance would be counterproductive. Further, these measures will tie the President's hands in areas of foreign policy where the executive has traditionally had discretion in the exercise of his constitutional duties and powers to promote the full range of U.S. interests—including national security, economic prosperity, and respect for all human rights.

Our laws and policies already give significant weight to human rights, and I would support strict and severe sanctions against repressive governments under current law. Further, it is unlikely that the imposition of sanctions, as provided in this bill, would have much effect on governments that are of a mind to persecute people on account of their faith.

Such automatic sanctions risk strengthening the grip of those who permit or undertake religious intolerance in their countries. Sanctions may trigger reprisals against victims as well as an end to American engagement with offending governments. Furthermore, by establishing sanctions and preferential treatment for those fleeing religious persecution alone, the bill would signal to the world that this Nation believes in a an inappropriate hierarchy of human rights violations. What about our efforts toward universal respect for all civil and political rights? Severe and violent acts of persecution on ethnic, racial, or political grounds, for example, would not invoke these sanctions or bring about procedural advantages in the immigration context.

Although some religious organizations have expressed their support for the measure, others have stated that this bill would do more harm than good for the very people it seeks to protect. Clearly, we need to foster religious tolerance and respect for all human rights around the world. But we must do it in a proper fashion that helps, not hurts those that deserve our help.

Mrs. CAPPS. Mr. Chairman, I rise today to announce that I will vote for the Freedom from Religious Persecution Act. I am compelled, however, to express some deep concerns that I have with this legislation.

Religious persecution around the world is intolerable. All people should have the freedom to express their faith without fear of retribution. Tragically, the persecution of religious communities has claimed the lives of millions of people in this century, and today continues unchecked in many countries. Clearly, steps must be taken to stop this dangerous trend and I commend the authors of this bill for raising awareness in Congress about religious persecution.

Although I strongly support the spirit of this bill, I have some questions about the legislation that we are voting on today.

My first concern is that this bill could possibly bring harm to those who suffer from religious persecution, if the government in question chooses to blame religious groups for the imposition of U.S. sanctions. We surely would not want to endanger the safety and well-being of the very people we are trying to protect.

Additionally, I am troubled that this bill establishes a ''hierarchy of human rights''. If passed, religious persecution—as important as it may be—would be seen as a higher priority than other human rights—such as racial discrimination, violations of women's rights, and the suppression of free speech.

Instead of establishing a new office at the White House, I wonder if it wouldn't be more efficient to leave the issue of religious freedom to be dealt with in the State Department's human rights bureau. Religious persecution is an unforgivable crime around the globe, but our efforts to combat it must not be allowed to damage our fight for other critical human rights.

I will vote in favor of this bill today, because it sends a strong message against intolerable religious persecution. But I hope when the bill is considered in the Senate, and then in conference, we can roll up our sleeves to draft a better bill, that will work not only to end these unforgivable practices, but to help those who are oppressed all around the world.

Mr. WATTS of Oklahoma. Mr. Chairman, I rise today to urge my colleagues to support of H.R. 2431, the Freedom From Religious Persecution Act. It is high time that Congress take decisive steps to stop foreign governments from jailing, torturing or killing people, just because of their religious beliefs. We must also hold accountable those nations which are aware that religious bigotry is occurring within their borders, but do nothing of consequence to stop this injustice.

This legislation would require our government to stop giving non-humanitarian foreign aid to nations that persecute people for their religious beliefs. It would also require American executives who sit on the board of international banking institutions to oppose the issuance of loans to countries that practice or support religious persecution.

The Government of Sudan is one particular big offender in this regard. Sudan's main political party, the National Islamic Front, is responsible for the deaths of an estimated 1.3 million Christians and others who failed to recognize Islam as their faith.

Of course, Sudan is not the only nation with blood on its hands. The People's Republic of China has a history of imprisoning and killing citizens who refuse to register with one of the state's official religions, institutions where worship is organized and controlled by the government.

Some countries which practice or facilitate religious persecution, such as Pakistan, may even be allies of America when it comes to national security issues. But we still have an obligation as Americans to defend freedom. Just as America fought the spread of Communism during the Cold War, today, the United States must pour its heart and soul into stopping religious persecution. One good step towards this goal is by Congress passing the Freedom From Religious Persecution Act.

Mr. NADLER, Mr. Chairman, I rise to support the Freedom from Religious Persecution Act.

This bill is vitally important to combat the violent religious persecution that is tragically occurring in many nations across the world.

We need more effective tools to end the threats of murder, torture, rape, starvation, and enslavement now faced by millions of people of faith. I believe this bill would strengthen the United States' ability to promote human rights and effectively confront regimes that are abusive to religious minorities in their countries.

However, the United States must do more to become a safe haven for those fleeing persecution. Our current expedited removal procedures for asylum seekers are inhumane, dangerous, and morally offensive.

Asylum seekers ought to have a fair hearing before an immigration judge before they are sent back to a country where they may be threatened, beaten, or even killed.

Unfortunately, the provisions in this bill that would have made our immigration policy slightly more humane were removed from the legislation. I think we are making a big mistake. In fact, the provisions that would have protected asylum seekers fleeing religious persecution should have been expanded to aid those seeking asylum based on racial persecution, ethnicity, membership in a in a social group, or political opinion.

Our nation must never turn its back on those fleeing persecution. It is offensive to our American tradition, our cultural heritage, and the very nature of our republic.

This legislation does, however, for the first time require the GAO to conduct a study of airport deportations, so that we may gather data about the abuses that may be occurring in our immigration practices. What is happening to the people we turn away? How many

people are we sending to their deaths? We need this information, and I am hopeful that once we have it we can revisit our immigration policy and end the shameful practice of turning away those who are seeking asylum from persecution.

Let me reiterate that I strongly support this legislation, I only wish it were stronger. I urge my colleagues to take an important step to protect human rights worldwide and vote for this legislation.

Mr. FAZIO of California. Mr. Chairman, the right to religious freedom should be a fundamental right that every citizen enjoys.

Indeed, our nation was founded on this premise.

Yet sadly, there are nations where being a Muslim, a Jew, a Christian, or any of a number of other religions, can cause you great harm.

It's difficult for many of us who live in a nation where everyone can worship as he and she chooses without fear of persecution to even imagine the possibility of being thrown in jail or being killed because of whom you pray to.

This brutal suppression of religious freedom, of course, is reprehensible.

And President Clinton has made securing religious freedom for people of all faiths a priority in our foreign policy.

The State Department has expanded coverage of religious freedom in its annual human rights report.

And the Administration has created an Advisory Committee on Religious Freedom Aboard.

In addition, the Secretary of State will be creating a senior-level coordinator responsible for integrating religious freedom into our foreign policy.

These stepped-up actions by the Clinton Administration will help us in persuading governments to prevent limitations on religious freedom.

Our current law already provides an adequate basis for us to impose sanctions on foreign governments when we need to take tough action.

So the question is: do we continue our policy of being quietly effective, using the wide range of tools in our foreign policy toolbox to get things done—or do we engage in a policy of ranting and raving that may backfire, causing more harm than good.

Public condemnation of governments that do not provide religious freedom often is appropriate.

Our President has not been shy about using the bully pulpit to criticize governments that don't do right by their citizens.

But this bill would make condemnation automatic—a situation not always appropriate that very well might put religious prisoners and their families in further jeopardy.

It also may jeopardize our efforts in other political and economic arenas that we use to improve relations that will result in tolerance for religious diversity.

That is the wrong approach.

We should be bold in our actions without jeopardizing our foreign policy and our broad global interests.

That's why our current policy is the best route to achieving the means that all of us here want to achieve.

You can be sure that some may use this bill in the Fall campaign to position those who are against it as being against religious freedom.

Chances are that the 30-second sound bites and the direct mail pieces that say ''voted against the Freedom from Religious Persecution Act'' already are in the works.

It is sad that some will seek political gain on an issue so delicate, but that is the state of politics in this day and age.

Make no mistake: no one who opposes this bill believes that killing, enslaving, or jailing those who practice their faith is just.

We abhor it.

But we believe there's a smarter way to put an end to these practices.

America is the greatest nation in the world because of our leadership in foreign affairs and the bridges we have built nations around the world.

We decry religious persecution whenever we see it.

While this legislation is good intentioned, it handcuffs our ability to have the flexibility we need to end religious persecution.

Let's not put our best efforts to stop religious persecution at risk with an ill-advised policy that is blind to policies that are effective on a nation-to-nation and case-to-case business.

Allow our diplomats to work effectively to allow religious freedom around the world.

Mr. PAYNE. Mr. Chairman, I rise in support of this bill.

I cannot condone any government that abuses the rights of its citizens whether it is for abuses in the category of human rights, democracy, freedom of speech, press. Likewise religious persecution is equally as important. This is not a one-size-fits-all approach. Today people all over the world are still persecuted for their beliefs. Many are living in constant terror and some even fear for their lives.

Christians, Muslims, Jews, and many others are singled out. Even in places like Germany, China, the North of Ireland, and the Sudan people are being persecuted for their religion.

In China officials crack down on unregistered Protestant house church members simply for practicing their religious beliefs. The situation in Sudan remains intolerable. In May the Popular Defense Force of the National Islamic Front (NIF) regime raided several villages, burning homes, schools, and two churches. Furthermore, it was reported that children of the black Africans in Sudan are being enslaved and forced to change their cultural identity and become Arabic-speaking Muslims. The Christian Solidarity International (CSI) estimates that there are tens of thousands of chattel slaves still in bondage in the borderlands between northern and southern Sudan.

Sudan has often been described as one million miles of suffering. A million southern Sudanese deaths over the past decade, executions of political opponents, the thousands of slaves that are branded like cattle to show ownership combined with the capture of some 3,000 ['95 & '96] children by the Lord's Resistance Army (LRA) aided by the al-Bashir government did not go unheeded.

Violations of religious freedom in this world are innumerable. Hopefully, we will be able to live in a world where people can practice their religion peacefully without any threat or fear. Once again, I support this bill and urge my colleagues to do the same.

Mr. POSHARD. Mr. Chairman, I rise today in strong support of H.R. 2431, the ''Freedom From Religious Persecution Act of 1997.'' As Americans, we too often take for granted the freedoms we enjoy to practice our faith and live according to our moral, ethical and spiritual beliefs. What we must not forget is that all over the world, people are being persecuted on the basis of their religious beliefs, and I believe we have an obligation to do what we can to protect them.

It seems that every day we are greeted with horrifying accounts of religious persecution, involving forced relocation, enslavement, rape, starvation, torture and even murder. Perhaps most disturbing is that these atrocities are sanctioned by and carried out under the orders of foreign governments and local authorities. It is clearly not enough to simply urge these brutal regimes to grant their citizens the same religious liberties that are enjoyed in this country, and I believe that this legislation represents a necessary step in our efforts to combat the terrible reality of religious persecution.

H.R. 2431 is a moderate and reasoned response to a serious situation. This legislation will link U.S. aid to a country's performance on religious liberty and focuses on the most egregious forms of persecution against all religious groups. It does not impose embargoes, as some of my colleagues have sought to argue, but rather provides for moderate, targeted sanctions against specific governmental entities which have direct involvement in religious persecution. In addition, the bill permits waivers for national security reasons and in situations where sanctions are deemed by the president to be counter-productive.

Mr. Chairman, I am proud to be a co-sponsor of this important legislation, and I will take great pride in casting my vote in favor of its passage. I urge my colleagues to join me in supporting the religious freedom of all of our brothers and sisters around the world by voting yes on H.R. 2431.

Mr. PORTER. Mr. Chairman, I would first like to thank my friend and colleague FRANK WOLF for his consistent and strong leadership in bringing this vital issue in front of the Congress, and for his determination to focus attention on one of the most critical human rights crises of our day, religious persecution. He has been a voice crying in the wilderness for many years, speaking out for Tibetans in China, Christians in Sudan, and Bahai's in Iran, and I am proud of the work we have done together on these and other important human rights issues. I also want to thank the leadership of the House International Relations Committee—specifically Mr. GILMAN and Mr. SMITH—for shepherding this bill through the legislative process and for their commitment to human rights.

As co-chairman of the Congressional Human Rights Caucus, I have spent many hours in hearings and briefings receiving testimony from persons all over the world who have suffered from the most serious kinds of persecution. In fact, the Caucus was founded in 1983 after I returned from a trip to the former Soviet Union, where I witnessed the harsh religious persecution practiced by that regime. I have met people who have been imprisoned, tortured, raped and who have lost loved ones as a result of religious intolerance. Today, the House has an opportunity to say to the torturers, rapists and murderers ''The United States is not going to stand by and allow you to terrorize people who are engaged

in the peaceful practice of their religious beliefs.'' I call on all of my colleagues to join me in supporting this important legislation.

There has been a great deal of talk about what H.R. 2431 does and does not do. Once you cut through all of the hyperbole, it is clear that this is a reasonable and modest approach to a very serious issue. No government on this plant should receive U.S. assistance if they are engaged in the type of gross violations of human rights that are specified in this bill. No government should fail to take action against those who perpetrate these abuses, and continue to receive the benefit of U.S. foreign aid. In these times of fiscal constraint, America's foreign assistance programs have been cut to the bone. Every year, worthy projects and applicants go unfunded due to a lack of funds. In this climate, it is morally and fiscally reprehensible to allow abusive or grossly negligent regimes to receive aid. H.R. 2431 remedies this situation without punishing the innocent victims because it only cuts off non-humanitarian aid. This is an even-handed and compassionate response to the abuse of human rights.

I urge all Members to vote for this bill and send our support to those who suffer for their faith in silence and obscurity around the world.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of H.R. 3806, modified by the amendments printed in part 1 of House Report 105–534, is considered as an original bill for the purpose of amendment under the 5-minute rule and is considered read.

The text of the amendment in the nature of a substitute, as modified, is as follows:

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Freedom From Religious Persecution Act of 1998''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress makes the following findings:

(1) Governments have a primary responsibility to promote, encourage, and protect respect for the fundamental and internationally recognized right to freedom of religion.

(2)(A) Since its inception, the United States Government has rested upon certain founding principles. One of those principles is that all people have the inalienable right to worship freely, which demands that religion be protected from unnecessary government intervention. The Founding Fathers of the United States incorporated that principle in the Declaration of Independence, which states that mankind has the inalienable right to ''life, liberty, and the pursuit of happiness'', and in the United States Constitution, the first amendment to which states that ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof''. Therefore, in accordance with this belief in the inalienable right of freedom of religion for all people, as expressed by the Declaration of Independence, and the belief that religion should be protected from government interference, as expressed by the United States Constitution, the Congress opposes international religious persecution and believes that the policies of the United States Government and its relations with foreign governments should be consistent with the commitment to this principle.

(B) Numerous international agreements and covenants also identify mankind's inherent right to freedom of religion. These include the following:

(i) Article 18 of the Universal Declaration of Human Rights states that ''Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance''.

(ii) Article 18 of the Covenant on Civil and Political Rights declares that ''Everyone shall have the right to freedom of thought, conscience, and religion . . .'' and further delineates the privileges under this right.

(iii) The Declaration on the Elimination of All Forms of Intolerance and of Discrimination Based on Religion and Belief, adopted by the United Nations General Assembly on November 25, 1981, declares that ''religion or belief, for anyone who professes either, is one of the fundamental elements in his conception of life . . .'' and that ''freedom of religion and belief should also contribute to the attainment of the goals of world peace, social justice and friendship among peoples and to the elimination of ideologies or practices of colonialism and racial discrimination''.

(iv) The Concluding Document of the Third Follow-Up Meeting of the Organization for Security and Cooperation in Europe commits states to ''ensure in their laws and regulations and in their application the full and effective exercise of the freedom of thought, conscience, religion or belief''.

(3) Persecution of religious believers, particularly Roman Catholic and evangelical Protestant Christians, in Communist countries persists and in some cases is increasing.

(4) In many countries and regions thereof, governments dominated by extremist movements persecute non-Muslims and religious converts from Islam using means such as ''blasphemy'' and ''apostasy'' laws, and such movements seek to corrupt a historically tolerant Islamic faith and culture through the persecution of Baha'is, Christians, and other religious minorities.

(5) The extremist Government of Sudan is waging a self-described religious war against Christians, other non-Muslims, and moderate Muslims by using torture, starvation, enslavement, and murder.

(6) In Tibet, where Tibetan Buddhism is inextricably linked to the Tibetan identity, the Government of the People's Republic of China has intensified its control over the Tibetan people by interfering in the selection of the Panchen Lama, propagandizing against the religious authority of the Dalai Lama, restricting religious study and traditional religious practices, and increasing the persecution of monks and nuns.

(7) In Xinjiang Autonomous Region of China, formerly the independent republic of East Turkistan, where the Muslim religion is inextricably linked to the dominant Uyghur culture, the Government of the People's Republic of China has intensified its control over the Uyghur people by systematically repressing religious authority, restricting religious study and traditional practices, destroying mosques, and increasing the persecution of religious clergy and practitioners.

(8) In countries around the world, Christians, Jews, Muslims, Hindus, and other religious believers continue to be persecuted on account of their religious beliefs, practices, and affiliations.

(9) The 104th Congress recognized the facts set forth in this section and stated clearly the sense of the Senate and the House of Representatives regarding these matters in approving—

(A) House Resolution 515, expressing the sense of the House of Representatives with respect to the persecution of Christians worldwide;

(B) S. Con. Res. 71, expressing the sense of the Senate with respect to the persecution of Christians worldwide;

(C) H. Con. Res. 102, concerning the emancipation of the Iranian Baha'i community; and

(D) section 1303 of H.R. 1561, the Foreign Relations Authorization Act, Fiscal Years 1996 and 1997.

(10) The Department of State, in a report to Congress filed pursuant to House Report 104–863, accompanying the Omnibus Consolidated Appropriations Act, 1997 (Public Law 104–208) set forth strong evidence that widespread and ongoing religious persecution is occurring in a number of countries around the world.

(11)(A)(i) In recent years there have been successive terrorist attempts to desecrate and destroy the premises of the Ecumenical Patriarchate in the Fanar area of Istanbul (Constantinople), Turkey.

(ii) Attempts against the Ecumenical Patriarchate have intensified, including the following:

(I) On September 30, 1996, a hand grenade was thrown into the headquarters of the Eastern Orthodox Patriarchate and exploded, causing damage to the physical structure of the grounds, most notably the Agios Georgios Church.

(II) On May 28, 1994, three powerful bombs were discovered in the living quarters of the Patriarch, and were subsequently defused only minutes before they were set to detonate.

(III) In July and August 1993, the Christian Orthodox cemetery in Yenikoy, near Istanbul, was attacked by vandals and desecrated.

(iii) His All Holiness Patriarch Bartholomew and those associated with the Ecumenical Patriarchate are Turkish citizens and thus must be protected under Turkish law against blatant and unprovoked attacks toward ethnic minorities.

(iv) The Turkish Government arbitrarily closed the Halki Patriarchal School of Theology in 1971.

(v) The Ecumenical Patriarchate is the spiritual center for more than 250,000,000 Orthodox Christians worldwide, including approximately 5,000,000 in the United States.

(vi) It is in the best interest of the United States to prevent further incidents regarding the Ecumenical Patriarchate and in the overall goals of the United States to establish peaceful relations with and among the many important nations of the world that have substantial Orthodox Christian populations.

(B) It is the sense of the Congress that—

(i) the United States should use its influence with the Turkish Government and as a permanent member of the United Nations Security Council to suggest that the Turkish Government—

(I) ensure proper protection for the Patriarchate and all of the Orthodox faithful residing in Turkey;

(II) provide for the proper protection and safety of the Ecumenical Patriarch and Patriarchate personnel;

(III) establish conditions that would prevent the recurrence of past terrorist activities and vandalism and other personal threats against the Patriarch;

(IV) establish conditions to ensure that the Patriarchate is free to carry out its religious mission; and

(V) do everything possible to find and punish the perpetrators of any provocative and terrorist acts against the Patriarchate; and

(ii) the Secretary of State should report to the Congress on an annual basis on the status and progress of the concerns expressed in clause (i).

(b) PURPOSE.—It is the purpose of this Act to reduce and eliminate the widespread and ongoing religious persecution taking place throughout the world today.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) DIRECTOR.—The term ''Director'' means the Director of the Office of Religious Persecution Monitoring established under section 5.

(2) LEGISLATIVE DAY.—The term ''legislative day'' means a day on which both Houses of Congress are in session.

(3) PERSECUTED COMMUNITY.—The term ''persecuted community'' means any religious group or denomination whose members have been found to be subject to category 1 or category 2 persecution in the latest annual report submitted under section 6(a) or in any interim report submitted thereafter under section 6(c) before the next annual report.

(4) PERSECUTION FACILITATING PRODUCTS.—The term ''persecution facilitating products'' means those crime control, detection, torture, and electroshock instruments and equipment (as determined under section 6(n) of the Export Administration Act of 1979) that are directly and substantially used or intended for use in carrying out acts of persecution described in paragraphs (5) and (6).

(5) CATEGORY 1 PERSECUTION.—The term ''category 1 persecution'' means widespread and ongoing persecution of persons on account of their religious beliefs or practices, or membership in or affiliation with a religion or religious group or denomination, whether officially recognized or otherwise, when such persecution—

(A) includes abduction, enslavement, killing, imprisonment, forced mass relocation, rape, crucifixion or other forms of torture, or the systematic imposition of fines or penalties which have the purpose and effect of destroying the economic existence of persons on whom they are imposed; and

(B) is conducted with the involvement or support of government officials or agents, or pursuant to official government policy.

(6) CATEGORY 2 PERSECUTION.—The term ''category 2 persecution'' means widespread and ongoing persecution of persons on account of their religious beliefs or practices, or membership in or affiliation with a religion or religious group or denomination, whether officially recognized or otherwise, when such persecution—

(A) includes abduction, enslavement, killing, imprisonment, forced mass relocation, rape, crucifixion or other forms of torture, or the systematic imposition of fines or penalties which have the purpose and effect of destroying the economic existence of persons on whom they are imposed; and

(B) is not conducted with the involvement or support of government officials or agents, or pursuant to official government policy, but which the government fails to undertake serious and sustained efforts to eliminate, being able to do so.

(7) RESPONSIBLE ENTITIES.—The term ''responsible entities'' means the specific government units, as narrowly defined as practicable, which directly carry out the acts of persecution described in paragraphs (5) and (6).

(8) SANCTIONED COUNTRY.—The term ''sanctioned country'' means a country on which sanctions have been imposed under section 7.

(9) UNITED STATES ASSISTANCE.—The term ''United States assistance'' means—

(A) any assistance under the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2 of part I of that Act, relating to the Overseas Private Investment Corporation), other than—

(i) assistance under chapter 8 of part I of that Act;

(ii) any other narcotics-related assistance under part I of that Act or under chapter 4 or 5 of part II of that Act, but any such assistance provided under this clause shall be subject to the prior notification procedures applicable to reprogrammings pursuant to section 634A of that Act;

(iii) disaster relief assistance, including any assistance under chapter 9 of part I of that Act;

(iv) antiterrorism assistance under chapter 8 of part II of that Act;

(v) assistance which involves the provision of food (including monetization of food) or medicine;

(vi) assistance for refugees; and

(vii) humanitarian and other development assistance in support of programs of nongovernmental organizations under chapters 1 and 10 of that Act;

(B) sales, or financing on any terms, under the Arms Export Control Act, other than sales or financing provided for narcotics-related purposes following notification in accordance with the prior notification procedures applicable to reprogrammings pursuant to section 634A of the Foreign Assistance Act of 1961; and

(C) financing under the Export-Import Bank Act of 1945.

(10) UNITED STATES PERSON.—The term ''United States person'' means—

(A) any United States citizen or alien lawfully admitted for permanent residence into the United States; and

(B) any corporation, partnership, or other entity organized under the laws of the United States or of any State, the District of Columbia, or any territory or possession of the United States.

SEC. 4. APPLICATION AND SCOPE.

The responsibility of the Secretary of State under section 5(g) to determine whether category 1 or category 2 persecution exists, and to identify persons and communities that are subject to such persecution, extends to—

(1) all foreign countries in which alleged violations of religious freedom have been set forth in the latest annual report of the Department of State on human rights under sections 116(d) and 502(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d) and 2304(b)); and

(2) such other foreign countries in which, either as a result of referral by an independent human rights group or nongovernmental organization in accordance with section 5(e)(2) or otherwise, the Director has reason to believe category 1 or category 2 persecution may exist.

SEC. 5. OFFICE OF RELIGIOUS PERSECUTION MONITORING.

(a) ESTABLISHMENT.—There shall be established in the Department of State the Office of Religious Persecution Monitoring (hereafter in this Act referred to as the ''Office'').

(b) APPOINTMENT.—The head of the Office shall be a Director who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall receive compensation at a rate of pay not to exceed the rate of pay in effect for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(c) REMOVAL.—The Director shall serve at the pleasure of the President.

(d) BARRED FROM OTHER FEDERAL POSITIONS.—No person shall serve as Director while serving in any other position in the Federal Government.

(e) RESPONSIBILITIES OF DIRECTOR.—The Director shall do the following:

(1) Consider information regarding the facts and circumstances of violations of religious freedom presented in the annual reports of the Department of State on human rights under sections 116(d) and 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d) and 2304(b)).

(2) Make findings of fact on violations of religious freedom based on information—

(A) considered under paragraph (1); or

(B) presented by independent human rights groups, nongovernmental organizations, or other interested parties, at any stage of the process provided in this Act.

When appropriate, the Director may hold public hearings subject to notice at which such groups, organizations, or other interested parties can present testimony and evidence of acts of persecution occurring in countries being examined by the Office.

(3) On the basis of information and findings of fact described in paragraphs (1) and (2), make recommendations to the Secretary of State for consideration by the Secretary in making determinations of countries in which there is category 1 or category 2 persecution under subsection (g), identify the responsible entities within such countries, and prepare and submit the annual report described in section 6.

(4) Maintain the lists of persecution facilitating products, and the responsible entities within countries determined to be engaged in persecution described in paragraph (3), revising the lists in accordance with section 6(c) as additional information becomes available. These lists shall be published in the Federal Register.

(5) In consultation with the Secretary of State, make policy recommendations to the President regarding the policies of the United States Government toward governments which are determined to be engaged in religious persecution.

(6) Report directly to the President and the Secretary of State, and coordinate with the appropriate officials of the Department of State, the Department of Justice, the Department of Commerce, and the Department of the Treasury, to ensure that the provisions of this Act are fully and effectively implemented.

(f) ADMINISTRATIVE MATTERS.—

(1) PERSONNEL.—The Director may appoint such personnel as may be necessary to carry out the functions of the Office.

(2) SERVICES OF OTHER AGENCIES.—The Director may use the personnel, services, and facilities of any other department or agency, on a reimbursable basis, in carrying out the functions of the Office.

(g) RESPONSIBILITIES OF THE SECRETARY OF STATE.—The Secretary of State, in time for inclusion in the annual report described in subsections (a) and (b) of section 6, shall determine with respect to each country described in section 4 whether there is category 1 or category 2 persecution, and shall include in each such determination the communities against which such persecution is directed. Any determination in any interim report described in subsection (c) of section 6 that there is category 1 or category 2 persecution in a country shall be made by the Secretary of State.

SEC. 6. REPORTS TO CONGRESS.

(a) ANNUAL REPORTS.—Not later than April 30 of each year, the Director shall submit to the Committees on Foreign Relations, the Judiciary, Appropriations, and Banking, Housing, and Urban Affairs of the Senate and to the Committees on International Relations, the Judiciary, Appropriations, and Banking and Financial Services of the House of Representatives a report described in subsection (b).

(b) CONTENTS OF ANNUAL REPORT.—The annual report of the Director shall include the following:

(1) DETERMINATION OF RELIGIOUS PERSECUTION.—A copy of the determinations of the Secretary of State pursuant to subsection (g) of section 5.

(2) IDENTIFICATION OF PERSECUTION FACILITATING PRODUCTS.—With respect to each country in which the Secretary of State has determined that there is either category 1 or category 2 persecution, the Director, in consultation with the Secretary of Commerce, shall identify and list the items on the list established under section 6(n) of the Export Administration Act of 1979 that are directly and substantially used or intended for use in carrying out acts of religious persecution in such country.

(3) IDENTIFICATION OF RESPONSIBLE ENTITIES.—With respect to each country in which the Secretary of State has determined that there is category 1 persecution, the Director shall identify and list the responsible entities within that country that are engaged in such persecution. Such entities shall be defined as narrowly as possible.

(4) OTHER REPORTS.—The Director shall include the reports submitted to the Director by the Attorney General under section 9 and by the Secretary of State under section 10.

(c) INTERIM REPORTS.—The Director may submit interim reports to the Congress containing such matters as the Director considers necessary, including revisions to the lists issued under paragraphs (2) and (3) of subsection (b). The Director shall submit an interim report in the case of a determination by the Secretary of State under section 5(g), other than in an annual report of the Director, that category 1 or category 2 persecution exists, or in the case of a determination by the Secretary of State under section 11(a) that neither category 1 or category 2 persecution exists.

(d) PERSECUTION IN REGIONS OF A COUNTRY.—In determining whether category 1 or category 2 persecution exists in a country, the Secretary of State shall include such persecution that is limited to one or more regions within the country, and shall indicate such regions in the reports described in this section.

SEC. 7. SANCTIONS.

(a) PROHIBITION ON EXPORTS RELATING TO RELIGIOUS PERSECUTION.—

(1) ACTIONS BY RESPONSIBLE DEPARTMENTS AND AGENCIES.—With respect to any country in which—

(A) the Secretary of State finds the occurrence of category 1 persecution, the Director shall so notify the relevant United States departments and agencies, and such departments and agencies shall—

(i) prohibit all exports to the responsible entities identified in the lists issued under subsections (b)(3) and (c) of section 6; and

(ii) prohibit the export to such country of the persecution facilitating products identified in the lists issued under subsections (b)(2) and (c) of section 6; or

(B) the Secretary of State finds the occurrence of category 2 persecution, the Director shall so notify the relevant United States departments and agencies, and such departments and agencies shall prohibit the export to such country of the persecution facilitating products identified in the lists issued under subsections (b)(2) and (c) of section 6.

(2) PROHIBITIONS ON U.S. PERSONS.—(A) With respect to any country in which the Secretary of State finds the occurrence of category 1 persecution, no United States person may—

(i) export any item to the responsible entities identified in the lists issued under subsections (b)(3) and (c) of section 6; and

(ii) export to that country any persecution facilitating products identified in the lists issued under subsections (b)(2) and (c) of section 6.

(B) With respect to any country in which the Secretary of State finds the occurrence of category 2 persecution, no United States person may export to that country any persecution facilitating products identified in the lists issued under subsections (b)(2) and (c) of section 6.

(3) PENALTIES.—Any person who knowingly violates the provisions of paragraph (2) shall be subject to the penalties set forth in subsections (a) and (b)(1) of section 16 of the Trading With the Enemy Act (50 U.S.C. App. 16 (a) and (b)(1)) for violations under that Act.

(4) EFFECTIVE DATE OF PROHIBITIONS.—The prohibitions on exports under paragraphs (1) and (2) shall take effect with respect to a country 90 days after the date on which—

(A) the country is identified in a report of the Director under section 6 as a country in which category 1 or category 2 persecution exists,

(B) responsible entities are identified in that country in a list issued under subsection (b)(3) or (c) of section 6, or

(C) persecution facilitating products are identified in a list issued under subsection (b)(2) or (c) of section 6,

as the case may be.

(b) UNITED STATES ASSISTANCE.—

(1) CATEGORY 1 PERSECUTION.—No United States assistance may be provided to the government of any country which the Secretary of State determines is engaged in category 1 persecution, effective 90 days after the date on which the Director submits the report in which the determination is included.

(2) CATEGORY 2 PERSECUTION.—No United States assistance may be provided to the government of any country in which the Secretary of State determines that there is category 2 persecution, effective 1 year after the date on which the Director submits the report in which the determination is included, if the Secretary of State, in the next annual report of the Director under section 6, determines that the country is engaged in category 1 persecution or that category 2 persecution exists in that country.

(c) MULTILATERAL ASSISTANCE.—

(1) CATEGORY 1 PERSECUTION.—With respect to any country which the Secretary of State determines is engaged in category 1 persecution, the President shall instruct the United States Executive Director of each multilateral development bank and of the International Monetary Fund to vote against, and use his or her best efforts to deny, any loan or other utilization of the funds of their respective institutions to that country (other than for humanitarian assistance, or for development assistance which directly addresses basic human needs, is not administered by the government of the sanctioned country, and confers no benefit on the government of that country), effective 90 days after the Director submits the report in which the determination is included.

(2) CATEGORY 2 PERSECUTION.—With respect to any country in which the Secretary of State determines there is category 2 persecution, the President shall instruct the United States Executive Director of each multilateral development bank and of the International Monetary Fund to vote against, and use his or her best efforts to deny, any loan or other utilization of the funds of their respective institutions to that country (other than for humanitarian assistance, or for development assistance which directly addresses basic human needs, is not administered by the government of the sanctioned country, and confers no benefit on the government of that country), effective 1 year after the date on which the Director submits the report in which the determination is included, if the Secretary of State, in the next annual report of the Director under section 6, determines that the country is engaged in category 1 persecution or that category 2 persecution exists in that country.

(3) REPORTS TO CONGRESS.—If a country described in paragraph (1) or (2) is granted a loan or other utilization of funds notwithstanding the objection of the United States under this subsection, the Secretary of the Treasury shall report to the Congress on the efforts made to deny loans or other utilization of funds to that country, and shall include in the report specific and explicit recommendations designed to ensure that such loans or other utilization of funds are denied to that country in the future.

(4) DEFINITION.—As used in this subsection, the term ''multilateral development bank'' means any of the multilateral development banks as defined in section 1701(c)(4) of the International Financial Institutions Act (22 U.S.C. 262r(c)(4)).

(d) RELATIONSHIP TO OTHER PROVISIONS.—The effective dates of the sanctions provided in this section are subject to sections 8 and 11.

(e) DULY AUTHORIZED INTELLIGENCE ACTIVITIES.—The prohibitions and restrictions of this section shall not apply to the conduct of duly authorized intelligence activities of the United States Government.

(f) EFFECT ON EXISTING CONTRACTS.—The imposition of sanctions under this section shall not affect any contract that is entered into by the Overseas Private Investment Corporation before the sanctions are imposed, is in force on the date on which the sanctions are imposed, and is enforceable in a court of law on such date.

(g) EFFECT OF WAIVERS.—Any sanction under this section shall not take effect during the period after the President has notified the Congress of a waiver of that sanction under section 8 and before the waiver has taken effect under that section.

SEC. 8. WAIVER OF SANCTIONS.

(a) WAIVER AUTHORITY.—Subject to subsection (b), the President may waive the imposition of any sanction against a country under section 7 for periods of not more than 12 months each, if the President, for each waiver—

(1) determines—

(A) that the national security interests of the United States justify such a waiver; or

(B) that such a waiver will substantially promote the purposes of this Act as set forth in section 2; and

(2) provides to the Committees on Foreign Relations, Finance, the Judiciary, and Appropriations of the Senate and to the Committees on International Relations, the Judiciary, and Appropriations of the House of Representatives a written notification of the President's intention to waive any such sanction.

The notification shall contain an explanation of the reasons why the President considers the waiver to be necessary, the type and amount of goods, services, or assistance to be provided pursuant to the waiver, and the period of time during which such a waiver will be effective. When the President considers it appropriate, the explanation under the preceding sentence, or any part of the explanation, may be submitted in classified form.

(b) ADDITIONAL INFORMATION.—In the case of a waiver under subsection (a)(1)(B), the notification shall contain a detailed statement of the facts particular to the country subject to the waiver which justifies the

President's determination, and of the alternative measures the President intends to implement in order to achieve the objectives of this Act.

(c) TAKING EFFECT OF WAIVER.—

(1) IN GENERAL.—Subject to paragraph (2), a waiver under subsection (a) shall take effect 45 days after its submission to the Congress, or on the day after the 15th legislative day after such submission, whichever is later.

(2) IN EMERGENCY CONDITIONS.—The President may waive the imposition of sanctions against a country under subsection (b) or (c) of section 7 to take effect immediately if the President, in the written notification of intention to waive the sanctions, certifies that emergency conditions exist that make an immediate waiver necessary.

(d) SENSE OF CONGRESS.—It is the sense of Congress that in order to achieve the objectives of this Act, the waiver authority provided in this section should be used only in extraordinary circumstances.

SEC. 9. MODIFICATION OF IMMIGRATION POLICY.

(a) INADMISSIBILITY OF CERTAIN PARTICIPANTS IN RELIGIOUS PERSECUTION.—

(1) IN GENERAL.—Section 212(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)) is amended by adding at the end the following:

''(F) PARTICIPANTS IN RELIGIOUS PERSECUTION.—Any alien who carried out or directed the carrying out of category 1 persecution (as defined in section 3 of the Freedom from Religious Persecution Act of 1998) or category 2 persecution (as so defined) is inadmissible.''.

(2) APPLICABILITY.—The amendment made by paragraph (1) shall apply to persecution occurring before, on, or after the date of the enactment of this Act.

(b) REFUGEES.—

(1) GUIDELINES FOR ADDRESSING BIAS AFFECTING REFUGEES.—Not later than 180 days after the date of the enactment of this Act, the Attorney General and the Secretary of State shall jointly promulgate and implement guidelines for identifying and addressing improper biases, affecting the treatment of persons who may be eligible for admission into the United States as a refugee based upon a claim of persecution or a well-founded fear of persecution on account of religion, on the part of—

(A) immigration officers adjudicating applications for admission as a refugee submitted by such persons and interpreters assisting immigration officers in adjudicating such applications; and

(B) individuals and entities assisting in the identification of such persons and the preparation of such applications.

(2) ADMISSION PRIORITY.—For purposes of section 207(a)(3) of the Immigration and Nationality Act, an individual who is a member of a persecuted community, and is determined by the Attorney General to be a refugee within the meaning of section 101(a)(42)(A) of the Immigration and Nationality Act, shall be considered a refugee of special humanitarian concern to the United States. In carrying out such section 207(a)(3), applicants for refugee status who are members of a persecuted community shall be given priority status equal to that given to applicants who are members of other specific groups of special concern to the United States. This paragraph shall be construed only to require that members of a persecuted community be accorded equal consideration in determining admissions under section 207(a) of such Act, and shall not be construed to require that any particular individual or group be admitted under that section.

(3) NO EFFECT ON OTHERS' RIGHTS.—Nothing in this section, or any amendment made by this section, shall be construed to deny any applicant for asylum or refugee status (including any applicant who is not a member of a persecuted community but whose claim is based on race, religion, nationality, membership in a particular social group, or political opinion) any right, privilege, protection, or eligibility otherwise provided by law.

(4) NO DISPLACEMENT OF OTHER REFUGEES.—Refugees admitted to the United States as a result of the procedures set forth in this section shall not displace other refugees in need of resettlement who would otherwise have been admitted in accordance with existing law and procedures.

(5) PERIOD FOR PUBLIC COMMENT AND REVIEW.—Section 207(d) of the Immigration and Nationality Act is amended by adding at the end the following:

''(4)(A) Notwithstanding any other provision of law, prior to each annual determination regarding refugee admissions under this subsection, there shall be a period of public review and comment, particularly by appropriate nongovernmental organizations, churches, and other religious communities and organizations, and the general public.

''(B) Nothing in this paragraph may be construed to apply subchapter II of chapter 5 of title 5, United States Code, to the period of review and comment referred to in subparagraph (A).''.

(c) ASYLEES.—

(1) GUIDELINES FOR ADDRESSING BIAS.—Not later than 180 days after the date of the enactment of this Act, the Attorney General shall develop and implement guidelines for identifying and addressing improper biases, affecting the treatment of persons who may be eligible for asylum in the United States, based upon a claim of persecution or a well-founded fear of persecution on account of religion, on the part of immigration officers carrying out functions under section 208 or 235 of the Immigration and Nationality Act and interpreters assisting immigration officers in carrying out such functions.

(2) STUDIES OF EFFECT OF EXPEDITED REMOVAL PROVISIONS ON ASYLUM CLAIMS.—

(A) STUDIES.—

(i) PARTICIPATION BY UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES.—The Attorney General shall invite the United Nations High Commissioner for Refugees to conduct a study, alone or in cooperation with the Comptroller General of the United States (as determined in the discretion of the United Nations High Commissioner for Refugees), to determine whether immigration officers described in clause (ii) are engaging in any of the conduct described in such clause.

(ii) DUTIES OF COMPTROLLER GENERAL.—The Comptroller General of the United States shall conduct a study, alone or, upon request by the United Nations High Commissioner for Refugees, in cooperation with the United Nations High Commissioner for Refugees, to determine whether immigration officers performing duties under section 235(b) of the Immigration and Nationality Act with respect to aliens who may be eligible to be granted asylum are engaging in any of the following conduct:

(I) Improperly encouraging such aliens to withdraw their applications for admission.

(II) Incorrectly failing to refer such aliens for an interview by an asylum officer for a determination of whether they have a credible fear of persecution (within the meaning of section 235(b)(1)(B)(v) of such Act).

(III) Incorrectly removing such aliens to a country where they may be persecuted.

(IV) Detaining such aliens improperly or in inappropriate conditions.

(B) REPORTS.—

(i) PARTICIPATION BY UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES.—The United Nations High Commissioner for Refugees may submit to the committees described in clause (ii) a report containing the results of a study conducted under subparagraph (A)(i) or, if the United Nations High Commissioner for Refugees elected to participate in the study conducted under subparagraph (A)(ii), may submit with the Comptroller General of the United States a report under clause (ii).

(ii) DUTIES OF COMPTROLLER GENERAL.—Not later than September 30, 1999, the Comptroller General of the United States shall submit to the Committees on the Judiciary of the House of Representatives and the Senate, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate a report containing the results of the study conducted under subparagraph (A)(ii). If the United Nations High Commissioner for Refugees requests to participate with the Comptroller General in the preparation and submission of the report, the Comptroller General shall grant the request.

(C) ACCESS TO PROCEEDINGS.—

(i) IN GENERAL.—Except as provided in clause (ii), to facilitate the studies and reports, the Attorney General shall permit the United Nations High Commissioner for Refugees and the Comptroller General of the United States to have unrestricted access to all stages of all proceedings conducted under section 235(b).

(ii) EXCEPTIONS.—Clause (i) shall not apply in cases in which the alien objects to such access, or the Attorney General determines that the security of a particular proceeding would be threatened by such access, so long as any restrictions on the United Nations High Commissioner for Refugees' access under this subparagraph do not contravene international law.

(D) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1999 to carry out this paragraph not to exceed $1,000,000 to the Attorney General (for a United States contribution to the Office of the United Nations High Commission for Refugees for the activities of the United Nations High Commissioner for Refugees under this paragraph) and not to exceed $1,000,000 to the Comptroller General of the United States.

(d) TRAINING.—

(1) TRAINING ON RELIGIOUS PERSECUTION.—The Attorney General shall provide training regarding religious persecution to all immigration officers and immigration judges adjudicating applications for admission as a refugee or asylum applications, including—

(A) country-specific instruction on the practices and beliefs of religious groups, and on the methods of governmental and nongovernmental persecution employed on account of religious practices and beliefs; and

(B) other relevant information contained in the most recent annual report submitted by the Director to the Congress under section 6.

(2) INSTRUCTION BY NONGOVERNMENTAL EXPERTS.—It is the sense of the Congress that the Attorney General, in carrying out paragraph (1)(A), should include in the training under the paragraph, where practicable, instruction by nongovernmental experts on religious persecution.

(3) TRAINING FOR IMMIGRATION OFFICERS ADJUDICATING REFUGEE APPLICATIONS.—Section 207 of the Immigration and Nationality Act (8 U.S.C. 1157) is amended by adding at the end the following:

''(f) The Attorney General shall provide training in country conditions, refugee law, and interview techniques, comparable to that provided to full-time adjudicators of applications under section 208, to all immigration officers adjudicating applications for admission as a refugee under this section.''.

(e) REPORTING.—Not later than March 30 of each year, the Attorney General shall provide to the Director, for inclusion in the Director's annual report under section 6(b)(4), a report containing the following:

(1) With respect to the year that is the subject of the report, the number of applicants for asylum or refugee status whose applications were based, in whole or in part, on religious persecution.

(2) In the case of such applications, the number that were proposed to be denied, and the number that were finally denied.

(3) In the case of such applications, the number that were granted.

(4) A description of other developments with respect to the adjudication of applications for asylum or refugee status that were based, in whole or in part, on religious persecution.

(5) A description of the training conducted for immigration officers and immigration judges under subsection (d)(1), including a list of speakers and materials used in such training and the number of immigration officers and immigration judges who received such training.

(6) A description of the development and implementation of anti-bias guidelines under subsections (b)(1) and (c)(1).

SEC. 10. STATE DEPARTMENT HUMAN RIGHTS REPORTS.

(a) ANNUAL HUMAN RIGHTS REPORT.—In preparing the annual reports of the State Department on human rights under sections 116(d) and 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d) and 2304(b)), the Secretary of State shall, in the section on religious freedom—

(1) consider the facts and circumstances of the violation of the right to freedom of religion presented by independent human rights groups and nongovernmental organizations;

(2) report on the extent of the violations of the right to freedom of religion, specifically including whether the violations arise from governmental or nongovernmental sources, and whether the violations are encouraged by the government or whether the government fails to exercise satisfactory efforts to control such violations;

(3) report on whether freedom of religion violations occur on a nationwide, regional, or local level; and

(4) identify whether the violations are focused on an entire religion or on certain denominations or sects.

(b) TRAINING.—The Secretary of State shall—

(1) institute programs to provide training for chiefs of mission as well as Department of State officials having reporting responsibilities regarding the freedom of religion, which shall include training on—

(A) the fundamental components of the right to freedom of religion, the variation in beliefs of religious groups, and the governmental and nongovernmental methods used in the violation of the right to freedom of religion; and

(B) the identification of independent human rights groups and nongovernmental organizations with expertise in the matters described in subparagraph (A); and

(2) submit to the Director, not later than January 1 of each year, a report describing all training provided to Department of State officials with respect to religious persecution during the preceding 1-year period, including a list of instructors and materials used in such training and the number and rank of individuals who received such training.

SEC. 11. TERMINATION OF SANCTIONS.

(a) TERMINATION.—The sanctions described in section 7 shall cease to apply with respect to a sanctioned country 45 days, or the day after the 15th legislative day, whichever is later, after the Director, in an annual report described in section 6(b), does not include a determination by the Secretary of State that the sanctioned country is among those in which category 1 or category 2 persecution continues to exist, or in an interim report under section 6(c), includes a determination by the Secretary of State that neither category 1 nor category 2 persecution exists in such country.

(b) WITHDRAWAL OF FINDING.—Any determination of the Secretary of State under section 5(g) may be withdrawn before taking effect if the Secretary makes a written determination, on the basis of a preponderance of the evidence, that the country substantially eliminated any category 1 or category 2 persecution that existed in that country. The Director shall submit to the Congress each determination under this subsection.

SEC. 12. SANCTIONS AGAINST SUDAN.

(a) EXTENSION OF SANCTIONS UNDER EXISTING LAW.—Any sanction imposed on Sudan because of a determination that the government of that country has provided support for acts of international terrorism, including—

(1) export controls imposed pursuant to the Export Administration Act of 1979;

(2) prohibitions on transfers of munitions under section 40 of the Arms Export Control Act;

(3) the prohibition on assistance under section 620A of the Foreign Assistance Act of 1961;

(4) section 2327(b) of title 10, United States Code;

(5) section 6 of the Bretton Woods Agreements Act Amendments, 1978 (22 U.S.C. 286e–11); and

(6) section 527 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (as contained in Public Law 105–118);

shall continue in effect after the enactment of this Act until the Secretary of State determines that Sudan has substantially eliminated religious persecution in that country, or the determination that the government of that country has provided support for acts of international terrorism is no longer in effect, whichever occurs later.

(b) ADDITIONAL SANCTIONS ON SUDAN.—Effective 90 days after the date of the enactment of this Act, the following sanctions (to the extent not covered under subsection (a)) shall apply with respect to Sudan:

(1) PROHIBITION ON FINANCIAL TRANSACTIONS WITH GOVERNMENT OF SUDAN.—

(A) OFFENSE.—Any United States person who knowingly engages in any financial transaction, including any loan or other extension of credit, directly or indirectly, with the Government of Sudan shall be fined in accordance with title 18, United States Code, or imprisoned for not more than 10 years, or both.

(B) DEFINITIONS.—As used in this paragraph:

(i) FINANCIAL TRANSACTION.—The term ''financial transaction'' has the meaning given that term in section 1956(c)(4) of title 18, United States Code.

(ii) UNITED STATES PERSON.—The term ''United States person'' means—

(I) any United States citizen or national;

(II) any alien lawfully admitted into the United States for permanent residence;

(III) any juridical person organized under the laws of the United States; and

(IV) any person in the United States.

(2) PROHIBITIONS ON UNITED STATES EXPORTS TO SUDAN.—

(A) PROHIBITION ON COMPUTER EXPORTS.—No computers, computer software, or goods or technology intended to manufacture or service computers may be exported to or for use of the Government of Sudan.

(B) REGULATIONS OF THE SECRETARY OF COMMERCE.—The Secretary of Commerce may prescribe such regulations as may be necessary to carry out subparagraph (A).

(C) PENALTIES.—Any person who violates this paragraph shall be subject to the penalties provided in section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410) for violations under that Act.

(3) PROHIBITION ON NEW INVESTMENT IN SUDAN.—

(A) PROHIBITION.—No United States person may, directly or through another person, make any new investment in Sudan that is not prohibited by paragraph (1).

(B) REGULATIONS.—The Secretary of Commerce may prescribe such regulations as may be necessary to carry out subparagraph (A).

(C) PENALTIES.—Any person who violates this paragraph shall be subject to the penalties provided in section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410) for violations under that Act.

(4) AVIATION RIGHTS.—

(A) AIR TRANSPORTATION RIGHTS.—The Secretary of Transportation shall prohibit any aircraft of a foreign air carrier owned or controlled, directly or indirectly, by the Government of Sudan or operating pursuant to a contract with the Government of Sudan from engaging in air transportation with respect to the United States, except that such aircraft shall be allowed to land in the event of an emergency for which the safety of an aircraft's crew or passengers is threatened.

(B) TAKEOFFS AND LANDINGS.—The Secretary of Transportation shall prohibit the takeoff and landing in Sudan of any aircraft by an air carrier owned, directly or indirectly, or controlled by a United States person, except that such aircraft shall be allowed to land in the event of an emergency for which the safety of an aircraft's crew or passengers is threatened, or for humanitarian purposes.

(C) TERMINATION OF AIR SERVICE AGREEMENTS.—To carry out subparagraphs (A) and (B), the Secretary of State shall terminate any agreement between the Government of Sudan and the Government of the United States relating to air services between their respective territories.

(D) DEFINITIONS.—For purposes of this paragraph, the terms ''aircraft'', ''air transportation'', and ''foreign air carrier'' have the meanings given those terms in section 40102 of title 49, United States Code.

(5) PROHIBITION ON PROMOTION OF UNITED STATES TOURISM.—None of the funds appropriated or otherwise made available by any provision of law may be available to promote United States tourism in Sudan.

(6) GOVERNMENT OF SUDAN BANK ACCOUNTS.—

(A) PROHIBITION.—A United States depository institution may not accept, receive, or hold a deposit account from the Government of Sudan, except for such accounts which may be authorized by the President for diplomatic or consular purposes.

(B) ANNUAL REPORTS.—The Secretary of the Treasury shall submit annual reports to the Congress on the nature and extent of assets held in the United States by the Government of Sudan.

(C) DEFINITION.—For purposes of this paragraph, the term ''depository institution'' has the meaning given that term in section 19(b)(1) of the Act of December 23, 1913 (12 U.S.C. 461(b)(1)).

(7) PROHIBITION ON UNITED STATES GOVERNMENT PROCUREMENT FROM SUDAN.—

(A) PROHIBITION.—No department, agency, or any other entity of the United States Government may enter into a contract for the

procurement of goods or services from parastatal organizations of Sudan, except for items necessary for diplomatic or consular purposes.

(B) DEFINITION.—As used in this paragraph, the term ''parastatal organization of Sudan'' means a corporation, partnership, or entity owned, controlled, or subsidized by the Government of Sudan.

(8) PROHIBITION ON UNITED STATES APPROPRIATIONS FOR USE AS INVESTMENTS IN OR TRADE SUBSIDIES FOR SUDAN.—None of the funds appropriated or otherwise made available by any provision of law may be available for any new investment in, or any subsidy for trade with, Sudan, including funding for trade missions in Sudan and for participation in exhibitions and trade fairs in Sudan.

(9) PROHIBITION ON COOPERATION WITH ARMED FORCES OF SUDAN.—No agency or entity of the United States may engage in any form of cooperation, direct or indirect, with the armed forces of Sudan, except for activities which are reasonably necessary to facilitate the collection of necessary intelligence. Each such activity shall be considered as significant anticipated intelligence activity for purposes of section 501 of the National Security Act of 1947 (50 U.S.C. 413).

(10) PROHIBITION ON COOPERATION WITH INTELLIGENCE SERVICES OF SUDAN.—

(A) SANCTION.—No agency or entity of the United States involved in intelligence activities may engage in any form of cooperation, direct or indirect, with the Government of Sudan, except for activities which are reasonably designed to facilitate the collection of necessary intelligence.

(B) POLICY.—It is the policy of the United States that no agency or entity of the United States involved in intelligence activities may provide any intelligence information to the Government of Sudan which pertains to any internal group within Sudan. Any change in such policy or any provision of intelligence information contrary to this policy shall be considered a significant anticipated intelligence activity for purposes of section 501 of the National Security Act of 1947 (50 U.S.C. 413).

The sanctions described in this subsection shall apply until the Secretary of State determines that Sudan has substantially eliminated religious persecution in that country.

(c) MULTILATERAL EFFORTS TO END RELIGIOUS PERSECUTION IN SUDAN.—

(1) EFFORTS TO OBTAIN MULTILATERAL MEASURES AGAINST SUDAN.—It is the policy of the United States to seek an international agreement with the other industrialized democracies to bring about an end to religious persecution by the Government of Sudan. The net economic effect of such international agreement should be measurably greater than the net economic effect of the other measures imposed by this section.

(2) COMMENCEMENT OF NEGOTIATIONS TO INITIATE MULTILATERAL SANCTIONS AGAINST SUDAN.—It is the sense of the Congress that the President or, at his direction, the Secretary of State should convene an international conference of the industrialized democracies in order to reach an international agreement to bring about an end to religious persecution in Sudan. The international conference should begin promptly and should be concluded not later than 180 days after the date of the enactment of this Act.

(3) PRESIDENTIAL REPORT.—Not less than 210 days after the date of the enactment of this Act, the President shall submit to the Congress a report containing—

(A) a description of efforts by the United States to negotiate multilateral measures to bring about an end to religious persecution in Sudan; and

(B) a detailed description of economic and other measures adopted by the other industrialized countries to bring about an end to religious persecution in Sudan, including an assessment of the stringency with which such measures are enforced by those countries.

(4) CONFORMITY OF UNITED STATES MEASURES TO INTERNATIONAL AGREEMENT.—If the President successfully concludes an international agreement described in paragraph (2), the President may, after such agreement enters into force with respect to the United States, adjust, modify, or otherwise amend the measures imposed under any provision of this section to conform with such agreement.

(5) PROCEDURES FOR AGREEMENT TO ENTER INTO FORCE.—Each agreement submitted to the Congress under this subsection shall enter into force with respect to the United States if—

(A) the President, not less than 30 days before the day on which the President enters into such agreement, notifies the House of Representatives and the Senate of the President's intention to enter into such an agreement, and promptly thereafter publishes notice of such intention in the Federal Register;

(B) after entering into the agreement, the President transmits to the House of Representatives and to the Senate a document containing a copy of the final text of such agreement, together with—

(i) a description of any administrative action proposed to implement such agreement and an explanation as to how the proposed administrative action would change or affect existing law; and

(ii) a statement of the President's reasons regarding—

(I) how the agreement serves the interest of United States foreign policy; and

(II) why the proposed administrative action is required or appropriate to carry out the agreement; and

(C) a joint resolution approving such agreement has been enacted.

(6) UNITED NATIONS SECURITY COUNCIL IMPOSITION OF SAME MEASURES AGAINST SUDAN.—It is the sense of the Congress that the President should instruct the Permanent Representative of the United States to the United Nations to propose that the United Nations Security Council, pursuant to Article 41 of the United Nations Charter, impose measures against Sudan of the same type as are imposed by this section.

(d) ADDITIONAL MEASURES AND REPORTS; RECOMMENDATIONS OF THE PRESIDENT.—

(1) UNITED STATES POLICY TO END RELIGIOUS PERSECUTION.—It shall be the policy of the United States to impose additional measures against the Government of Sudan if its policy of religious persecution has not ended on or before December 25, 1998.

(2) REPORT TO CONGRESS.—The Director shall prepare and transmit to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate on or before February 1, 1999, and every 12 months thereafter, a report containing a determination by the Secretary of State of whether the policy of religious persecution by the Government of Sudan has ended.

(3) RECOMMENDATION FOR IMPOSITION OF ADDITIONAL MEASURES.—If the Secretary of State determines that the policy of religious persecution by the Government of Sudan has not ended, the President shall prepare and transmit to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate on or before March 1, 1999, and every 12 months thereafter, a report setting forth such recommendations for such additional measures and actions against the Government of Sudan as will end that government's policy of religious persecution.

(e) DEFINITIONS.—As used in this section:

(1) GOVERNMENT OF SUDAN.—The term ''Government of Sudan'' includes any agency or instrumentality of the Government of Sudan.

(2) NEW INVESTMENT IN SUDAN.—The term ''new investment in Sudan''—

(A) means—

(i) a commitment or contribution of funds or other assets, or

(ii) a loan or other extension of credit,

that is made on or after the effective date of this subsection; and

(B) does not include—

(i) the reinvestment of profits generated by a controlled Sudanese entity into that same controlled Sudanese entity, or the investment of such profits in a Sudanese entity;

(ii) contributions of money or other assets where such contributions are necessary to enable a controlled Sudanese entity to operate in an economically sound manner, without expanding its operations; or

(iii) the ownership or control of a share or interest in a Sudanese entity or a controlled Sudanese entity or a debt or equity security issued by the Government of Sudan or a Sudanese entity before the date of the enactment of this Act, or the transfer or acquisition of such a share or interest, or debt or equity security, if any such transfer or acquisition does not result in a payment, contribution of funds or assets, or credit to a Sudanese entity, a controlled Sudanese entity, or the Government of Sudan.

(3) CONTROLLED SUDANESE ENTITY.—The term ''controlled Sudanese entity'' means—

(A) a corporation, partnership, or other business association or entity organized in Sudan and owned or controlled, directly or indirectly, by a United States person; or

(B) a branch, office, agency, or sole proprietorship in Sudan of a United States person.

(4) SUDANESE ENTITY.—The term ''Sudanese entity'' means—

(A) a corporation, partnership, or other business association or entity organized in Sudan; or

(B) a branch, office, agency, or sole proprietorship in Sudan of a person that resides or is organized outside Sudan.

(5) SUDAN.—The term ''Sudan'' means any area controlled by the Government of Sudan or by any entity allied with the Government of Sudan, and does not include any area in which effective control is exercised by an entity engaged in active resistance to the Government of Sudan.

(f) WAIVER AUTHORITY.—The President may waive the imposition of any sanction against Sudan under paragraph (2) or (8) of subsection (b) of this section for periods of not more than 12 months each, if the President, for each waiver—

(1) determines that the national security interests of the United States justify such a waiver; and

(2) provides to the Committees on Foreign Relations, Finance, the Judiciary, and Appropriations of the Senate and to the Committees on International Relations, the Judiciary, and Appropriations of the House of Representatives a written notification of the President's intention to waive any such sanction.

The notification shall contain an explanation of the reasons why the President considers the waiver to be necessary, the type and amount of goods, services, or assistance to be provided pursuant to the waiver, and the period of time during which such a waiver will be effective. When the President considers it appropriate, the explanation under

the preceding sentence, or any part of the explanation, may be submitted in classified form.

(g) DULY AUTHORIZED INTELLIGENCE ACTIVITIES.—The prohibitions and restrictions contained in paragraphs (1), (2), (3), and (7) of subsection (b) shall not apply to the conduct of duly authorized intelligence activities of the United States Government.

SEC. 13. EFFECTIVE DATE.

(a) IN GENERAL.—Subject to subsections (b) and (c), this Act and the amendments made by this Act shall take effect 120 days after the date of the enactment of this Act.

(b) APPOINTMENT OF DIRECTOR.—The Director shall be appointed not later than 60 days after the date of the enactment of this Act.

(c) REGULATIONS.—Each Federal department or agency responsible for carrying out any of the sanctions under section 7 shall issue all necessary regulations to carry out such sanctions within 120 days after the date of the enactment of this Act.

The CHAIRMAN. No amendment to that amendment in the nature of a substitute is in order unless printed in part 2 of that report. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment and shall not be subject to a demand for a division of the question.

It is now in order to consider Amendment No. 1 printed in part 2 of House Report 105–534.

AMENDMENT NO. 1 OFFERED BY MR. BRADY

Mr. BRADY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. BRADY:

Page 14, line 9, strike ''and''.

Page 14, line 10, insert '', and transmit a copy of the report to the Commission on International Religious Persecution established under section 14'' before the period.

Page 24, line 2 insert '', the Trade and Development Agency, or the Export Import Bank of the United States'' after ''Corporation''.

Insert the following after section 12 and redesignate the succeeding section accordingly:

SEC. 13. PROMOTION OF RELIGIOUS FREEDOM.

(a) ESTABLISHMENT OF A RELIGIOUS FREEDOM INTERNET SITE.—In order to facilitate access by nongovernmental organizations (NGOs) and by the public around the world to international documents on the protection of religious freedom, the Director shall establish and maintain an Internet site containing major international documents relating to religious freedom, each annual report submitted under section 6, and any other documentation or references to other sites as deemed appropriate or relevant by the Director.

(b) TRAINING FOR FOREIGN SERVICE OFFICERS.—Chapter 7 of title I of the Foreign Service Act of 1980 is amended by adding at the end the following new section:

''SEC. 708. TRAINING FOR FOREIGN SERVICE OFFICERS.

''The Secretary of State and the Director of the Office of Religious Persecution Monitoring established under section 5 of the Freedom From Religious Persecution Act of 1998, acting jointly, shall establish as part of the standard training for officers of the Service, including chiefs of mission, instruction in the field of internationally recognized human rights. Such instruction shall include—

''(1) standards for proficiency in the knowledge of international documents and United States policy in human rights, and shall be mandatory for all members of the Service having reporting responsibilities relating to human rights, and for chiefs of mission; and

''(2) instruction on the international right to freedom of religion, the nature, activities, and beliefs of different religions, and the various aspects and manifestations of religious persecution.''.

(c) HIGH-LEVEL CONTACTS WITH NGOS.—United States chiefs of mission shall seek out and contact religious nongovernmental organizations to provide high-level meetings with religious nongovernmental organizations where appropriate and beneficial. United States chiefs of mission and Foreign Service officers abroad shall seek to meet with imprisoned religious leaders where appropriate and beneficial.

(d) PROGRAMS AND ALLOCATIONS OF FUNDS BY UNITED STATES MISSIONS ABROAD.—It is the sense of the Congress that—

(1) United States diplomatic missions in countries the governments of which engage in or tolerate religious persecution should develop, as part of annual program planning, a strategy to promote the respect of the internationally recognized right to freedom of religion; and

(2) in allocating or recommending the allocation of funds or the recommendation of candidates for programs and grants funded by the United States Government, United States diplomatic missions should give particular consideration to those programs and candidates deemed to assist in the promotion of the right to religious freedom.

(e) EQUAL ACCESS TO UNITED STATES MISSIONS ABROAD FOR CONDUCTING RELIGIOUS ACTIVITIES.—

(1) IN GENERAL.—Subject to this subsection, the Secretary of State shall permit, on terms no less favorable than that accorded other nongovernmental activities, access to the premises of any United States diplomatic mission or consular post by any United States citizen seeking to conduct an activity for religious purposes.

(2) TIMING AND LOCATION.—The Secretary of State shall make reasonable accommodations with respect to the timing and location of such access in light of—

(A) the number of United States citizens requesting the access (including any particular religious concerns regarding the time of day, date, or physical setting for services);

(B) conflicts with official activities and other nonofficial United States citizen requests;

(C) the availability of openly conducted, organized religious services outside the premises of the mission or post; and

(D) necessary security precautions.

(3) DISCRETIONARY ACCESS FOR FOREIGN NATIONALS.—The Secretary of State may permit access to the premises of a United States diplomatic mission or consular post to foreign nationals for the purpose of attending or participating in religious activities conducted pursuant to this Act.

(f) PRISONER LISTS AND ISSUE BRIEFS ON RELIGIOUS PERSECUTION CONCERNS.—

(1) SENSE OF CONGRESS.—To encourage involvement with religious persecution concerns at every possible opportunity and by all appropriate representatives of the United States Government, it is the sense of the Congress that officials of the executive branch of the United States Government should promote increased advocacy on such issues during meetings between executive branch and congressional leaders and foreign dignitaries.

(2) RELIGIOUS PERSECUTION PRISONER LISTS AND ISSUE BRIEFS.—The Secretary of State, in consultation with United States chiefs of mission abroad, regional experts, the Director, and nongovernmental human rights and religious groups, shall prepare and maintain issue briefs on religious freedom, on a country-by-country basis, consisting of lists of persons believed to be imprisoned for their religious faith, together with brief evaluations and critiques of policies of the respective country restricting religious freedom. The Secretary of State shall exercise appropriate discretion regarding the safety and security concerns of prisoners in considering the inclusion of their names on the lists.

(3) AVAILABILITY OF INFORMATION.—The Secretary of State shall provide these religious freedom issue briefs to executive branch and congressional officials and delegations in anticipation of bilateral contacts with foreign leaders, both in the United States and abroad.

(g) ASSISTANCE FOR PROMOTING RELIGIOUS FREEDOM.—

(1) FINDINGS.—The Congress makes the following findings:

(A) In many nations where severe violations of religious freedom occur, there is not sufficient statutory legal protection for religious minorities or there is not sufficient cultural and social understanding of international norms of religious freedom.

(B) Accordingly, in its foreign assistance already being disbursed, the United States should make a priority of promoting and developing legal protections and cultural respect for religious freedom.

(2) ALLOCATION OF FUNDS FOR INCREASED PROMOTION OF RELIGIOUS FREEDOMS.—Section 116(e) of the Foreign Assistance Act of 1961 is amended by inserting ''and the right to free religious belief and practice'' after ''adherence to civil and political rights''.

(h) INTERNATIONAL BROADCASTING.—

(1) Section 302(1) of the United States International Broadcasting Act of 1994 is amended by inserting ''and of conscience (including freedom of religion)'' after ''freedom of opinion and expression''.

(2) Section 303(a) of the United States International Broadcasting Act of 1994 is amended—

(A) by striking ''and'' at the end of paragraph (6);

(B) by striking the period at the end of paragraph (7) and inserting ''; and''; and

(C) by adding at the end the following:

''(8) promote respect for human rights, including freedom of religion.''.

(i) INTERNATIONAL EXCHANGES.—Section 102(b) of the Mutual Educational and Cultural Exchange Act of 1961 is amended—

(1) by striking ''and'' after paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting ''; and''; and

(3) by adding at the end the following:

''(12) promoting respect for and guarantees of religious freedom abroad by interchanges and visits between the United States and other nations of religious leaders, scholars, and religious and legal experts in the field of religious freedom.''.

(j) FOREIGN SERVICE AWARDS.—

(1) PERFORMANCE PAY.—Section 405(d) of the Foreign Service Act of 1980 is amended by inserting after the first sentence the following: ''Such service in the promotion of internationally recognized human rights, including the right to religious freedom, shall serve as a basis for granting awards under this section.''.

(2) FOREIGN SERVICE AWARDS.—Section 614 of the Foreign Service Act of 1980 is amended

by adding at the end the following new sentence: ''Distinguished, meritorious service in the promotion of internationally recognized human rights, including the right to religious freedom, shall serve as a basis for granting awards under this section.''.

SEC. 14. COMMISSION ON INTERNATIONAL RELIGIOUS PERSECUTION.

(a) ESTABLISHMENT AND COMPOSITION.—

(1) GENERALLY.—There is established the United States Commission on International Religious Persecution (hereinafter referred to as the ''Commission'').

(2) MEMBERSHIP.—

(A) APPOINTMENT.—The Commission shall be composed of—

(i) the Director; and

(ii) 4 other members, who shall be appointed as follows:

(I) 2 Senators, 1 of whom shall be appointed by the President pro tempore of the Senate upon the recommendations of the Majority Leader, and 1 of whom shall be appointed by the Minority Leader.

(III) 2 Members of the House of Representatives, 1 of whom shall be appointed by the Speaker of the House of Representatives upon the recommendations of the Majority Leader, and 1 of whom shall be appointed by the Minority Leader.

(B) CHAIR.—The Commission shall elect one of its members as chair.

(C) TIME OF APPOINTMENT.—The appointments required by subparagraph (A) shall be made not later than 120 days after the date of enactment of this Act.

(3) TERMS.—The term of office of each member of the Commission shall be 2 years, except that an individual may not serve more than 2 terms.

(4) QUORUM.—Three members of the Commission constitute a quorum of the Commission.

(5) MEETINGS.—Not more than 15 days after the issuance of an annual report under section 6, the Commission shall convene.

(6) ADMINISTRATIVE SUPPORT.—The Director shall provide to the Commission such staff and administrative services of the Office as may be necessary for the Commission to perform its functions. The Secretary of State shall assist the Director and the Commission by detailing staff resources as needed and as appropriate.

(7) COMPENSATION.—

(A) TRAVEL EXPENSES.—Members of the Commission shall receive no pay for services performed as such a member, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(B) NO COMPENSATION FOR GOVERNMENT EMPLOYEES.—Any member of the Commission who is an officer or employee of the United States shall receive no additional compensation for services performed as a member of the Commission.

(b) DUTIES OF THE COMMISSION.—

(1) In general.—The Commission shall have as its primary responsibility the consideration of the facts and circumstances of category 1 or category 2 persecution presented in each annual report issued under section 6 and the consideration of United States Government policies to promote religious freedom and prevent religious persecution, and to make appropriate policy recommendations to the President, the Secretary of State, and the Congress.

(2) POLICY REVIEW AND RECOMMENDATIONS IN RESPONSE TO VIOLATIONS.—The Commission, in evaluating United States Government policies, shall consider and recommend policy options to further enhance the effectiveness of sanctions related to religious persecution and human rights.

(3) POLICY REVIEW AND RECOMMENDATIONS IN RESPONSE TO PROGRESS.—The Commission shall make and provide an assessment of—

(A) the progress of sanctions imposed under section 7 on a country or responsible entity toward achieving termination of religious persecution, as well as the potential deterrence of religious persecution as a result of this Act in countries on which sanctions have not been imposed under this Act;

(B) diplomatic and other steps the United States has taken or should take to further accomplish the intended objectives of the sanctions, including the promotion of multilateral adoption of comparable measures;

(C) comparable measures undertaken by other countries;

(D) additional policy options to promote the objectives of this Act and an assessment of their potential effectiveness;

(E) any obligations of the United States under international treaties or trade agreements with which sanctions imposed under section 7 have conflicted or proposed policy options under paragraph (2) may conflict;

(F) any retaliation resulting from sanctions imposed under section 7 and the likelihood that a proposed policy option under paragraph (2) will lead to retaliation against United States interests, including agricultural interests; and

(G) the estimated impact from sanctions imposed under section 7 and proposed policy options under paragraph (2) on United States foreign policy, national security, economic, and humanitarian interests, including benefit or harm to United States businesses, agriculture, and consumers, the competitiveness of United States businesses, and the international reputation of the United States as a reliable supplier of products, technology, agricultural commodities, and services.

(4) EFFECTS ON RELIGIOUS COMMUNITIES AND INDIVIDUALS.—Together with specific policy recommendations provided under paragraphs (2) and (3), the Commission shall also indicate its evaluation of the potential effects of such policies, if implemented, on the religious communities and individuals whose rights are found to be violated in the country in question.

(5) MONITORING.—The Commission shall, on an ongoing basis, monitor facts and circumstances of religious persecution, in consultation with independent human rights groups and nongovernmental organizations, including churches and other religious communities, and make such recommendations as may be necessary to the appropriate agencies and officials of the United States Government.

(c) REPORT OF THE COMMISSION.—

(1) IN GENERAL.—Not later than March 1 of each year, the Commission shall submit a report to the President and the Congress setting forth its recommendations for changes in United States policy based on its evaluations under subsection (b).

(2) CLASSIFIED FORM OF REPORT.—The report may be submitted in classified form, together with a public summary of recommendations.

(3) INDIVIDUAL OR DISSENTING VIEWS.—Each member of the Commission may include the individual or dissenting views of the member.

(d) TERMINATION.—The Commission shall terminate 8 years after the initial appointment of its members.

The CHAIRMAN. Pursuant to House Resolution 430, the gentleman from Texas (Mr. BRADY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas (Mr. BRADY).

Mr. BRADY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, America has never run from taking a stand on injustice in this world. It is not in our history, it is not in our heart. I know that the right to freedom of religion is under assault, renewed assault, throughout the world. Religious believers in many countries face severe forms of persecution, torture, beatings, rape, slavery and death for their peaceful beliefs.

Mr. Chairman, it is important that we take a stand, not simply denounce, but take a stand. So I appreciate the author of this bill, the gentleman from Virginia (Mr. WOLF), and the leadership of the gentleman from New Jersey (Mr. SMITH), in bringing this dialogue and bill to the floor.

The goal of my amendment is simple, to strengthen the impact of the act, to provide more tools to fight religious persecution, to enhance the accountability and heighten a year-round profile in the fight against religious persecution.

Specifically, this amendment provides more tools, among them establishment of a religious freedom Internet site, expanded international broadcasting, publication of religious prisoner lists, training for foreign service officers and equal access to U.S. missions abroad.

The amendment also expands contract sanctity and establishes a five member U.S. Commission on International Religious Persecution, four Members of Congress and the new director, to promote accountability, to evaluate the progress, to tell us how we are doing and what we can do to do it better, to report on efforts to secure multilateral cooperation, to put more pressure on these sanctioned countries and entities, to identify how America is being retaliated against, to assess the impact on American jobs and interests, and make recommendations to Congress on how we can further effectively act to end religious persecution around this globe.

Mr. Chairman, I yield one minute to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman, I thank my good friend for yielding me time.

Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Texas (Mr. BRADY). While the gentleman from Texas may be one of the most junior members of our Committee on International Relations, he is one of the most significant, and a key participant in our committee's deliberations on this bill and many other policy initiatives. The gentleman has offered many helpful suggestions along the way, and has demonstrated over and over again his commitment to the struggle against religious persecution, and I deeply, deeply, respect him.

The amendment offered by the gentleman from Texas (Mr. BRADY) today makes further positive contribution to

the bill, and enhances the bill, as he pointed out, in a variety of ways.

I commend the gentleman from Texas (Mr. BRADY) for his work on behalf of this legislation and his very constructive amendment, and I do urge my colleagues to support it.

Mr. HASTINGS of Florida. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Florida (Mr. HASTINGS) is recognized for 5 minutes.

Mr. HASTINGS of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I stand in opposition at this time to the amendment, but I wish to commend the gentleman from Texas (Mr. BRADY) for attempting to improve this bill. I know that Mr. BRADY has worked diligently, and I compliment him on his efforts.

The gentleman's amendment contains a number of useful provisions. I do not think these provisions have been as carefully examined as we would like, and, in my view, they do not work well within the context of H.R. 2431. So while at this time I withdraw any of those reservations and will not oppose the efforts of the gentleman, I did at least want to register the reservation, in the hopes that we will continue in the effort to improve this bill.

Mr. Chairman, I yield back the balance of my time.

Mr. BRADY. Mr. Chairman, I yield two minutes to the gentleman from Florida (Mr. BILIRAKIS.)

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

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

Mr. Chairman, I support the amendment of the gentleman from Texas (Mr. BRADY.) I would like to commend the gentleman from Virginia (Mr. WOLF) for his important work crafting this important bill to protect fundamental human rights.

I support this bill because it sends a clear message that the United States supports freedom of religion and human rights worldwide. The bill also contains language I offered to stop the religious persecution of Orthodox Christians in Turkey. The Ecumenical Patriarchate in Istanbul, Turkey, is the spiritual center for nearly 300 million Orthodox Christians worldwide, including 5 million in the United States. It has repeatedly been the target of attacks which have resulted in the deaths of its personnel.

The latest act of violence against the Patriarchate came in December 1997, just months after Congress awarded the Congressional Gold Medal to Patriarch Bartholomew. When he accepted the Congressional Gold Medal last year, the Patriarch emphasized that the Orthodox Church: ''May be opposed, but opposes no one; may be persecuted, but does not persecute; is fettered, but chains no one; is derived of her freedom, but does not trample on the freedom of others.''

It is incumbent upon us as leaders of the greatest democratic republic in the world, a Nation founded on the free exercise of religion, to ensure that the Patriarchate is free to carry out its non-political religious mission.

My language urges the United States to use its influence with the Turkish government to protect the Patriarch, the Patriarchate personnel, and all Orthodox faithful residing in Turkey. It also requires the administration to reported to Congress annually on the status of its efforts to achieve these goals.

H.R. 2431 states: ''Governments have a primary responsibility to promote, encourage and protect respect for the fundamental and internationally recognized right to freedom of religion.''

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. BRADY).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider Amendment No. 2 printed in part 2 of House Report 105–534.

AMENDMENT NO. 2 OFFERED BY MR. HASTINGS OF FLORIDA

Mr. HASTINGS of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. HASTINGS of Florida:

Page 15, line 4, insert the following after line 4:

(7) In consultation with the Secretary of State, make policy recommendations to the President that would make a priority of promoting and developing legal protections and cultural respect for religious freedom, including by—

(A) ensuring that funds made available for development assistance are used, among other things, to encourage and promote increased adherence to the right to free religious belief and practice;

(B) ensuring that United States international broadcasting is designed to promote respect for human rights, including freedom of religion, among other broadcasting goals; and

(C) ensuring that United States cultural and educational exchanges promote, among other goals, respect for and guarantees of religious freedom abroad, including through interchanges and visits between the United States and other countries of religious leaders, scholars, and religious and legal experts in the field of religious freedom.

(8) Assist the Secretary of State in establishing a program of granting awards to members of the Foreign Service who have provided distinguished, meritorious service in the promotion of internationally recognized human rights, including the right to religious freedom.

The CHAIRMAN. Pursuant to House Resolution 430, the gentleman from Florida (Mr. HASTINGS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I oppose the bill in committee for a number of reasons, none of which have been addressed by the legislative process up to this point.

One of my key concerns is that this bill takes a negative approach to trying to solve a very, very complex issue. That is why I offer this amendment, which would institute positive incentives to promote religious freedom.

The amendment would authorize the director to weigh in on policy decisions that promote and develop legal protections and cultural respect for religious freedom in several United States programs. This does not mean increasing program costs. It does, however, mean that the current programs attempt to do something to alleviate religious persecution.

The Secretary of State's Advisory Committee on Religious Freedom Abroad has recommended that the Secretary promote a greater awareness of religious freedom in United States development programs in the broadcast of Radio Asia and the other radio services throughout the world, and in our culture and educational exchanges. The amendment follows through on these very productive suggestions.

The amendment would also reinforce United States Embassies' promotion of religious freedom by rewarding diplomats who have made valuable contributions to international human rights efforts, including the right to religious freedom. I hope and expect this amendment to get unanimous support from my colleagues.

Mr. Chairman, while I seek to improve the bill, I must continue to point to two of the very serious concerns with the heart of the bill. First, this bill, in my view, will not help those who suffer from religious persecution, and risks harm to the very communities it seeks to protect. Religious minorities in countries likely to be targeted under this bill fear that they will be blamed and they will suffer for the imposition of U.S. sanctions on their countries.

This was the concern raised by Dr. Youssef Boutros-Ghali, a Coptic Christian and Egypt's Minister of Economy, and by Reverend Joseph Pattiasina, the General Secretary of the Communion of Churches in Indonesia, who said the bill will jeopardize the relationship between the Christians and Islam.

Second, the mandatory automatic sanctions, although that has been modified in many respects, restricts the President's ability to manage the full range of United States national interests, including securing peace and security, economic prosperity, and even protection of other human rights.

A determination of religious persecution against any country would automatically trigger a fixed set of assistance and trade sanctions. No other U.S. interest could be considered in a decision of whether or not to impose such sanctions. This bill forces the United States to use a single, inflexible preemptory unilateral weapon, sanctions,

to address issues of immense complexity and scope.

Many countries would be exposed to sanctions under this bill, including Egypt, Saudi Arabia, Indonesia, Pakistan and India. As pointed out by the gentleman from Indiana (Mr. HAMILTON), we have several national security interests in these countries, heightened only more by the events in the world today, the Middle East peace process, secure oil supplies, nonproliferation, and peace and stability in Asia. These countries buy American products. Sanctions mandated by this bill can and will surely harm some of these interests.

While H.R. 24312 is well-intentioned, it is harmful to American national interests and counterproductive to our shared goal of ending religious persecution. My amendment strengthens this bill, and I urge its adoption.

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

Mr. SMITH of New Jersey. Mr. Chairman, I rise in favor of the amendment, but I ask unanimous consent to claim the time, since nobody seems to be opposed.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The gentleman from New Jersey (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first I want to commend the distinguished member of our Committee on International Relations for his amendment. I strongly urge its adoption.

The amendment of the gentleman from Florida (Mr. HASTINGS) expands the responsibilities of the director of the new Office of Religious Persecution Monitoring in several ways. The net effect would be to give the director a role in advising the President and the Secretary of State on additional steps that the United States can take to advance religious freedom around the world, including in such areas as international broadcasting and international exchanges in personnel incentives for State Department employees.

Just to respond, and not to get back to general debate, but the gentleman from Florida raised a couple of issues against the bill. I do hope Members will realize that there is a very generous waiver provision, I think perhaps it is too generous, but it does provide for national security concerns. Also under the provisions of the bill, the sanctions can be waived if the President believes that it would substantially promote the purposes of this act.

It is about time we took religious freedom seriously. This legislation does so.

The gentleman from Indiana (Mr. HAMILTON) earlier in the debate talked about the beheadings going on in Saudi Arabia. Usually they occur when somebody converts from being a Muslim to Christianity.

That is serious stuff. If we are going to look askance and act indifferent or raise our voice with nothing behind it, those beheadings will continue. But we must say very clearly and unambiguously that beheading people is something out of bounds and is truly egregious behavior, and certainly it is violative of all of the UN conventions, including the Declaration on Intolerance on Religion.

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And so the stories need to conform, as do others, to these internationally recognized norms, and beheadings certainly are totally out of bounds, as is any other form of torture.

Mr. Chairman, I hope Members will support the bill, and again, I think this is a good amendment and I support it.

Mr. HASTINGS of Florida. Mr. Chairman, at this time I would like to thank my good friend and distinguished colleague, the gentleman from New Jersey (Mr. SMITH).

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. HASTINGS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HASTINGS of Florida. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 415, noes 3, not voting 14, as follows:

[Roll No. 154]

AYES—415

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NOES—3

Chenoweth Johnson (WI) Paul

NOT VOTING—14

Bateman Hefner Souder
Cannon Lewis (CA) Torres
Fowler Quinn Traficant
Gonzalez Riggs Weldon (PA)
Harman Skaggs

□ 1351

Mr. GOODLATTE changed his vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in part 2 of House Report 105–534.

AMENDMENT NO. 3 OFFERED BY MR. CAMPBELL

Mr. CAMPBELL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part 2 Amendment No. 3 printed in House Report 105–534 offered by Mr. CAMPBELL:

In section (12)(f), in the matter preceding paragraph (1), strike ''paragraph (2) or (8) of subsection (b) of''.

The CHAIRMAN. Pursuant to House Resolution 430, the gentleman from California (Mr. CAMPBELL) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment makes the national security waiver complete. As the bill left the Committee on International Relations regarding Sudan, because of a jurisdictional dispute between the Committee on Ways and Means and Committee on International Relations, the waiver authority given to the President did not extend to all of the sanctions in the Sudan provision of the bill. With my amendment, it would do so.

Mr. Chairman, I will take an additional moment to say that if this amendment is adopted, and I am assured by my good friends that it shall be, I will then be very proud to support this bill. I am proud to stand with the gentleman from Virginia (Mr. WOLF) and the gentleman from New Jersey (Mr. SMITH), with the chairman of our committee, with many Members on the other side of the aisle, as well.

I suggest that with this amendment there is really no concern sufficient to oppose this bill from the point of view of the President's conduct with foreign affairs, because with this amendment every aspect of the bill that imposes a sanction can, in appropriate circumstances, be waived.

I also would note the kindness, the consideration that I have received from the authors of this bill through a very long process of drafting it, so that the sanctions which deal with the definition of an agency of a foreign nation are defined as narrowly as practicable, and so that the items regarding the barriers to export of those items that could facilitate persecution are defined to be only those which are specific, and I read, ''directly and substantially used or intended for use in carrying out acts of religious persecution in such country.''

With these understandings, the bill, it seems to me, remains a powerful statement against religious persecution, and yet does not interfere with the appropriate role of the President of the United States in foreign policy.

Mr. Chairman, my understanding is, if my amendment is accepted, all sanctions provided for in section 12, referred to in section 2, may be waived.

Mr. Chairman, I yield 1 minute to my distinguished colleague, the gentleman from Virginia (Mr. WOLF), the author of the bill, so that he might perhaps speak to whether my understanding is correct. I am not seeking a colloquy, I am seeking merely to yield 1 minute.

Mr. WOLF. Mr. Chairman, that is correct. I thank the gentleman very, very much.

Mr. CAMPBELL. I am proud to stand with the gentleman from Virginia (Mr. WOLF).

Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. GILMAN), the distinguished chairman of our committee.

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

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding. I am pleased to rise in support of the amendment offered by the distinguished member of our Committee on International Relations, the gentleman from California (Mr. CAMPBELL).

Mr. Chairman, this amendment restores to the bill a feature first suggested to us by the gentleman from California (Mr. CAMPBELL) that we had intended to adopt during markup during our committee, but were unable to adopt because of limitations on our committee's jurisdiction.

The gentleman from California rightly points out that if the President is to have authority to waive sanctions imposed on Sudan pursuant to the bill, he should have authority to waive all of those sanctions, and not just some of them. That is the purpose of the amendment. We welcome the improvement to our bill.

We thank the gentleman from California (Mr. CAMPBELL) for the close attention he has paid to our bill while we were considering it within our committee. I am grateful for his many positive contributions.

I urge my colleagues to adopt the Campbell amendment.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, we have worked very constructively with the gentleman from California on this amendment, as well as on the bill itself. It has been through a very long and arduous process, two full hearings in the full committee last September, a whole series of hearings in my subcommittee on religious persecution, and then the drafting and redrafting. The gentleman from California (Mr. CAMPBELL) has been very vital for that. We thank him for that. We appreciate his support for the full bill in final passage.

The CHAIRMAN. Does the gentleman from Indiana (Mr. HAMILTON) claim the time in opposition?

Mr. HAMILTON. I am not opposed to the amendment, Mr. Chairman.

I ask unanimous consent to control the time, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The gentleman from Indiana (Mr. HAMILTON) is recognized for 5 minutes.

Mr. HAMILTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would say, while I do not support the bill, I do think this amendment improves the bill and it would be my intention to support it and vote for it.

Mr. Chairman, I yield to the distinguished gentlewoman from Texas, Ms. JACKSON-LEE.

□ 1400

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the ranking member, the gentleman from Indiana (Mr. HAMILTON), very much for his overall leadership throughout the years on so many important international issues. I also thank the gentleman from Virginia (Mr. WOLF) and the Committee on International Relations.

I rise to support the Campbell amendment, as well to support this legislation. In particular, I think it is extremely important to note that the President has already issued a broad range of waivers and sanctions against Sudan, and I think that this particular legislation that the gentleman from California (Mr. CAMPBELL) has gives the President greater flexibility but as well recognizes that we have responsibility to uphold the needs of the people in Sudan. So I do appreciate this amendment.

Mr. Chairman, I know how committed the gentleman from Virginia (Mr. WOLF) has been to these issues. That is why I join him, along with my good friend, the gentleman from Florida (Mr. HASTINGS) who has been very studious on these questions. I think when we begin to educate the American people about persecution, as we have seen and heard and as it has been expressed, abduction and enslavement, killing and imprisonment, forced mass relocation, rape, crucifixion or other forms of torture, then we recognize that the legislation is extremely important.

While many of my constituents have raised those concerns because they are

aware of it, there are others likewise who bring to the table questions of whether or not we should be involved and engaged in unilateral sanctions.

I would simply say that I am looking forward to looking at both sides of the issue and have considered certainly the legislation of the Crane-Hamilton bill. But I think this issue is so very important to us as Americans. It is such an abiding issue for me, religious freedom, the lack of religious persecution, that it begs to be answered.

So I rise to be able to lend my support for the leadership of the gentleman from Virginia (Mr. WOLF) and to add to the supporters, to acknowledge the International Campaign of Tibet, His Holiness, the Dalai Lama, the U.S. Catholic Conference, the Religious Action Center for Reformed Judaism, the Salvation Army, the Anti-defamation League, a noted Chinese dissident, John Cardinal O'Connor, Archbishop of New York, and Jeff Fiedler, President of the Food and Allied Service Trades.

I think we are being begged for a response. We would be certainly remiss. More than that, it would be tragic not to stand up for religious freedom around this world. We must stand up for those to be allowed to express their beliefs. I thank the leadership, the gentleman from Virginia (Mr. WOLF) for this legislation.

Mr. Chairman, I rise today in support of H.R. 2431, the Freedom from Religious Persecution Act of 1998. Essentially, this bill is an effort to protect one of the most sacred rights that human beings can enjoy, the right to seek out and worship the divine as they may deem fit. All over the world, nations, sovereign powers and totalitarian groups are restricting the religious freedom of others. From Christians to Jews to Muslims to Bahai's, religious persecution, as we stand on the brink of the next millennium, is a widespread as ever. So, in response to the crisis, this bill establishes a new office in the State Department to monitor religious persecution overseas called the Office of Religious Persecution Monitoring, directs U.S. sanctions against countries and individuals determined to have engaged in religious persecution and provides asylum for religious refugees as determined by a series of guidelines mandated by the bill.

As our history teaches us, many of the founders of this great nation crossed the imposing gulf of the Atlantic Ocean in order to preserve the sanctity of their personal religious choices. Without reservation, they flatly refused to let others dictate for them who they could worship and how that worship should be conducted. Instead of bowing to the suppression of their beliefs, these brave pioneers of a new and enlightened sense of public governance, chose to protect their freedom above all. Well over two centuries later, this same struggle is being fought again by literally millions of people around the globe who simply refuse to betray their most sacred beliefs about God.

In Sudan, in particular, this struggle has taken on genocidically proportions. Some reports estimate that well over one million people have been killed by the Sudanese government, both Christians and Muslims, fighting to preserve their most fundamental religious beliefs. In China, millions of ''house church'' Christians are forced to worship in absolute secrecy in order to prevent the government from interfering in the practice of their worship. In Tibet, Buddhists have been brutalized, their religious leaders jailed, and their most holy of worship places completely desecrated. In Iran, practicing Bahai's have been met with a rash of sudden executions. And most recently, we have learned about the violent terrorism against Christians in both Pakistan and Egypt, while the government of these nations have simply stood back and watched. So now that we know what is happening around us, what are we going to do about these on-going travesties of justice?

For me, the answer is as simple as this, we must take a stand on these important issues of principle. This bill, in my opinion, is a workable solution to these growing threats to religious freedom surging abroad. First of all, the bill does not exclude any religious groups from its protections. Whether you are Christian, Jew, Muslim, Hindu or something else, if you are persecuted because of your religious beliefs, this bill and its provisions will protect you. Furthermore, this bill is in no way mutually exclusive to any protections that may exist in current law for any other persecuted group. If you are persecuted for race, national origin, political affiliation or some other defining characteristic of personhood, existing federal law still addresses these concerns. Religion, I believe, because of the many on-going tragedies of persecution, terrorism and violence that I listed above, definitely deserves some form of special consideration and treatment. Thus, the necessity of creating a new federal sub-agency to be responsible for this volatile issue.

The newly created Office of Religious Persecution Monitoring in the State Department will be headed by a Director appointed by the President and confirmed by the Senate. This director should be recognized as an expert in the area of religious persecution and is barred specifically by the language of the bill, from holding any other federal position while serving in this capacity. More importantly though, this office is empowered by the bill to make findings of fact on any potential violations as discovered by the State Department and submit these findings to the Secretary (of State) and President with recommendations for action. This bill, in sum, is a powerful statement to nations of the world, that we will not countenance the rampant disregard of our fellow man's unalienable rights.

As for the bill's remaining provisions, in regard to the sanctions against aid given to countries that violate the religious freedom of their citizens; we should not, we must not, and we can not sit back and enrich governments that either conduct or condone the persecution of citizens on the basis of their religious beliefs. In all of our policy decisions, we need to show our displeasure with this kind of heinous conduct. And finally, the creation of a structured asylum program for religious refugees is a noble objective; an objective some believe is long overdue.

As people all around the world are celebrating the fiftieth anniversary of the Universal Declaration of Human Rights in their own special way, let's do so in ours. Let's support H.R. 2431, and help to ensure the protection of a freedom for others, that we in this nation often take for granted. The freedom to practice and express one's religious beliefs without interference or persecution. Vote for H.R. 2431.

Mr. HAMILTON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. CAMPBELL).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

The question is on the amendment in the nature of a substitute, as modified, as amended.

The amendment in the nature of a substitute, as modified, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MILLER of Florida) having assumed the chair, Mr. LAHOOD, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 2431) to establish an Office of Religious Persecution Monitoring, to provide for the imposition of sanctions against countries engaged in a pattern of religious persecution, and for other purposes, pursuant to House Resolution 430, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. 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.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

Mr. SMITH of New Jersey. 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 375, nays 41,

answered ''present'' 1, not voting 15, as follows:

[Roll No. 155]

YEAS—375

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Christensen
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dixon
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Filner
Foley
Forbes
Ford
Fossella
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (WI)
Johnson, E.B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Moakley
Moran (KS)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sanchez
Sandlin
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stupak
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NAYS—41

Blumenauer
Bonilla
Brown (CA)
Chenoweth
Clay
Conyers
Crane
Crapo
DeGette
Dicks
Dingell
Dooley
English
Fazio
Gibbons
Hamilton
Hastings (FL)
Hilliard
Houghton
Jefferson
Johnson (CT)
Kolbe
Matsui
McDermott
Mink
Moran (VA)
Oberstar
Paul
Pickett
Pombo
Rangel
Sabo
Salmon
Sanford
Smith, Adam
Snyder
Stokes
Stump
Tauscher
Waters
Watt (NC)

ANSWERED ''PRESENT''—1

Bonior

NOT VOTING—15

Bateman
Dickey
Fowler
Gonzalez
Harman
Hefner
Lewis (CA)
Mollohan
Obey
Quinn
Riggs
Sanders
Skaggs
Torres
Traficant

□ 1426

Mr. CONYERS, Mr. JEFFERSON, Mrs. MINK of Hawaii, and Mr. CLAY changed their vote from ''yea'' to ''nay.''

Mr. MINGE changed his vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

The motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. SANDERS. Mr. Speaker, I inadvertently missed rollcall vote 155, the Freedom From Religious Persecution Act, H.R. 2431. I am glad it passed. If I had been present, I would have voted yes.

GENERAL LEAVE

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2431, the bill just passed.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Missouri?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3760

Mr. DAVIS of Illinois. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 3760.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ELECTION OF MEMBER TO COMMITTEE ON SMALL BUSINESS

Mr. FAZIO of California. Mr. Speaker, by direction of the Democratic Caucus, I offer a privileged resolution (H. Res. 434) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

HOUSE RESOLUTION 434

Resolved, That the following named Member be, and is hereby, elected to the following standing committee of the House of Representatives:

To the Committee on Small Business, the following Member:

DONNA CHRISTIAN GREEN of the Virgin Islands.

The resolution was ageed to.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, I ask the gentleman from Texas (Mr. ARMEY), the distinguished majority leader, what the schedule for today and the remainder of the week and for the following week will be.

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

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I am pleased to announce that we have concluded legislative business for the week. The House will next meet on Monday, May 18, at 12 noon for a pro forma session. There will be no legislative business and no votes on that day.

On Tuesday, May 19, the House will meet at 10:30 a.m. for morning hour and at 12 noon for legislative business.

On Tuesday we will consider a number of bills under suspension of the rules, a list of which will be distributed to Members' offices.

We also hope to consider H.R. 512, the new Wildlife Refuge Authorization Act, under an open rule, and begin general debate on H.R. 3616, the National Defense Authorization Act for fiscal year 1999. Time permitting, we will complete consideration of H.R. 3534, the Private Sector Mandates Act.

Members should note that we do not expect any recorded votes before 5 p.m. on Tuesday, May 19.

On Wednesday, May 20, and Thursday, May 21, the House will meet at 10

a.m., and on Friday, May 22, the House will meet at 9 a.m. to consider the following legislation:

Continued consideration of H.R. 3616, the National Defense Authorization Act for the fiscal year 1999;

H.R. 3150, the Bankruptcy Reform Act of 1998; and

H.R. 2183, the Bipartisan Campaign Integrity Act of 1997.

□ 1430

We also hope to have a number of conference reports ready for next week, including H.R. 2400, The Building Efficient Surface Transportation and Equity Act conference report; and H.R. 2646, The Education Savings Act for public and private schools conference report.

Mr. Speaker, we hope to conclude legislative business for the week on Friday, May 22. The House will be in recess for the Memorial Day district work period until Tuesday, June 2.

The House will reconvene on Wednesday, June 3, at 10:30 a.m. However, votes will be postponed until after 5:00 p.m. on Wednesday, June 3, the resumption of our work after the recess.

I thank the gentleman for yielding me the time.

Mr. BONIOR. Mr. Speaker, reclaiming my time, can the distinguished majority leader assure the House that we will vote on the final passage of campaign finance reform before the recess, as promised?

Mr. ARMEY. If the gentleman will continue to yield, I want to, of course, thank the gentleman for his inquiry.

Next week is, of course, a week where we have a great deal of work that is pending before the Nation and very important work. There is no doubt we will get to campaign finance reform. And this is, of course, a very big, broad-based debate, focused on honest and fair elections; and we intend to have that full debate and there will be full consideration.

So I have no way of assuring the gentleman of our ability to complete that work, given the fact that we have just, I think, until the end of today to file substitutes. So my anticipation is there will be a large number of voices that will want to be heard.

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

Mr. BONIOR. I yield to the gentleman from Kentucky.

Mr. BAESLER. Mr. Speaker, if I could ask a question of the distinguished majority leader.

Since we are the blue dog with the sponsor of the discharge petition, we are concerned, very clearly, that the whole matter be discussed next week. And I just heard the comments of the gentleman to the gentleman from Michigan (Mr. BONIOR).

So does the majority leader think that we are going to be able discuss the substance or just the rule next week?

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

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. ARMEY. If the gentleman is still talking about the consideration of honest and fair elections, certainly, I have no doubt, we will get beyond the rule and into the bill.

I simply cannot give my colleague any assurance about how far we will get relative to the amount of work to be done. But certainly the gentleman is correct; we will be discussing the legislation itself.

Mr. BONIOR. Can I ask my friend from Texas how much time does he anticipate that he may be setting aside for the campaign finance reform bill, the honest election bill that he referred to?

Mr. ARMEY. If the gentleman would further yield, I appreciate his interest. But we have sought full participation by everyone who has been working on this subject to give them an opportunity to present their recommendations and consider that. We will know more, of course, after the filing of all the substitutes before the committee. But we intend to give it as much time as it will take.

Mr. BONIOR. Mr. Speaker, I yield to my friend, the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Speaker, I thank my colleague the distinguished minority whip for yielding. I wonder if I might ask a question, under his reservation, of the majority leader.

As the majority leader I think knows, there are bipartisan interests in activities of official business on Friday of next week, and I am wondering is it possible for the majority leader to give us a 2 o'clock or a 3 o'clock certain adjournment time, or, at least, would he be willing to entertain a request from this gentleman that we adjourn as early as possible on Friday?

Mr. ARMEY. I thank the gentleman. I do understand the importance of the work that my colleague is discussing here. And it is a Friday before a district work period.

We will undoubtedly find ourselves having to stay late on Wednesday night, perhaps Thursday night. And it is our intention to be able to conclude by 2 o'clock so that people can begin their district work period in a manner that would be consistent with the plans they have made.

Mr. BEREUTER. If the gentleman would continue to yield, I just wanted to thank the majority leader for that indication. I think it would be helpful in our planning and it is of bipartisan importance.

Mr. BONIOR. Finally, Mr. Speaker, I yield to my friend, the gentleman from Texas (Mr. STENHOLM) for an inquiry.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for yielding.

I would like to inquire of the majority leader if the leadership has ascertained as yet the nature of the rule under which we will consider campaign finance reform?

As my colleague is I am sure aware, the discharge petition that many of us felt would have given a very free and open debate of the issue includes some mode of operation that we feel is very, very important to the consideration of these competing ideas. The so-called freshman bill and the Shays-Meehan bill, we believe very strongly, should be considered in what we call the Queen of the Hill, in which the one that gets the most votes becomes the base bill; and then the open rule that I believe everyone has promised for amendment would then occur thereafter.

Could my colleague shed some light as to whether or not the leadership might be sympathetic to basically having the rule that was about to be discharged be the rule under which we will conduct the free and open debate?

Mr. ARMEY. As I said before, the substitutes are still being filed. But I believe the kind of rule the gentleman from Texas outlined, and again, I do not of course have the authority to speak on behalf of the Committee on Rules, but I would anticipate that if the gentleman is requesting the kind of rule outlined, anticipating that, that he should have good expectations that he will be pleased with the rule, from the discussions that I have heard.

Mr. BONIOR. I thank my colleague from Texas.

ADJOURNMENT TO MONDAY, MAY 18, 1998

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Florida?

There was no objection.

HOUR OF MEETING ON TUESDAY, MAY 19, 1998

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, May 18, 1998, it adjourn to meet at 10:30 a.m. on Tuesday, May 19, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

AUTHORIZING THE SPEAKER, MAJORITY LEADER, AND MINORITY LEADER TO ACCEPT RESIGNATIONS AND MAKE APPOINTMENTS NOTWITHSTANDING ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Monday, May 18, 1998, the Speaker, majority leader, and minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

50TH ANNIVERSARY OF FOUNDING OF MODERN STATE OF ISRAEL

(Mr. LAMPSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAMPSON. Mr. Speaker, I would like to take this opportunity to extend my warmest congratulations and best wishes to the State of Israel and to her people on the occasion of the 50th anniversary of the founding of the modern State of Israel.

In 1948, Israel arose from the ashes of the Holocaust. On May 14, 1948, the people of Israel proclaimed the establishment of the sovereign and independent State of Israel. Over these last 50 years, the American people have formed a profound friendship with the people of Israel, and these bonds of friendship and cooperation have been significant for both our countries, and we give thanks for the miracle of her survival; for the history of Israel and the Jewish people is the story of redemption and freedom of all oppressed peoples everywhere.

So, to the people of Israel, I wish them a peaceful, prosperous, and successful future.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. LAHOOD). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

(Mr. CONYERS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. NEY) is recognized for 5 minutes.

(Mr. NEY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

TRIBUTE TO MARJORY STONEMAN DOUGLAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, I would like to take a moment to pay tribute to a remarkable Floridian who spent literally a century doing good on this Earth before passing away today.

Restoration of the Florida Everglades, one of the largest functioning ecosystems in the world, is a massive undertaking, and success will depend upon a united effort between the Federal Government, the State of Florida, and all local, regional, and tribal interests.

While the job of restoring the Everglades ecosystem is by no means complete, much has already been accomplished in the 50 years since President Truman designated the Everglades as a national park.

These accomplishments, Mr. Speaker, are in no small part due to the efforts of Marjory Stoneman Douglas. And for that reason, I was saddened to hear the news of her death this morning at the age of 108 years old.

While there are many different points of view about how to best clean up the Everglades, we all agree that it does in fact need to be restored. This was not always the case, though, in Florida. In fact, during campaigns in the 1930s, people would run for office and say, ''If you will elect me governor of this State, I will drain that swamp and create growth and development opportunities.'' But it was through the efforts of Mrs. Douglas that Floridians began to view the Everglades as a national treasure that needs to be preserved rather than a simple swamp that needed to be transformed.

I read today from the Washington Post. ''Environmentalist Marjory Stoneman Douglas, the fiesty, tireless grande dame of the Florida Everglades who led the fight to preserve her river of grass, died today. She was 108.''

Let me give a few quotes from people who worked with her closely on the preservation of one of our most significant national treasures. ''For many, Mrs. Douglas was more than an environmentalist. Joe Podgor, executive director of the 5,000-member Friends of the Everglades, which she helped found, once called her 'the giant on whose shoulders we all stand.' Clay Henderson, president of the Florida Audubon Society, said her campaign was 'certainly the turning point for the Everglades.' ''

He also stated, ''The good thing is that she lived long enough to see the restoration of the Everglades rise to the top of the national agenda. And so we've come too far now to be able to turn back.''

''She was considered the authority on the delicate ecosystem, which is home to plants and animals found nowhere else.

''In 1947, she helped lead the successful push to have nearly 1.6 million acres designated as the Everglades National Park. That same year, she published her book, 'The Everglades: River of Grass,' the first attempt to put the history of the Everglades into one volume.''

□ 1445

Until then, the Everglades was considered a wasteland to be conquered and used for farming, and State policies encouraging drainage and development. The book's title referred to the fact that the Everglades is really a wide river of shallow water flowing slowly southward across a low grassy plain.

The book combines scientific findings and traditional lore and reads nothing like a textbook. I give you a quote: ''The clear burning light of the sun pours day long into the saw grass and is lost there, soaked up, never given back,'' she wrote. ''Only the water flashes in glints. The grass yields nothing.''

Long past an age when most people slow down, she continued to speak out on behalf of the imperiled south Florida region damaged by rapid development.

Among other honors, a special conservation award named for her, an act of the legislature in her name, and several Marjory Stoneman Douglas parks and schools. The high-rise gold glass building in Tallahassee that houses the State Department of Natural Resources is named for her. In 1993, when she was 103 years old, President Clinton awarded her the Presidential Medal of Freedom.

Even when others insisted the battle over the Everglades was lost, Mrs. Douglas refused to give up. She said, ''It is not too late, or we would not be working. We simply cannot let everything be destroyed. We cannot do that, not if we want water. We have got to take care of what we have,'' Mrs. Douglas said in her 1990 interview. She led us in a valiant fight to preserve the Everglades.

I am proud of the work. Speaker GINGRICH, Senator Dole, and others have helped, and Senator CONNIE MACK, in helping us achieve the largest Federal effort ever to preserve and protect the Everglades.

I was able to offer a $300 million effort on behalf of our colleagues and all Floridians to preserve our most vital natural resource in Florida, which is water, and our Everglades National Park, which is a treasure for generations to come.

But it is obviously today more the work of Marjory Stoneman Douglas that has brought us here today, both to honor her life, celebrate her presence, eulogize a tribute to her, the preservation of something so vitally important to over 14 million Floridians and actually the entire United States, the preservation, the lifeblood of Florida, the Everglades National Park.

ISSUES AFFECTING HAWAII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. ABERCROMBIE) is recognized for 5 minutes.

Mr. ABERCROMBIE. Mr. Speaker, I have in my hand the Asian American and Pacific Islander Journal of Health here from the autumn issue in 1993. It addresses the health status of Kanaka Maoli, the indigenous Hawaiians. It is written by my good friend Dr. Richard Kekuni Blaisdell.

In the process of reviewing this, Mr. Speaker, you will find that the purpose is to summarize the current health status of the Kanaka Maoli, the indigenous Hawaiian people, with historical background, the underlying factors responsible for the indigenous Hawaiian health plight and recommendations.

The principal findings, Mr. Speaker, are that the indigenous Hawaiians continue to have the worst health and socioeconomic indicators of the various ethnic groups who call their home Hawaii: cardiovascular disorders, cancer, diabetes, obstructive lung diseases, maternal and infant ill health, alcohol problems, obesity, major life-style risk factors, societal factors such as depopulation, foreign transmigration, colonial exploitation, cultural conflict and racism.

Since 1990, Mr. Speaker, as a result of our native Hawaiian health programs funded here in the Congress and under our auspices, native Hawaiian communities have established five island-wide native Hawaiian health care systems to improve availability, accessibility, and acceptability of health services to all of the indigenous Hawaiian people, to provide them with resources.

The health status is a grim one, Mr. Speaker, and I have to bring to your attention and to the rest of my colleagues the important matters which we have been addressing by congressional action and are now compromised.

The House Committee on the Budget yesterday released a proposed budget for the Federal Government for the coming year. Mr. Speaker, I am saddened, not just outraged, but saddened by the effort contained in that proposal to eliminate funding for the native Hawaiian health care programs. Why the leadership of the Committee on the Budget and the leadership, Mr. Speaker, in the majority Republican Conference, has chosen to attack native Hawaiian health courtrooms is beyond me.

The program addresses the documented needs of Hawaii's native citizens in a culturally relevant context. Of all of the races of people in the islands of Hawaii, the native Hawaiian people have had the most difficult times in health and social indicators. Why it is a position of the Republican majority to attack native Hawaiians is beyond my grasp at this time, Mr. Speaker.

They are hurting people in the lowest socioeconomic status with the highest overall mortality rate, the highest cancer mortality rate, the highest accident rate, the highest years of productive life lost to chronic disease, the highest infant mortality rate. I could go on with this, Mr. Speaker. It is a litany that we are trying to overcome.

These grim statistics can be attributed to the imposition of foreign cultures and practices upon the native Hawaiian people. Only since the 1988 introduction of the native Hawaiian health program have we begun to turn these statistics around. We need the budget for it, and we have achieved a balanced Federal budget in the process. I voted consistently to achieve that goal.

Mr. Speaker, I will end my remarks now, but will put forward the statistics as well as the background on the proposal to end these programs for native Hawaiians by the majority. I hope, Mr. Speaker, by the time we finish our budget proposal that we will be able to reverse this proposal.

DISTRACTIONS AND OBSTRUCTIONS IN CAMPAIGN FINANCE INVESTIGATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MICA) is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, I come before the House this afternoon after the proceedings that took place today. I am really concerned about the process of the House of Representatives and its investigative ability.

Today we saw an attempt to besmirch the reputation and interfere with the congressional investigation of campaign financing abuses in the 1996 election. Personally, I am quite disturbed by what we saw take place. I think it backfired on the other side of the aisle, and I think that they were surprised that some of their colleagues from the other side of the aisle joined with this side in voting down this unprecedented interference in the congressional investigative process.

The issue is not the Chairman of the House Committee on Government Reform and Oversight; the issue is, in fact, the delay, the diversion, the distraction, and the very obstruction of the congressional investigation process. I am really concerned about what again has taken place. We saw action on the floor today.

This is a situation that is very serious. For the first time in the history of our Federal elections process, we have seen an attempt to influence congressional and presidential elections by foreign money, foreign resources in our campaign process. Now we see an attempt to close down that investigation.

I have served on the Committee on Government Reform and Oversight and its predecessor since I came to Congress in 1993. That is one of the most important committees and responsibilities in this Congress.

It was founded and established by our Founding Fathers for a purpose, because they did not trust the appropriators, they did not trust the legislators, the authorizers; they wanted a third check and balance on the conduct and operation of our governmental system.

That is where the Committee on Government Reform and Oversight got its very roots and bearing. That is the difference between our system of governments and other democratic system of governments is that check and balance.

To close down that investigation, to divert the attention on the chairman is a misuse of power and responsibility in this House of Representatives, and I take great offense to it.

We have seen, again, unprecedented amounts of money, and our committee has been investigating. It may be too bad that it comes to the door of the White House, but it should be disclosed. It should be investigated. It cannot be shut down.

When the other side says that they will close down the proceedings of the House as far as investigation, when the Department of Justice says we agree that we will grant immunity and allow you to grant immunity for cooperation of these witnesses, and they try to divert attention from that and block us from investigating, they have shut down this process. It is an affront to every Member of Congress. It should be an affront to every citizen. It should be affront to the media that they are trying to divert, to stall, and obstruct this process. The process will go forward.

I happen to be the only Member of the House that serves on both the Committee on Government Reform and Oversight and also on the Committee on House Oversight. It will come to one of those committees, or it will come to the floor. This matter will be thoroughly investigated as the Founding Fathers intended and as our congressional process and constitutional process require.

We have seen, now, the influx of Indonesian money, Chinese money, Thai money, Venezuelan money, Russian money, and convicted drug dealers' money into this process. In this process, the American people want to know the answers. Is this affecting our policy if our ports are given away? If we have

imported Chinese weapons into this country, killing Americans, who is responsible? If we have a major Chinese cigarette manufacturer influencing our policy and contributing to our campaigns and influencing our elections? Let it all hang out.

I am personally offended by what they have tried to do here today to our Chairman who has on every occasion acted in an honorable fashion. I think a disruption of this process is a shame on this House of Representatives.

ANNOUNCEMENT OF RULES COMMITTEE MEETING

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, the Committee on Rules is scheduled to meet in 3 minutes today to consider a rule providing general debate only for H.R. 3616, the Defense Authorization Bill for Fiscal Year 1999.

We will meet at 3 o'clock next Tuesday to make in order other amendments to that legislation. The rule that we will put out today will be for general debate only.

Mr. Speaker, additionally, unfortunately, the minority leadership has decided to personally attack Members of the majority side this morning on the House floor. Also, there has been a decision by the minority to oppose on two occasions immunity for four witnesses which the Department of Justice approved before a House investigative committee.

Due to these unfortunate circumstances which the minority has brought to the House floor, the Committee on Rules will add to its afternoon agenda the following measures: H.Res. 432, expressing the sense of the House of Representatives concerning the President's assertion of executive privilege; and H.Res. 433, by myself, calling upon the President of the United States to urge full cooperation by his former political appointees and friends and their associates with congressional investigations.

Mr. Speaker, these measures will be considered on the House floor next week under an appropriate rule. Since the Democratic leadership has regrettably decided to embroil the floor in this kind of partisan and personal attacks, the House will consider resolutions next week which will bring some perspective to the current discussion of ethics in Washington, D.C.

□ 1500

TOBACCO FARMING IN AMERICA

The SPEAKER pro tempore (Mr. MCKEON). Under a previous order of the House, the gentlewoman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, there has been much discussion about tobacco settlements. If Congress is serious about passing tobacco settlement legislation this session, we need to act in a measured and collaborative way.

Let me say, though, that I do not smoke and I do not encourage others to smoke, and indeed, I support the efforts to discourage our teenagers from smoking. However, the decision to smoke is one best left to mature adults, and even then, after careful consideration. Children should not smoke, nor should they be enticed to smoke, and therefore, a public policy discouraging them from smoking and having enforcement to make sure that tobacco companies do not entice them is indeed appropriate.

With regard to the pending tobacco settlement, no matter how you feel about tobacco, one must view it for what it is; it is a legal commodity, grown by many American farmers.

These North Carolina farmers, our tobacco farmers, want the same thing as other Americans: a good quality of life overall for them and their families, for their children to have a good education, for them to have sufficient resources with which to provide their families with food, shelter and other amenities of life, saving for their retirement, a secure environment in which to live and to work, and most importantly, hope for the future.

These farmers, our tobacco farmers, care about their children as well as about other children in their community, instilling in them the values of honesty, hard work and a sense of community.

Mr. Speaker, like other American farmers, like those in your home State, these North Carolina farmers prepare their land, till it carefully, plant their crops, tend their fields, harvest their yields and market their products, much like commodities such as corn and wheat.

Tobacco is one of the main reasons that many small farmers are still able to stay in business, because no other crop yields as much income per acre. Most of these farmers are unable to find an alternative crop, although several of them are seeking them. To find an alternative crop with a comparative income indeed has eluded many. It would take almost eight times more acres of cotton, 15 times more acres of corn, 20 times more acres of soybeans, and 30 times more acres of wheat to equal the income from a single acre of tobacco.

The money earned by farmers and those employed in tobacco-related businesses flows into their communities, spreading these profits around. It has been estimated that the agricultural dollar turns over an average of 10 times in the farming local community. Do the math: $7.7 billion, which is estimated as the income to our State, equals $77 billion. $77 billion flows from those citizens who sell the seeds, fertilizers, pesticides, farm machines, groceries, clothing, as well as other important goods and services.

These monies make life possible, bearable, and sometimes even determine the quality of life in rural communities. That revenue also streams into the county, State and Federal tax coffers, supporting education and health care.

The total income impact is also felt in terms of jobs. Over 108,650 North Carolinians are tobacco farmers or are employed in tobacco-related jobs. Therefore, it is absolutely critical, as we continue the process from which a settlement will emerge, and it should go forward, that those who are in the House as well as those in the Senate should permit these hard-working farmers to continue to earn an honest living doing what they do best, farming, and sometimes, growing tobacco.

The public policy to restrain young people from smoking is an appropriate one. Equally as important, as we seek this public policy, we should not have a public policy that brings great devastation on large numbers of unintended victims; and I submit to you, the rural communities and farmers are unintended victims.

Mr. Speaker, these small farmers are essential to the continuation of agriculture in North Carolina and the vitality of our rural areas.

ORIGINAL COSPONSORSHIP OF H.R. 3868, THE BIPARTISAN NO TOBACCO FOR KIDS ACT OF 1998

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California, Mr. BILBRAY, is recognized five minutes.

Mr. BILBRAY. Mr. Speaker, I rise today to express my strong support for H.R. 3868, the Bipartisan No Tobacco for Kids Act of 1998. This legislation, which was authored by my colleagues, Representatives JAMES HANSEN and MARTY MEEHAN, is aimed exclusively at preventing kids from smoking and reducing the adverse health effects of tobacco on children.

According to the Centers for Disease Control (CDC), 3,000 kids each day become regular cigarette smokers. In light of recent statistics that shows youth smoking on the rise, I believe it is imperative that we act assertively here in Congress to crack down on youth smoking and access to tobacco.

Before I came to Washington, D.C., I served on the San Diego County Board of Supervisors and was responsible for passing one of the most stringent anti-smoking ordinances in the country. Because of my prior commitment to and involvement with this issue at the local level, and the startling statistics that show youth smoking on the rise, I am only too glad to support H.R. 3868 as an original cosponsor. H.R. 3868 is the only anti-tobacco bill in Congress (including the Senate) which has received the endorsement of former Surgeon General C. Everett Koop and former Food and Drug Administration (FDA) Commissioner David Kessler. In fact, Koop and Kessler stated that other bills in both the House and Senate do not go far enough to reduce and prevent youth smoking.

This legislation establishes strong financial disincentives for tobacco companies that do

not reduce tobacco consumption by minors by specified target dates. It has the stated goal of reducing tobacco use by children by 80 percent over the next ten years. This provision allows each tobacco manufacturer to determine the manner in which it will reach this mandatory goal. Federal requirements will apply only if the manufacturers are unable to achieve the reduction goals on their own.

H.R. 3868 includes an increase of $1.50 per cigarette pack, which will provide a financial disincentive for youth tobacco consumption. In addition, H.R. 3868 codifies the FDA provision from last summer's tobacco settlement that provides the FDA authority to regulate nicotine as a drug or a drug delivery device. This provision of the bill also contains added restrictions on advertising and marketing to youth.

H.R. 3868 contains a provision to prohibit smoking in public buildings and facilities, and it authorizes funding for essential federal tobacco education and prevention programs. In addition, the majority of the revenue generated from this legislation will be used to pay down the federal debt. While H.R. 3868 does not provide any special liability protections for the tobacco industry, it does offer to settle pending state tobacco lawsuits, such as the one recently settled in Minnesota.

I believe that this legislation will help to create an adequate ''firewall'' to protect public health and discourage and prevent youth tobacco smoking and possession. I feel very strongly that we should not tolerate youth smoking in our society with a ''wink and a nod.'' We should treat teenage smoking as harshly as we would teenage drinking. As the father of two young children, I have a personal stake in passing this important legislation and helping to ensure that our kids do not develop this deadly habit. Statistics by the American Journal of Public Health show that minors illegally purchase 256 million packs of cigarettes each year. Our findings show that only 20 states have laws prohibiting tobacco possession by minors. We need to encourage states and localities to adopt and comply with strong anti-possession laws. The need for minor possession laws is illustrated by a CDC finding that 62 percent of minors who smoke say they buy their own cigarettes. In fact, I would support legislative efforts to require states to outlaw tobacco possession by minors as a condition of receiving federal funds.

Mr. Speaker, my father died of lung cancer at the age of 53 due to his smoking habit. All three of my brothers smoke. There is little I can do to change that; however, I can do something to prevent my five children from starting to smoke. H.R. 3868 accomplishes these goals. Congress cannot afford to sit idly by and do nothing while thousands of children pick up their first cigarette every day and begin this deadly habit.

I commend Representatives HANSEN and MEEHAN for initiating this legislation, and I urge my colleagues to cosponsor H.R. 3868, and build upon the bipartisan coalition of Members committed to preventing and reducing youth smoking.

THE CONSERVATION ACTION TEAM BUDGET FOR AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin (Mr. NEUMANN) is recognized for 60 minutes as the designee of the majority leader.

Mr. NEUMANN. Mr. Speaker, I rise today to talk about a new budget that has been introduced out here. There has been a lot of discussion recently about the House budget, or the John Kasich budget as it is sometimes known in the House Committee on the Budget.

I am a member of that committee and I think JOHN KASICH has done a tremendous job putting together a budget. But some of us don't think we have done quite enough in terms of reeling in government spending and getting this whole thing under control out here, so that the American people can keep more of their own money, so that Social Security can again be safe, and again we can start paying down the Federal debt.

So I rise today to talk about an alternative budget called the CATs budget, or Conservation Action Team budget, that promotes a lot of visions that are different.

Washington is truly an amazing place when you start talking about budgets and numbers and things, because everything gets twisted immediately. It amazes me to listen to people talk about how they are cutting spending in Washington, D.C.

I brought with me a chart today to show what happens in these different budget proposals that are being talked about out here. This black line on this chart shows inflationary increases in government spending. So if we allowed Washington or government spending to increase at the rate of inflation, that is what this black line on this chart represents.

The President made a budget proposal, and it is very clear from this that it allows government spending to go up much faster than the rate of inflation. That is growing government.

The United States Senate recently passed a budget, and again you can see that the Senate budget grows government, it allows government spending to increase faster than the rate of inflation.

The American people have a right to know that on the other side of the aisle they are going to call this a spending cut because, you see, since the Senate budget did not spend as much as the President's proposal, they are going to call this distance from here to here a ''cut,'' even though the inflationary increase in government spending is down here at this black line and the Senate proposal increases spending much faster than the rate of inflation.

Some of us out here thought that government spending should not increase faster than the family budget or faster than the rate of inflation, so we put together our own budget. Our budget allows government spending to increase not quite at the rate of inflation, just a little bit slower than the rate of inflation.

For all of my colleagues out there and all the viewers out there that believe that government spending should not be going up at all, let me just agree with you. If I got to do this all by myself, this green line would be down here, and we would not allow government spending to increase at all.

So let me start by making it clear that this budget that we are talking about, the CATs budget, the Conservation Action Team budget, allows government spending to increase, but at a rate just slower than the rate of inflation.

So when people talk about this Conservation Action Team's budget and draconian cuts, we all ought to understand that what the CATs budget actually does is hold the rate of growth of government to approximately the rate of inflation. So when you talk about cuts in spending, there are no cuts in spending.

Spending in the first year of the CATs budget, the most conservative budget out here, spending in the first year will be approximately $1,720 billion. That is a lot of money. In the second year it is going to be $1,749 billion. I am not going to read all the numbers. But the point is the spending, even in the Conservation Action Team's budget, increases each and every year. So when the American people hear about draconian budget cuts in Washington, they ought to understand the fallacy of that discussion.

The reality is the most conservative budget proposed out here, that is the least government spending, allows government spending to increase at approximately the rate of inflation. The Senate proposal, well, that lets government spending go up much faster than the rate of inflation, and the President's proposal, of course, that increases government spending even more yet.

So I start with this discussion about the CATs budget. It is the only budget out here that holds the growth rate of Washington spending or government under the rate of inflation.

There are some other very unique things about the CATs budget I would like to talk about. There has been much discussion, and I am going to spend part of this hour today talking in more depth about Social Security.

There has been much discussion about the problem with Social Security. The President of the United States, Mr. Speaker, Saturday right in that chair, and he put his fist on the table and said, Social Security first; Social Security must be protected for our senior citizens. Well, I brought a chart along to show which budget really protects Social Security for our senior citizens.

The President's proposal has a very limited amount of money set aside to protect and preserve Social Security. The Senate did slightly better than the President, setting some money aside to preserve and protect Social Security. The CATs budget sets more money aside to protect Social Security than any other proposal out here.

The CATs budget holds the increase in government spending to the rate of inflation, and it puts more money aside for Social Security than any of the other proposals. Again, the President's proposal puts this much money aside for Social Security, the Senate puts this much, and the CATs budget, the Conservation Action Team's budget, puts more money aside for preserving Social Security than any of the other proposals out here.

The next important feature of the CATs budget that sets it apart from all the rest of the budgets. We recognize that the tax burden on American citizens is too high. Since the CATs budget spends less money, it allows spending to grow only at the rate of inflation, instead of faster than the rate of inflation, that allows us to decrease taxes on the American workers.

Today the American workers are paying $37 out of every $100 they earn in taxes. A generation ago that number was $25. I would like someone to help me understand why it is that the government needs $37 out of every $100 that American workers earn to run government at various levels, State, local, Federal, property taxes and so on.

So the CATs budget looks at this and says the tax burden on American workers is too high. We want to bring down that tax burden on American workers.

The President's budget proposes very minimal tax reductions. As matter of fact, some out here would say it is zero.

The Senate also proposed very minimal tax reductions on American workers. The CATs budget, the Conservation Action Team, provides $150 billion of tax relief to American workers.

Now, this should be kept in perspective. We are going to spend over 9,000 billions of dollars. So when we talk about returning or allowing the American people to keep an extra $150 billion of their own, we should understand that is 150 out of over 9,000 billions of dollars. It is just a tiny little bit of what is being taken from the American people in taxes already.

So the next important feature then that sets the CATs budget aside from any other proposal out here right now is the tax relief provided to the American people is significantly larger than the President's proposal, a lot larger than the Senate proposal; it is the most tax relief being proposed out here in Washington, D.C., today. It holds government spending increases to the rate of inflation, no draconian cuts, sets more money aside for Social Security, and provides more tax relief to the American people than any other proposal on the Hill.

I have a chart with a lot of numbers on it, but rather than talk about all of those numbers, I thought I would point out a couple of the key numbers.

The tax relief number is $150 billion being proposed in the CATs proposal. Defense is another important area, and I have to tell you this proposal is different than any other proposal here in Washington as it relates to defense.

You need to understand Washington language to understand this defense discussion. In Washington, when the President proposes cutting defense, that is, we are spending $260 billion this year, and he proposes taking that number down to $250 next year, and then Congress comes back and actually spends 260, so they spent 260 last year, they are spending 260 this year, but the President proposed cutting that spending to 250, that is called in Washington a $10 billion increase.

Let me walk through that one more time slowly, because it is confusing.

If we spent 260 last year and we spend 260 billion again this year, the exact same amount, but the President proposed spending 250 instead of 260, that 260 is called a $10 billion increase in defense spending.

Okay. This has been going on for quite some time, and there are some problems, quite frankly, in the defense budget. There are $75 hammers that people have heard about. Frankly, there is some waste there. The people who bought the $75 hammers ought to be fired, but that is not a reason to destroy our ability to defend ourselves as a Nation.

□ 1515

That is the wrong solution to the problems. Our budget allows defensive spending or spending for the Defense Department to increase at the rate of inflation. Let me say that once more very slowly. Like the rest of the CATs budget, defense spending increases at the rate of inflation.

Now, what is going to happen in this is over the next few weeks there will be a lot of people in Washington D.C. saying they are spending lots more money on defense. Well, for the last number of years, a lot of years, defense spending has been frozen. In fact, we spent less money on defense last year than my first year in office back in 1995.

I think it is time we look around the world and we see what is going on. India had nuclear tests. We understand Pakistan may have nuclear tests this weekend. China has been given the technology to launch an intercontinental missile at the United States and get it to reach the United States. It is time we as a Nation wake up to the fact that we ought to have a missile defense system prepared to defend our country.

It is time we wake up to the fact that our defense budget has been cut far enough. And we are not suggesting dramatic increases in defense spending, we are simply saying we have gone far enough with these cuts in defense, let us now level this thing off and allow defense spending to increase at the rate of inflation.

I point that out in our CATs budget, because it is the only budget on the Hill, the only proposal in Washington D.C. that allows inflationary increases in defense spending. Every other proposal out here either freezes it at last year's level or decreases defense spending significantly. I think we have reached a point in our defense spending where we need to wake up and realize that this is a dangerous world we live in and we need to maintain our ability to defend ourselves in this country.

I want to just go on from there and talk a little bit more about the Social Security situation.

The Social Security situation, remember, the CATs budget puts more money aside for Social Security than any other proposal on the Hill. I want to talk through Social Security in detail so that the viewers understand this debate that is going on here about Social Security, because in this community, what they talk about here and what they say and what it actually means out in the real world are generally two very different things. So let me go through Social Security.

The Social Security system this year is going to collect about $480 billion in taxes, out of workers' paychecks. They are bringing $480 billion into this city from Social Security taxes. We are paying out to our senior citizens in benefits, we are paying out in benefits about $382 billion. Now, if we are collecting $480 billion and paying $382 out in benefits, that leaves a $98 billion surplus in Social Security.

So let me be very clear about this. The Social Security system today collects more money than what it pays back out to our senior citizens in benefits. The reason they are doing that is because the baby boom generation, people in my age, and as I look around the people here in the House with me today, people in our age group are rapidly racing toward retirement, and there are lots of us. They are collecting more money than they are paying back out in benefits, and their surplus is supposed to be set aside so when us baby boom generation people, lots of us, reach retirement and there is too much money going out and not enough money coming in, at that point they are supposed to go to the savings account. They are supposed to take this $98 billion that is supposedly put in a savings account, get the money out of the savings account, and be able to make good on Social Security to tomorrow's seniors.

The year that these two numbers turn around is about 2012. So in about 2012, if we had this chart up here, the amount of money coming in compared to the amount of money going out, the amount of money coming in would be less than the amount of money going out, and that is the year that they have to go to that savings account to get the money.

It is important to understand what Washington is doing with that $98 billion. It comes as no great surprise when I am in town hall meetings with my constituents and we talk about this. I always ask them the question: Washington got $98 billion more in Social Security than what they paid out

in benefits; what do you suppose they did with the money? And everybody says, they spent it. That is exactly right.

Washington has taken that $98 billion, they put it into, think of the second circle as a big government checkbook much like your own checkbook in your own home. They take that extra money, put it in the big government checkbook, they then spend all of the money out of that government checkbook and at the end of the year there is nothing left in that government checkbook, so they simply write an IOU. It is simply like you are going to have a savings account, but rather than actually writing a check, you simply write an IOU to the account at the end of the year. Remember, folks, at the year 2012, we need the money out of that savings account. We need those IOUs in the year 2012.

Now, we have reached this point out here where we are running these ''surpluses.'' It is important the American people understand what this surplus actually is. In all fairness, before I go into this, we should point out that this is the same definition that has been used since 1969. That ''surplus'' is in this circle right over here. That ''surplus'' is after we put the $98 billion in the big government checkbook, if they spent all of the money out of the big government checkbook and there was no money left at the end of the year, they would call that a balanced budget, even though they have not written a check down here to the Social Security Trust Fund. So when we talk about surpluses, what it means is with that $98 billion in the big government checkbook, when they are looking at the book at the end of the year, without writing the check to the Social Security Trust Fund that there is some money somehow left in this checkbook.

Well, the bottom line on this thing, folks, is that the surplus is real, as defined in Washington terms, but most people in most places across America would say we better write a check down here to the pension fund or Social Security fund before we really call our checkbook balanced.

For that reason, in our office we wrote a bill called the Social Security Preservation Act. It is H.R. 857. We have about 90 cosponsors, some Democrats, some Republicans, currently in the House of Representatives. The Social Security Preservation Act is pretty straightforward. It simply takes the $98 billion extra that has been collected for Social Security and puts it right down here in the Social Security Trust Fund. It is not exactly Einstein kind of stuff, it is just the money coming in from Social Security actually goes into the Social Security Trust Fund. The way we do that is instead of putting IOUs in there, we put negotiable Treasury bonds, the same kind that any citizen in America can walk down to their local bank and get.

So the Social Security Preservation Act would require that we put real dollars into the Social Security Trust Fund so that Social Security is safe and secure for today's seniors.

I see some young people here in the gallery with us today, and my colleagues are concerned about the people in those age groups as well. My colleagues are concerned that even if we put all of this money into the trust fund that is supposed to be there, we still have a problem that in the year 2029, all of those surpluses in Social Security would be used up. So even if we put all of the money into the trust fund that we are supposed to, that solves the problem from 2012 to 2029, but we still have that longer term problem out there past the year 2029 that needs to be dealt with.

The first thing we need to do as a Nation when we look at these surpluses is we first have to enact a bill, the Social Security Preservation Act, that will put the money that is coming in from Social Security into the Social Security Trust Fund. We will then be looking at true surpluses as opposed to Washington-defined surpluses. Again, I do not think we should take anything away from the accomplishments of the last 3 years, because before this, it has been 30 years since we even got this far in terms of balancing the budget.

We are now ready to go on to that next step, and put the Social Security money into the Social Security Trust Fund and get to a point where Social Security is once again solvent, at least from 2012 to 2018.

I would like to go on with another part of the CATs budget and just talk a little bit more about what the CATs budget does. Again, I would reemphasize as it relates to Social Security, as it relates to Social Security, it puts more money into the Social Security Trust Fund in real dollars, not IOUs. It puts more money into the Social Security Trust Fund than any other proposal out here in Washington, D.C.

I would like to talk about another part of this budget that I think is very significant and very important, and that is as it relates to education. In the CATs budget, we make the requirement that 95 cents out of every dollar that is spent on education actually reaches the classroom to help kids.

Now, that may sound like common sense, but that is not what happens today. Today, Washington makes a decision to reach into the pockets of the American people and collect tax dollars under the mistaken idea that it is going to spend it on education. So Washington reaches into the pockets of the American people and brings the money to Washington. They then spend 40 cents on every dollar on bureaucracy. Washington then attaches strings to it and sends 60 cents back to the classroom under the requirements of whatever Washington deems appropriate. That is not good.

What we would like to see instead is we would like to see that money back in the pockets of the local parents, the local communities, and we would like to see the parents and the schools and the teachers and the communities making decisions on how to best spend that money. The benefit here, the real benefit, is that instead of 60 cents getting to the classroom to help our kids, 95 cents of every dollar gets to them. It effectively wipes out the huge bureaucracy that is eating up the money that is supposed to be going to help our kids in education.

I personally think it is disgraceful that America has let our kids slip to 21st in the world. I think when we start thinking ahead to future years, if we want a goal for the next generation, it should be that we should restore our kids to be the best educated kids in the entire world. I do not want to get them back in the top 10 or even the top 5. Our goal needs to be to get our kids to be the best educated kids in the whole world. We have been going about that all wrong.

What we have been doing so far is we have been saying, if we just expand Washington control, Washington can fix it; honest, trust us, Washington can fix education. Folks, we have slid down to 21st. Washington cannot fix education. Parents need to get actively involved in the choice of where their kids go to school, what they are taught in those schools, and how it is taught, because when we get parents back into the picture of education, we have a lot of side benefits, the most important of which is that our kids will rapidly move back to the top in terms of being the best educated kids in the world. I believe the most important thing we can do is reempower our parents to be actively involved in the education process of our kids.

I would like to just talk briefly about those side benefits, because I think when we look at goals for a generation, I think it is real important that those benefits get mentioned. When parents get more involved with their kids, an interesting thing happens. We looked at 12,000 teenagers, 12,000, a huge number, and of course, if we look at 12,000 teenagers, some are going to have crime problems, drug problems, teen pregnancy, teen smoking, and some are not going to have any of those problems.

What they did is they started looking at the ones with crime problems versus the ones that have not been involved with crime, and then they looked at the ones with drug problems and the ones without, and then they looked at teen pregnancies and where there is not teen pregnancies, and teen smoking and where there is not teen smoking; and they started looking at the characteristics in these homes where there were no teen pregnancies or teen smoking, teenage crimes or teenage drug use, and something became very obvious very quickly. The single most important characteristic of the homes where they did not have problems with these things versus the homes where they did, the single most important characteristic was the involvement of

the parent with that child's, with that teenager's life. The greater the involvement of the parent, the less the likeliness of crime, drugs, teen smoking, teen pregnancies, a whole list of social problems.

So when we start looking at this education situation, if we can reempower our parents to be actively involved in what the kids are taught, where it is taught and how it is taught, that extra involvement in these teenagers' lives is going to have a tremendous side benefit, helping us solve crime problems, drug problems, teen pregnancies, teen smoking, a whole realm of social issues.

I do not want to be considered naive in this. I do not want to believe that just because we reempower our parents, there is not going to be any more crime in America. There are certainly other things that we must do. But I do believe that an important first step is improving education back to number one in the world and empowering the parents to be the number one influence in these kids' lives.

It leads us right back to the CATs budget. When we think about parents being forced to pay $37 out of every $100 they earn instead of $26 like it was a generation ago, what is happening in America is parents are being forced to take second and third jobs, and when they take second and third jobs, it is exactly the opposite result of what we want. To earn that extra $12 that government is collecting in taxes, that second job and third job, that means that the parents' time to spend with their kids is cut back dramatically.

So when we come back to that CATs budget and we think about relieving some of the tax burden on American workers, it is not going to automatically mean that the parents are going to go spend more time with the kids, but what it is going to mean is that instead of being forced to take the second job, at least they will have the opportunity to make the decision to spend that extra time with their kids, and that is what is going to lead us to solutions to so many of our problems in this great Nation that we live in.

I want to finish very briefly with a very brief discussion about how we got to where we are, because there has been a lot of discussion in this country, and of course all the Democrats say it was President Clinton and all the Republicans say, well, of course it was the Republican House and the Republican Senate that did it. I thought that rather than have that discussion, I thought we should just lay out some statistical facts and let the people draw their own conclusions.

□ 1530

When I came here in 1995, it was 2 years after that tax increase. A lot of people are saying that 1993 tax increase is what has brought us this strong economy.

I would like to bring just a few of the facts here. When I came here in 1995, 2 years after the tax increase, this red line shows where the deficit was headed the year I came here. Remember, this includes using the Social Security money, as we talked about before. This yellow line shows where we were 1 year later, 1 year after the House changed control. The green line shows what we hope to do. That was our promise to the American people. The blue line, now at balance, shows what actually happened.

So when we talk about tax increasess versus controlling Washington spending, when we talk about the 1993 group raising taxes, that did not get the job done. When we talk about 1995 controlling spending, that led to the strong economy and got the job done.

There are some other very interesting statistics. To me, Americans understand that raising taxes is not the right way to solve our problems. This chart shows the interest rate fluctuation starting in 1993, when taxes were raised, and I would point out that from 1993 virtually right straight through to 1995, interest rates climbed. So in the face of higher taxes, the interest rates immediately went up.

That makes sense, because when they take more tax money out here to Washington, that means there is less money available in the private sector; less money available in the private sector led to this higher interest rates. When there was a change out here in Washington and the Republicans took over in 1995, the interest rates started dropping.

The reason was because we started getting a handle on controlling the growth of Washington spending. Remember, keep this in the context of what we have been talking about today. Instead of spending growing at twice the rate of inflation, spending is now going up at the rate of inflation; no draconian cuts, inflationary increases in spending. Instead of twice as fast as the rate of inflation, what happened immediately is the interest rates started falling.

It is interesting to look at this point where they reached their low level. That was January, 1996. To refresh the memory of anybody who does not remember what happened in January of 1996, that is when we folded. The American people starting doubting that we would keep our commitment to actually balance the budget. The interest rates responded immediately with a spike.

They then thought we were serious again, and Members can see that as we have now reached the balanced budget out here in March of 1998, the far side of the chart, it is very, very clear what has happened with the interest rates. By getting to a balanced budget, we have seen the interest rates come down from a high here to where they were today, almost a twofold percentage point drop.

But it is not only the interest rates. An amazing thing happens when I am in town hall meetings nowadays. I ask how many people own stocks, bonds, mutual funds, et cetera. Almost every hand in the room goes up.

When the tax increase took place in 1993, the stock market basically did not respond. There is virtually no change in that stock market from there right straight through to 1995. But in 1995 when the American people got to understand that we were serious about stopping this growth of Washington spending, and understand the growth of Washington spending, when you control that by spending less, by only allowing it to increase at the rate of inflation, that means there is more money left in the private sector; more money in the private sector, lower interest rates; capital available for growth and development, expansion, to buy houses, buy cars, then that is job opportunities. That means more people working, and of course, more taxes being paid in, which makes it all easier to do.

The stock market responded very quickly then. Basically since that 1995 takeover and since we got spending, got our arms around spending here, and just controlled it to a point where it is only going up at the rate of inflation, the stock market has also taken off in a corresponding way. I think the statistical facts, looking at this, make it pretty clear what has been going on.

I see my colleague, the gentleman from Minnesota (Mr. GUTKNECHT) has joined me. Mr. Speaker, I yield the balance of my time to the gentleman from Minnesota (Mr. GUTKNECHT).

CUTTING THE GROWTH OF WASHINGTON SPENDING

Mr. SPEAKER pro tempore (Mr. MCKEON). Under the Speaker's announced policy of January 7, 1997, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for the balance of the time of the gentleman from Wisconsin (Mr. NEUMANN).

Mr. GUTKNECHT. Mr. Speaker, as the gentleman from Wisconsin (Mr. NEUMANN) runs out the door, I want to say a special congratulations and thanks to my colleague.

I remember a couple of years ago when we first started having some joint town hall meetings. I represent Minnesota, he represents Wisconsin. When we first started talking about actually balancing the budget, and more importantly, even paying down some of the $5.4 trillion worth of debt that we have run up, that this Congress in the past, at least, has run up on our kids, a lot of people thought we were both crazy. We said that we believed we could balance the budget not just in 7 years, that it could actually be done in much less time.

As a matter of fact, the gentleman from Wisconsin (Mr. NEUMANN) came over to my district last year, we had a couple of joint appearances, and then we both predicted that there was a very good chance we would not only balance the budget this year, but there

is a very good chance we would have a surplus this year.

How has that happened, I know many of our colleagues and folks ask who have been watching this discussion here in this special order this afternoon. It is important, sometimes, to go back to where we were. The charts the gentleman from Wisconsin (Mr. NEUMANN) was showing a few minutes ago showed what was happening for the last 30 years.

I had my staff do a little analysis. For the last 30 years, prior to the 1994 elections, for every dollar Washington took in it spent an average of $1.22. That was the pattern for every year. They could raise taxes, sometimes they would cut taxes, but the problem was spending.

In fact, a farmer in my district perhaps put it better than anybody else when we were talking one afternoon out on his farm. He said to me, the problem is not that we do not send enough money in to Washington. The problem is that Washington spends it faster than we can send it in. He was exactly right. That is what had been happening for the last 30 years.

For the first time in 1995, with the leadership of the gentleman from Ohio (Mr. JOHN KASICH) and the Committee on the Budget, they came out with a plan to dramatically change the way Washington does business. In the process, we have eliminated 300 different programs here at the Federal level; some of them big ones that people have heard of, like the Interstate Commerce Commission, and many small ones. But the point is, we began to change the whole tenor, the whole debate, the whole discussion, and the whole principles that were at stake here in Washington began to change.

In the process, we have reduced the rate of growth in Federal spending. Now, some people said we were making draconian cuts, that kids would lose their school lunches, all of these terrible things would happen to our senior citizens.

Most of that was hyperbole and is not true, but it is true that this Congress has dramatically reduced the rate of growth in Federal spending. As a matter of fact, we have cut the rate of growth in Federal spending almost in half.

When we combine that with a much stronger than expected economy, and I must say, again, that my colleague, the gentleman from Wisconsin, as a former entrepreneur and businessperson himself, understood that if there were some signals going out both to Wall Street and to Main Street, that for the first time in 30 years Congress was serious about reducing that $1.22 of spending for every dollar it takes in; that that message would be translated into the lower interest rates that folks on Wall Street and folks on Main Street would understand, that for the first time Congress was serious about controlling Federal spending. The net has been that the economy has been much stronger than even some of the most optimistic prognosticators told us a few years ago.

So when we combine a much stronger economy with real restraint in Federal spending, what we see today for the first time since I was in high school is not only a budget that is going to be in balance, but more important than that, a budget which will probably produce a significant surplus, we believe somewhere in the area of $80 billion this year, and also has a very good chance of producing surpluses in the $80 to $100 billion range every year for a number of years to come.

That is where we were back throughout the sixties, the seventies, the eighties. For every dollar that Washington took in, it spent $1.21. Now that number is actually 99 cents. For every dollar Washington will take in this year, we will spend 99 cents.

We still have a lot of problems. One of them is Social Security. I know the gentleman from Wisconsin (Mr. NEUMANN) has talked a lot about this. I am not certain if he got a chance to talk about it earlier. We do have a significant problem with Social Security. It really is generational.

I think we need to talk about generational fairness, when we talk about Social Security. Most of us have parents, and I am fortunate that both my parents are still living. They are both on Medicare, both on Social Security. Obviously, the last thing we want to do is pull the rug out from under them.

I happen to represent the baby boomers. I was born in 1951. We once had a demographer tell us there were more babies born in 1951 than any other year. We are the peak of the baby boomers. I understand the consequences to the Social Security trust fund when the baby boomers begin to retire in about the year 2010.

I also have three children, and I want to make certain that we do not do things with our generation that would make it impossible for the next generation to enjoy anywhere near the standard of living that we have enjoyed. So we really have three separate generations we have to deal with with Social Security.

When we talk about Social Security, and one of the things as it relates to the budget, currently we are taking in about $100 billion a year more than we are spending on Social Security. We should have a trust fund, there is a trust fund, but what happens is the money comes into the trust fund and then is loaned back to the Federal Government. In the process, it disguises the size of the debt. That started back in about 1964.

Some of us would argue that it was a mistake to go to the unified budget and use the surpluses in Social Security to make the budget deficit look smaller. But that is the way it is, that is the way it has been. I think at some point in the future, hopefully in the near future, we will begin to change that entire budget process so we have an honest and fair budget accounting.

So even though we will show a surplus this year technically, we will still be borrowing about $100 billion this year from the Social Security trust fund. We have to solve that and at least be aware of that.

I want to say a special congratulations to the gentleman from Ohio (Mr. JOHN KASICH). No one has fought harder in this Congress over the last 5 or 6 years to balance the Federal budget to get control of the Federal spending that that farmer talked about than the gentleman from Ohio (Mr. KASICH).

I also want to congratulate him, because as a member of the Committee on the Budget, we have been working long and hard over the last several months trying to come up with a budget plan, number one, which will advance the values that I think most Americans have and want. That is, they want us to pay down some of that national debt, they want to save Social Security, they would like to shrink the size of the Federal Government to allow for additional tax relief.

That is exactly what the gentleman from Ohio (Mr. KASICH) and the Republican members of the Committee on the Budget have been working on, and within the next week or 10 days we are going to be unveiling that plan, hopefully have it here on the House floor. Essentially what the gentleman from Ohio (Mr. KASICH) and the Committee on the Budget are talking about is restricting the rate of growth in Federal spending over the next 5 years to the inflation rate.

I know when that budget hits the floor there are going to be people who are going to say, oh, my goodness, you cannot restrict the rate of growth in Federal spending to the inflation rate. But ultimately they are going to have to ask themselves this question. They are going to have to choose between family budgets and the Federal budget; why is it more important that the Federal budget grow at greater than the inflation rate when many family budgets are not?

If we can do that, if we can exercise even that fiscal discipline to find an additional $100 billion, this does require some cuts in terms of what people had expected to spend in some of these programs. But generally speaking, as I say, we are going to allow Federal spending to grow at approximately the rate of inflation over the next 5 years.

In doing so, we will generate significant surpluses in our opinion, and more important, we will make room for significant tax relief. The tax I want to talk about that we hope that we will include in the final budget resolution, at least as a recommendation to our colleagues here in the House, will be for the marriage penalty tax.

I believe my numbers are correct. There are approximately 12 million American families who pay a tax penalty for the privilege or the right or

the blessing, if you will, of being married.

I like to tell the story that in less than a month my wife and I will celebrate our 26th wedding anniversary. I steal this story from Senator PHIL GRAMM over in the Senate side, one of our colleagues over there, who says he has been married a long time. He believes his wife still loves him, but says, I wish the IRS would stop tempting my wife to leave me.

It is almost unconscionable, and frankly, I think it is almost immoral that the Federal Government charges married couples a higher tax rate, so that approximately 12 million American families pay a tax penalty of almost $2,000 per family for being married. We ought to encourage stronger marriages, not discourage them.

Here in Washington one of my favorite expressions, and altogether too often it is true, is that no good deed goes unpunished. In other words, if you work, you get punished; if you save, you get punished; if you create jobs, you get punished. That is the kind of thinking that really has occupied Washington for too long. What we are saying is that it is time to reverse some of those perverse incentives. Clearly the marriage penalty tax is one of those.

Our estimates are that to get rid of the marriage penalty tax, it would take about $100 billion over the next 5 years, which, coincidentally, if we limit the growth in Federal spending to the inflation rate over the next 5 years, frees up enough money to make that tax penalty go away.

□ 1545

I think that is a good idea. I think that is an idea that once the American people have a chance to evaluate that, to understand it, I think they will agree that it is time to end the marriage penalty tax and, if we can make the Federal Government go on just a slight diet over the next five years and, to put this in context, over the next five years it is estimated that the Federal Government will spend about $9 trillion, that is with a ''T'' now, $9 trillion, that is how much we are expected to spend under the budget agreement that we set with the President last August 5.

What the Committee on the Budget is going to ask all Members of Congress to do is to tighten the Federal budget by $100 billion. To put that in some kind of a context that perhaps we can understand better, let us assume the Federal Government has a belt that is 9 feet around, in other words, the waste, the girth of the Federal budget is 9 feet or $9 trillion. What we are going to ask our colleagues to do is find a way to pull that belt in one inch. We are going to pull that belt in one notch.

If we can do that, we can eliminate the marriage penalty tax, we can create greater surpluses to make Social Security more solvent. We can begin to pay down the debt and ultimately, by sticking to a very simple formula of limiting the growth of the Federal budget to approximately the inflation rate, we can provide additional funds for tax relief. We can make Social Security solvent. But here is the best news of all, we can pay off the national debt. We can pay off the national debt in approximately 21 years. That may seem simple and it may seem almost too hard to believe, but we have run the numbers and they are accurate.

Now, I talked earlier about the generational fairness and being fair to our senior citizens. Certainly we do not want to pull the rug out from under them as it relates to Medicare or Social Security. We also understand what the baby boom generation is going to mean in terms of its retirement, what is going to happen when we begin to draw on those Medicare benefits. What we really want to do, though, is preserve the American dream for future generations. I cannot think of anything better to leave our kids than a debt free future.

I think if the American people have a chance to think about this, I think they are going to agree that the time has come to dream big dreams. There was an architect from Chicago who said, make no small plans. The American people have always made big plans. We are a people of big dreams.

In fact, Winston Churchill once observed, when he was talking about the American people, he said, you did not cross the oceans, fjord the streams, traverse the streams and deal with the droughts and pestilence because you were made of sugar candy. The American people are a tough people. They believe in big dreams. They believe in paying down the debt.

Out where I come from in farm country, it is almost the American dream to pay off the mortgage and leave our kids the farm. It is unfortunate, if you stop and think about it, what we have been doing here in the United States, particularly here in Washington over the last 30 or 40 years. They literally have been selling off the farm and leaving our kids the mortgage. That is worse than just bad politics. It is worse than just bad economics. It is fundamentally immoral.

So what we are saying is, if Washington can find a way, if we in Congress can take that 9-foot-long belt and if we can pull it in just one notch, one inch, we cannot only balance the budget, we can actually begin to pay down the national debt, and we can make room for tax relief for working families. We can make it easier so that they can take care of their kids and their families by eliminating the marriage penalty tax. That is a big dream. That is a big goal. But Americans love big dreams and big goals, and I think that this Congress is up to that task.

I think we can get it done. It is going to take the help of the American people. I think we have to help. We have to explain it to the American people so that they understand these are not draconian cuts we are going to be talking about. We are actually talking about limiting the growth in Federal spending over the next five years to the expected inflation rate. It can be done. In fact, if you compare what we are talking about to what has happened in corporate America over the last 5 years, these are very modest decisions that we are making today. And the budget proposal that we will bring to the floor of the House here in the next week or 10 days is incredibly modest and some might even say timid. But if you begin to make the right decisions, as we did 3 years ago, in terms of balancing the budget, limiting the growth in Federal spending, eliminating 300 different programs, taking other programs and figuring out ways to make them run more efficiently, ultimately there are big dividends for the American people and ultimately for the next generation of Americans.

I want to congratulate the gentleman from Wisconsin (Mr. NEUMANN) and the gentleman from Ohio (Mr. KASICH), members of the Committee on the Budget. We have come a long way. We have made tremendous progress in terms of balancing the budget, reforming welfare, saving Medicare. We still have a lot to do. We have got to make Social Security not only solvent for our parents and for the baby boomers, but we need to create an entirely new retirement system for the younger generation.

Among those options that we are looking at, and I think deserve very serious consideration, is the notion of personalized retirement accounts. Perhaps we can use some of those budget surpluses to make every American stakeholders in a brighter future and in their own retirement system using personalized retirement accounts. For example, if we have a $50 billion surplus and we divide it up among approximately 100 million taxpayers, we could put $500 in everybody's personalized retirement account. That is every American who pays taxes. And they could also contribute to that for themselves. Ultimately this becomes a profit sharing plan for the surplus. It encourages all Americans to take an active role in their government, to make certain that we do not have wasteful spending and that we keep control of Federal spending so that ultimately we have larger and larger surpluses, which then, portions of which could be distributed back to the American people through these personalized retirement accounts.

It is an idea whose time is coming, and we are going to have some interesting debate and discussion on that. I think ultimately a growing consensus will agree that that is one way that you can save the next generation in terms of their own retirement. So, as I say, we have made enormous progress. I am very pleased with the work we have done. I think if you consider where we were few years ago, it is

amazing to look now at the American people and say, yes, we have a balanced budget, at least using the accounting terms that we have had since 1964.

There is much more to be done though. We have to save Social Security. We have to further strengthen Medicare. We have to create personalized retirement accounts for young people, and we have to create a system and almost an ethic here in Washington that makes it sure that we do not have deficits anymore, that we are always working trying to figure out ways to guarantee that we have surpluses. That will guarantee lower interest rates so that more Americans can afford homes and cars. It ensures a stronger economy so that more people who perhaps were on welfare, who were on those welfare rolls can move on to payrolls. That is really the goal, and so we can all have a brighter future and a better future for the next generation of Americans.

I want to thank the gentleman from Wisconsin (Mr. NEUMANN) for yielding me the time. I see my friend from South Dakota (Mr. THUNE) has joined us.

I yield to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. I thank my good friend from Minnesota for yielding to me.

I appreciate the discussion that has been held on the floor this afternoon between he and our colleague, the gentleman from Wisconsin (Mr. NEUMANN) who has been a leader and at the forefront of addressing the Federal spending, the proclivity in this town to continue to spend more than we take in, has been very bold, I think, in the efforts that he has made to try and bring that spending under control and coming up with some solutions that in a very deliberate and systematic way address the long-term problems facing our country with respect to government spending and, in fact, most recently has begun discussion of this budget year, what we might do to slow the growth rate of Federal spending, rather than seeing it grow as it does and under the President's budget at twice the rate of inflation and even under the Senate-passed budget at 1½ times the rate of inflation, to getting it back to the rate of inflation.

If we can get to where we are controlling government spending in that fashion, I think we will see over time the revenue situation improve to where we not only can address the ongoing needs of government but furthermore address the long-term challenges that face our country, one of which is reestablishing the trust fund, the Social Security trust fund, which is going to provide for our retirement needs in the future and doing it in a way, again, that not only secures and ensures that those who are currently receiving benefits continue to receive benefits but also for future generations, that we do something to address the fact that the program, unless we make some changes and unless we do something to make sure the trust fund is in fact secure, that the dollars are not going to be there to pay out.

Finally, to give back to the American people a little bit more of what they earn. I think that the budget that the gentleman from Wisconsin has been working on, and you and others, starts moving us in that direction. I wanted to credit you with the work that is under way to address, again, the long-term problem in this country; that is, that Washington has a tendency, if there are any dollars around, they are going to get spent. We want to make sure that the American people are getting a good return on their taxes.

Furthermore, as we look down the road at what we can do to deliver tax relief and to give people in this country a little bit more, allow them to keep more of what they earn and make their budgets bigger and the Federal budget smaller, some systematic approaches toward tax relief and reform, ultimately, which I think should be our long-term goal, but at this point in time looking at how we best deliver tax relief to people in this country.

I know that there are a number of alternatives out there, one of which is eliminating the marriage penalty which I support because it is a very punitive thing directed at people who get married in this country. It is something that I think we all agree that we ought not penalize through the tax code as a matter of practice people for getting married. It is something we want to encourage, not only to get married but to stay married. I think that is something we all support.

There is another piece of legislation that I would like to mention, which I know is part of the cap proposal which is out there right now, that addresses this whole notion of allowing more people to pay at the lower 15 percent tax rate level as opposed to the higher 28 percent level. And this, if we can somehow raise the threshold at which the 28 percent rate kicks in, we will have more and more people paying more of their income or having more of their income covered at the lower 15 percent rate, therefore, paying less in taxes and having an incentive to go out and to do better and to improve their lot in life and to earn more, because we are not going to be taking 28 cents out of every dollar they earn. We are only going to be taking 15 cents, doing that in a way that delivers tax relief in a very broad based way so that anybody in this country, irrespective of their status, married or single or with children, that we get away from the Washington knows best way of directing tax relief to specific groups and targeting and, again, bring tax relief in a broad-based way that says to the American taxpayer, if you pay taxes, you deserve tax relief.

I think that ought to be one of the principles that we incorporate and one of the values that we try to advance as this debate over budgets begins in this budget year.

Mr. GUTKNECHT. I appreciate the gentleman. And the whole issue of taxes, I know this sometimes drives some of our more liberal colleagues into orbit when you talk about tax relief, allowing people to keep more of their own money. Sometimes we have to look at that from an historical perspective as well.

Back when I was growing up, my parents were able to raise 3 boys on one paycheck. The reason they could do that is the average family sent only about 4 percent of their gross income to the Federal Government in the form of taxes. Today the average family, when you put total taxes, now we are talking State, Federal and local taxes, altogether, the average family spends over 38 percent of their gross income on taxes.

I think most Americans are shocked when they learn that the average family spends more on taxes than they do on food, clothing and shelter combined. And that is why so many parents, now both parents have to work and, frankly, that has caused some social problems.

Mr. Neumann also has an excellent presentation when he talks about you can almost predict which kids are going to get involved in drugs, which kids are going to get involved in smoking cigarettes. It has something to do with having at least one parent home when they come home from school.

There are lots of things that could be solved if we could give parents more time to spend with their kids. If we can eliminate the marriage penalty tax, you take that 12 million American families that pay a penalty for being married, and this is why it is so unfair, if those people were living together without the benefit of marriage, they could file separately and save themselves thousands of dollars, $100 billion in taxes over the next five years. There is something just almost insidiously wrong with that. I think we have an opportunity in this budget plan to right that wrong.

I certainly support lowering the death tax. I would like to see lowering, if not eliminating capital gains. There are lots of areas where I think this Congress can effect tax relief. But there is one that I think stands out like none other, and that is this marriage penalty tax which, coincidentally, if you limit the growth in Federal spending to exactly the inflation rate for the next five years, you free up enough in terms of additional savings of Federal spending, less than projected, to afford to pay for this tax relief which I think families deserve and I think is the right thing to do.

Mr. THUNE. Mr. Speaker, I think it strikes at the very heart, much of the fabric of our Nation. There are certain things that we want to reinforce, families staying together and being able to spend more time with their children.

A lot of the social problems that we encounter in American today are the result of the fact that we have policies,

even economic policies, even tax policies that are counterproductive to allowing parents and families to spend more time together. If you have more of that cohesive time together, you would not have some of the social problems that we are encountering, kids who fail to have the time that they need to have with their parents get involved in other activities and probably with people that should not be associated with. So these things are related.

When you talk about reinforcing the values that have helped build this country and make it great, I think, again, as a matter of policy, when you start dealing in the area of taxes and economic policy and the things that the Congress is able to do, it ought to be with an eye toward what can we do to further enhance those institutions that have strengthened and built this country. And certainly the family is one of those.

As you noted earlier, the fact that the tax burden on this country consistently continues to climb and to rise and people are shocked when they find out how much they are paying. Many of them do not realize it because in a very subtle way it comes out through the payroll tax, and it comes out through the payroll deduction and, therefore, unlike some taxes which you pay and you know exactly what you are paying in terms of taxes, there are a lot of sort of hidden taxes, I think, today.

□ 1600

So when people find out that they are spending, which the gentleman said, on average, for a family of 4 is 38 percent of their income just to pay the cost of government in this country, that is a staggering statistic when we consider the fact that when we started out some 30 or 40 years ago, as the gentleman also mentioned, it was 2 to 4 percent, roughly in that range.

And that is a trend which I think we have a responsibility as a Congress to try to reverse so that we get to a point in a peacetime economy, in an economy that continues to grow, we ought not to ask more of the American taxpayer.

I think much of what is being discussed today in terms of Federal programs are an expansion and a bigger role, which calls for more tax dollars from the American taxpayer to fund those programs, rather than looking at what we can do to address some of the problems, real problems that real people in this country have across the country in the area of child care, education and health care.

But if we allow them to keep more of what they earn, they have control. They are in a position of authority, they are in a position in which they can make decisions as they pertain to their family's particular situation and needs and how best to meet those needs.

I think it is a clear contrast in terms of the philosophy that is out there, the liberal philosophy, which says, let us build government programs and allow government to deliver the services and solve these problems and meet these needs. Or, rather, do we allow the American people, again as a matter in their day-to-day lives, allow them to keep more of what they earn and continually roll back the cost of government so their family budget is bigger and, therefore, they are better able and in a position to make decisions about the choices that are out there and the needs that they have.

I think, again, that is a clear contrast. It is a very clear separation in terms of the direction that we take the country between the point of view that we are going to bring to the table and that that the liberals do.

So as we continue down this road and track and look at ways in which we can better use the resources, be more efficient, modernize government in a way that increase employees' take-home pay for people in this country, in this budget debate, these are the things that will be underlying it. We will be talking a lot about numbers, and the numbers are on the surface, but when we get right down to it, the underlying values are what we want to reinforce in this discussion and the decisions that are made through the budget process.

So again I want to credit the gentleman from Minnesota (Mr. GUTKNECHT), my friend, and the gentleman from Wisconsin (Mr. NEUMANN), and I see the gentleman from Indiana (Mr. MCINTOSH) joining us in the well here, for the work that is ongoing in terms of how we can continue to slow the growth of government spending and to recognize the fact that we have serious problems out there, retirement issues that have to be addressed, Social Security, Medicare, and getting the cost of government under control and allowing people in this country to keep more of what they earn.

Those are the goals, I think, the principles and the values that we share and which I hope in this debate are reinforced and become a part of the final product.

Mr. GUTKNECHT. As the gentleman says, this is about values. And if my colleagues believe in faith, family, work, thrift, and personal responsibility, the budget we are putting forward, where we are going to spend $9 trillion over the next 5 years, all we are going to ask the government to do is tighten its belt one notch.

I think there is nobody who believes that in a 9-foot belt we cannot find 1 inch of fat that can be reduced in the Federal Government. And if we do that, we allow families to keep more so they can spend more, they can spend more time with their kids and they can build a better future not only for themselves but for their country, because they will spend that money a whole lot smarter than we will.

I want to thank and welcome the gentleman from Indiana (Mr. MCINTOSH) and yield to him at this time.

MICROSOFT ANTITRUST CASE

Mr. MCINTOSH. Mr. Speaker, I want first to thank the gentleman from Minnesota (Mr. GUTKNECHT) and say that I wholeheartedly endorse the budget the Conservative Action Team has brought to the House and appreciate the gentleman's work today to bring out that information.

I would like to speak, if I may, on a different topic for a few minutes. I want to applaud the fact that today Microsoft Corporation and the Justice Department reached a temporary cease-fire in the legal dispute about whether they can proceed to issue Windows 98 so that American consumers can have the latest in software technology for our home computers.

But I am troubled by what is going on in this case, and I wish to share my concerns with my colleagues today and with the American people, because I sense that our Justice Department is misusing the antitrust laws simply because they see a corporation in America that has produced a product that is very successful, very much valued by the American consumer and, frankly, poised to take us into the next century with a lead in that technology.

There is a proper role for antitrust laws in our economic marketplace, but they are to be used when there is a barrier to entry that allows a corporation to have an unfair competitive advantage in monopolizing a marketplace. When we talk to economists about the computer industry, and particularly about software, we do not see that type of barrier to entry. In fact, as Mr. Gates testified to the Senate, if he does not produce the best-operating software, one of his competitors who is very capable will produce a better software and immediately have the opportunity to take over that leading market share.

This is an area where technology is changing every day. Back 20 years ago, IBM was the leading computer manufacturer and had a dominant position. But they failed to see the advances that were happening in the software industry and lost that dominant position to Microsoft. How did this happen? It happened because the government stood back and allowed ingenuity and innovation to take its course in America.

And that is what we need to do today, make sure that no one is prevented from coming to the marketplace and offering a product, but not holding back those who have succeeded when they invest the fruits of those successes in developing new products which are available for the American public.

I will remind my colleagues, the product that Microsoft is accused of having used monopoly power for now costs the American consumer one-tenth of what it did but 5 years ago. So I would urge our Justice Department to be cautious in misapplying the antitrust laws so that we do not stifle innovation, but allow all American consumers to take advantage of lower prices,

better technology and an increase in power to use the personal computer.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from California (Mr. DOOLITTLE) is recognized for 60 minutes.

Mr. DOOLITTLE. Mr. Speaker, we constantly hear these days from reformers who support a bigger Federal Government that campaigns cost too much and that government must step in and further regulate campaign spending. But I ask my colleagues, is spending on political advertising really out of control?

Consider this: Tonight Americans will watch the final episode of Seinfeld and a 30-second ad purchased tonight during that final episode will cost $1.5 million for 30 seconds. By contrast, the cost of a typical congressional race is about $0.5 million or one-third the 30-second ad tonight on Seinfeld.

By restricting a candidate's ability to spend campaign dollars, we will restrict his ability to speak to potential voters through television, radio, mail and personal appearances. This is the very type of speech the Founders sought to protect through the first amendment to the United States Constitution.

When we support spending limits, we must feel that there is too much speech in political campaigns and that candidates communicate too much with voters. How is it that spending a few billion dollars exercising our most precious rights as Americans is deemed to be excessive while the tens of billions of dollars spent on disposable consumer products is not? Free political discourse and plenty of it is infinitely more valuable to the protection of our liberties than any beer or car commercial can ever be.

In 1996, spending on all campaigns, Federal and State, totaled just $4 billion, yet Americans spend roughly five times that much, or $20 billion per year, on laundry and dry cleaning. In comparison, total advertising in a year, that year, 1996, was around $150 billion versus the $4 billion spent on campaigns at all levels of government.

Total campaign spending viewed another way, per eligible voter, averages just $3.89, really the cost, approximately, of a McDonald's value meal. Is that amount too much? Even at a much higher price, liberty would be a much better value.

Total campaign spending as a percentage of the gross domestic product is not increasing, as is stated by some and implied by others, but rather it has remained fairly constant since 1980, fluctuating between .04 percent and .06 percent of the gross domestic product.

Voters have minds of their own. They are not helpless to make their own decisions in the face of political advertising. Money spent on advertising does not buy votes, it enhances a candidate's ability to communicate his message to voters.

I urge my colleagues to oppose any measure that would ration our constitutional rights, and I would remind people that the first amendment is quite clear on this subject. It states: Congress shall make no law, shall make no law, abridging the freedom of speech.

Next week the House of Representatives will engage in a historic debate about campaign reform and what needs to be done to address the problems that confront us. Before we can embark upon a course of reform, we had better have a clear understanding of what those problems are. Once we know what they are, we should then consider how to address them.

I would submit that the problem of campaign reform is much like the case of the sick patient who has been diagnosed and treated by the same physician for a long period of time. If the diagnosis is wrong, then the treatment prescribed is not going to help the patient. In this case, we see that the patient is ill and the same doctor is treating him and the same prescription is being offered, only more of it. And the more that is given, the sicker the patient gets.

We hear a great deal of talk today about the evils of soft money. Most Americans, I would venture, really have no idea even what soft money is. We hear the terms ''hard money'' in contrast to ''soft money.'' We hear discussions of issue advocacy or we will hear the term ''independent expenditure.'' I would just observe that these were terms that really came into being the first time the Dr. Regulator made his prescription for the patient when, in 1974, the Democrats ran through a partisan law that took partisan advantage and skewed the whole Federal law in favor of their party and against Republicans.

Now, after this law was passed, we began to understand a new term, the term of ''PAC.'' I remember 2 or 3 years ago when our big government reformers were trying to outlaw PACs, or political action committees; it is funny that we do not hear much about that anymore. PACs have not changed, it is just that now all the focus is on something else, soft money. But let me just remind all my colleagues that basically the terms of ''PACs'' and ''soft money'' came into being as a result of the present Federal law, rammed through Congress by liberal Democrats taking advantage of the reaction against the Republicans and Richard Nixon. And they put that law through, and ever since we have seen the ill effects of that law.

□ 1615

And now when the body politic is deemed to be even sicker, Dr. Regulator is back again with the same old prescription; more regulation. The answer is always the same; more regulation.

Now, what is the question? It is very interesting how over the years this has never changed. We always have to have a new law, a new regulation proposed to fix something. In this case, they are trying to fix our campaign system. Let me suggest that the cause of the patient's illness is the regulation itself. That is the cause. If we wanted to deal with the underlying problem and heal that patient, remove the regulation.

Now, there is a truly radical idea; remove the regulation, do not have more of it, as virtually everyone on the other side proposes and some of our own Republicans are proposing. Reconsider what is causing the sickness. Get a proper diagnosis. Then we will be able to proceed.

I would submit that the various ideas being advanced by the left and by some of us here on our side of the aisle are flat-out wrong and they will not solve the problem. I believe them to be highly undesirable, unconstitutional. But even setting aside those two things, actually they are quite unworkable. If regulation worked, we would not have the mess that we have today in our Federal campaign system; we would not have a presidential system that takes our taxpayer dollars and spends it on candidates that we oppose as taxpayers. That system needs to be repealed. That system is hurting us. That is denying the parties their most vibrant candidate.

Think for a minute to the 1996 campaign and what happened on the Republican side and think ahead to what is likely to happen this time around. The candidate who was nominated, the candidate who is going to be nominated is the one who has the highest name ID amongst the voters no matter what his ideas or record happens to be. There is very little information available to the voter about this person, and there will continue to be little information because we have such strict spending limits set in law that it is not possible for the candidates at the presidential level to communicate their ideas.

We saw that fully played out in the Republican side of it. Senator Dole, by the time he was able to win enough delegate votes to cinch up the nomination, was unable to continue spending between that point and the Republican Convention in midsummer because of the Federal campaign law. How on Earth can this be good policy? How can this be consistent with the precious first amendment, which says so clearly that Congress shall make no law abridging the freedom of speech?

Let me just observe, before this disastrous 1974 law rammed through Congress, bipartisan liberal Democrats twisting the law to their own advantage, the law that we live under today, our campaigns were relatively unregulated and it worked relatively well. It was not perfect, but we will never achieve perfection as long as mortal human beings are upon the face of the Earth governing themselves. So let us not look for perfection; let us look for

the best that we can get and something that works.

I would submit, Mr. Speaker, that the system we have today is worse than what we had. We have tried to correct abuses and created far worse problems. The problems we have today are violations of the first amendment. We do not have free speech in this country anymore when it comes to campaigning.

I find in my district voters are hungry for reliable information about the candidates. They want to hear directly from the candidate and it is getting harder and harder to do that. People should be offended that under the present law an individual can, or, rather, a political action committee can contribute five times what an individual can contribute to a candidate's campaign. Why is that just or right or fair that there is a 5–1 advantage?

After all, the first amendment says Congress shall make no law abridging the freedom of speech. So how did it get abridged? By a statute enacted into law by the Congress and the President.

Well, this was tested in the famous Buckley v. Valeo case, and almost all of that tremendous law passed in 1994 was thrown out, except for just a couple of parts, the parts that remain with us today and that still negatively afflict the campaign system and really the body politic. And the Supreme Court did uphold the right by Congress to place limits on what amounts could be contributed to campaigns, limits that skewed it in favor of PACs and against individuals.

However, as time has gone on, the value of these limits has been eroded; whereas at the time, an amount that could be contributed to an individual was $1,000 or by an individual to a candidate was $1,000 and by a PAC to a candidate was $5,000. And while those limits are in effect right now under present law, which has never been changed, let me just observe we will have extraordinarily high inflation in the intervening years. So that today, the $1,000 and the $5,000 have been reduced by two-thirds.

Now, earlier I told my colleagues that the cost of a Seinfeld ad for 30 seconds was $1½ million. Those are today's prices in 1998. But we still live by a campaign law that was written in 1974, when the equivalent 30-second add was dramatically less. The fact of the matter is, political advertising of all kinds has gone up with inflation and probably above inflation, and yet campaigns are still restricted to the old limits that are the present limits.

Mr. Speaker, the gentleman from New York (Mr. SOLOMON) understands these issues very well and has been valiant in fighting to protect our First Amendment rights. And we hope and pray that others will be similarly valiant in the upcoming debate and series of votes that will be commencing next week.

Let me just observe that ''hard money,'' the term that we apply to that, is contributed from individuals or PACs or parties to the campaign of the candidates. Those are hard dollars, strictly regulated by Federal law, very unfair, very burdensome, very biased Federal law that was passed over 20 years ago.

As I indicated before, the inflation has been dramatic, it has eroded the real purchasing value of the limitation by two-thirds, and we live with that today. As the cost of advertising has shot up over the years, campaign spending has followed the course of least resistance.

It so happens that it is possible to engage in a form of spending using soft money. Soft money is money that is not covered by the Federal law and it is money that cannot go directly to campaigns but it must be used for voter registration, get-out-the-vote effort, voter identification, those kinds of things. That is soft money.

That was felt to be very desirable at one point by our elected officials. And in fact, after the 1976 campaign Ford v. Carter, both parties felt that we should strengthen the ability of parties and we should strengthen it by allowing them to make greater use of the so-called ''soft money,'' that in order to have healthy, vibrant political parties, they needed to be able to engage in this kind of campaign spending.

In fact, since that time, the U.S. Supreme Court has repeatedly held that we cannot proscribe spending by political parties in the soft money area. In fact, very recently in the Supreme Court case involving the Republican Party of Colorado, they explicitly held that this was clearly protected by the first amendment to the United States Constitution.

I remain amazed, despite these clear pronouncements of the Court time and time again, Buckley v. Valeo has been cited by the Court over 100 times in subsequent opinions. That was rendered in 1976. So, for 22 years, this case has been repeatedly cited and yet we are constantly finding bills introduced that fly right in the face of the U.S. Constitution as interpreted by the Supreme Court.

In fact, there is now a special project made up of law professors all over the country, I understand, to figure out ways to bring court challenges to get Buckley v. Valeo overturned. Because as long as that court opinion stands, none of these laws being proposed that abridge our first amendment rights is ever going to be able to stand the court test.

To commend a colleague who is a liberal Democrat, and with whom I disagree completely on this issue because I will commend him for his honesty, the gentleman from Missouri (Mr. GEPHARDT) recognizes that to do what he and the Democrats want to do cannot be done by statute; it can only be done by amending the Constitution of the United States. And indeed, that is what he has proposed to do, actually amend the Constitution, modify the first amendment, and basically make it possible so that Congress can legitimately abridge a citizen's first amendment rights and do so to accomplish the greater good of campaign reform, greater good in his mind, not in my mind and, I would submit, not in the minds of most Americans. But at least there is honesty in attempting to go about it the right way; because we cannot do the things that many of my colleagues seek to do and be consistent with our great U.S. Constitution until and unless we deregulate this campaign system and follow the Constitution, which clearly says that Congress is supposed to stay out of it.

And by the way, of all the types of speech, guess what the most vital, most important form of speech was in the minds of the framers? It was not the ability to go out and advertise automobiles or beer or something like that. It was political discourse, the very thing the British Government tried to abridge when it was in power. We tried to prevent that from ever happening again by having the first amendment to the United States Constitution, which I think is unique amongst the nations of the world. Our adherence to that is better than any other country. We have a very, very clear standard.

□ 1630

The government should not be able to regulate in this area. The government must not regulate in this area, and, indeed, the government cannot effectively regulate in this area. Because as long as we have any shred of a Constitution left, you are going to have the ability of individuals acting independently or of groups acting independently to contribute whatever amount of money they would like to political campaigns.

You see, today we are seeing increasingly the ability of the average person to run be depreciated. Look how with increasing frequency, individuals of personal wealth are running for these offices. Why? Because there is a great exception to the Federal campaign law, one the drafters of it did not wish to allow, but one the Supreme Court carved, and they carved it legitimately and correctly; that is, you have the unlimited right to spend whatever you wish on your campaign.

So an individual that is going to spend his own millions can do so for as much as he would like or she would like. Yet, that same individual who may have $1 billion can only give $1,000 to some other candidate, to a candidate of average means, to someone who works for a living and who supports his or her family, but who believes that he or she can make a difference in our public affairs.

But this person is not a millionaire or a billionaire. This person, therefore, cannot contribute his own personal wealth, because he does not have personal wealth. All he or she can do is go out and live by the limits imposed by

Federal law and get these contributions in the amounts that I told you, $1,000 or $5,000.

In case anybody is wondering, you know, you hear these reports that Members of Congress have these fundraisers, and representatives of PACs come and tender the check. I will check my own campaign reports recently but, over time, I think I only have, out of about the half million dollars or so that I, as one representative, am able to raise in campaign dollars over a 2-year period, I will bet you I do not have more than two or at most three political action committees donate the maximum $5,000 contribution. It just is not that common.

The only reason I share that with you is to indicate that when you have to raise, as a challenger, by the way, you see, I am an incumbent now; if I really wanted to feather my own nest as an incumbent, I would climb on board and vote tomorrow for McCain-Feingold or Shays-Meehan, because I will make it infinitely more difficult for someone to try and challenge me. It will be infinitely more difficult as an incumbent and it will be infinitely more difficult for any challenger to be able to successfully challenge an incumbent.

Why? Because the incumbent has the advantages of office. Let us start with name identification in the mind of the voter. That is number one. Most people have heard of me in the Fourth Congressional District of California, because I am an incumbent and have run before.

By virtue of that fact, it is much easier for me to go out and hold a fundraiser and have a number of individuals come in and contribute to me in relatively small amounts, because I am known, than it is for a challenger who is virtually unknown to go out and hold a fund-raiser.

Almost no one will show up, figuratively speaking, because nobody knows the individual. They have never even heard of his name. So why would they show up at some event? Why would they write a check to him? They do not really know him. So name ID and incumbency are tremendous advantages.

Most studies show that the challenger has to outspend the incumbent in order to win the seat. You will make it infinitely more difficult for that challenger in order to prevail if you go with the big government types of campaign reform that impose further limits and further restrictions and get the heavy hand of government even further into the process.

Sometimes when I see what happens to groups that legitimately participate and have the FEC decide to go after them or some congressional committee decide to hold a hearing, when you look at the months of negative publicity involved, when you look at the hundreds of thousands of dollars in attorney's fees that have to be spent in order for these individuals or groups to defend themselves in the exercise of their legitimate constitutional rights, I mean, I ask myself, I think why on Earth would anybody ever put themselves through this?

The effect of all of this Federal regulation is to chill free speech. It is to make people think twice before they participate in the process. That is basically its effect. I believe, frankly, its intended effect is to drive people out in a way, and it is just better off not to get involved.

I would submit, Mr. Speaker, that that is the wrong way to go in our body politic. Free speech is precious. People should be able to engage in free speech without the fear of the government coming down on them. People should be encouraged to run for office, not discouraged.

It is very discouraging to a person of average means who may have good ideas, great ideas, who seeks to run a campaign, and find that he has got to raise that half million dollars by holding numerous fund-raisers, and being on the phone and raising money all the time, whereas, his wealthy opponent simply writes himself a check. He is on the air and in the mail and can sit back and let all the professionals do it. It is just not right.

This Republic was founded upon the idea that all men are created equal. Obviously by men, they meant men and women, but obviously not equal in result, but equal in the opportunity to work and to fight for the things that we believe in.

That opportunity is constrained today by the heavy hand of government. It is going it be made worse by the big government reformers who want to come in and sell you on some snake oil formula to give away your first amendment rights in exchange for the nirvana of campaign reform.

Mr. Speaker, I for one intend to be vigorously involved in this debate and to stand up for our fundamental freedoms. This is really the right to self-governance of the American people. It is not just politicians fighting amongst themselves over how much advantage they can get. I know that it seems that way to our American people.

I hope through these debates they will realize it is really their rights that we are protecting, their rights to freedom of speech, their rights to participate in the political process, their rights to dictate to their government, rather than to have their government controlling them and dictating to them.

After all, let us not forget the words of George Washington: Government does not reason. It is not eloquence. It is force. Like fire, it is a dangerous servant and a troublesome master.

Jefferson referred to it as a necessary evil. But let us remember that it is not a positive good as President Clinton and company would have you think, and therefore the more of it, the better. If some government is good, more is better. That is completely contrary to the founders who said that it is a necessary evil, that it could be a fearful master and a troublesome servant.

These are concepts, I think, that are almost lost today upon our students in the school, and their concepts we are going to have to revive here in the halls of freedom, in the halls of the United States Congress.

Mr. Speaker, I have appreciated the opportunity to engage in this special order, to get out some of my thoughts about what we need to do relative to the topic of campaign reform. Let me just close by, I guess, citing an ancient but well-founded concept, the hypocritic oath to physicians, which is first do no harm.

Mr. Speaker, it is my sincere hope and prayer that as we embark next week upon this important topic of the Constitution, first amendment rights and campaign reform, that we will, indeed, do no harm.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3616, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

Mr. SOLOMON (during the special order of Mr. DOOLITTLE) from the Committee on Rules, submitted a privileged report (Rept. No. 105–535) on the resolution (H. Res. 435) providing for consideration of the bill (H.R. 3616) to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1999, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H. RES. 432, SENSE OF HOUSE CONCERNING PRESIDENT'S ASSERTION OF EXECUTIVE PRIVILEGE, AND OF H. RES. 433, CALLING UPON PRESIDENT TO URGE FULL COOPERATION BY FORMER POLITICAL APPOINTEES AND FRIENDS AND THEIR ASSOCIATES WITH CONGRESSIONAL INVESTIGATIONS

Mr. SOLOMON (during the special order of Mr. DOOLITTLE) from the Committee on Rules, submitted a privileged report (Rept. No. 105–536) on the resolution (H. Res. 436) providing for consideration of the resolution (H. Res. 432) expressing the sense of the House of Representatives concerning the President's assertions of executive privilege, and for consideration of the resolution (H. Res. 433) calling upon the President of the United States to urge full cooperation by his former political appointees and friend and their associates with congressional investigations, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. FOWLER (at the request of Mr. ARMEY) for today on account of attending her daughter's graduation.

Mr. QUINN (at the request of Mr. ARMEY) for today on account of family reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SKELTON) to revise and extend their remarks and include extraneous material:)

Mr. CONYERS, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. ABERCROMBIE, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. EDWARDS, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. FOLEY) to revise and extend their remarks and include extraneous material:)

Mr. NEY, for 5 minutes, today.

Mr. MICA, for 5 minutes, today.

Mr. FOLEY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SKELTON) and to include extraneous matter:)

Mr. KIND.

Ms. FURSE.

Mr. MENENDEZ.

Mr. HOYER.

Ms. RIVERS.

Mr. BAESLER.

Mr. PASCRELL.

Mr. ROEMER.

Mr. UNDERWOOD.

Mr. ORTIZ.

Mr. DINGELL.

Mr. LEVIN.

(The following Members (at the request of Mr. FOLEY) and to include extraneous matter:)

Mr. COLLINS.

Mr. LEWIS of California.

Mr. WATT of North Carolina.

Mr. ADERHOLT.

Mr. BURTON of Indiana.

Mr. THOMAS.

Mr. QUINN.

Mr. PORTMAN.

Mrs. ROUKEMA.

Mr. SHUSTER.

Mr. LIVINGSTON.

Mr. RADANOVICH.

Mr. DAVIS of Virginia.

(The following Members (at the request of Mr. DOOLITTLE) and to include extraneous matter:)

Mr. FOX of Pennsylvania.

Mr. GALLEGLY.

Mr. BLUMENAUER.

Ms. DUNN.

Mr. BOB SCHAFFER of Colorado.

Mr. SMITH of Texas.

Mr. LATOURETTE.

Mrs. CUBIN.

Mr. UPTON.

Mr. DELAY.

Mr. LANTOS.

Mr. BARRETT of Wisconsin.

Mrs. LOWEY.

Mr. GUTIERREZ.

Mr. SKEEN.

Mr. MARTINEZ.

Mrs. MYRICK.

Mr. NUSSLE.

Mr. HILLIARD.

Mr. FRELINGHUYSEN.

ADJOURNMENT

Mr. DOOLITTLE. Mr. Speaker, I move that the House do now adjourn.

(The motion was agreed to; accordingly (at 4 o'clock and 40 minutes p.m.), under its previous order, the House adjourned until Monday, May 18, 1998, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

9154. A letter from the Director, Office of Legislative Affairs, Federal Deposit Insurance Corporation, transmitting the Corporation's final rule—Simplification of Deposit Insurance Rules (RIN: 3064–AB73) received May 12,1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

9155. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans For Designated Facilities and Pollutants: Georgia [GA–37–9811a; FRL–6003–8] received May 12, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9156. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 11–98 which constitutes a Request for Final Authority for a Supplement Four to the Memorandum of Understanding among the Governments of France, Germany, Italy, United Kingdom and the United States for the Medium Multiple Launch Rocket System (MLRS), pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

9157. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Japan (Transmittal No. DTC–67–98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

9158. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Japan (Transmittal No. DTC–68–98), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

9159. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Greece (Transmittal No. DTC–45–98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

9160. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Singapore (Transmittal No. DTC–65–98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

9161. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Singapore (Transmittal No. DTC–64–98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

9162. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Japan (Transmittal No. DTC–55–98), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

9163. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Turkey (Transmittal No. DTC–52–98), pursuant to 22 U.S.C 2776(d); to the Committee on International Relations.

9164. A letter from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting the semiannual report on the activities of the Office of Inspector General, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

9165. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Reduction In Force And Mandatory Exceptions (RIN: 3206–AH64) received May 13, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

9166. A letter from the Secretary of Education, transmitting a report of activities under the Freedom of Information Act for the calendar year 1997, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

9167. A letter from the Acting Assistant Attorney General for Legislative Affairs, Department of Justice, transmitting a draft of proposed legislation entitled the ''International Anti-Bribery Act of 1998''; jointly to the Committees on the Judiciary, Commerce, and International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SOLOMON: Committee on Rules. House Resolution 435. Resolution providing for consideration of the bill (H.R. 3616) to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1999, and for other purposes (Rept. 105–535). Referred to the House Calendar.

Mr. SOLOMON: Committee on Rules. House Resolution 436. Resolution providing for consideration of the resolution (H. Res.

432) expressing the sense of the House of Representatives concerning the President's assertions of executive privilege, and for consideration of the resolution (H. Res. 433) calling upon the President of the United States to urge full cooperation by his former political appointees and friends and their associates with congressional investigations (Rept. 105–536). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. WATTS of Oklahoma (for himself, Mr. DAVIS of Illinois, Mr. TALENT, Mr. DAVIS of Virginia, Mr. MCINTOSH, Mr. KNOLLENBERG, Mr. DEAL of Georgia, Mr. PITTS, Mr. ENSIGN, Ms. GRANGER, Mr. RIGGS, Mr. SESSIONS, Mr. THORNBERRY, Mr. GINGRICH, Mr. SENSENBRENNER, Mr. WAMP, Mr. DELAY, Mr. LARGENT, Mr. BONILLA, Ms. FURSE, Mrs. MYRICK, Mr. COBURN, Mr. CHABOT, Mrs. EMERSON, Mr. BURTON of Indiana, Mr. PETERSON of Pennsylvania, Mr. NORWOOD, Mr. GRAHAM, Mr. LEWIS of Kentucky, Mr. DOOLITTLE, Mr. RYUN, Mrs. NORTHUP, Mr. FROST, Mr. TOWNS, Mr. KING of New York, Mr. ENGLISH of Pennsylvania, Mr. SOUDER, Mr. WATKINS, Mrs. KELLY, Mr. BOEHNER, Mr. DOOLEY of California, Mr. ARMEY, Mr. HINOJOSA, Mr. DREIER, Mr. CALVERT, and Ms. EDDIE BERNICE JOHNSON of Texas):

H.R. 3865. A bill to amend the Internal Revenue Code of 1986 to allow the designation of renewal communities, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Banking and Financial Services, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHUSTER (for himself, Mr. OBERSTAR, Mr. BOEHLERT, and Mr. BORSKI) (all by request):

H.R. 3866. A bill to provide for the conservation and development of water and related resources, to authorize the Secretary to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. BAESLER:

H.R. 3867. A bill to provide long-term economic assistance to tobacco farmers and workers and to communities dependent on tobacco production using funds contributed by tobacco product manufacturers and importers; to the Committee on Agriculture, and in addition to the Committees on Education and the Workforce, Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HANSEN (for himself, Mr. BILBRAY, Mr. DOGGETT, Mr. COOK, Mr. FAZIO of California, Mr. CANNON, Mr. PALLONE, Mr. FOX of Pennsylvania, Ms. DEGETTE, Mr. GILMAN, Mr. LEWIS of Georgia, Mrs. MORELLA, Mr. ABERCROMBIE, Mrs. ROUKEMA, Mrs. TAUSCHER, Mr. MCKEON, Mr. BLAGOJEVICH, Mr. HORN, Mr. BROWN of California, Mr. CAMPBELL, Mr. BONIOR, Mr. FORD, Mr. KENNEDY of Rhode Island, Mr. OBERSTAR, Mr. KENNEDY of Massachusetts, Mr. SCHUMER, Mr. OLVER, Mr. LAFALCE, Ms. NORTON, Mr. VISCLOSKY, Mr. ACKERMAN, Mr. MCDERMOTT, Mr. MATSUI, Mr. LAMPSON, Mr. DELAHUNT, Mr. MCHALE, Mr. YATES, Mr. POMEROY, Mr. BARRETT of Wisconsin, Mr. MARKEY, Ms. FURSE, Mr. BLUMENAUER, Mr. MINGE, Mr. VENTO, Mr. NADLER, Mr. STARK, Ms. PELOSI, Mr. MCGOVERN, Mr. SHERMAN, Ms. DELAURO, Mr. HINCHEY, Ms. ESHOO, Mr. GEPHARDT, Mr. FARR of California, Ms. LOFGREN, Ms. WOOLSEY, Mr. CARDIN, Ms. STABENOW, Mr. LEVIN, Ms. SLAUGHTER, Mr. MILLER of California, Mr. JOHNSON of Wisconsin, Mr. LIPINSKI, Mr. FROST, Mrs. MALONEY of New York, Mrs. CAPPS, Mr. LANTOS, Mr. WEYGAND, Mr. MENENDEZ, Mr. FILNER, Ms. MILLENDER-MCDONALD, Mr. GUTIERREZ, Mr. BORSKI, Mrs. LOWEY, Mr. CUMMINGS, Ms. ROYBAL-ALLARD, Mr. WEXLER, Mr. COYNE, Mr. MORAN of Virginia, Mr. GEJDENSON, Mr. CONYERS, Mrs. MCCARTHY of New York, Mr. DICKS, Mr. RUSH, Mr. PAYNE, Mr. DAVIS of Illinois, Ms. JACKSON-LEE, and Mr. STOKES):

H.R. 3868. A bill to prevent children from using tobacco products, to reduce the health costs attributable to tobacco products, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BOEHLERT (for himself and Mr. BORSKI):

H.R. 3869. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize programs for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs of disaster assistance, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. BLUNT (for himself, Mr. BENTSEN, Mr. HULSHOF, Mr. MORAN of Virginia, Mr. MCCRERY, Mr. YOUNG of Alaska, Mr. BRADY, Mr. CRAPO, Mr. DEAL of Georgia, Mrs. EMERSON, Mr. HILL, Mr. HUTCHINSON, Mr. LATOURETTE, Mr. LOBIONDO, Ms. MCCARTHY of Missouri, Mr. MALONEY of Connecticut, Mr. MORAN of Kansas, Mrs. MYRICK, Mr. TALENT, Mr. PASCRELL, Mr. PICKERING, Mr. SCHUMER, and Mr. TAYLOR of North Carolina):

H.R. 3870. A bill to amend the Internal Revenue Code of 1986 to provide additional retirement savings opportunities for small employers, including self-employed individuals; to the Committee on Ways and Means.

By Mr. CASTLE (for himself and Mr. RIGGS):

H.R. 3871. A bill to amend the National School Lunch Act to provide children with increased access to food and nutrition assistance during the summer months; to the Committee on Education and the Workforce.

By Mr. CASTLE (for himself and Mr. RIGGS):

H.R. 3872. A bill to amend the National School Lunch Act to extend the authority of the commodity distribution program through fiscal year 2003; to the Committee on Education and the Workforce.

By Mr. CASTLE (for himself and Mr. RIGGS):

H.R. 3873. A bill to amend the Child Nutrition Act of 1966 to simplify program operations and improve program management under that Act; to the Committee on Education and the Workforce.

By Mr. CASTLE (for himself and Mr. RIGGS):

H.R. 3874. A bill to amend the Child Nutrition Act of 1966 to make improvements to the special supplemental nutrition program for women, infants, and children and to extend the authority of that program through fiscal year 2003; to the Committee on Education and the Workforce.

By Mrs. CAPPS (for herself, Mr. MILLER of California, Mr. FARR of California, and Ms. HARMAN):

H.R. 3875. A bill to amend the Outer Continental Shelf Lands Act to direct the Secretary of the Interior to cease mineral leasing activity on submerged land of the Outer Continental Shelf that is adjacent to a coastal State that has declared a moratorium on such activity, and for other purposes; to the Committee on Resources.

By Mr. CLAY (for himself, Mr. MARTINEZ, Mr. STRICKLAND, Mr. GEPHARDT, Mr. BONIOR, Mr. MCGOVERN, Mr. WISE, Mr. SAWYER, Ms. PELOSI, Mr. FORD, Mr. KILDEE, Mr. PAYNE, Ms. KILPATRICK, Mrs. LOWEY, Mrs. KENNELLY of Connecticut, Mr. PASTOR, Ms. CARSON, Mr. CONYERS, Ms. SLAUGHTER, Mr. ENGEL, Mr. DOYLE, Mr. GEJDENSON, Mrs. MINK of Hawaii, Mr. WYNN, Ms. VELAZQUEZ, Mr. ANDREWS, Mr. KIND of Wisconsin, Mr. STARK, Mr. ALLEN, Mr. DAVIS of Florida, Ms. LOFGREN, Mr. SCOTT, Mr. PRICE of North Carolina, Mr. NEAL of Massachusetts, Mr. HINOJOSA, Mr. OBEY, Mr. JEFFERSON, Mr. OWENS, Ms. WOOLSEY, Ms. NORTON, Mr. FARR of California, Mr. KUCINICH, Mr. TORRES, Mr. BLAGOJEVICH, Mr. MCINTYRE, Mr. POMEROY, and Mr. HOYER):

H.R. 3876. A bill to reduce class size; to the Committee on Education and the Workforce.

By Mr. COLLINS (for himself and Mr. LEWIS of Georgia):

H.R. 3877. A bill to amend the Internal Revenue Code of 1986 to encourage the production and use of electric vehicles; to the Committee on Ways and Means.

By Mrs. CUBIN:

H.R. 3878. A bill to subject certain reserved mineral interests of the operation of the Mineral Leasing Act, and for other purposes; to the Committee on Resources.

By Ms. DUNN of Washington (for herself, Mr. TANNER, Mr. GINGRICH, Mr. COX of California, Mr. JEFFERSON, Mr. CRANE, Mr. BUNNING of Kentucky, Mr. HERGER, Mr. MCCRERY, Mr. SAM JOHNSON, Mr. ENGLISH of Pennsylvania, Mr. WATKINS, Mr. HOSTETTLER, Mr. PICKERING, Mr. WELLER, Mr. CAMP, and Mrs. THURMAN):

H.R. 3879. A bill to amend the Internal Revenue Code of 1986 to phaseout the estate and gift taxes over a 10-year period; to the Committee on Ways and Means.

By Mr. MARTINEZ:

H.R. 3880. A bill to authorize appropriations for fiscal years 1999, 2000, 2001, and 2002 to carry out the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GALLEGLY (for himself, Mr. HORN, Ms. LOFGREN, and Mr. PAUL):

H.R. 3881. A bill to amend the Internal Revenue Code of 1986 to increase the Lifetime Learning Credit for tuition expenses for continuing education for secondary teachers in their fields of teaching; to the Committee on Ways and Means.

By Mr. JONES:

H.R. 3882. A bill to amend the Internal Revenue Code of 1986 to provide that a member of the Armed Forces of the United States shall be treated as using a principal residence while on extended active duty; to the Committee on Ways and Means.

By Mr. LEWIS of Kentucky:

H.R. 3883. A bill to revise the boundary of the ABRAHAM Lincoln Birthplace National Historic Site to include Knob Creek Farm, and for other purposes; to the Committee on Resources.

By Mr. NADLER (for himself, Mrs. MALONEY of New York, Mr. MANTON, Mr. HINCHEY, Mr. TOWNS, Mr. LAFALCE, and Mr. SCHUMER):

H.R. 3884. A bill to provide for the disposition of Governors Island, New York; to the Committee on Government Reform and Oversight, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. RIVERS:

H.R. 3885. A bill to waive interest and penalties for failures to file schedule D of Form 1040 with a timely filed return for 1997; to the Committee on Ways and Means.

By Mr. RYUN (for himself, Mr. STUMP, Mr. SAXTON, Mr. TIAHRT, Mr. DICKEY, Mr. SNOWBARGER, Mr. WAMP, and Ms. DANNER):

H.R. 3886. A bill to prohibit the export of missile equipment and technology to the People's Republic of China; to the Committee on International Relations.

By Mr. STUPAK (for himself, Mr. BARRETT of Wisconsin, Mr. BROWN of Ohio, Mr. HOLDEN, Mr. KIND of Wisconsin, Mr. LUTHER, Mr. VENTO, Mr. SABO, Mrs. THURMAN, Mr. BONIOR, Mr. QUINN, Mr. OBEY, Mr. JOHNSON of Wisconsin, Ms. STABENOW, Mr. KUCINICH, and Ms. RIVERS):

H.R. 3887. A bill to prohibit oil and gas drilling in the Great Lakes; to the Committee on Resources.

By Mr. TAUZIN (for himself, Mr. BASS, Mr. GOODLATTE, Mr. GILLMOR, Mr. BURR of North Carolina, Mr. SKEEN, Mr. FRANKS of New Jersey, and Mr. BACHUS):

H.R. 3888. A bill to amend the Communications Act of 1934 to improve the protection of consumers against ''slamming'' by telecommunications carriers, and for other purposes; to the Committee on Commerce.

By Mr. UPTON:

H.R. 3889. A bill to amend the Federal Food, Drug, and Cosmetic Act to strengthen controls over tobacco; to the Committee on Commerce.

By Mr. DELAY:

H.J. Res. 119. A joint resolution proposing an amendment to the Constitution of the United States to limit campaign spending; to the Committee on the Judiciary.

By Mr. BLUNT (for himself, Mr. GILMAN, Mr. GALLEGLY, Mr. MICA, Mr. BURTON of Indiana, Mr. PITTS, and Mr. BRADY):

H. Con. Res. 277. Concurrent resolution concerning the New Tribes Mission hostage crisis; to the Committee on International Relations.

By Mr. DELAY:

H. Res. 432. A resolution expressing the sense of the House of Representatives concerning the President's assertions of executive privilege; to the Committee on the Judiciary.

By Mr. SOLOMON:

H. Res. 433. A resolution calling upon the President of the United States to urge full cooperation by his former political appointees and friends and their associates with congressional investigations; to the Committee on the Judiciary.

By Mr. FAZIO of California:

H. Res. 434. A resolution designating minority membership on certain standing committees of the House; considered and agreed to.

By Mr. LINDER (for himself, Mr. CHAMBLISS, and Mr. DEAL of Georgia):

H. Res. 437. A resolution commending Jack Elrod for his contributions to the United States; to the Committee on Resources.

By Mr. RYUN (for himself, Mr. BLILEY, Mr. MILLER of Florida, Mr. HOSTETTLER, Mr. KING of New York, Mr. INGLIS of South Carolina, Mr. PETERSON of Pennsylvania, Mr. STARK, Mr. PAPPAS, Mr. HILLEARY, Mrs. CUBIN, Mrs. FOWLER, Mr. STUMP, Mr. SAXTON, Mr. TIAHRT, Mr. DICKEY, Mr. SNOWBARGER, Mr. WAMP, and Ms. DANNER):

H. Res. 438. A resolution expressing the sense of the House regarding the transfer to the People's Republic of China of technology that can be used in the development of strategic nuclear missiles; to the Committee on International Relations.

By Mr. UNDERWOOD:

H. Res. 439. A resolution concerning India's recent detonation of 5 nuclear devices; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 26: Mr. OBEY and Mr. GORDON.
H.R. 59: Mrs. BONO.
H.R. 65: Mr. SESSIONS.
H.R. 303: Mr. SESSIONS.
H.R. 306: Ms. ROS-LEHTINEN and Mr. PICKETT.
H.R. 1126: Mr. BRYANT, Mr. BONIOR, Mrs. MORELLA, and Mr. MOAKLEY.
H.R. 1159: Mr. OLVER.
H.R. 1165: Mrs. CAPPS.
H.R. 1173: Mr. BERRY and Mrs. ROUKEMA.
H.R. 1241: Mr. SHERMAN.
H.R. 1356: Mr. KENNEDY of Rhode Island.
H.R. 1376: Ms. BROWN of Florida, Mr. FATTAH, Mr. RODRIGUEZ, Mr. MALONEY of Connecticut, Mrs. MCCARTHY of New York, and Mr. OWENS.
H.R. 1378: Mr. BLILEY.
H.R. 1382: Mrs. KENNELLY of Connecticut and Mr. NEAL of Massachusetts.
H.R. 1671: Mr. FRANK of Massachusetts.
H.R. 1689: Mr. BERRY, Mr. BAESLER, Mr. SISISKY, and Mrs. BONO.
H.R. 1736: Ms. LOFGREN.
H.R. 1766: Mr. BUNNING of Kentucky, Mr. BURR of North Carolina, Mr. GRAHAM, Mr. HUNTER, Mr. KENNEDY of Rhode Island, Mr. LIVINGSTON, MS. MCCARTHY of Missouri, Ms. MCKINNEY, Mr. MOLLOHAN, Mr. PETERSON of Pennsylvania, Mr. REYES, Mr. ROGERS, Mr. SAWYER, Mr. SHIMKUS, and Mr. WEYGAND,
H.R. 2009: Mr. SANDERS, Mr. SHAW, Mr. MOAKLEY, and Mr. MCHALE.
H.R. 2023: Mr. WYNN.
H.R. 2088: Mr. FROST.
H.R. 2202: Mr. JEFFERSON.
H.R. 2450: Mr. COBURN.
H.R. 2537: Mr. MCINTOSH.
H.R. 2538: Mr. LAZIO of New York.
H.R. 2719: Mrs. TAUSCHER.
H.R. 2727: Mr. HALL of Texas, Mr. HEFNER, Mr. ENGLISH of Pennsylvania, and Mr. GOODLING.
H.R. 2804: Mr. SCHUMER, Ms. STABENOW, and Ms. DELAURO.
H.R. 2819: Mr. SHAYS, Mr. WEYGAND, and Mr. HUTCHINSON.
H.R. 2821: Mr. SMITH of Michigan.
H.R. 2855: Mr. UNDERWOOD, Mr. PASCRELL, and Mr. BAESLER.
H.R. 3048: Ms. SANCHEZ.
H.R. 3093: Mr. OWENS.
H.R. 3166: Mr. PACKARD.
H.R. 3205: Ms. EDDIE BERNICE JOHNSON of Texas and Mr. MCINTYRE.
H.R. 3274: Mr. BRYANT.
H.R. 3283: Mr. SANDLIN.
H.R. 3290: Mr. UPTON, Mr. HASTINGS of Washington, and Mr. BLUMENAUER.
H.R. 3396: Mr. YOUNG of Florida, Mr. FOLEY, Mr. WYNN, and Mr. GREENWOOD.
H.R. 3435: Ms. DANNER, Ms. MCCARTHY of Missouri, Mr. HILL, Ms. DELAURO, Mr. HUTCHINSON, Mr. KLUG, Mr. DOYLE, Mr. CLYBURN, and Mr. HUNTER.
H.R. 3466: Ms. FURSE.
H.R. 3494: Mr. PAPPAS.
H.R. 3514: Mr. DEUTSCH.
H.R. 3561: Mr. ALLEN.
H.R. 3566: Mr. GREENWOOD.
H.R. 3567: Mr. MCNULTY, Mr. MANTON, Mr. GEKAS, and Ms. RIVERS.
H.R. 3572: Mr. HOBSON, Mr. TALENT, Mr. HALL of Ohio, Mr. KUCINICH, Mr. CLEMENT, Mr. LATOURETTE, Mr. WELDON of Florida, and Mr. PRICE of North Carolina.
H.R. 3610: Mr. BUNNING of Kentucky, Mr. MALONEY of Connecticut, Mr. BOUCHER, Mr. WHITFIELD, Mr. SHAYS, Mr. WYNN, and Mr. GOODLING.
H.R. 3613: Mr. BRYANT, Mr. GILMAN, and Mrs. MORELLA.
H.R. 3636: Mr. SABO, Mr. BARRETT of Wisconsin, and Mr. MCHALE.
H.R. 3637: Mr. HILLIARD, Ms. LOFGREN, Mr. FROST, and Mr. SCHUMER.
H.R. 3650: Mr. ARMEY, Mrs. EMERSON, Mr. GILMAN, and Mr. OWENS.
H.R. 3680: Mr. PETERSON of Pennsylvania, Mr. KNOLLENBERG, Mr. SHAYS, Mr. CALLAHAN, Mr. HOEKSTRA, and Mr. NORWOOD.
H.R. 3783: Mr. ENGLISH of Pennsylvania and Mr. KIM.
H.R. 3807: Mr. ADERHOLT, Mr. BALLENGER, Mr. BARCIA of Michigan, Mr. BURTON of Indiana, Mr. BUYER, Mr. CALLAHAN, Mr. COLLINS, Mr. COOKSEY, Mr. CRAPO, Mr. DICKEY, Mr. ENGLISH of Pennsylvania, Mr. EVERETT, Mr. HUTCHINSON, Mr. SAM JOHNSON, Mr. KIM, Mr. LAHOOD, Mr. MCHUGH, Mr. MANZULLO, Mr. MORAN of Kansas, Mr. NETHERCUTT, Mr. QUINN, Mr. SENSENBRENNER, and Mr. SHIMKUS.
H.R. 3822: Mr. NEUMANN.
H.R. 3841: Mr. KENNEDY of Massachusetts.
H. Con. Res. 47: Ms. DANNER, Mr. CALVERT, Mr. MCINTYRE, and Mr. BONIOR.
H. Con. Res. 203: Mr. SPRATT.
H. Con. Res. 210: Mr. NEAL of Massachusetts and Ms. STABENOW.
H. Con. Res. 214: Mr. DUNCAN, Mr. BLILEY, and Mr. DAVIS of Virginia.
H. Con. Res. 271: Ms. WOOLSEY.
H. Res. 247: Mr. MCGOVERN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3760: Mr. DAVIS of Illinois.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

[Submitted May 13, 1998]

H.R. 2183

OFFERED BY: MR. BASS

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Campaign Reform Act of 1998''.

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

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limits for State committees of political parties and aggregate contribution limit for individuals.
Sec. 103. Reporting requirements.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

Sec. 201. Definitions.
Sec. 202. Civil penalty.
Sec. 203. Reporting requirements for certain independent expenditures.
Sec. 204. Independent versus coordinated expenditures by party.
Sec. 205. Coordination with candidates.

TITLE III—DISCLOSURE

Sec. 301. Filing of reports using computers and facsimile machines.
Sec. 302. Prohibition of deposit of contributions with incomplete contributor information.
Sec. 303. Audits.
Sec. 304. Reporting requirements for contributions of $50 or more.
Sec. 305. Use of candidates' names.
Sec. 306. Prohibition of false representation to solicit contributions.
Sec. 307. Soft money of persons other than political parties.
Sec. 308. Campaign advertising.

TITLE IV—PERSONAL WEALTH OPTION

Sec. 401. Voluntary personal funds expenditure limit.
Sec. 402. Political party committee coordinated expenditures.

TITLE V—MISCELLANEOUS

Sec. 501. Prohibiting involuntary use of funds of employees of corporations and other employers and members of unions and organizations for political activities.
Sec. 502. Use of contributed amounts for certain purposes.
Sec. 503. Limit on congressional use of the franking privilege.
Sec. 504. Prohibition of fundraising on Federal property.
Sec. 505. Penalties for knowing and willful violations.
Sec. 506. Strengthening foreign money ban.
Sec. 507. Prohibition of contributions by minors.
Sec. 508. Expedited procedures.
Sec. 509. Initiation of enforcement proceeding.

TITLE VI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

Sec. 601. Severability.
Sec. 602. Review of constitutional issues.
Sec. 603. Effective date.
Sec. 604. Regulations.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

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

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

''(a) NATIONAL COMMITTEES.—

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

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

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

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

''(2) FEDERAL ELECTION ACTIVITY.—

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

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

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

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

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

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

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

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

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

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

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

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

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

''(e) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office shall not solicit, receive, direct, transfer, or spend funds for a Federal election activity on behalf of such candidate, individual, agent or any other person, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

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

''(3) FUNDRAISING EVENTS.—Paragraph (1) does not apply in the case of a candidate who attends, speaks, or is a featured guest at a fundraising event sponsored by a State, district, or local committee of a political party.''.

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

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

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

(2) in subparagraph (C)—

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

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

(3) by adding at the end the following:

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

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

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 203) is amended by inserting after subsection (d) the following:

''(e) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional

campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—A political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in subparagraphs (A) and (B)(v) of section 323(b)(2).

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

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

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

(1) by striking clause (viii); and

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

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

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

''(17) INDEPENDENT EXPENDITURE.—

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

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

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

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

''(20) EXPRESS ADVOCACY.—

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

''(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of 1 or more clearly identified candidates;

''(ii) referring to 1 or more clearly identified candidates in a paid advertisement that is broadcast by a radio broadcast station or a television broadcast station within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

''(iii) expressing unmistakable and unambiguous support for or opposition to 1 or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

''(B) VOTING RECORD AND VOTING GUIDE EXCEPTION.—The term 'express advocacy' does not include a printed communication that—

''(i) presents information in an educational manner solely about the voting record or position on a campaign issue of 2 or more candidates;

''(ii) that is not made in coordination with a candidate, political party, or agent of the candidate or party; or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent; and

''(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', or 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of 1 or more clearly identified candidates.''.

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

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

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

(3) by adding at the end the following:

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

''(iv) a payment made by a person for a communication that—

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

''(II) is provided in coordination with the candidate, the candidate's agent, or the political party of the candidate; and

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

SEC. 202. CIVIL PENALTY.

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

(1) in subsection (a)—

(A) in paragraph (4)(A)—

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

(ii) by adding at the end the following:

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

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

(2) in subsection (d)(1)—

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

(B) by adding at the end the following:

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

SEC. 203. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SEC. 204. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

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

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

(2) by adding at the end the following:

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

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

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

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

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

SEC. 205. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

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

(A) in subparagraph (A)—

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

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

(iii) by adding at the end the following:

''(iii) anything of value provided by a person in coordination with a candidate for the purpose of influencing a Federal election, regardless of whether the value being provided is a communication that is express advocacy, in which such candidate seeks nomination or election to Federal office.''; and

(B) by adding at the end the following:

''(C) The term 'provided in coordination with a candidate' includes—

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

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

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

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

''(v) a payment made by a person if the person making the payment has served in any formal policymaking or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made;

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

''(vii) a payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (vi) for a communication that clearly refers to the candidate and is for the purpose of influencing an election (regardless of whether the communication is express advocacy);

''(viii) direct participation by a person in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate;

''(ix) communication by a person with the candidate or an agent of the candidate, occurring after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member), acting on behalf of the candidate, about advertising message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy; or

''(x) the provision of in-kind professional services or polling data to the candidate or candidate's agent.

''(D) For purposes of subparagraph (C), the term 'professional services' includes services in support of a candidate's pursuit of nomination for election, or election, to Federal office such as polling, media advice, direct mail, fundraising, or campaign research.

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

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

''(B) a thing of value provided in coordination with a candidate, as described in section 301(8)(A)(iii), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

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

TITLE III—DISCLOSURE

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

Section 302(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following:

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

''(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

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

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

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

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

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

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

SEC. 303. AUDITS.

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

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

(2) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least 4 members of the Commission.

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

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

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

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

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

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

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

SEC. 305. USE OF CANDIDATES' NAMES.

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

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

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

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

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

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

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

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

(2) by adding at the end the following:

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

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

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

(as amended by section 103(c) and section 203) is amended by adding at the end the following:

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

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

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

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

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

''(A) Federal election activity;

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

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

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

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

''(B) an independent expenditure.

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

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

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

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

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

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

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

SEC. 308. CAMPAIGN ADVERTISING.

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

(1) in subsection (a)—

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

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

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

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

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

(2) by adding at the end the following:

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

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

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

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

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

''(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

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

''(e) Any broadcast or cablecast communication described in paragraph (3) of subsection (a) shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If broadcast or cablecast by means of television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

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

''SEC. 324. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

''(a) ELIGIBLE HOUSE CANDIDATE.—

''(1) PRIMARY ELECTION.—

''(A) DECLARATION.—A candidate is an eligible primary election House candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

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

''(2) GENERAL ELECTION.—

''(A) DECLARATION.—A candidate is an eligible general election House candidate if the candidate files with the Commission—

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

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

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

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

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

''(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

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

''(2) SOURCES.—A source is described in this paragraph if the source is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(c) CERTIFICATION BY THE COMMISSION.—

''(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible House candidate.

''(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible House candidate.

''(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

''(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

''(d) PENALTY.—If the Commission revokes the certification of an eligible House candidate—

''(1) the Commission shall notify the candidate of the revocation; and

''(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).''.

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

''(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for the House of Representatives who is not an eligible House candidate (as defined in section 324(a)).''.

TITLE V—MISCELLANEOUS

SEC. 501. PROHIBITING INVOLUNTARY USE OF FUNDS OF EMPLOYEES OF CORPORATIONS AND OTHER EMPLOYERS AND MEMBERS OF UNIONS AND ORGANIZATIONS FOR POLITICAL ACTIVITIES.

(a) IN GENERAL.—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)(A) Except with the separate, prior, written, voluntary authorization of the individual involved, it shall be unlawful—

''(i) for any national bank or corporation described in this section to collect from or assess a stockholder or employee any portion

of any dues, initiation fee, or other payment made as a condition of employment which will be used for political activity in which the national bank or corporation is engaged; and

''(ii) for any labor organization described in this section to collect from or assess a member or nonmember any portion of any dues, initiation fee, or other payment which will be used for political activity in which the labor organization is engaged.

''(B) An authorization described in subparagraph (A) shall remain in effect until revoked and may be revoked at any time. Each entity collecting from or assessing amounts from an individual with an authorization in effect under such subparagraph shall provide the individual with a statement that the individual may at any time revoke the authorization.

''(2)(A) Prior to the beginning of any 12-month period (as determined by the corporation), each corporation described in this section shall provide each of its shareholders with a notice containing the following:

''(i) The proposed aggregate amount for disbursements for political activities by the corporation for the period.

''(ii) The individual's applicable percentage and applicable pro rata amount for the period.

''(iii) A form that the individual may complete and return to the corporation to indicate the individual's objection to the disbursement of amounts for political activities during the period.

''(B) It shall be unlawful for a corporation to which subparagraph (A) applies to make disbursements for political activities during the 12-month period described in such subparagraph in an amount greater than—

''(i) the proposed aggregate amount for such disbursements for the period, as specified in the notice provided under subparagraph (A); reduced by

''(ii) the sum of the applicable pro rata amounts for such period of all shareholders who return the form described in subparagraph (A)(iii) to the corporation prior to the beginning of the period.

''(C) In this paragraph, the following definitions shall apply:

''(i) The term 'applicable percentage' means, with respect to a shareholder of a corporation, the amount (expressed as a percentage) equal to the number of shares of the corporation (within a particular class or type of stock) owned by the shareholder at the time the notice described in subparagraph (A) is provided, divided by the aggregate number of such shares owned by all shareholders of the corporation at such time.

''(ii) The term 'applicable pro rata amount' means, with respect to a shareholder for a 12-month period, the product of the shareholder's applicable percentage for the period and the proposed aggregate amount for disbursements for political activities by the corporation for the period, as specified in the notice provided under subparagraph (A).

''(3) For purposes of this subsection, the term 'political activity' means any activity carried out for the purpose of influencing (in whole or in part) any election for Federal office, influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations.''.

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

SEC. 502. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

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

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

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

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

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

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

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

''(b) PROHIBITED USE.—

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

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

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

''(B) a clothing purchase;

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

''(D) a country club membership;

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

''(F) a household food item;

''(G) a tuition payment;

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

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

SEC. 503. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

''(A) A Member of Congress shall not mail any mass mailing as franked mail during a year in which there will be an election for the seat held by the Member during the period between January 1 of that year and the date of the general election for that Office, unless the Member has made a public announcement that the Member will not be a candidate for reelection to that year or for election to any other Federal office.''.

SEC. 504. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

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

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

''(a) PROHIBITION.—

''(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value for a political committee or a candidate for Federal, State or local office from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value for a political committee or candidate for Federal, State or local office, while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

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

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

SEC. 505. PENALTIES FOR KNOWING AND WILLFUL VIOLATIONS.

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

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking ''$5,000'' and inserting ''$10,000''; and

(2) in paragraphs (5)(B) and (6)(C), by striking ''$10,000 or an amount equal to 200 percent'' and inserting ''$20,000 or an amount equal to 300 percent''.

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting '', and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).''.

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

''(13) LTY FOR LATE FILING.—

''(A) IN GENERAL.—

''(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

''(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by a specific date.

''(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

''(B) FILING AN EXCEPTION.—

''(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

''(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.'';

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: ''In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A).''; and

(B) by inserting before the period at the end of the last sentence the following: ''or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)''; and

(3) in paragraph (6)(A), by striking ''paragraph (4)(A)'' and inserting ''paragraph (4)(A) or (13)''.

SEC. 506. STRENGTHENING FOREIGN MONEY BAN.

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

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

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

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

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

''(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election to a political committee or a candidate for Federal office; or

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

''(B) for a person to solicit, accept, or receive such contribution or donation from a foreign national.''.

SEC. 507. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by sections 101 and 401) is amended by adding at the end the following:

''SEC. 325. PROHIBITION OF CONTRIBUTIONS BY MINORS.

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

SEC. 508. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 505(c)) is amended by adding at the end the following:

''(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

''(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

''(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following:

''(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.''.

SEC. 509. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking ''reason to believe that'' and inserting ''reason to investigate whether''.

TITLE VI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 601. SEVERABILITY.

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

SEC. 602. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 603. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act take effect January 1, 1999.

SEC. 604. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 270 days after the effective date of this Act.

H.R. 2183

OFFERED BY MR. CAMPBELL

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 2: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Can't Vote, Can't Contribute Campaign Reform Act of 1998''.

TITLE I—LIMITATIONS ON CONTRIBUTIONS

SEC. 101. LIMITATION ON AMOUNT OF CONTRIBUTIONS TO CANDIDATES BY INDIVIDUALS NOT ELIGIBLE TO VOTE IN STATE OR DISTRICT INVOLVED.

Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended by striking ''in the aggregate, exceed $1,000;'' and inserting the following: ''in the aggregate—

''(i) in the case of contributions made to a candidate for election for Senator or for Representative in or Delegate or Resident Commissioner to the Congress by an individual who is not eligible to vote in the State or Congressional district involved (as the case may be) at the time the contribution is made (other than an individual who would be eligible to vote at such time but for the failure of the individual to register to vote), exceed $100; or

''(ii) in the case of any other contributions, exceed $1,000;''.

SEC. 102. BAN ON ACCEPTANCE OF CONTRIBUTIONS MADE BY NONPARTY POLITICAL ACTION COMMITTEES.

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) Notwithstanding any other provision of this Act, no candidate for election for Federal office may accept any contribution from a political action committee.

''(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 national, State, local, or district committee of a political party, including any subordinate committee thereof.''.

TITLE II—ENSURING VOLUNTARINESS OF CONTRIBUTIONS OF CORPORATIONS, UNIONS, AND OTHER MEMBERSHIP ORGANIZATIONS

SEC. 201. PROHIBITING INVOLUNTARY USE OF FUNDS OF EMPLOYEES OF CORPORATIONS AND OTHER EMPLOYERS AND MEMBERS OF UNIONS AND ORGANIZATIONS FOR POLITICAL ACTIVITIES.

(a) IN GENERAL.—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)(A) Except with the separate, prior, written, voluntary authorization of the individual involved, it shall be unlawful—

''(i) for any national bank or corporation described in this section (other than a corporation exempt from Federal taxation under section 501(c) of the Internal Revenue Code of 1986) to collect from or assess a stockholder or employee any portion of any dues, initiation fee, or other payment made as a condition of employment which will be used for political activity in which the national bank or corporation is engaged; and

''(ii) for any labor organization described in this section to collect from or assess a member or nonmember any portion of any dues, initiation fee, or other payment which will be used for political activity in which the labor organization is engaged.

''(B) An authorization described in subparagraph (A) shall remain in effect until revoked and may be revoked at any time. Each entity collecting from or assessing amounts from an individual with an authorization in effect under such subparagraph shall provide the individual with a statement that the individual may at any time revoke the authorization.

''(2)(A) Prior to the beginning of any 12-month period (as determined by the corporation), each corporation to which paragraph (1) applies shall provide each of its shareholders with a notice containing the following:

''(i) The proposed aggregate amount for disbursements for political activities by the corporation for the period.

''(ii) The individual's applicable percentage and applicable pro rata amount for the period.

''(iii) A form that the individual may complete and return to the corporation to indicate the individual's objection to or approval of the disbursement of amounts for political activities during the period.

''(B) It shall be unlawful for a corporation to which subparagraph (A) applies to make disbursements for political activities during the 12-month period described in such subparagraph in an amount greater than the sum of the applicable pro rata amounts for such period of all shareholders who return the form described in subparagraph (A)(iii) to the corporation prior to the beginning of the period and indicate their approval of such disbursements.

''(C) In this paragraph, the following definitions shall apply:

''(i) The term 'applicable percentage' means, with respect to a shareholder of a corporation, the amount (expressed as a percentage) equal to the number of shares of the corporation (within a particular class or type of stock) owned by the shareholder at the time the notice described in subparagraph (A) is provided, divided by the aggregate number of such shares owned by all shareholders of the corporation at such time.

''(ii) The term 'applicable pro rata amount' means, with respect to a shareholder for a 12-month period, the product of the shareholder's applicable percentage for the period and

the proposed aggregate amount for disbursements for political activities by the corporation for the period, as specified in the notice provided under subparagraph (A).

''(3) For purposes of this subsection, the term 'political activity' means any activity carried out for the purpose of influencing (in whole or in part) any election for Federal office, influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations.''.

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

TITLE III—RESTRICTIONS ON SOFT MONEY

SEC. 301. BAN ON SOFT MONEY OF NATIONAL POLITICAL PARTIES AND CANDIDATES; BAN ON USE OF SOFT MONEY BY STATE POLITICAL PARTIES FOR FEDERAL ELECTION ACTIVITY.

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:

''RESTRICTIONS ON USE OF SOFT MONEY BY POLITICAL PARTIES AND CANDIDATES

''SEC. 323. (a) BAN ON USE BY NATIONAL PARTIES.—

''(1) IN GENERAL.—No political committee of a national political party may solicit, receive, or direct any contributions, donations, or transfers of funds, or spend any funds, which are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—Paragraph (1) shall apply to any entity which is established, financed, maintained, or controlled (directly or indirectly) by, or which acts on behalf of, a political committee of a national political party, including any national congressional campaign committee of such a party and any officer or agent of such an entity or committee.

''(b) CANDIDATES.—

''(1) IN GENERAL.—No candidate for Federal office, individual holding Federal office, or any agent of such a candidate or officeholder may solicit, receive, or direct—

''(A) any funds in connection with any Federal election unless the funds are subject to the limitations, prohibitions and reporting requirements of this Act;

''(B) any funds that are to be expended in connection with any election for other than a Federal office unless the funds are not in excess of the applicable amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a), and are not from sources prohibited from making contributions by this Act with respect to elections for Federal office; or

''(C) any funds on behalf of any person which are not subject to the limitations, prohibitions, and reporting requirements of this Act if such funds are for the purpose of financing any activity on behalf of a candidate for election for Federal office or any communication which refers to a clearly identified candidate for election for Federal office.

''(2) EXCEPTION FOR CERTAIN ACTIVITIES.—Paragraph (1) shall not apply to—

''(A) the solicitation, receipt, or direction of funds by an individual who is a candidate for a non-Federal office if such activity is permitted under State law for such individual's non-Federal campaign committee; or

''(B) the attendance by an individual who holds Federal office at a fundraising event for a State or local committee of a political party of the State which the individual represents as a Federal officeholder, if the event is held in such State.

''(c) STATE PARTIES.—

''(1) IN GENERAL.—Any payment by a State committee of a political party for a mixed political activity—

''(A) shall be subject to limitation and reporting under this Act as if such payment were an expenditure; and

''(B) may be paid only from an account that is subject to the requirements of this Act.

''(2) MIXED POLITICAL ACTIVITY DEFINED.—As used in this section, the term 'mixed political activity' means, with respect to a payment by a State committee of a political party, an activity (such as a voter registration program, a get-out-the-vote drive, or general political advertising) that is both for the purpose of influencing an election for Federal office and for any purpose unrelated to influencing an election for Federal office.

''(d) PROHIBITING TRANSFERS OF NON-FEDERAL FUNDS BETWEEN STATE PARTIES.—A State committee of a political party may not transfer any funds to a State committee of a political party of another State unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(e) APPLICABILITY TO FUNDS FROM ALL SOURCES.—This section shall apply with respect to funds of any individual, corporation, labor organization, or other person.''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply with respect to elections occurring after January 1999.

H.R. 2183

OFFERED BY: MR. OBEY

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 3: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; FINDING.

(a) SHORT TITLE.—This Act may be cited as the ''Let the Public Decide Campaign Finance Reform Act''.

(b) FINDING.—The Congress finds that the existing system of private political contributions has become a fundamental threat to the integrity of the national election process and that the provisions contained in this Act are necessary to prevent the corruption of the public's faith in the Nation's system of governance.

TITLE I—EXPENDITURE LIMITATIONS AND PUBLIC FINANCING FOR HOUSE OF REPRESENTATIVES GENERAL ELECTIONS

SEC. 101. NEW TITLE OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

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

''TITLE V—EXPENDITURE LIMITATIONS AND PUBLIC FINANCING FOR HOUSE OF REPRESENTATIVES GENERAL ELECTIONS

''SEC. 501. LIMITATION ON EXPENDITURES IN HOUSE OF REPRESENTATIVES GENERAL ELECTIONS.

''A candidate in a House of Representatives general election may not make expenditures other than as provided in this title.

''SEC. 502. SOURCES OF AMOUNTS FOR EXPENDITURES BY CANDIDATES IN HOUSE OF REPRESENTATIVES GENERAL ELECTIONS.

''The only sources of amounts for expenditures by candidates in House of Representatives general elections shall be—

''(1) the Grassroots Good Citizenship Fund, under section 505; and

''(2) additional amounts from State and national party committees under section 506.

''SEC. 503. DISTRICT LIMITATION ON EXPENDITURES BY MAJOR PARTY CANDIDATES.

''(a) IN GENERAL.—Except as provided in section 506, the maximum amounts of expenditures by major party candidates in House of Representatives general elections shall be based on the median household income of the districts involved, as provided for in subsections (b) and (c).

''(b) MAXIMUM FOR WEALTHIEST DISTRICT.—In the congressional district with the highest median household income, maximum combined expenditures for all major party candidates with respect to a House of Representatives general election shall be a total of $1,000,000.

''(c) MAXIMUM FOR OTHER DISTRICTS.—In each congressional district, other than the district referred to in subsection (b), the maximum combined expenditures for all major party candidates with respect to a House of Representatives general election shall be an amount equal to—

''(1) the maximum amount referred to in subsection (b), less

''(2) the amount equal to—

''(A) ⅔ of the percentage difference between the median household income of the district involved and the median household income of the district referred to in subsection (b), times

''(B) the maximum amount referred to in subsection (b).

''(d) ALLOCATION.—The maximum expenditure for a major party candidate in a congressional district shall be 50 percent of the maximum amount under subsection (b) or (c), as applicable.

''SEC. 504. DISTRICT LIMITATION ON EXPENDITURES BY THIRD PARTY AND INDEPENDENT CANDIDATES.

''(a) IN GENERAL.—Except as provided in section 506, the maximum amounts of expenditures by third party and independent candidates in House of Representatives general elections shall be the amount allocated under subsection (b).

''(b) ALLOCATION.—The maximum expenditure for a third party or independent candidate in a congressional district shall be—

''(1) the amount that bears the same ratio to the maximum amount under subsection (b) or (c) of section 503, as applicable, as the total popular vote in the district for candidates of the third party or for all independent candidates (as the case may be) bears to the total popular vote for all candidates in the 5 preceding general elections; or

''(2) in the case of a candidate in a district in which no third party or independent candidates (as the case may be) received votes in the 5 preceding general elections, the amount corresponding to the number of signatures presented to and verified by the Commission according to the following table:

''20,000 signatures	$75,000
30,000 signatures	100,000
40,000 signatures	150,000
50,000 signatures	200,000

''SEC. 505. GRASSROOTS GOOD CITIZENSHIP FUND.

''(a) CREATION OF FUND.—There is established in the Treasury a trust fund to be known as the 'Grassroots Good Citizenship Fund', consisting of such amounts as may be credited to such fund as provided in this section.

''(b) DISTRICT ACCOUNTS.—There shall be established within the Grassroots Good Citizenship Fund an account for each congressional district. The accounts so established shall be administered by the Commission for the purpose of distributing amounts under this title.

''(c) PAYMENTS TO CANDIDATES.—Subject to subsection (d), the Commission shall pay to each candidate from the Grassroots Good Citizenship Fund the maximum amount calculated for such candidate under section 503 or 504.

''(d) INSUFFICIENT AMOUNTS.—If, as determined by the Commission, there are insufficient amounts in the Grassroots Good Citizenship Fund for payments under subsection (c), the Commission may reduce payments to candidates so that each candidate receives a pro rata portion of the amounts that are available.

''(e) TRANSFERS TO FUND.—There are hereby credited to the Grassroots Good Citizenship Fund amounts equivalent to the amounts designated under section 6097 of the Internal Revenue Code of 1986.

''(f) EXPENDITURES.—Amounts in the Grassroots Good Citizenship Fund shall be available for the purpose of providing amounts for expenditure by candidates in House of Representatives general elections in accordance with this title.

''SEC. 506. ADDITIONAL AMOUNTS FROM STATE AND NATIONAL PARTY COMMITTEES.

''(a) CONTRIBUTIONS.—In addition to amounts made available under section 503 or 504, in the case of a candidate in a House of Representatives general election who is the candidate of a political party, the State and national committees of that political party may make contributions to the candidate totaling not more than 5 percent of the maximum expenditure applicable to the candidate under section 503 or section 504.

''(b) EXPENDITURES.—A House of Representatives candidate who is the candidate of a political party may make expenditures of the amounts received under subsection (a).

''SEC. 507. PUBLIC SERVICE ANNOUNCEMENTS.

''(a) IN GENERAL.—Beginning on January 15, and continuing through April 15 of each year, the Commission shall carry out a program, utilizing broadcast announcements and other appropriate means, to inform the public of the existence and purpose of the Grassroots Good Citizenship Fund and the role that individual citizens can play in the election process by voluntarily contributing to the fund. The announcements shall be broadcast during prime time viewing hours in 30-second advertising segments equivalent to 200 gross rating points per network per week. The Commission shall ensure that the maximum number of taxpayers shall be exposed to these announcements. Television networks, as defined by the Federal Communications Commission, shall provide the broadcast time under this section as part of their obligations in the public interest under the Communications Act of 1934. The Federal Election Commission shall encourage broadcast outlets other than the above mentioned television networks including radio to provide similar announcements.

''(b) GROSS RATING POINT.—The term 'gross rating point' is a measure of the total gross weight delivered. It is the sum of the ratings for individual programs. Since a household rating period is 1 percent of the coverage base, 200 gross rating points means 2 messages a week per average household.

''SEC. 508. DEFINITIONS.

''As used in this title—

''(1) the term 'House of Representatives candidate' means a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress;

''(2) the term 'median household income' means, with respect to a congressional district, the median household income of that district, as determined by the Commission, using the most current data from the Bureau of the Census;

''(3) the term 'major party' means, with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office;

''(4) the term 'third party' means with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, less than 25 percent of the total number of popular votes received by all candidates for such office;

''(5) the term 'independent candidate' means, with respect to a House of Representatives general election, a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who is not the candidate of a major party or a third party; and

''(6) the term 'House of Representatives general election' means a general election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

TITLE II—AMENDMENTS TO INTERNAL REVENUE CODE OF 1986

SEC. 201. DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR GRASSROOTS GOOD CITIZENSHIP FUND.

(a) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following:

''PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR GRASSROOTS GOOD CITIZENSHIP FUND

''Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund.

''SEC. 6097. DESIGNATION OF OVERPAYMENTS FOR GRASSROOTS GOOD CITIZENSHIP FUND.

''(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1, such taxpayer may designate that—

''(1) a specified portion (not less than $1 or more than $10,000, and not less than $1 or more than $20,000 in the case of a joint return) of any overpayment of tax for such taxable year, and

''(2) any contribution which the taxpayer includes with such return,

shall be paid over to the Grassroots Good Citizenship Fund under section 505 of the Federal Election Campaign Act of 1971.

''(b) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to any taxable year only at the time of filing the return of tax imposed by chapter 1 for such taxable year. Such designation shall be made on the 1st page of the return.

''(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this title, any portion of an overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by chapter 1 (determined without regard to extensions) or, if later, the date the return is filed.''

(b) CLERICAL AMENDMENT.—The table of parts for such subchapter A is amended by adding at the end thereof the following new item:

''Part IX. Designation of overpayments and contributions for certain purposes relating to House of Representatives elections.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 202. INCREASE IN CORPORATE INCOME TAX ON TAXABLE INCOME ABOVE $10,000,000.

(a) IN GENERAL.—Paragraph (4) of subsection (b) of section 11 of the Internal Revenue Code of 1986 is amended by striking ''35 percent'' and inserting ''35.1 percent''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

(c) USE OF AMOUNTS RECEIVED.—Amounts received by reason of the amendment made by subsection (a) shall be paid over to the Grassroots Good Citizenship Fund under section 505 of the Federal Election Campaign Act of 1971.

TITLE III—BAN ON USE OF SOFT MONEY BY HOUSE CANDIDATES

SEC. 301. BAN ON USE OF SOFT MONEY BY HOUSE CANDIDATES.

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:

''BAN ON USE OF NON-REGULATED FUNDS BY HOUSE CANDIDATES

''SEC. 323. (a) IN GENERAL.—No funds may be solicited, disbursed, or otherwise used with respect to any House of Representatives election unless the funds are subject to the limitations and prohibitions of this Act.

''(b) HOUSE OF REPRESENTATIVES ELECTION DEFINED.—In this section, the term 'House of Representatives election' means any election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

TITLE IV—INDEPENDENT EXPENDITURES

SEC. 401. BAN ON INDEPENDENT EXPENDITURES IN HOUSE OF REPRESENTATIVES ELECTIONS.

(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) No person may make any independent expenditure with respect to an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

(b) CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.—

(1) IN GENERAL.—Section 301 of such Act (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following new paragraphs:

''(17) The term 'independent expenditure' means an expenditure for a communication (other than a communication which is described in clause (i) or clause (iii) of paragraph (9)(B) or which would be described in such clause if the communication were otherwise treated as an expenditure under this title)—

''(A) which is made during the 90-day period ending on the date of a general election for Federal office and which identifies a candidate for election for such office by name, image, or likeness; or

''(B) which contains express advocacy and is made without the participation or cooperation of, or consultation with, a candidate or a candidate's representative.

''(18) 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, or 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 an expression which would reasonably be construed as intending to influence the outcome of an election.''.

(2) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of such Act (2 U.S.C. 431(8)(A)) is amended—

(A) in clause (i), by striking ''or'' after the semicolon at the end;

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

(C) by adding at the end the following new clause:

''(iii) any payment or other transaction referred to in paragraph (17)(A) that does not qualify as an independent expenditure under paragraph (17)(B).''.

SEC. 402. BAN ON USE OF SOFT MONEY FOR CERTAIN EXPENDITURES.

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

''BAN ON USE OF NON-FEDERAL FUNDS FOR CERTAIN EXPENDITURES

''SEC. 324. (a) IN GENERAL.—No person may disburse any funds for any expenditure described in subsection (b) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) EXPENDITURES DESCRIBED.—The expenditures described in this subsection are as follows:

''(1) An expenditure made by an authorized committee of a candidate for Federal office or a political committee of a political party.

''(2) An expenditure made by a person who, during the election cycle, has made a contribution to a candidate, where the expenditure is in support of that candidate or in opposition to another candidate for the same office.

''(3) An expenditure made by a person, or a political committee established, maintained or controlled by such person, who is required to register, under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act (22 U.S.C. 611) or any successor Federal law requiring a person who is a lobbyist or foreign agent to register.

''(4) An expenditure made by a person who, during the election cycle, has communicated with or received information from a candidate or a representative of that candidate regarding activities that have the purpose of influencing that candidate's election to Federal office, where the expenditure is in support of that candidate or in opposition to another candidate for that office.

''(5) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

''(A) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

''(B) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.''.

TITLE V—PROVISIONS RELATING TO HOUSE OF REPRESENTATIVES PRIMARY ELECTIONS

SEC. 501. LIMITATION ON EXPENDITURES IN HOUSE OF REPRESENTATIVES ELECTIONS OTHER THAN GENERAL ELECTIONS.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 401, is further amended by adding at the end the following new subsection:

''(j)(1) The maximum expenditures for a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in any election other than a general election may not exceed ⅓ of the maximum applicable to the candidate in a general election under title V.

''(2) For purposes of limitations under this Act, any expenditure by a candidate referred to in paragraph (1), including an expenditure for the preparation, production, or presentation of communications through electronic media or in written form, shall, regardless of when the expenditure is made, be attributed to the appropriate general election, unless such expenditure is made solely for an election other than a general election.''.

SEC. 502. LIMITATION ON ACCEPTANCE OF LARGE DONOR MULTICANDIDATE POLITICAL COMMITTEE CONTRIBUTIONS BY HOUSE OF REPRESENTATIVES CANDIDATES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by sections 401 and 501, is further amended by adding at the end the following new subsection:

''(k)(1) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, and the authorized political committees of such candidate, may not, with respect to an election other than a general election, accept contributions from large donor multicandidate political committees in excess of 20 percent of the maximum amount which the candidate may expend with respect to the election under subsection (j).

''(2) In paragraph (1), the term 'large donor multicandidate political committee' means a multicandidate political committee that accepts contributions totaling more than $200 from any single source in a calendar year.''.

TITLE VI—CONSIDERATION OF CONSTITUTIONAL AMENDMENT

SEC. 601. EXPEDITED CONSIDERATION OF CONSTITUTIONAL AMENDMENT.

(a) IN GENERAL.—If any provision of this Act or any amendment made by this Act is found unconstitutional by the Supreme Court, the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of a joint resolution described in section 602 in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) SPECIAL RULES.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on the Judiciary of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on the Judiciary of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the Supreme Court finds a provision of this Act or an amendment made by this Act unconstitutional.

SEC. 602. CONSTITUTIONAL AMENDMENT DESCRIBED.

For purposes of section 601, a joint resolution described in this section is a joint resolution proposing the following text as an amendment to the Constitution of the United States:

''ARTICLE —

''SECTION 1. Congress may provide for reasonable restrictions on contributions and expenditures in campaigns for election for Federal office as necessary to protect the integrity of the electoral process.

''SEC. 2. Congress shall have power to enforce this article by appropriate legislation. No legislation enacted to enforce this article shall apply with respect to any election held after the last day of the year of the third Presidential election held after the date of the enactment of the legislation, unless the period in which such legislation is in effect is extended by an Act of Congress which is signed into law by the President.''.

H.R. 2183

OFFERED BY: MR. OBEY

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 4: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; FINDING.

(a) SHORT TITLE.—This Act may be cited as the ''Let the Public Decide Campaign Finance Reform Act''.

(b) FINDING.—The Congress finds that the existing system of private political contributions has become a fundamental threat to the integrity of the national election process and that the provisions contained in this Act are necessary to prevent the corruption of the public's faith in the Nation's system of governance.

TITLE I—VOLUNTARY EXPENDITURE LIMITATIONS AND PUBLIC FINANCING FOR HOUSE OF REPRESENTATIVES GENERAL ELECTIONS

SEC. 101. NEW TITLE OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

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

''TITLE V—VOLUNTARY EXPENDITURE LIMITATIONS AND PUBLIC FINANCING FOR HOUSE OF REPRESENTATIVES GENERAL ELECTIONS

''Subtitle A—Public Financing for Certified House Candidates

''SEC. 501. PUBLIC FINANCING FOR CERTIFIED HOUSE CANDIDATES.

''A certified House candidate in a House of Representatives general election shall be entitled to payments from the Grassroots Good Citizenship Fund under section 521.

''SEC. 502. PROCEDURES FOR CERTIFICATION.

''(a) IN GENERAL.—The Commission shall certify that a candidate initially meets the requirements for a certified House candidate under if the candidate submits to the Commission in writing a statement with the following information and assurances:

''(1) An agreement to obtain and furnish to the Commission such evidence as it may request to ensure that the candidate meets the requirements relating to limitations on expenditures under subtitle B.

''(2) An agreement to keep and furnish to the Commission such records, books, and other information as it may request.

''(3) An agreement to audit and examination by the Commission and to the payment of any amounts found to be paid erroneously to the candidate under this title.

''(4) Such other information and assurances as the Commission may require.

''(b) AUTHORITY OF COMMISSION TO REJECT OR REVOKE CERTIFICATION.—The Commission may reject a candidate's application for treatment as a certified House candidate or revoke a candidate's status as a certified House candidate if the candidate knowingly and willfully violates or has violated any of the applicable requirements of this title with respect to the election involved or any previous election.

''Subtitle B—Limitations on Expenditures by Certified House Candidates

''SEC. 511. LIMITATION ON EXPENDITURES.

''A certified House candidate in a House of Representatives general election may not make expenditures other than as provided in this subtitle.

''SEC. 512. SOURCES OF AMOUNTS FOR EXPENDITURES BY CERTIFIED HOUSE CANDIDATES.

''The only sources of amounts for expenditures by certified House candidates in House

of Representatives general elections shall be—

''(1) the Grassroots Good Citizenship Fund, under section 521; and

''(2) additional amounts from State and national party committees under section 522.

''SEC. 513. DISTRICT LIMITATION ON EXPENDITURES BY MAJOR PARTY CANDIDATES.

''(a) IN GENERAL.—Except as provided in section 515 and section 522, the maximum amounts of expenditures by certified House candidates in House of Representatives general elections who are major party candidates shall be based on the median household income of the districts involved, as provided for in subsections (b) and (c).

''(b) MAXIMUM FOR WEALTHIEST DISTRICT.—In the congressional district with the highest median household income, maximum combined expenditures for all certified House candidates who are major party candidates with respect to a House of Representatives general election shall be a total of $1,000,000.

''(c) MAXIMUM FOR OTHER DISTRICTS.—In each congressional district, other than the district referred to in subsection (b), the maximum combined expenditures for all certified House candidates who are major party candidates with respect to a House of Representatives general election shall be an amount equal to—

''(1) the maximum amount referred to in subsection (b), less

''(2) the amount equal to—

''(A) ⅔ of the percentage difference between the median household income of the district involved and the median household income of the district referred to in subsection (b), times

''(B) the maximum amount referred to in subsection (b).

''(d) ALLOCATION.—The maximum expenditure for a certified House candidate who is a major party candidate in a congressional district shall be 50 percent of the maximum amount under subsection (b) or (c), as applicable.

''SEC. 514. DISTRICT LIMITATION ON EXPENDITURES BY THIRD PARTY AND INDEPENDENT CANDIDATES.

''(a) IN GENERAL.—Except as provided in section 515 and section 522, the maximum amounts of expenditures by certified House candidates who are third party and independent candidates in House of Representatives general elections shall be the amount allocated under subsection (b).

''(b) ALLOCATION.—The maximum expenditure for a certified House candidate who is a third party or independent candidate in a congressional district shall be—

''(1) the amount that bears the same ratio to the maximum amount under subsection (b) or (c) of section 503, as applicable, as the total popular vote in the district for candidates of the third party or for all independent candidates (as the case may be) bears to the total popular vote for all candidates in the 5 preceding general elections; or

''(2) in the case of a candidate in a district in which no third party or independent candidates (as the case may be) received votes in the 5 preceding general elections, the amount corresponding to the number of signatures presented to and verified by the Commission according to the following table:

''20,000 signatures	$75,000
30,000 signatures	100,000
40,000 signatures	150,000
50,000 signatures	200,000

''SEC. 515. INCREASE IN AMOUNT FOR CANDIDATES WITH NONPARTICIPATING OPPONENT.

''In the case of a certified House candidate in a House of Representatives general election with an opponent who is a major party candidate who is not a certified House candidate, the amount otherwise provided in section 513 or section 514 (as the case may be) shall be increased by 100 percent.

''Subtitle C—Payments to Certified House Candidates

''SEC. 521. GRASSROOTS GOOD CITIZENSHIP FUND.

''(a) CREATION OF FUND.—There is established in the Treasury a trust fund to be known as the 'Grassroots Good Citizenship Fund', consisting of such amounts as may be credited to such fund as provided in this section.

''(b) DISTRICT ACCOUNTS.—There shall be established within the Grassroots Good Citizenship Fund an account for each congressional district. The accounts so established shall be administered by the Commission for the purpose of distributing amounts under this title.

''(c) PAYMENTS TO CANDIDATES.—Subject to subsection (d), the Commission shall pay to each certified House candidate from the Grassroots Good Citizenship Fund the maximum amount calculated for such candidate under section 513 or 514.

''(d) INSUFFICIENT AMOUNTS.—If, as determined by the Commission, there are insufficient amounts in the Grassroots Good Citizenship Fund for payments under subsection (c), the Commission may reduce payments to certified House candidates so that each candidate receives a pro rata portion of the amounts that are available.

''(e) TRANSFERS TO FUND.—There are hereby credited to the Grassroots Good Citizenship Fund amounts equivalent to the amounts designated under section 6097 of the Internal Revenue Code of 1986.

''(f) EXPENDITURES.—Amounts in the Grassroots Good Citizenship Fund shall be available for the purpose of providing amounts for expenditure by certified House candidates in House of Representatives general elections in accordance with this title.

''SEC. 522. ADDITIONAL AMOUNTS FROM STATE AND NATIONAL PARTY COMMITTEES.

''(a) CONTRIBUTIONS.—In addition to amounts made available under section 521, in the case of a certified House candidate in a House of Representatives general election who is the candidate of a political party, the State and national committees of that political party may make contributions to the candidate totaling not more than 5 percent of the maximum expenditure applicable to the candidate under section 513 or section 514.

''(b) EXPENDITURES.—A certified House candidate who is the candidate of a political party may make expenditures of the amounts received under subsection (a).

''Subtitle D—Miscellaneous Provisions

''SEC. 531. PUBLIC SERVICE ANNOUNCEMENTS.

''(a) IN GENERAL.—Beginning on January 15, and continuing through April 15 of each year, the Commission shall carry out a program, utilizing broadcast announcements and other appropriate means, to inform the public of the existence and purpose of the Grassroots Good Citizenship Fund and the role that individual citizens can play in the election process by voluntarily contributing to the fund. The announcements shall be broadcast during prime time viewing hours in 30-second advertising segments equivalent to 200 gross rating points per network per week. The Commission shall ensure that the maximum number of taxpayers shall be exposed to these announcements. Television networks, as defined by the Federal Communications Commission, shall provide the broadcast time under this section as part of their obligations in the public interest under the Communications Act of 1934. The Federal Election Commission shall encourage broadcast outlets other than the above mentioned television networks including radio to provide similar announcements.

''(b) GROSS RATING POINT.—The term 'gross rating point' is a measure of the total gross weight delivered. It is the sum of the ratings for individual programs. Since a household rating period is 1 percent of the coverage base, 200 gross rating points means 2 messages a week per average household.

''SEC. 532. DEFINITIONS.

''As used in this title—

''(1) the term 'certified House candidate' means, with respect to a House of Representatives general election, a candidate in such election who is certified by the Commission under subtitle A as meeting the requirements for receiving public financing under this title;

''(2) the term 'median household income' means, with respect to a congressional district, the median household income of that district, as determined by the Commission, using the most current data from the Bureau of the Census;

''(3) the term 'major party' means, with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office;

''(4) the term 'third party' means with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, less than 25 percent of the total number of popular votes received by all candidates for such office;

''(5) the term 'independent candidate' means, with respect to a House of Representatives general election, a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who is not the candidate of a major party or a third party; and

''(6) the term 'House of Representatives general election' means a general election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

TITLE II—AMENDMENTS TO INTERNAL REVENUE CODE OF 1986

SEC. 201. DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR GRASSROOTS GOOD CITIZENSHIP FUND.

(a) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following:

''PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR GRASSROOTS GOOD CITIZENSHIP FUND

''Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund.

''SEC. 6097. DESIGNATION OF OVERPAYMENTS FOR GRASSROOTS GOOD CITIZENSHIP FUND.

''(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1, such taxpayer may designate that—

''(1) a specified portion (not less than $1 or more than $10,000, and not less than $1 or more than $20,000 in the case of a joint return) of any overpayment of tax for such taxable year, and

''(2) any contribution which the taxpayer includes with such return,

shall be paid over to the Grassroots Good Citizenship Fund under section 521 of the Federal Election Campaign Act of 1971.

''(b) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to any taxable year only at the time of filing the return of tax imposed by chapter 1 for such taxable year. Such designation shall be made on the 1st page of the return.

''(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this title, any portion of an overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by chapter 1 (determined without regard to extensions) or, if later, the date the return is filed.''

(b) CLERICAL AMENDMENT.—The table of parts for such subchapter A is amended by adding at the end thereof the following new item:

''Part IX. Designation of overpayments and contributions for certain purposes relating to House of Representatives elections.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 202. INCREASE IN CORPORATE INCOME TAX ON TAXABLE INCOME ABOVE $10,000,000.

(a) IN GENERAL.—Paragraph (4) of subsection (b) of section 11 of the Internal Revenue Code of 1986 is amended by striking ''35 percent'' and inserting ''35.1 percent''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

(c) USE OF AMOUNTS RECEIVED.—Amounts received by reason of the amendment made by subsection (a) shall be paid over to the Grassroots Good Citizenship Fund under section 521 of the Federal Election Campaign Act of 1971.

TITLE III—BAN ON USE OF SOFT MONEY BY HOUSE CANDIDATES

SEC. 301. BAN ON USE OF SOFT MONEY BY HOUSE CANDIDATES.

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:

''BAN ON USE OF NON-REGULATED FUNDS BY HOUSE CANDIDATES

''SEC. 323. (a) IN GENERAL.—No funds may be solicited, disbursed, or otherwise used with respect to any House of Representatives election unless the funds are subject to the limitations and prohibitions of this Act.

''(b) HOUSE OF REPRESENTATIVES ELECTION DEFINED.—In this section, the term 'House of Representatives election' means any election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

TITLE IV—INDEPENDENT EXPENDITURES

SEC. 401. BAN ON INDEPENDENT EXPENDITURES IN HOUSE OF REPRESENTATIVES ELECTIONS.

(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) No person may make any independent expenditure with respect to an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

(b) CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.—

(1) IN GENERAL.—Section 301 of such Act (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following new paragraphs:

''(17) The term 'independent expenditure' means an expenditure for a communication (other than a communication which is described in clause (i) or clause (iii) of paragraph (9)(B) or which would be described in such clause if the communication were otherwise treated as an expenditure under this title)—

''(A) which is made during the 90-day period ending on the date of a general election for Federal office and which identifies a candidate for election for such office by name, image, or likeness; or

''(B) which contains express advocacy and is made without the participation or cooperation of, or consultation with, a candidate or a candidate's representative.

''(18) 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, or 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 an expression which would reasonably be construed as intending to influence the outcome of an election.''.

(2) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of such Act (2 U.S.C. 431(8)(A)) is amended—

(A) in clause (i), by striking ''or'' after the semicolon at the end;

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

(C) by adding at the end the following new clause:

''(iii) any payment or other transaction referred to in paragraph (17)(A) that does not qualify as an independent expenditure under paragraph (17)(B).''.

SEC. 402. BAN ON USE OF SOFT MONEY FOR CERTAIN EXPENDITURES.

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

''BAN ON USE OF NON-FEDERAL FUNDS FOR CERTAIN EXPENDITURES

''SEC. 324. (a) IN GENERAL.—No person may disburse any funds for any expenditure described in subsection (b) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) EXPENDITURES DESCRIBED.—The expenditures described in this subsection are as follows:

''(1) An expenditure made by an authorized committee of a candidate for Federal office or a political committee of a political party.

''(2) An expenditure made by a person who, during the election cycle, has made a contribution to a candidate, where the expenditure is in support of that candidate or in opposition to another candidate for the same office.

''(3) An expenditure made by a person, or a political committee established, maintained or controlled by such person, who is required to register, under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act (22 U.S.C. 611) or any successor Federal law requiring a person who is a lobbyist or foreign agent to register.

''(4) An expenditure made by a person who, during the election cycle, has communicated with or received information from a candidate or a representative of that candidate regarding activities that have the purpose of influencing that candidate's election to Federal office, where the expenditure is in support of that candidate or in opposition to another candidate for that office.

''(5) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

''(A) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

''(B) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.''.

TITLE V—LIMITATIONS ON ACCEPTANCE OF LARGE DONOR PAC CONTRIBUTIONS IN HOUSE OF REPRESENTATIVES PRIMARY ELECTIONS

SEC. 501. LIMITATION ON ACCEPTANCE OF LARGE DONOR MULTICANDIDATE POLITICAL COMMITTEE CONTRIBUTIONS BY HOUSE OF REPRESENTATIVES CANDIDATES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 401, is further amended by adding at the end the following new subsection:

''(j)(1) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who is not a certified House candidate under title V (and the authorized political committees of such candidate) may not, with respect to an election other than a general election, accept contributions from large donor multicandidate political committees in excess of 20 percent of the maximum amount which a certified House candidate may expend with respect to the general election under title V.

''(2) In paragraph (1), the term 'large donor multicandidate political committee' means a multicandidate political committee that accepts contributions totaling more than $200 from any single source in a calendar year.''.

TITLE VI—CONSIDERATION OF CONSTITUTIONAL AMENDMENT

SEC. 601. EXPEDITED CONSIDERATION OF CONSTITUTIONAL AMENDMENT.

(a) IN GENERAL.—If any provision of this Act or any amendment made by this Act is found unconstitutional by the Supreme Court, the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of a joint resolution described in section 602 in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) SPECIAL RULES.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on the Judiciary of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on the Judiciary of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the Supreme Court finds a provision of this Act or an amendment made by this Act unconstitutional.

SEC. 602. CONSTITUTIONAL AMENDMENT DESCRIBED.

For purposes of section 601, a joint resolution described in this section is a joint resolution proposing the following text as an amendment to the Constitution of the United States:

''ARTICLE—

''SECTION 1. In campaigns for election for Federal office, as necessary to protect the integrity of the electoral process, Congress may provide for reasonable restrictions on the making of independent expenditures for public communications made during the 90-day period ending on the date of a general

election and on the making of expenditures for public communications which contain express advocacy.

''SEC. 2. Nothing in clause 1 may be construed to affect the validity of any restrictions on expenditures in campaigns for election for Federal office which are in effect prior to the adoption of this article.

''SEC. 3. Congress shall have power to enforce this article by appropriate legislation. No legislation enacted to enforce this article shall apply with respect to any election held after the last day of the year of the third Presidential election held after the date of the enactment of the legislation, unless the period in which such legislation is in effect is extended by an Act of Congress which is signed into law by the President.''.

[Submitted May 14, 1998]

H.R. 2183

OFFERED BY: MR. DOOLITTLE

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 5: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Citizen Legislature and Political Freedom Act''.

SEC. 2. REMOVAL OF LIMITATIONS ON FEDERAL ELECTION CAMPAIGN CONTRIBUTIONS.

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

''(9) The limitations established under this subsection shall not apply to contributions made during calendar years beginning after 1998.''

SEC. 3. TERMINATION OF TAXPAYER FINANCING OF PRESIDENTIAL ELECTION CAMPAIGNS.

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

''(d) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 1997.''

(b) TERMINATION OF FUND AND ACCOUNT.—

(1) TERMINATION OF PRESIDENTIAL ELECTION CAMPAIGN FUND.—

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

''SEC. 9014. TERMINATION.

''The provisions of this chapter shall not apply with respect to any presidential election (or any presidential nominating convention) after December 31, 1998, or to any candidate in such an election.''

(B) TRANSFER OF EXCESS FUNDS TO GENERAL FUND.—Section 9006 of such Code is amended by adding at the end the following new subsection:

''(d) TRANSFER OF FUNDS REMAINING AFTER 1998.—The Secretary shall transfer all amounts in the fund after December 31, 1998, to the general fund of the Treasury.''

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

''SEC. 9043. TERMINATION.

''The provisions of this chapter shall not apply to any candidate with respect to any presidential election after December 31, 1998.''

(c) CLERICAL AMENDMENTS.—

(1) The table of sections for chapter 95 of subtitle H of such Code is amended by adding at the end the following new item:

''Sec. 9014. Termination.''

(2) The table of sections for chapter 96 of subtitle H of such Code is amended by adding at the end the following new item:

''Sec. 9043. Termination.''

SEC. 4. DISCLOSURE REQUIREMENTS FOR CERTAIN SOFT MONEY EXPENDITURES OF POLITICAL PARTIES.

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

(1) by striking ''and'' at the end of subparagraph (H);

(2) by adding ''and'' at the end of subparagraph (I); and

(3) by adding at the end the following new subparagraph:

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

(b) DISCLOSURE BY STATE AND LOCAL POLITICAL PARTIES OF INFORMATION REPORTED UNDER STATE LAW.—Section 304 of such Act (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(d) If a political committee of a State or local political party is required under a State or local law, rule, or regulation to submit a report on its disbursements to an entity of the State or local government, the committee shall file a copy of the report with the Commission at the time it submits the report to such an entity.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 1999.

SEC. 5. PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS.

(a) MANDATORY ELECTRONIC FILING.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking ''permit reports required by'' and inserting ''require reports under''.

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

''(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution received by the committee during the period which begins on the 90th day before an election and ends at the time the polls close for such election. This notification shall be made within 24 hours (or, if earlier, by midnight of the day on which the contribution is deposited) after the receipt of such contribution and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the indentification of the contributor, and the date of receipt and amount of the contribution.

''(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.''.

(c) INCREASING ELECTRONIC DISCLOSURE.—Section 304 of such Act (2 U.S.C. 434(a)), as amended by section 4(b), is further amended by adding at the end the following new subsection:

''(e)(1) The Commission shall make the information contained in the reports submitted under this section 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.

''(2) In this subsection, the term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet-switched data networks.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 1, 1999.

SEC. 6. WAIVER OF "BEST EFFORTS" EXCEPTION FOR INFORMATION ON IDENTIFICATION OF CONTRIBUTORS.

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

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

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

''(2) Paragraph (1) shall not apply with respect to information regarding the identification of any person who makes a contribution or contributions aggregating more than $200 during a calendar year (as required to be provided under subsection (c)(3)).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to persons making contributions for elections occurring after January 1999.

H.R. 2183

OFFERED BY: MR. DOOLITTLE

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 6: Strike all after the enacting clause and insert the following:

SECTION 1. TERMINATION OF TAXPAYER FINANCING OF PRESIDENTIAL ELECTION CAMPAIGNS.

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

''(d) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 1997.''

(b) TERMINATION OF FUND AND ACCOUNT.—

(1) TERMINATION OF PRESIDENTIAL ELECTION CAMPAIGN FUND.—

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

''SEC. 9014. TERMINATION.

''The provisions of this chapter shall not apply with respect to any presidential election (or any presidential nominating convention) after December 31, 1998, or to any candidate in such an election.''

(b) TRANSFER OF EXCESS FUNDS TO GENERAL FUND.—Section 9006 of such Code is amended by adding at the end the following new subsection:

''(d) TRANSFER OF FUNDS REMAINING AFTER 1998.—The Secretary shall transfer all amounts in the fund after December 31, 1998, to the general fund of the Treasury.''

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

''SEC. 9043. TERMINATION.

''The provisions of this chapter shall not apply to any candidate with respect to any presidential election after December 31, 1998.''

(c) CLERICAL AMENDMENTS.—

(1) Table of sections for chapter 95 of subtitle H of such Code is amended by adding at the end the following new item:

''Sec. 09014. Termination.''

(2) The table of sections for chapter 96 of subtitle H of such Code is amended by adding at the end the following new item:

''Sec. 9043. Termination.''

Amend the title so as to read: ''A bill to amend the Internal Revenue Code of 1986 to terminate public financing of presidential election campaigns.''.

H.R. 2183

OFFERED BY: MR. FARR OF CALIFORNIA

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 7: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''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, 1998.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received before January 1, 1999; or

(B) contributions made to, or received by, a candidate on or after January 1, 1999, 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, 1999, over

(ii) such contributions received by the candidate before January 1, 1999.

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, 1998.

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, 1999.

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.

H.R. 2183

OFFERED BY: MR. HUTCHINSON

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 8: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Bipartisan Campaign Integrity Act of 1998''.

TITLE I—SOFT MONEY AND CONTRIBUTIONS AND EXPENDITURES OF POLITICAL PARTIES

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

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:

''BAN ON USE OF SOFT MONEY BY NATIONAL POLITICAL PARTIES AND CANDIDATES

''SEC. 323. (a) NATIONAL PARTIES.—A national committee of a political party, including the national congressional campaign committees of a political party, and any officers or agents of such party committees, may not solicit, receive, or direct any contributions, donations, or transfers of funds, or spend any funds, which are not subject to the limitations, prohibitions, and reporting requirements of this Act. This subsection shall apply to any entity that is established, financed, maintained, or controlled (directly or indirectly) by, or acting on behalf of, a national committee of a political party, including the national congressional campaign committees of a political party, and any officers or agents of such party committees.

''(b) CANDIDATES.—

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

''(A) any funds in connection with any Federal election unless such funds are subject to the limitations, prohibitions and reporting requirements of this Act;

''(B) any funds that are to be expended in connection with any election for other than a Federal office unless such funds are not in excess of the amounts permitted with respect to contributions to Federal candidates and political committees under section 315(a)(1) and (2), and are not from sources prohibited from making contributions by this Act with respect to elections for Federal office; or

''(C) any funds on behalf of any person which are not subject to the limitations, prohibitions, and reporting requirements of this Act if such funds are for the purpose of financing any activity on behalf of a candidate for election for Federal office or any communication which refers to a clearly identified candidate for election for Federal office.

''(2) EXCEPTION FOR CERTAIN ACTIVITIES.—Paragraph (1) shall not apply to—

''(A) the solicitation or receipt of funds by an individual who is a candidate for a non-Federal office if such activity is permitted under State law for such individual's non-Federal campaign committee; or

''(B) the attendance by an individual who holds Federal office or is a candidate for election for Federal office at a fundraising event for a State or local committee of a political party of the State which the individual represents or seeks to represent as a Federal officeholder, if the event is held in such State.

''(c) PROHIBITING TRANSFERS OF NON-FEDERAL FUNDS BETWEEN STATE PARTIES.—A State committee of a political party may not transfer any funds to a State committee of a political party of another State unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) APPLICABILITY TO FUNDS FROM ALL SOURCES.—This section shall apply with respect to funds of any individual, corporation, labor organization, or other person.''.

SEC. 102. INCREASE IN AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS TO POLITICAL PARTIES.

(a) IN GENERAL.—The first sentence of section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking ''in any calendar year'' and inserting the following: ''to political committees of political parties, or contributions aggregating more than $25,000 to any other persons, in any calendar year''.

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

SEC. 103. REPEAL OF LIMITATIONS ON AMOUNT OF COORDINATED EXPENDITURES BY POLITICAL PARTIES.

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

(b) CONFORMING AMENDMENTS.—Section 315(d)(1) of such Act (2 U.S.C. 441a(d)(1)) is amended—

(1) by striking ''(d)(1)'' and inserting ''(d)''; and

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

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

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 ''$20,000''.

TITLE II—INDEXING CONTRIBUTION LIMITS

SEC. 201. INDEXING CONTRIBUTION LIMITS.

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 each of the years 1997 through 1998.

''(ii) For calendar year 2003 and each fourth subsequent year, each such amount shall be equal to the amount for the fourth previous year (as adjusted under this subparagraph), increased (in a compounded manner) by the percentage increase in the price index for each of the four previous years.

''(B) In the case of any amount adjusted under this subparagraph which is not a multiple of $100, the amount shall be rounded to the nearest multiple of $100.''.

TITLE III—EXPANDING DISCLOSURE OF CAMPAIGN FINANCE INFORMATION

SEC. 301. DISCLOSURE OF CERTAIN COMMUNICATIONS.

(a) IN GENERAL.—Any person who expends an aggregate amount of funds during a calendar year in excess of $25,000 for communications described in subsection (b) relating to a single candidate for election for Federal office (or an aggregate amount of funds during a calendar year in excess of $100,000 for all such communications relating to all such candidates) shall file a report describing the amount expended for such communications, together with the person's address and phone number (or, if appropriate, the address and phone number of the person's principal officer).

(b) COMMUNICATIONS DESCRIBED.—A communication described in this subsection is any communication which is broadcast to the general public through radio or television and which mentions or includes (by name, representation, or likeness) any candidate for election for Senator or for Representative in (or Delegate or Resident Commissioner to) the Congress, other than any

communication which would be described in clause (i), (iii), or (v) of section 301(9)(B) of the Federal Election Campaign Act of 1971 if the payment were an expenditure under such section.

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

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

(1) to the Clerk of the House of Representatives, in the case of a communication involving a candidate for election for Representative in (or Delegate or Resident Commissioner to) the Congress; and

(2) to the Secretary of the Senate, in the case of a communication involving a candidate for election for Senator.

(e) PENALTIES.—Whoever knowingly fails to—

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

(2) comply with any other provision of this section,

shall, upon proof of such knowing violation by a preponderance of the evidence, be subject to a civil fine of not more than $50,000, depending on the extent and gravity of the violation.

SEC. 302. REQUIRING MONTHLY FILING OF REPORTS.

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

''(iii) monthly reports, 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 the year, a pre-general election report shall be filed in accordance with clause (i), a post-general election report shall be filed in accordance with clause (ii), and a year end report shall be filed no later than January 31 of the following calendar year.''.

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

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

''(i) monthly reports, 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 the year, a pre-general election report shall be filed in accordance with clause (ii), a post-general election report shall be filed in accordance with clause (iii), and a year end report shall be filed no later than January 31 of the following calendar year;

''(ii) a pre-election report, which shall be filed no later than the 12th day before (or posted by registered or certified mail no later than the 15th day before) any election in which the committee makes a contribution to or expenditure on behalf of a candidate in such election, and which shall be complete as of the 20th day before the election; and

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

''(B) In any other calendar year, all political committees other than authorized committees of a candidate shall file a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.''.

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

(2) Section 309(b) of such Act (2 U.S.C. 437g(b)) is amended by striking ''for the calendar quarter'' and inserting ''for the month''.

SEC. 303. MANDATORY ELECTRONIC FILING FOR CERTAIN REPORTS.

(a) IN GENERAL.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking the period at the end and inserting the following: '', except that the Commission shall require the reports to be filed and preserved by such means, format, or method, unless the aggregate amount of contributions or expenditures (as the case may be) reported by the committee in all reports filed with respect to the election involved (taking into account the period covered by the report) is less than $50,000.''.

(b) PROVIDING STANDARDIZED SOFTWARE PACKAGE.—Section 304(a)(11) of such Act (2 U.S.C. 434(a)(11)) is amended—

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

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

''(C) The Commission shall make available without charge a standardized package of software to enable persons filing reports by electronic means to meet the requirements of this paragraph.''.

SEC. 304. WAIVER OF ''BEST EFFORTS'' EXCEPTION FOR INFORMATION ON OCCUPATION OF INDIVIDUAL CONTRIBUTORS.

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

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

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

''(2) Paragraph (1) shall not apply with respect to information regarding the occupation or the name of the employer of any individual who makes a contribution or contributions aggregating more than $200 during a calendar year (as required to be provided under subsection (c)(3)).''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

This Act and the amendments made by this Act shall apply with respect to elections occurring after January 1999.

H.R. 2183

OFFERED BY MR. PAUL

(Amendment in the Nature of a Substitute)

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Voter Freedom Act of 1998''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress makes the following findings:

(1) Voting participation in the United States is lower than in any other advanced industrialized democracy.

(2) The rights of eligible citizens to seek election to office, vote for candidates of their choice and associate for the purpose of taking part in elections, including the right to create and develop new political parties, are fundamental in a democracy. The rights of citizens to participate in the election process, provided in and derived from the first and fourteenth amendments to the Constitution, have consistently been promoted and protected by the Federal Government. These rights include the right to cast an effective vote and the right to associate for the advancement of political beliefs, which includes the ''constitutional right . . . to create and develop new political parties.'' Norman v. Reed, 502 U.S. 279, 112 S.Ct. 699 (1992). It is the duty of the Federal Government to see that these rights are not impaired in elections for Federal office.

(3) Certain restrictions on access to the ballot impair the ability of citizens to exercise these rights and have a direct and damaging effect on citizens' participation in the electoral process.

(4) Many States unduly restrict access to the ballot by nonmajor party candidates and nonmajor political parties by means of such devices as excessive petition signature requirements, insufficient petitioning periods, unconstitutionally early petition filing deadlines, petition signature distribution criteria, and limitations on eligibility to circulate and sign petitions.

(5) Many States require political parties to poll an unduly high number of votes or to register an unduly high number of voters as a precondition for remaining on the ballot.

(6) In 1983, the Supreme Court ruled unconstitutional an Ohio law requiring a nonmajor party candidate for President to qualify for the general election ballot earlier than major party candidates. This Supreme Court decision, Anderson v. Celebrezze, 460 U.S. 780 (1983) has been followed by many lower courts in challenges by nonmajor parties and candidates to early petition filing deadlines. See, e.g., Stoddard v. Quinn, 593 F. Supp. 300 (D.Me. 1984); Cripps v. Seneca County Board of Elections, 629 F. Supp. 1335 (N.D.Oh. 1985); Libertarian Party of Nevada v. Swackhamer, 638 F. Supp. 565 (D. Nev. 1986); Cromer v. State of South Carolina, 917 F.2d 819 (4th Cir. 1990); New Alliance Party of Alabama v. Hand, 933 F. 2d 1568 (11th Cir. 1991).

(7) In 1996, 34 States required nonmajor party candidates for President to qualify for the ballot before the second major party national convention (Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, and Wyoming). Twenty-six of these States required nonmajor party candidates to qualify before the first major party national convention (Arizona, California, Colorado, Connecticut Florida, Georgia, Illinois, Indiana, Kansas, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Hampshire, New Jersey, North Carolina, Oklahoma, Pennsylvania, South Carolina, South Dakota, Texas, Washington, and West Virginia).

(8) Under present law, in 1996, nonmajor party candidates for President were required to obtain at least 701,089 petition signatures to be listed on the ballots of all 50 States and the District of Columbia—28 times more signatures than the 25,500 required of Democratic Party candidates and 13 times more signatures than the 54,250 required of Republican Party candidates. To be listed on the

ballot in all 50 States and the District of Columbia with a party label, nonmajor party candidates for President were required to obtain approximately 651,475 petition signatures and 89,186 registrants. Thirty-two of the 41 States that hold Presidential primaries required no signatures of major party candidates for President (Arkansas, California, Colorado, Connecticut, Florida, Georgia, Idaho, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin). Only three States required no signatures of nonmajor party candidates for President (Arkansas, Colorado, and Louisiana; Colorado and Louisiana, however, required a $500 filing fee).

(9) Under present law, the number of petition signatures required by the States to list a major party candidate for Senate on the ballot in 1996 ranged from zero to 15,000. The number of petition signatures required to list a nonmajor party candidate for Senate ranged from zero to 196,788. Thirty-one States required no signatures of major party candidates for Senate (Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, Texas, Utah, Washington, West Virginia, Wyoming). Only one State required no signatures of nonmajor party candidates for Senate, provided they were willing to be listed on the ballot without a party label (Louisiana, although a $600 filing fee was required, and to run with a party label, a candidate was required to register 111,121 voters into his or her party).

(10) Under present law, the number of petition signatures required by the States to list a major party candidate for Congress on the ballot in 1996 ranged from zero to 2,000. The number of petition signatures required to list a nonmajor party candidate for Congress ranged from zero to 13,653. Thirty-one States required no signatures of major party candidates for Congress (Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Kansas, Kentucky, Louisiana, Maryland, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, Texas, Utah, Washington, West Virginia, Wyoming). Only one State required no signatures of nonmajor party candidates for Congress, provided they are willing to be listed on the ballot without a party label (Louisiana, although a $600 filing fee was required).

(11) Under present law, in 1996, eight States required additional signatures to list a nonmajor party candidate for President on the ballot with a party label (Alabama, Arizona, Idaho, Kansas, Nebraska, North Dakota, Ohio, Tennessee). Thirteen States required additional signatures to list a nonmajor party candidate for Senate or Congress on the ballot with a party label (Alabama, Arizona, Arkansas, California, Idaho, Hawaii, Kansas, Louisiana, North Dakota, Nebraska, Ohio, Oregon, Tennessee). Two of these States (Ohio and Tennessee) required 5,000 signatures and 25 signatures, respectively, to list a nonmajor party candidate for President or Senate on the ballot in 1996, but required 33,463 signatures and 37,179 signatures, respectively, to list the candidate on the ballot with her or his party label. One State (California) required a nonmajor party to have 89,006 registrants in order to have its candidate for President listed on the ballot with a party label.

(12) Under present law, in 1996 one State (California) required nonmajor party candidates for President or Senate to obtain 147,238 signatures in 105 days, but required major party candidates for Senate to obtain only 65 signatures in 105 days, and required no signatures of major party candidates for President. Another State (Texas) required nonmajor party candidates for President or Senate to obtain 43,963 signatures in 75 days, and required no signatures of major party candidates for President or Senate.

(13) Under present law, in 1996, seven States required nonmajor party candidates for President or Senate to collect a certain number or percentage of their petition signatures in each congressional district or in a specified number of congressional districts (Michigan, Missouri, Nebraska, New Hampshire, New York, North Carolina, Virginia). Only three of these States impose a like requirement on major party candidates for President or Senate (Michigan, New York, Virginia).

(14) Under present law, in 1996, 20 States restricted the circulation of petitions for nonmajor party candidates to residents of those States (California, Colorado, Connecticut, District of Columbia, Idaho, Illinois, Kansas, Michigan, Missouri, Nebraska, Nevada, New Jersey, New York, Ohio, Pennsylvania, South Dakota, Texas, Virginia, West Virginia, Wisconsin). Two States restricted the circulation of petitions for nonmajor party candidates to the county or congressional district where the circulator lives (Kansas and Virginia).

(15) Under present law, in 1996, three States prohibited people who voted in a primary election from signing petitions for nonmajor party candidates (Nebraska, New York, Texas, West Virginia). Twelve States restricted the signing of petitions to people who indicate intent to support or vote for the candidate or party (California, Delaware, Hawaii, Illinois, Indiana, Maryland, New Jersey, New York, North Carolina, Ohio, Oregon, Utah). Five of these 12 States required no petitions of major party candidates (Delaware, Maryland, North Carolina, Oregon, Utah), and only one of the six remaining States restricted the signing of petitions for major party candidates to people who indicate intent to support or vote for the candidate or party (New Jersey).

(16) In two States (Louisiana and Maryland), no nonmajor party candidate for Senate has qualified for the ballot since those States' ballot access laws have been in effect.

(17) In two States (Georgia and Louisiana), no nonmajor party candidate for the United States House of Representatives has qualified for the ballot since those States' ballot access laws have been in effect.

(18) Restrictions on the ability of citizens to exercise the rights identified in this subsection have disproportionately impaired participation in the electoral process by various groups, including racial minorities.

(19) The establishment of fair and uniform national standards for access to the ballot in elections for Federal office would remove barriers to the participation of citizens in the electoral process and thereby facilitate such participation and maximize the rights identified in this subsection.

(20) The Congress has authority, under the provisions of the Constitution of the United States in sections 4 and 8 of article I, section 1 of article II, article VI, the thirteenth, fourteenth, and fifteenth amendments, and other provisions of the Constitution of the United States, to protect and promote the exercise of the rights identified in this subsection.

(b) PURPOSES.—The purposes of this Act are—

(1) to establish fair and uniform standards regulating access to the ballot by eligible citizens who desire to seek election to Federal office and political parties, bodies, and groups which desire to take part in elections for Federal office; and

(2) to maximize the participation of eligible citizens in elections for Federal office.

SEC. 3. BALLOT ACCESS RIGHTS.

(a) IN GENERAL.—An individual shall have the right to be placed as a candidate on, and to have such individual's political party, body, or group affiliation in connection with such candidacy placed on, a ballot or similar voting materials to be used in a Federal election, if—

(1) such individual presents a petition stating in substance that its signers desire such individual's name and political party, body or group affiliation, if any, to be placed on the ballot or other similar voting materials to be used in the Federal election with respect to which such rights are to be exercised;

(2) with respect to a Federal election for the office of President, Vice President, or Senator, such petition has a number of signatures of persons qualified to vote for such office equal to one-tenth of one percent of the number of persons who voted in the most recent previous Federal election for such office in the State, or 1,000 signatures, whichever is greater;

(3) with respect to a Federal election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, such petition has a number of signatures of persons qualified to vote for such office equal to one-half of one percent of the number of persons who voted in the most recent previous Federal election for such office, or, if there was no previous Federal election for such office, 1,000 signatures;

(4) with respect to a Federal election the date of which was fixed 345 or more days in advance, such petition was circulated during a period beginning on the 345th day and ending on the 75th day before the date of the election; and

(5) with respect to a Federal election the date of which was fixed less than 345 days in advance, such petition was circulated during a period established by the State holding the election, or, if no such period was established, during a period beginning on the day after the date the election was scheduled and ending on the tenth day before the date of the election, provided, however, that the number of signatures required under paragraph (2) or (3) shall be reduced by 1/270 for each day less than 270 in such period.

(b) SPECIAL RULE.—An individual shall have the right to be placed as a candidate on, and to have such individual's political party, body, or group affiliation in connection with such candidacy placed on, a ballot or similar voting materials to be used in a Federal election, without having to satisfy any requirement relating to a petition under subsection (a), if that or another individual, as a candidate of that political party, body, or group, received one percent of the votes cast in the most recent general Federal election for President or Senator in the State.

(c) SAVINGS PROVISION.—Subsections (a) and (b) shall not apply with respect to any State that provides by law for greater ballot access rights than the ballot access rights provided for under such subsections.

SEC. 4. RULEMAKING.

The Attorney General shall make rules to carry out this Act.

SEC. 5. GENERAL DEFINITIONS.

As used in this Act—

(1) the term ''Federal election'' means a general or special election for the office of—

(A) President or Vice President;

(B) Senator; or

(C) Representative in, or Delegate or Resident Commissioner to, the Congress;

(2) the term ''State'' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other territory or possession of the United States;

(3) the term ''individual'' means an individual who has the qualifications required by law of a person who holds the office for which such individual seeks to be a candidate;

(4) the term ''petition'' includes a petition which conforms to section 3(a)(1) and upon which signers' addresses and/or printed names are required to be placed;

(5) the term ''signer'' means a person whose signature appears on a petition and who can be identified as a person qualified to vote for an individual for whom the petition is circulated, and includes a person who requests another to sign a petition on his or her behalf at the time when, and at the place where, the request is made;

(6) the term ''signature'' includes the incomplete name of a signer, the name of a signer containing abbreviations such as first or middle initial, and the name of a signer preceded or followed by titles such as ''Mr.'', ''Ms.'', ''Dr.'', ''Jr.'', or ''III''; and

(7) the term ''address'' means the address which a signer uses for purposes of registration and voting.

Amend the title so as to read: ''A bill to enforce the guarantees of the first, fourteenth, and fifteenth amendments to the Constitution of the United States by prohibiting certain devices used to deny the right to participate in certain elections.''.

H.R. 2183

OFFERED BY: MR. PAUL

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 10: Strike all after the enacting clause and insert the folowing:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Freedom Debate Act of 1998''.

SEC. 2. REQUIREMENT THAT CANDIDATES WHO RECEIVE CAMPAIGN FINANCING FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND AGREE NOT TO PARTICIPATE IN MULTICANDIDATE FORUMS THAT EXCLUDE CANDIDATES WITH BROAD-BASED PUBLIC SUPPORT.

(a) IN GENERAL.—In addition to the requirements under subtitle H of the Internal Revenue Code of 1986, in order to be eligible to receive payments from the Presidential Election Campaign Fund, a candidate shall agree in writing not to appear in any multicandidate forum with respect to the election involved unless the following individuals are invited to participate in the multicandidate forum:

(1) Each other eligible candidate under such subtitle.

(2) Each individual who is qualified in at least 40 States for the ballot for the office involved.

(b) ENFORCEMENT.—If the Federal Election Commission determines that a candidate—

(1) has received payments from the Presidential Election Campaign Fund; and

(2) has violated the agreement referred to in subsection (a);

the candidate shall pay to the Treasury an amount equal to the amount of the payments so made.

(c) DEFINITION.—As used in this Act, the term ''multicandidate forum'' means a meeting—

(1) consisting of a moderated reciprocal discussion of issues among candidates for the same office; and

(2) to which any other person has access in person or through an electronic medium.

Amend the title so as to read: ''A bill to require that candidates who receive campaign financing from the Presidential Election Campaign Fund agree not to participate in multicandidate forums that exclude candidates who have broad-based public support.''.

H.R. 2183

OFFERED BY: MR. PETERSON OF MINNESOTA

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 11: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Public Financing of House of Representatives Elections Act of 1998''.

SEC. 2. ESTABLISHMENT OF THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to Trust Fund Code) is amended by adding at the end the following new section:

''SEC. 9511. HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND.

''(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'House of Representatives Campaign Trust Fund', consisting of such amounts as may be appropriated or credited to such trust fund as provided in this section.

''(b) TRANSFER TO FUND OF AMOUNTS DESIGNATED BY INDIVIDUALS.—There is hereby appropriated to the House of Representatives Campaign Trust Fund amounts equivalent to the amounts designated under section 6097.

''(c) EXPENDITURE FROM FUND FOR PRIMARY ELECTIONS.—

''(1) IN GENERAL.—Amounts in the House of Representatives Campaign Trust Fund shall be available to provide payments with respect to a primary election to qualified House candidates under title V of the Federal Election Campaign Act of 1971.

''(2) AMOUNT.—Payments from the Fund shall be made, in such manner as the Federal Election Commission may prescribed by regulation, to each qualified House candidate in a primary election in an amount equal to the aggregate total of the first $200 in contributions from individuals.

''(d) EXPENDITURE FROM FUND FOR GENERAL ELECTIONS.—

''(1) IN GENERAL.—Amounts in the House of Representatives Campaign Trust Fund shall be available to provide payments with respect to a general election to qualified House candidates under title V of the Federal Election Campaign Act of 1971.

''(2) AMOUNT.—Payments from the Fund shall be made, in such manner as the Federal Election Commission may prescribed by regulation, to each qualified House candidate in a general election in an amount determined as follows:

''(A) In the case of a major party candidate, $500,000.

''(B) In the case of a third party or independent candidate, an amount that bears the same ratio to $1,000,000 as the total popular vote in the district for candidates of the third party or for all independent candidates (as the case may be) bears to the total popular vote for all candidates in the 5 preceding general elections.

''(3) DEFINITIONS.—In this paragraph—

''(A) the term 'major party' means, with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office;

''(B) the term 'third party' means with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, less than 25 percent of the total number of popular votes received by all candidates for such office; and

''(C) the term 'independent candidate' means, with respect to a House of Representatives general election, a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who is not the candidate of a major party or a third party.

''(e) LIMITATION ON TOTAL AMOUNT OF PAYMENTS.—The aggregate amount of payments made from the Fund to any candidate with respect to an election cycle may not exceed 50 percent of the expenditure limit applicable with respect to the cycle under subtitle B of title V of the Federal Election Campaign Act of 1971.

''(f) REPAYMENT OF TRUST FUND FROM EXCESS FUNDS.—(1) If at the conclusion of a primary election or general election in which a candidate who has received payments from the House of Representatives Campaign Trust Fund under this section has excess campaign funds attributable to that election, such candidate shall within thirty days refund to the trust fund the amount of the excess campaign funds which equals the pro rata share that payments provided to such candidate from the trust fund accounted for of such candidate's total aggregated receipts from all sources with respect to such election.

''(2) In no case shall the amount of refund required under paragraph (1) exceed the total aggregated payments provided to such candidate from the Trust Fund with respect to that election.

''(g) INDEXING OF AMOUNTS.—Each of the amounts provided in this section shall be subject to indexing in the same manner as amounts described in title V of the Federal Election Campaign Act of 1971.''.

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter A is amended by adding at the end the following new item:

''Sec. 9511. House of Representatives Campaign Trust Fund.''.

SEC. 3. PUBLIC FINANCING FOR HOUSE CANDIDATES AGREEING TO LIMIT EXPENDITURES.

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

''TITLE V—VOLUNTARY EXPENDITURE LIMITATIONS AND PUBLIC FINANCING FOR HOUSE OF REPRESENTATIVES GENERAL ELECTIONS

''Subtitle A—Public Financing for Qualified House Candidates

''SEC. 501. PUBLIC FINANCING FOR QUALIFIED HOUSE CANDIDATES.

''A qualified House candidate in a House of Representatives election shall be entitled to payments from the House of Representatives Campaign Trust Fund under subchapter A of chapter 61 of the Internal Revenue Code of 1986.

''SEC. 502. PROCEDURES FOR CERTIFICATION.

''(a) IN GENERAL.—The Commission shall certify that a candidate initially meets the requirements for a qualified House candidate under if the candidate submits to the Commission in writing a statement with the following information and assurances:

''(1) An agreement to obtain and furnish to the Commission such evidence as it may request to ensure that the candidate meets the requirements relating to limitations on expenditures under subtitle B.

''(2) An agreement to obtain and furnish to the Commission such evidence as it may request to ensure that the candidate meets the requirements relating to the receipt of matching contributions under subtitle C.

''(3) An agreement to keep and furnish to the Commission such records, books, and other information as it may request.

''(4) An agreement to audit and examination by the Commission and to the payment of any amounts found to be paid erroneously to the candidate under this title.

''(5) Such other information and assurances as the Commission may require.

''(b) AUTHORITY OF COMMISSION TO REJECT OR REVOKE CERTIFICATION.—The Commission may reject a candidate's application for treatment as a qualified House candidate or revoke a candidate's status as a qualified House candidate if the candidate knowingly and willfully violates or has violated any of the applicable requirements of this title with respect to the election involved or any previous election.

''Subtitle B—Limitations on Expenditures by Qualified House Candidates

''SEC. 511. LIMITATION ON EXPENDITURES.

''(a) IN GENERAL.—Except as provided in subsection (b), a qualified House candidate in a House of Representatives election may not make expenditures with respect to the election cycle involved in excess of $750,000, of which not more than $250,000 may be expended with respect to any primary election occurring within the cycle.

''(b) EXCEPTIONS.—

''(1) NONPARTICIPATING OPPONENT.—In the case of a qualified House candidate with an opponent who is not a qualified House candidate, the amount otherwise provided in subsection (a) shall be increased by the amount by which the amount expended by the opponent exceeds the amount under subsection (a).

''(2) CLOSELY CONTESTED PRIMARY.—In the case of a qualified House candidate in a general election who won the primary involved by a margin of 10 percentage points or less, the amount otherwise provided under subsection (a) shall be increased by 20 percent.

''(3) RUNOFF ELECTION.—In the case of a qualified House candidate in a runoff election, the amount otherwise provided under subsection (a) shall be increased by 20 percent.

''SEC. 512. SOURCES OF AMOUNTS FOR EXPENDITURES BY QUALIFIED HOUSE CANDIDATES.

''The only sources of amounts for expenditures by qualified House candidates in House of Representatives general elections shall be the House of Representatives Campaign Trust Fund under subchapter A of chapter 61 of the Internal Revenue Code of 1986, except that in the case of a primary election, the candidate may expend an amount not in excess of 50 percent of the applicable expenditure limit from matching contributions described in section 521.

''Subtitle C—Matching Contribution Requirement for Primary Elections

''SEC. 521. REQUIRING MATCHING INDIVIDUAL CONTRIBUTIONS FOR PRIMARY ELECTIONS.

''With respect to a primary election, a qualified House candidate shall report to the Commission that the candidate and the authorized committees of the candidate have received contributions totaling at least $25,000 in contributions of $200 or less from individual contributors.

''Subtitle D—Miscellaneous Provisions

''SEC. 531. QUALIFIED HOUSE CANDIDATE DEFINED.

''In this title, the term 'qualified House candidate' means, with respect to an election for the office of Representative in or Delegate or Resident Commissioner to the House of Representatives, a candidate in such election who is certified by the Commission under subtitle A as meeting the requirements for receiving public financing under this title.

''SEC. 532. INDEXING OF AMOUNTS.

''The Commission shall issue regulations providing for the biennial indexing of the amounts provided in this title.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections occurring after December 1998.

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

(a) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following new part:

''PART IX—DESIGNATION OF INCOME TAX PAYMENTS TO BE USED FOR THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND

''Sec. 6097. Designation by individuals.

''SEC. 6097. DESIGNATION BY INDIVIDUALS.

''(a) IN GENERAL.—Every individual whose adjusted income tax liability for the taxable year is $5 or more may designate that $5 shall be paid over to the House of Representatives Campaign Trust Fund.

''(b) ADJUSTED INCOME TAX LIABILITY.—For purposes of this section, the adjusted income tax liability of an individual is the tax liability of such individual (as determined under subsection (b) of section 6096) for the taxable year reduced by the amount designated under section 6096 (relating to designation of income tax payments to Presidential Election Campaign Fund) for such taxable year.

''(c) JOINT RETURNS.—In the case of a joint return showing adjusted income tax liability of $5 or more, each spouse may designate that $10 shall be paid over to the House of Representatives Campaign Trust Fund.

''(d) MANNER AND TIME OF DESIGNATION.—Subsection (c) of section 6096 shall apply to the manner and time of the designation under this section.''.

(b) CLERICAL AMENDMENT.—The table of parts for such subchapter A is amended by adding at the end the following new item:

''Part IX. Designation of income tax payments to be used for the House of Representatives Campaign Trust Fund.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

H.R. 2183

OFFERED BY: MR. BOB SCHAFFER OF COLORADO

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 12: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Paycheck Protection Act''.

SEC. 2. PROHIBITING INVOLUNTARY ASSESSMENT OF EMPLOYEE FUNDS FOR POLITICAL ACTIVITIES.

(a) IN GENERAL.—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) Except with the separate, prior, written, voluntary authorization of each individual, it shall be unlawful—

''(A) for any national bank or corporation described in this section to collect from or assess its stockholders or employees any dues, initiation fee, or other payment as a condition of employment if any part of such dues, fee, or payment will be used for political activity in which the national bank or corporation is engaged; and

''(B) for any labor organization described in this section to collect from or assess its members or nonmembers any dues, initiation fee, or other payment if any part of such dues, fee, or payment will be used for political activity in which the labor organization is engaged.

''(2) An authorization described in paragraph (1) shall remain in effect until revoked and may be revoked at any time. Each entity collecting from or assessing amounts from an individual with an authorization in effect under such paragraph shall provide the individual with a statement that the individual may at any time revoke the authorization.

''(3) For purposes of this subsection, the term 'political activity' means any activity carried out for the purpose of influencing (in whole or in part) any election for Federal office, or educating individuals about candidates for election for Federal office.''.

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

Amend the title so as to read: ''A Bill to protect individuals from having money involuntarily collected and used for political activities by a corporation or labor organization.''.

H.R. 2183

OFFERED BY: MR. SHAYS

(Amendment in the Nature of a Substitute)

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Bipartisan Campaign Reform Act of 1998''.

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

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limits for State committees of political parties and aggregate contribution limit for individuals.
Sec. 103. Reporting requirements.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

Sec. 201. Definitions.
Sec. 202. Civil penalty.
Sec. 203. Reporting requirements for certain independent expenditures.
Sec. 204. Independent versus coordinated expenditures by party.
Sec. 205. Coordination with candidates.

TITLE III—DISCLOSURE

Sec. 301. Filing of reports using computers and facsimile machines.
Sec. 302. Prohibition of deposit of contributions with incomplete contributor information.
Sec. 303. Audits.
Sec. 304. Reporting requirements for contributions of $50 or more.
Sec. 305. Use of candidates' names.
Sec. 306. Prohibition of false representation to solicit contributions.
Sec. 307. Soft money of persons other than political parties.
Sec. 308. Campaign advertising.

TITLE IV—PERSONAL WEALTH OPTION

Sec. 401. Voluntary personal funds expenditure limit.

Sec. 402. Political party committee coordinated expenditures.

TITLE V—MISCELLANEOUS

Sec. 501. Codification of Beck decision.
Sec. 502. Use of contributed amounts for certain purposes.
Sec. 503. Limit on congressional use of the franking privilege.
Sec. 504. Prohibition of fundraising on Federal property.
Sec. 505. Penalties for knowing and willful violations.
Sec. 506. Strengthening foreign money ban.
Sec. 507. Prohibition of contributions by minors.
Sec. 508. Expedited procedures.
Sec. 509. Initiation of enforcement proceeding.

TITLE VI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

Sec. 601. Severability.
Sec. 602. Review of constitutional issues.
Sec. 603. Effective date.
Sec. 604. Regulations.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

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

"SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

''(a) NATIONAL COMMITTEES.—

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

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

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

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

''(2) FEDERAL ELECTION ACTIVITY.—

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

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

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

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

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

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

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

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

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

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

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

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

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

''(e) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office shall not solicit, receive, direct, transfer, or spend funds for a Federal election activity on behalf of such candidate, individual, agent or any other person, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

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

''(3) FUNDRAISING EVENTS.—Paragraph (1) does not apply in the case of a candidate who attends, speaks, or is a featured guest at a fundraising event sponsored by a State, district, or local committee of a political party.''.

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

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

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

(2) in subparagraph (C)—

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

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

(3) by adding at the end the following:

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

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

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 203) is amended by inserting after subsection (d) the following:

''(e) POLITICAL COMMITTEES.—

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

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—A political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (3)(B)(v) of section 323(b).

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

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

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

(1) by striking clause (viii); and

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

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

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

''(17) INDEPENDENT EXPENDITURE.—

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

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

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

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

''(20) EXPRESS ADVOCACY.—

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

''(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of 1 or more clearly identified candidates;

''(ii) referring to 1 or more clearly identified candidates in a paid advertisement that is transmitted through radio or television within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

''(iii) expressing unmistakable and unambiguous support for or opposition to 1 or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

''(B) VOTING RECORD AND VOTING GUIDE EXCEPTION.—The term 'express advocacy' does not include a printed communication that—

''(i) presents information in an educational manner solely about the voting record or position on a campaign issue of 2 or more candidates;

''(ii) that is not made in coordination with a candidate, political party, or agent of the candidate or party; or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent;

''(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', or 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of 1 or more clearly identified candidates.''.

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

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

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

(3) by adding at the end the following:

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

''(iv) a payment made by a person for a communication that—

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

''(II) is provided in coordination with the candidate, the candidate's agent, or the political party of the candidate; and

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

SEC. 202. CIVIL PENALTY.

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

(1) in subsection (a)—

(A) in paragraph (4)(A)—

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

(ii) by adding at the end the following:

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

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

(2) in subsection (d)(1)—

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

(B) by adding at the end the following:

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

SEC. 203. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SEC. 204. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

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

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

(2) by adding at the end the following:

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

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

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

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

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

SEC. 205. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

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

(A) in subparagraph (A)—

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

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

(iii) by adding at the end the following:

''(iii) anything of value provided by a person in coordination with a candidate for the purpose of influencing a Federal election, regardless of whether the value being provided is a communication that is express advocacy, in which such candidate seeks nomination or election to Federal office.''; and

(B) by adding at the end the following:

''(C) The term 'provided in coordination with a candidate' includes—

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

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

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

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

''(v) a payment made by a person if the person making the payment has served in

any formal policy making or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made;

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

''(vii) a payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (vi) for a communication that clearly refers to the candidate and is for the purpose of influencing an election (regardless of whether the communication is express advocacy);

''(viii) direct participation by a person in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate;

''(ix) communication by a person with the candidate or an agent of the candidate, occurring after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member), acting on behalf of the candidate, about advertising message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy; or

''(x) the provision of in-kind professional services or polling data to the candidate or candidate's agent.

''(D) For purposes of subparagraph (C), the term 'professional services' includes services in support of a candidate's pursuit of nomination for election, or election, to Federal office such as polling, media advice, direct mail, fundraising, or campaign research.

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

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

''(B) a thing of value provided in coordination with a candidate, as described in section 301(8)(A)(iii), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

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

TITLE III—DISCLOSURE

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

Section 302(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following:

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

''(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

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

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

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

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

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

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

SEC. 303. AUDITS.

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

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

(2) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least 4 members of the Commission.

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

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

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

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

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

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

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

SEC. 305. USE OF CANDIDATES' NAMES.

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

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

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

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

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

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

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

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

(2) by adding at the end the following:

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

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

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103(c) and section 203) is amended by adding at the end the following:

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

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

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

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

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

''(A) Federal election activity;

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

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

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

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

''(B) an independent expenditure.

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

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

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

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

''(D) if applicable, whether the disbursement was in support of, or in opposition to,

a candidate or a political party, and the name of the candidate or the political party.''.

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

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

SEC. 308. CAMPAIGN ADVERTISING.

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

(1) in subsection (a)—

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

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

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

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

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

(2) by adding at the end the following:

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

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

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

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

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

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

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

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

''(e) Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

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

''SEC. 324. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

''(a) ELIGIBLE CONGRESSIONAL CANDIDATE.—

''(1) PRIMARY ELECTION.—

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

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

''(2) GENERAL ELECTION.—

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

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

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

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

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

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

''(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

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

''(2) SOURCES.—A source is described in this paragraph if the source is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(c) CERTIFICATION BY THE COMMISSION.—

''(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

''(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

''(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

''(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

''(d) PENALTY.—If the Commission revokes the certification of an eligible Congressional candidate—

''(1) the Commission shall notify the candidate of the revocation; and

''(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).''.

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

''(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 324(a)).''.

TITLE V—MISCELLANEOUS

SEC. 501. CODIFICATION OF BECK DECISION.

Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end the following new subsection:

''(h) NONUNION MEMBER PAYMENTS TO LABOR ORGANIZATION.—

''(1) IN GENERAL.—It shall be an unfair labor practice for any labor organization which receives a payment from an employee pursuant to an agreement that requires employees who are not members of the organization to make payments to such organization in lieu of organization dues or fees not to establish and implement the objection procedure described in paragraph (2).

''(2) OBJECTION PROCEDURE.—The objection procedure required under paragraph (1) shall meet the following requirements:

''(A) The labor organization shall annually provide to employees who are covered by such agreement but are not members of the organization—

''(i) reasonable personal notice of the objection procedure, the employees eligible to invoke the procedure, and the time, place, and manner for filing an objection; and

''(ii) reasonable opportunity to file an objection to paying for organization expenditures supporting political activities unrelated to collective bargaining, including but not limited to the opportunity to file such objection by mail.

''(B) If an employee who is not a member of the labor organization files an objection under the procedure in subparagraph (A), such organization shall—

''(i) reduce the payments in lieu of organization dues or fees by such employee by an amount which reasonably reflects the ratio that the organization's expenditures supporting political activities unrelated to collective bargaining bears to such organization's total expenditures;

''(ii) provide such employee with a reasonable explanation of the organization's calculation of such reduction, including calculating the amount of organization expenditures supporting political activities unrelated to collective bargaining.

''(3) DEFINITION.—In this subsection, the term 'expenditures supporting political activities unrelated to collective bargaining' means expenditures in connection with a Federal, State, or local election or in connection with efforts to influence legislation unrelated to collective bargaining.''.

SEC. 502. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

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

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

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

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

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

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

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

''(b) PROHIBITED USE.—

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

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

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

''(B) a clothing purchase;

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

''(D) a country club membership;

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

''(F) a household food item;

''(G) a tuition payment;

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

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

SEC. 503. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

''(A) A Member of Congress shall not mail any mass mailing as franked mail during the 180-day period which ends on the date of the general election for the office held by the Member or during the 90-day period which ends on the date of any primary election for that office, unless the Member has made a public announcement that the Member will not be a candidate for reelection during that year or for election to any other Federal office.''.

SEC. 504. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

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

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

''(a) PROHIBITION.—

''(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value for a political committee or a candidate for Federal, State or local office from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value for a political committee or candidate for Federal, State or local office, while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

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

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

SEC. 505. PENALTIES FOR KNOWING AND WILLFUL VIOLATIONS.

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

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking ''$5,000'' and inserting ''$10,000''; and

(2) in paragraphs (5)(B) and (6)(C), by striking ''$10,000 or an amount equal to 200 percent'' and inserting ''$20,000 or an amount equal to 300 percent''.

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting '', and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).''.

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

''(13) PENALTY FOR LATE FILING.—

''(A) IN GENERAL.—

''(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

''(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by a specific date.

''(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

''(B) FILING AN EXCEPTION.—

''(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

''(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.'';

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: ''In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A).''; and

(B) by inserting before the period at the end of the last sentence the following: ''or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)''; and

(3) in paragraph (6)(A), by striking ''paragraph (4)(A)'' and inserting ''paragraph (4)(A) or (13)''.

SEC. 506. STRENGTHENING FOREIGN MONEY BAN.

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

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

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

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

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

''(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election to a political committee or a candidate for Federal office, or

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

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

SEC. 507. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by sections 101 and 401) is amended by adding at the end the following:

''SEC. 325. PROHIBITION OF CONTRIBUTIONS BY MINORS.

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

SEC. 508. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 505(c)) is amended by adding at the end the following:

''(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

''(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

''(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following:

''(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.''.

SEC. 509. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking ''reason to believe that'' and inserting ''reason to investigate whether''.

TITLE VI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 601. SEVERABILITY.

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

SEC. 602. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 603. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act take effect January 1, 1999.

SEC. 604. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 180 days after the date of the enactment of this Act.

H.R. 2183

OFFERED BY: MR. SNOWBARGER

(Amendment in the Nature of a Substitute)

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Fair Elections and Political Accountability Act''.

SEC. 2. REMOVAL OF LIMITATIONS ON FEDERAL ELECTION CAMPAIGN CONTRIBUTIONS.

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

''(9) The limitations established under this subsection shall not apply to contributions made during calendar years beginning after 1998.''.

SEC. 3. PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS; LOWERING THRESHOLD FOR COLLECTION AND DISCLOSURE OF IDENTIFICATION OF CONTRIBUTORS.

(a) MANDATORY ELECTRONIC FILING.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking ''permit reports required by'' and inserting ''require reports under''.

(b) REQUIRING REPORTS FOR CERTAIN CONTRIBUTIONS MADE TO ANY POLITICAL COMMITTEE WITHIN 60 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 48 HOURS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended to read as follows:

''(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution in an aggregate amount equal to or greater than $100 which is received by the committee during the period which begins on the 60th day before an election and ends at the time the polls close for such election. This notification shall be made not later than midnight of the day on which the contribution is deposited (but in no event later than 48 hours after receipt) and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution.

''(B) If a political committee returns a contribution for which notification is made under subparagraph (A), the committee shall notify the Secretary or the Commission, and the Secretary of State (as appropriate).

''(C) The notifications required under this paragraph shall be in addition to all other reporting requirements under this Act.''.

(c) INCREASING ELECTRONIC DISCLOSURE.—Section 304 of such Act (2 U.S.C. 434(a)) is amended by adding at the end the following new subsection:

''(d)(1) The Commission shall make the information contained in the reports submitted under this section 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.

''(2) In this subsection, the term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet-switched data networks.''.

(d) LOWERING THRESHOLD FOR COLLECTION AND DISCLOSURE OF IDENTIFICATION OF CONTRIBUTORS.—

(1) REPORTING REQUIREMENTS.—Section 304(b)(3) of such Act (2 U.S.C. 434(b)(3)) is amended—

(A) in subparagraph (A), by striking ''whose contribution or contributions have an aggregate amount or value in excess of $200 within the calendar year, or in any lesser amount if the reporting committee should so elect,''; and

(B) in subparagraphs (F) and (G), by striking ''in an aggregate amount or value in excess of $200'' each place it appears.

(2) INFORMATION REQUIRED TO BE FORWARDED TO POLITICAL COMMITTEES.—Section 302(b) of such Act (2 U.S.C. 432(b)) is amended—

(A) in paragraph (1), by striking ''and if the amount of the contribution is in excess of $50'' and inserting ''together with''; and

(B) in paragraph (2), by striking ''shall—'' and all that follows and inserting the following: ''shall forward to the treasurer such contribution, the name and address of the person making the contribution, and the date of receipt of the contribution, no later than 10 days after receiving the contribution.''.

(3) INFORMATION REQUIRED TO BE KEPT BY POLITICAL COMMITTEES.—Section 302(c) of such Act (2 U.S.C. 432(c)) is amended—

(A) by striking paragraph (2); and

(B) in paragraph (3), by striking ''or contributions aggregating more than $200''.

(e) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 1, 1999.

SEC. 4. PROHIBITING CONTRIBUTIONS BY FOREIGN NATIONALS AND INDIVIDUALS NOT QUALIFIED TO REGISTER TO VOTE IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended to read as follows:

''CONTRIBUTIONS BY FOREIGN NATIONALS AND INDIVIDUALS NOT QUALIFIED TO REGISTER TO VOTE IN FEDERAL ELECTIONS

''SEC. 319. (a) FOREIGN NATIONALS.—

''(1) IN GENERAL.—It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

''(2) DEFINITION.—As used in this subsection, the term 'foreign national' means a foreign principal, as defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)).

''(b) INDIVIDUALS NOT QUALIFIED TO REGISTER TO VOTE IN FEDERAL ELECTIONS.—

''(1) PROHIBITING CONTRIBUTIONS.—It shall be unlawful for any individual who is not qualified to register to vote in an election for Federal office directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office.

''(2) PROHIBITING SOLICITATION OR ACCEPTANCE OF CONTRIBUTIONS.—It shall be unlawful for any person to knowingly solicit, accept, or receive any contribution of money or other thing of value from an individual who is not qualified to register to vote in an election for Federal office.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 1999.

SEC. 5. FUNDING OF POLITICAL ACTIVITIES BY CORPORATIONS AND LABOR ORGANIZATIONS.

(a) PROHIBITING DONATION OF FUNDS TO POLITICAL PARTIES.—

(1) IN GENERAL.—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 national bank, corporation, or labor organization described in this section may make any payment of any gift, subscription, loan, advance, or deposit of money or anything of value to any political committee established and maintained by a political party (including a congressional campaign committee of a political party) in support of the committee's activities.

''(2) Paragraph (1) shall not apply to a contribution or expenditure made by a separate segregated fund of a corporation or labor organization described in subsection (b)(2)(C).''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to elections occurring after January 1999.

(b) PROHIBITING INVOLUNTARY ASSESSMENT OF EMPLOYEE FUNDS FOR POLITICAL ACTIVITIES.—

(1) IN GENERAL.—Section 316 of such Act (2 U.S.C. 441b), as amended by subsection (a), is further amended by adding at the end the following new subsection:

''(d)(1) Except with the separate, prior, written, voluntary authorization of the individual involved, it shall be unlawful—

''(A) for any national bank or corporation described in this section to collect from or assess its stockholders any dues, initiation fee, or other payment, or collect from or assess its employees any dues, initiation fee, or other payment as a condition of employment, if any part of such dues, fee, or payment will be used for Federal campaign activity in which the national bank or corporation is engaged; and

''(B) for any labor organization described in this section to collect from or assess its members or nonmembers any dues, initiation fee, or other payment if any part of such dues, fee, or payment will be used for Federal campaign activity in which the labor organization is engaged.

''(2) An authorization described in paragraph (1) shall remain in effect until revoked

and may be revoked at any time. Each entity collecting from or assessing amounts from an individual with an authorization in effect under such paragraph shall provide the individual with a statement that the individual may at any time revoke the authorization.

''(3) For purposes of this subsection, the term 'Federal campaign activity' means any activity carried out for the purpose of influencing (in whole or in part) any election for Federal office or educating individuals about candidates for election for Federal office, except that such term does not include the making of any communication provided by a corporation to its employees and their families or by a labor organization to its members and their families on any subject.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to amounts collected or assessed on or after the date of the enactment of this Act.

SEC. 6. PROHIBITING CONTRIBUTIONS DURING SIX MONTHS FOLLOWING GENERAL ELECTION.

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

''PROHIBITING CONTRIBUTIONS DURING SIX MONTHS FOLLOWING GENERAL ELECTION

''SEC. 323. (a) IN GENERAL.—No person may make any contribution with respect to an election for Federal office to any political committee of a candidate for election for such office during the 180-day period which begins on the date of the previous regularly scheduled general election for such office, unless the election is a runoff or special election.

''(b) EXCEPTION FOR CONTRIBUTIONS IN CONNECTION WITH EXPENSES OF PREVIOUS ELECTION.—Subsection (a) shall not apply with respect to a contribution made solely in connection with the expenses of an election held prior to the date on which the contribution is made.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 1999.

SEC. 7. INCREASE IN AUTHORIZATION OF APPROPRIATIONS FOR FEDERAL ELECTION COMMISSION.

Section 314 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439c) is amended by adding at the end the following new sentence: ''There are authorized to be appropriated to the Commission $60,000,000 for each of the fiscal years 1999, 2000, and 2001, of which not less than $28,350,000 shall be used during each such fiscal year for enforcement activities.''.

SEC. 8. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) MANDATORY IMPRISONMENT FOR CRIMINAL CONDUCT.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking ''shall be fined, or imprisoned for not more than one year, or both'' and inserting ''shall be imprisoned for not fewer than 1 year and not more than 10 years''; and

(2) by striking the second sentence.

(b) CONCURRENT AUTHORITY OF ATTORNEY GENERAL TO BRING CRIMINAL ACTIONS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

''(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 1999.

H.R. 2183

OFFERED BY: MR. TIERNEY

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 15: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Clean Money, Clean Elections Act''.

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

Sec. 1. Short title; table of contents.

TITLE I—CLEAN MONEY FINANCING OF HOUSE ELECTION CAMPAIGNS

Sec. 101. Findings and declarations.
Sec. 102. Eligibility requirements and benefits of clean money financing of House election campaigns.

''TITLE V—CLEAN MONEY FINANCING OF HOUSE ELECTION CAMPAIGNS

''Sec. 501. Definitions.
''Sec. 502. Eligibility for clean money.
''Sec. 503. Requirements applicable to clean money candidates.
''Sec. 504. Seed money.
''Sec. 505. Certification by Commission.
''Sec. 506. Benefits for clean money candidates.
''Sec. 507. Administration of clean money.
''Sec. 508. Expenditures made from funds other than clean money.
''Sec. 509. Authorization of appropriations.''

Sec. 103. Reporting requirements for expenditures of private money candidates.
Sec. 104. Transition rule for current election cycle.

TITLE II—INDEPENDENT EXPENDITURES; COORDINATED POLITICAL PARTY EXPENDITURES

Sec. 201. Reporting requirements for independent expenditures.
Sec. 202. Definition of independent expenditure.
Sec. 203. Limit on expenditures by political party committees.
Sec. 204. Party independent expenditures and other coordinated expenditures.

TITLE III—VOTER INFORMATION

Sec. 301. Free broadcast time.
Sec. 302. Broadcast rates and preemption.
Sec. 303. Campaign advertising.
Sec. 304. Limit on Congressional use of the franking privilege.

TITLE IV—SOFT MONEY OF POLITICAL PARTY COMMITTEES

Sec. 401. Soft money of political party committees.
Sec. 402. State party grassroots funds.
Sec. 403. Reporting requirements.

TITLE V—RESTRUCTURING AND STRENGTHENING OF THE FEDERAL ELECTION COMMISSION

Sec. 501. Appointment and terms of Commissioners.
Sec. 502. Audits.
Sec. 503. Authority to seek injunction.
Sec. 504. Standard for investigation.
Sec. 505. Petition for certiorari.
Sec. 506. Expedited procedures.
Sec. 507. Filing of reports using computers and facsimile machines.
Sec. 508. Power to issue subpoena without signature of chairperson.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Severability.
Sec. 602. Review of constitutional issues.
Sec. 603. Effective date.

TITLE I—CLEAN MONEY FINANCING OF HOUSE ELECTION CAMPAIGNS

SEC. 101. FINDINGS AND DECLARATIONS.

(a) UNDERMINING OF DEMOCRACY BY CAMPAIGN CONTRIBUTIONS FROM PRIVATE SOURCES.—The Congress finds and declares that the current system of privately financed campaigns for election to the House of Representatives has the capacity, and is often perceived by the public, to undermine democracy in the United States by—

(1) violating the democratic principle of ''one person, one vote'' and diminishing the meaning of the right to vote by allowing monied interests to have a disproportionate and unfair influence within the political process;

(2) diminishing or giving the appearance of diminishing a Member of the House of Representatives's accountability to constituents by compelling legislators to be accountable to the major contributors who finance their election campaigns;

(3) creating a conflict of interest, perceived or real, by encouraging Members to take money from private interests that are directly affected by Federal legislation;

(4) imposing large, unwarranted costs on taxpayers through legislative and regulatory outcomes shaped by unequal access to lawmakers for campaign contributors;

(5) driving up the cost of election campaigns, making it difficult for qualified candidates without personal fortunes or access to campaign contributions from monied individuals and interest groups to mount competitive House of Representatives election campaigns;

(6) disadvantaging challengers, because large campaign contributors tend to give their money to incumbent Members, thus causing House of Representatives elections to be less competitive; and

(7) burdening incumbents with a preoccupation with fundraising and thus decreasing the time available to carry out their public responsibilities.

(b) ENHANCEMENT OF DEMOCRACY BY PROVIDING CLEAN MONEY.—Congress finds and declares that providing the option of the replacement of private campaign contributions with clean money financing for all primary, runoff, and general elections to the House of Representatives would enhance American democracy by—

(1) helping to eliminate access to wealth as a determinant of a citizen's influence within the political process and to restore meaning to the principle of ''one person, one vote'';

(2) increasing the public's confidence in the accountability of Members to the constituents who elect them;

(3) eliminating the potentially inherent conflict of interest caused by the private financing of the election campaigns of public officials, thus restoring public confidence in the fairness of the electoral and legislative processes;

(4) reversing the escalating cost of elections and saving taxpayers billions of dollars that are (or that are perceived to be) currently misspent due to legislative and regulatory agendas skewed by the influence of contributions;

(5) creating a more level playing field for incumbents and challengers, creating genuine opportunities for all Americans to run for the House of Representatives, and encouraging more competitive elections; and

(6) freeing Members from the constant preoccupation with raising money, and allowing them more time to carry out their public responsibilities.

SEC. 102. ELIGIBILITY REQUIREMENTS AND BENEFITS OF CLEAN MONEY FINANCING OF HOUSE ELECTION CAMPAIGNS.

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

''TITLE V—CLEAN MONEY FINANCING OF HOUSE ELECTION CAMPAIGNS

''SEC. 501. DEFINITIONS.

''In this title:

''(1) ALLOWABLE CONTRIBUTION.—The term 'allowable contribution' means a qualifying contribution or seed money contribution.

''(2) CLEAN MONEY.—The term 'clean money' means funds that are made available by the Commission to a clean money candidate under this title.

''(3) CLEAN MONEY CANDIDATE.—The term 'clean money candidate' means a candidate for Member of or Delegate or Resident Commissioner to the Congress who is certified under section 505 as being eligible to receive clean money.

''(4) CLEAN MONEY QUALIFYING PERIOD.—The term 'clean money qualifying period' means the period beginning on the date that is 180 days before the date of the primary election and ending on the date that is 30 days before the date of the general election. In the event of a special election, the clean money qualifying period shall begin on the earlier date of either the date that is 180 days before the date of the special election or on the date of announcement of such special election date if same as within 180 days of the date of the special election. It shall end on the date that is 30 days before the date of the special election.

''(5) GENERAL ELECTION PERIOD.—The term 'general election period' means, with respect to a candidate, the period beginning on the day after the date of the primary or primary runoff election for the specific office that the candidate is seeking, whichever is later, and ending on the earlier of—

''(A) the date of the general election; or

''(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

''(6) GENERAL RUNOFF ELECTION PERIOD.—The term 'general runoff election period' means, with respect to a candidate, the period beginning on the day following the date of the last general election for the specific office that the candidate is seeking and ending on the date of the runoff election for that office.

''(7) HOUSE OF REPRESENTATIVES ELECTION FUND.—The term 'House of Representatives Election Fund' means the fund established by section 507(a).

''(8) IMMEDIATE FAMILY.—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).

''(9) MAJOR PARTY CANDIDATE.—The term 'major party candidate' means a candidate of a political party of which a candidate for Member of or Delegate or Resident Commissioner to the Congress, for President, or for Governor in the preceding 5 years received, as a candidate of that party, 25 percent or more of the total number of popular votes received in the State (or Congressional district, if applicable) by all candidates for the same office.

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

''(A) the personal funds of the candidate or a member of the candidate's immediate family; and

''(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(11) PERSONAL USE.—

''(A) IN GENERAL.—The term 'personal use' means the use of funds to fulfill a commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal office.

''(B) INCLUSIONS.—The term 'personal use' includes, but is not limited to—

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

''(ii) a clothing purchase;

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

''(iv) a country club membership;

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

''(vi) a household food item;

''(vii) a tuition payment;

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

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

''(12) PRIMARY ELECTION PERIOD.—The term 'primary election period' means the period beginning on the date that is 90 days before the date of the primary election and ending on the date of the primary election. In the event of a special primary election, if applicable, the term 'primary election period' means the period beginning on the date that is the longer of 90 days before the date of such special primary election, or the date of establishment by the appropriate election authority of the special primary election date and ending on the date of the special primary election.

''(13) PRIMARY RUNOFF ELECTION PERIOD.—The term 'primary runoff election period' means, with respect to a candidate, the period beginning on the day following the date of the last primary election for the specific office that the candidate is seeking and ending on the date of the runoff election for that office.

''(14) PRIVATE MONEY CANDIDATE.—The term 'private money candidate' means a candidate for Member of or Delegate or Resident Commissioner to the Congress other than a clean money candidate.

''(15) QUALIFYING CONTRIBUTION.—The term 'qualifying contribution' means a contribution that—

''(A) is in the amount of $5 exactly;

''(B) is made by an individual who is registered to vote in the candidate's State;

''(C) is made during the clean money qualifying period; and

''(D) meets the requirements of section 502(a)(2)(D).

''(16) SEED MONEY CONTRIBUTION.—The term 'seed money contribution' means a contribution (or contributions in the aggregate made by any 1 person) of not more than $100.

''(17) STATE.—The term 'State' includes the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, and Guam.

''SEC. 502. ELIGIBILITY FOR CLEAN MONEY.

''(a) PRIMARY ELECTION PERIOD AND PRIMARY RUNOFF ELECTION PERIOD.—

''(1) IN GENERAL.—A candidate qualifies as a clean money candidate during the primary election period and primary runoff election period if the candidate files with the Commission a declaration, signed by the candidate and the treasurer of the candidate's principal campaign committee, that the candidate—

''(A) has complied and will comply with all of the requirements of this title;

''(B) will not run in the general election as a private money candidate; and

''(C) meets the qualifying contribution requirement of paragraph (2).

''(2) QUALIFYING CONTRIBUTION REQUIREMENT.—

''(A) MAJOR PARTY CANDIDATES AND CERTAIN INDEPENDENT CANDIDATES.—The requirement of this paragraph is met if, during the clean money qualifying period, a major party candidate (or an independent candidate who meets the minimum vote percentage required for a major party candidate under section 501(9)) receives 1,500 qualifying contributions.

''(B) OTHER CANDIDATES.—The requirement of this paragraph is met if, during the clean money qualifying period, a candidate who is not described in subparagraph (A) receives a number of qualifying contributions that is at least 150 percent of the number of qualifying contributions that a candidate described in subparagraph (A) in the same election is required to receive under subparagraph (A).

''(C) RECEIPT OF QUALIFYING CONTRIBUTION.—A qualifying contribution shall—

''(i) be accompanied by the contributor's name and home address;

''(ii) be accompanied by a signed statement that the contributor understands the purpose of the qualifying contribution;

''(iii) be made by a personal check or money order payable to the House of Representatives Election Fund or by cash; and

''(iv) be acknowledged by a receipt that is sent to the contributor with a copy kept by the candidate for the Commission and a copy kept by the candidate for the election authorities in the candidate's State.

''(D) DEPOSIT OF QUALIFYING CONTRIBUTIONS IN HOUSE OF REPRESENTATIVES ELECTION FUND.—

''(i) IN GENERAL.—Not later than the date that is 1 day after the date on which the candidate is certified under section 505, a candidate shall remit all qualifying contributions to the Commission for deposit in the House of Representatives Election Fund.

''(ii) CANDIDATES THAT ARE NOT CERTIFIED.—Not later than the last day of the clean money qualifying period, a candidate who has received qualifying contributions and is not certified under section 505 shall remit all qualifying contributions to the Commission for deposit in the House of Representatives Election Fund.

''(3) TIME TO FILE DECLARATION.—A declaration under paragraph (1) shall be filed by a candidate not later than the date that is 30 days before the date of the primary election. With respect to any special primary election, a declaration under paragraph (1) shall be filed by a candidate not later than the date that is 30 days before the special primary election.

''(b) GENERAL ELECTION PERIOD.—

''(1) IN GENERAL.—A candidate qualifies as a clean money candidate during the general election period if—

''(A)(i) the candidate qualified as a clean money candidate during the primary election period (and primary runoff election period, if applicable); or

''(ii) the candidate files with the Commission a declaration, signed by the candidate and the treasurer of the candidate's principal committee, that the candidate—

''(I) has complied and will comply with all the requirements of this title; and

''(II) meets the qualifying contribution requirement of subsection (a)(2);

''(B) the candidate files with the Commission a written agreement between the candidate and the candidate's political party in which the political party agrees not to make any expenditures in connection with the general election of the candidate in excess of the limit in section 315(d)(3)(C); and

''(C) the candidate's party nominated the candidate to be placed on the ballot for the general election or the candidate qualified to be placed on the ballot as an independent candidate, and the candidate is qualified under State law to be on the ballot.

''(2) TIME TO FILE DECLARATION OR STATEMENT.—A declaration or statement required to be filed under paragraph (1) shall be filed by a candidate not later than the date that is 30 days before the date of the general election. With respect to any special general

election, a declaration or statement required to be filed under paragraph (1) shall be filed by a candidate not later than the date that is 30 days before the date of the special general election.

''(c) GENERAL RUNOFF ELECTION PERIOD.—A candidate qualifies as a clean money candidate during the general runoff election period if the candidate qualified as a clean money candidate during the general election period.

''SEC. 503. REQUIREMENTS APPLICABLE TO CLEAN MONEY CANDIDATES.

''(a) CONTRIBUTIONS AND EXPENDITURES.—

''(1) PROHIBITION OF PRIVATE CONTRIBUTIONS.—Except as otherwise provided in this title, during the election cycle of a clean money candidate, the candidate shall not accept contributions other than clean money from any source.

''(2) PROHIBITION OF EXPENDITURES FROM PRIVATE SOURCES.—Except as otherwise provided in this title, during the election cycle of a clean money candidate, the candidate shall not make expenditures from any amounts other than clean money amounts.

''(b) USE OF PERSONAL FUNDS.—

''(1) IN GENERAL.—A clean money candidate shall not use personal funds to make an expenditure except as provided in paragraph (2).

''(2) EXCEPTIONS.—A seed money contribution or qualifying contribution from the candidate or a member of the candidate's immediate family shall not be considered to be use of personal funds.

''SEC. 504. SEED MONEY.

''(a) SEED MONEY LIMIT.—A clean money candidate may accept seed money contributions in an aggregate amount not exceeding $35,000.

''(b) CONTRIBUTION LIMIT.—Except as provided in section 502(a)(2), a clean money candidate shall not accept a contribution from any person except a seed money contribution (as defined in section 501).

''(c) RECORDS.—A clean money candidate shall maintain a record of the contributor's name, street address, and amount of the contribution.

''(d) USE OF SEED MONEY.—

''(1) IN GENERAL.—A clean money candidate may expend seed money for any election campaign-related costs, including costs to open an office, fund a grassroots campaign, or hold community meetings.

''(2) PROHIBITED USES.—A clean money candidate shall not expend seed money for—

''(A) a television or radio broadcast; or

''(B) personal use.

''(e) REPORT.—Unless a seed money contribution or expenditure made with a seed money contribution has been reported previously under section 304, a clean money candidate shall file with the Commission a report disclosing all seed money contributions and expenditures not later than 48 hours after—

''(1) the earliest date on which the Commission makes funds available to the candidate for an election period under paragraph (1) or (2) of section 506(b); or

''(2) the end of the clean money qualifying period,

whichever occurs first.

''(f) TIME TO ACCEPT SEED MONEY CONTRIBUTIONS.—A clean money candidate may accept seed money contributions for an election from the day after the date of the previous general election for the office to which the candidate is seeking election through the earliest date on which the Commission makes funds available to the candidate for an election period under paragraph (1) or (2) of section 506(b).

''(g) DEPOSIT OF UNSPENT SEED MONEY CONTRIBUTIONS.—A clean money candidate shall remit any unspent seed money to the Commission, for deposit in the House of Representatives Election Fund, not later than the earliest date on which the Commission makes funds available to the candidate for an election period under paragraph (1) or (2) of section 506(b).

''(h) NOT CONSIDERED AN EXPENDITURE.—An expenditure made with seed money shall not be treated as an expenditure for purposes of section 506(f)(2).

''SEC. 505. CERTIFICATION BY COMMISSION.

''(a) IN GENERAL.—Not later than 5 days after a candidate files a declaration under section 502, the Commission shall—

''(1) determine whether the candidate meets the eligibility requirements of section 502; and

''(2) certify whether or not the candidate is a clean money candidate.

''(b) REVOCATION OF CERTIFICATION.—The Commission may revoke a certification under subsection (a) if a candidate fails to comply with this title.

''(c) REPAYMENT OF BENEFITS.—If certification is revoked under subsection (b), the candidate shall repay to the House of Representatives Election Fund an amount equal to the value of benefits received under this title.

''SEC. 506. BENEFITS FOR CLEAN MONEY CANDIDATES.

''(a) IN GENERAL.—A clean money candidate shall be entitled to—

''(1) a clean money amount for each election period to make or obligate to make expenditures during the election period for which the clean money is provided, as provided in subsection (c);

''(2) media benefits under section 315 of the Communications Act of 1934 (47 U.S.C. 315); and

''(3) an aggregate amount of increase in the clean money amount in response to certain independent expenditures and expenditures of a private money candidate under subsection (d) that, in the aggregate, are in excess of 125 percent of the clean money amount of the clean money candidate.

''(b) PAYMENT OF CLEAN MONEY AMOUNT.—

''(1) PRIMARY ELECTION.—The Commission shall make funds available to a clean money candidate on the later of—

''(A) the date on which the candidate is certified as a clean money candidate under section 505; or

''(B) the date on which the primary election period begins.

''(2) GENERAL ELECTION.—The Commission shall make funds available to a clean money candidate not later than 48 hours after—

''(A) certification of the primary election or primary runoff election result; or

''(B) the date on which the candidate is certified as a clean money candidate under section 505 for the general election,

whichever occurs first.

''(3) RUNOFF ELECTION.—The Commission shall make funds available to a clean money candidate not later than 48 hours after the certification of the primary or general election result (as applicable).

''(c) CLEAN MONEY AMOUNTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the clean money amount paid to a clean money candidate with respect to an election shall be equal to the applicable percentage of 80 percent of the base amount for the election cycle involved, except that in no event may the amount determined under this subsection for a clean money candidate for an election cycle be less than the amount determined under this subsection for the candidate for the previous election cycle.

''(2) REDUCTION FOR UNCONTESTED ELECTIONS.—If a clean money candidate has no opposition in an election for which a payment is made under this section, the clean money amount paid shall be 40 percent of the amount otherwise determined under paragraph (1).

''(3) DEFINITIONS.—

''(A) APPLICABLE PERCENTAGE.—In this subsection, the 'applicable percentage' is as follows:

''(i) 25 percent, in the case of a candidate in a primary election who is not a major party candidate.

''(ii) 40 percent, in the case of a major party candidate in a primary election.

''(iii) 60 percent, in the case of any candidate in a general election.

''(B) BASE AMOUNT.—In this subsection, the term 'base amount' means (with respect to an election cycle) the national average of all amounts expended by winning candidates during the 3 most recent general elections for Member of, or Delegate or Resident Commissioner to, the Congress preceding the election cycle involved.

''(d) MATCHING FUNDS IN RESPONSE TO INDEPENDENT EXPENDITURES AND EXPENDITURES OF PRIVATE MONEY CANDIDATES.—

''(1) IN GENERAL.—If the Commission—

''(A) receives notification under—

''(i) subparagraphs (A) or (B) of section 304(c)(2) that a person has made or obligated to make an independent expenditure in an aggregate amount of $1,000 or more in an election period or that a person has made or obligated to make an independent expenditure in an aggregate amount of $500 or more during the 20 days preceding the date of an election in support of another candidate or against a clean money candidate; or

''(ii) section 304(d)(1) that a private money candidate has made or obligated to make expenditures in an aggregate amount in excess of 100 percent of the amount of clean money provided to a clean money candidate who is an opponent of the private money candidate in the same election; and

''(B) determines that the aggregate amount of expenditures reported under subparagraph (A) in an election period is in excess of 125 percent of the amount of clean money provided to a clean money candidate who is an opponent of the private money candidate in the same election or against whom the independent expenditure is made,

the Commission shall make available to the clean money candidate, not later than 24 hours after receiving a notification under subparagraph (A), an aggregate amount of increase in clean money in an amount equal to the aggregate amount of expenditures that is in excess of 125 percent of the amount of clean money provided to the clean money candidate as determined under subparagraph (B).

''(2) CLEAN MONEY CANDIDATES OPPOSED BY MORE THAN 1 PRIVATE MONEY CANDIDATE.—For purposes of paragraph (1), if a clean money candidate is opposed by more than 1 private money candidate in the same election, the Commission shall take into account only the amount of expenditures of the private money candidate that expends, in the aggregate, the greatest amount (as determined each time notification is received under section 304(d)(1)).

''(3) CLEAN MONEY CANDIDATES OPPOSED BY CLEAN MONEY CANDIDATES.—If a clean money candidate is opposed by a clean money candidate, the increase in clean money amounts under paragraph (1) shall be made available to the clean money candidate if independent expenditures are made against the clean money candidate or in behalf of the opposing clean money candidate in the same manner as the increase would be made available for a clean money candidate who is opposed by a private money candidate.

''(e) LIMITS ON MATCHING FUNDS.—The aggregate amount of clean money that a clean

money candidate receives to match independent expenditures and the expenditures of private money candidates under subsection (d) shall not exceed 200 percent of the clean money amount that the clean money candidate receives under subsection (c).

''(f) EXPENDITURES MADE WITH CLEAN MONEY AMOUNTS.—

''(1) IN GENERAL.—The clean money amount received by a clean money candidate shall be used only for the purpose of making or obligating to make expenditures during the election period for which the clean money is provided.

''(2) EXPENDITURES IN EXCESS OF CLEAN MONEY AMOUNT.—A clean money candidate shall not make expenditures or incur obligations in excess of the clean money amount.

''(3) PROHIBITED USES.—The clean money amount received by a clean money candidate shall not be—

''(A) converted to a personal use; or

''(B) used in violation of law.

''(4) REPAYMENT; CIVIL PENALTIES.—

''(A) If the Commission determines that any benefit made available to a clean money candidate under this title was not used as provided for in this title, or that a clean money candidate has violated any of the spending limits or dates for remission of funds contained in this Act, the Commission shall so notify the candidate and the candidate shall pay to the House of Representatives' Election Fund an amount equal to the amount of benefits so used, or the amount spent in excess of the limits or the amount not timely remitted, as appropriate.

''(B) Any action by the Commission in accordance with this section shall not preclude enforcement proceedings by the Commission in accordance with section 309(a), including a referral by the Commission to the Attorney General in the case of an apparent knowing and willful violation of this title.

''(g) REMITTING OF CLEAN MONEY AMOUNTS.—Not later than the date that is 14 days after the last day of the applicable election period, a clean money candidate shall remit any unspent clean money amount to the Commission for deposit in the House of Representatives Election Fund.

''SEC. 507. ADMINISTRATION OF CLEAN MONEY.

''(a) HOUSE OF REPRESENTATIVES ELECTION FUND.—

''(1) ESTABLISHMENT.—There is established in the Treasury a fund to be known as the 'House of Representatives Election Fund'.

''(2) DEPOSITS.—The Commission shall deposit unspent seed money contributions, qualifying contributions, penalty amounts received under this title, and amounts appropriated for clean money financing in the House of Representatives Election Fund.

''(3) FUNDS.—The Commission shall withdraw the clean money amount for a clean money candidate from the House of Representatives Election Fund.

''(b) REGULATIONS.—The Commission shall promulgate regulations to—

''(1) effectively and efficiently monitor and enforce the limits on use of private money by clean money candidates;

''(2) effectively and efficiently monitor use of publicly financed amounts under this title; and

''(3) enable clean money candidates to monitor expenditures and comply with the requirements of this title.

''SEC. 508. EXPENDITURES MADE FROM FUNDS OTHER THAN CLEAN MONEY.

''If a clean money candidate makes an expenditure using funds other than funds provided under this title, the Commission shall assess a civil penalty against the candidate in an amount that is not more than 10 times the amount of the expenditure.

''SEC. 509. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to the House of Representatives Election Fund such sums as are necessary to carry out this title.''.

SEC. 103. REPORTING REQUIREMENTS FOR EXPENDITURES OF PRIVATE MONEY CANDIDATES.

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

''(d) PRIVATE MONEY CANDIDATES.—

''(1) EXPENDITURES IN EXCESS OF CLEAN MONEY AMOUNTS.—Not later than 48 hours after making or obligating to make an expenditure, a private money candidate (as defined in section 501) that makes or obligates to make expenditures, in an aggregate amount in excess of 100 percent of the amount of clean money provided to a clean money candidate (as defined in section 501), during an election period (as defined by section 501) who is an opponent of the clean money candidate shall file with the Commission a report stating the amount of each expenditure (in increments of an aggregate amount of $100) made or obligated to be made.

''(2) PLACE OF FILING; NOTIFICATION.—

''(A) PLACE OF FILING.—A report under this subsection shall be filed with the Commission.

''(B) NOTIFICATION OF CLEAN MONEY CANDIDATES.—Not later than 24 hours after receipt of a report under this subsection, the Commission shall notify each clean money candidate seeking nomination for election to, or election to, the office in question, of the receipt of the report.

''(3) DETERMINATIONS BY THE COMMISSION.—

''(A) IN GENERAL.—The Commission may, on a request of a candidate or on its own initiative, make a determination that a private money candidate has made, or has obligated to make, expenditures in excess of the applicable amount in paragraph (1).

''(B) NOTIFICATION.—In the case of such a determination, the Commission shall notify each clean money candidate seeking nomination for election to, or election to, the office in question, of the making of the determination not later than 24 hours after making the determination.

''(C) TIME TO COMPLY WITH REQUEST FOR DETERMINATION.—A determination made at the request of a candidate shall be made not later than 48 hours after the date of the request.''.

SEC. 104. TRANSITION RULE FOR CURRENT ELECTION CYCLE.

(a) IN GENERAL.—During the election cycle in effect on the date of enactment of this Act, a candidate may be certified as a clean money candidate (as defined in section 501 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)), notwithstanding the acceptance of contributions or making of expenditures from private funds before the date of enactment that would, absent this section, disqualify the candidate as a clean money candidate.

(b) PRIVATE FUNDS.—A candidate may be certified as a clean money candidate only if any private funds accepted and not expended before the date of enactment of this Act are—

(1) returned to the contributor; or

(2) submitted to the Federal Election Commission for deposit in the House of Representatives Election Fund (as defined in section 501 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)).

TITLE II—INDEPENDENT EXPENDITURES; COORDINATED POLITICAL PARTY EXPENDITURES

SEC. 201. REPORTING REQUIREMENTS FOR INDEPENDENT EXPENDITURES.

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

(1) by striking ''(c)(1) Every person'' and inserting the following:

''(c) INDEPENDENT EXPENDITURES.—

''(1) IN GENERAL.—

''(A) REQUIRED FILING.—Except as provided in paragraph (2), every person'';

(2) in paragraph (2), by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and adjusting the margins accordingly;

(3) by redesignating paragraphs (2) and (3) as subparagraphs (B) and (C), respectively, and adjusting the margins accordingly;

(4) by adding at the end the following:

''(2) HOUSE OF REPRESENTATIVES ELECTIONS WITH A CLEAN MONEY CANDIDATE.—

''(A) INDEPENDENT EXPENDITURES MORE THAN 20 DAYS BEFORE AN ELECTION.—

''(i) IN GENERAL.—Not later than 48 hours after making an independent expenditure, more than 20 days before the date of an election, in support of an opponent of or in opposition to a clean money candidate (as defined in section 501), a person that makes independent expenditures in an aggregate amount in excess of $1,000 during an election period (as defined in section 501) shall file with the Commission a statement containing the information described in clause (ii).

''(ii) CONTENTS OF STATEMENT.—A statement under subparagraph (A) shall include a certification, under penalty of perjury, that contains the information required by subsection (b)(6)(B)(iii).

''(iii) ADDITIONAL STATEMENTS.—An additional statement shall be filed for each aggregate of independent expenditures that exceeds $1,000.

''(B) INDEPENDENT EXPENDITURES DURING THE 20 DAYS PRECEDING AN ELECTION.—Not later than 24 hours after making or obligating to make an independent expenditure in support of an opponent of or in opposition to a clean money candidate in an aggregate amount in excess of $500, during the 20 days preceding the date of an election, a person that makes or obligates to make the independent expenditure shall file with the Commission a statement stating the amount of each independent expenditure made or obligated to be made.

''(C) PLACE OF FILING; NOTIFICATION.—

''(i) PLACE OF FILING.—A report or statement under this paragraph shall be filed with the Commission.

''(ii) NOTIFICATION OF CLEAN MONEY CANDIDATES.—Not later than 24 hours, but excluding the time from 5:00 p.m. Friday through and until 9:00 a.m. the following Monday, and legal holidays after receipt of a statement under this paragraph, the Commission shall notify each clean money candidate seeking nomination for election to, or election to, the office in question of the receipt of a statement.

''(D) DETERMINATION BY THE COMMISSION.—

''(i) IN GENERAL.—The Commission may, on request of a candidate or on its own initiative, make a determination that a person has made or obligated to make independent expenditures with respect to a candidate that in the aggregate exceed the applicable amount under subparagraph (A).

''(ii) NOTIFICATION.—Not later than 24 hours after making a determination under clause (i), the Commission shall notify each clean money candidate in the election of the making of the determination.

''(iii) TIME TO COMPLY WITH REQUEST FOR DETERMINATION.—A determination made at

the request of a candidate shall be made not later than 48 hours after the date of the request.''.

SEC. 202. DEFINITION OF INDEPENDENT EXPENDITURE.

(a) IN GENERAL.—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) INDEPENDENT EXPENDITURE.—

''(A) IN GENERAL.—The term ''independent expenditure'' means an expenditure made by a person other than a candidate or candidate's authorized committee—

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

''(ii) is made without the participation or cooperation of and without coordination with a candidate (within the meaning of section 301(8)(A)(iii)).

''(B) EXPRESS ADVOCACY.—The term 'express advocacy' means a communication that is made through a broadcast medium, newspaper, magazine, billboard, direct mail, or similar type of communication and that—

''(i) advocates the election or defeat of a clearly identified candidate, including any communication that—

''(I) contains a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in (year involved)', 'vote against', 'defeat', 'reject', 'put a stop to (name of candidate)', 'send (name of candidate) home'; or

''(II) contains campaign slogans or individual words that in context can have no reasonable meaning other than to recommend the election or defeat of 1 or more clearly identified candidates; or

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

''(II) is made not more than 60 days before the date of a general election; and

''(III) is not solely devoted to a pending legislative issue before an open session of Congress.''.

(b) DEFINITION APPLICABLE WHEN PROVISION NOT IN EFFECT.—For purposes of the Federal Election Campaign Act of 1971, during any period beginning after the effective date of this Act in which the definition, or any part of the definition, under section 301(17)(B) of that Act (as added by subsection (a)) is not in effect, the definition of ''express advocacy'' shall mean, in addition to the part of the definition that is in effect, a communication that clearly identifies a candidate and taken as a whole and with limited reference to external events, such as proximity to an election, expresses unmistakable support for or opposition to 1 or more clearly identified candidates.

SEC. 203. LIMIT ON EXPENDITURES BY POLITICAL PARTY COMMITTEES.

Section 315(d)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)(3)) is amended—

(1) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking ''in the case'' and inserting ''except as provided in subparagraph (C), in the case'', and

(B) by striking ''and'' at the end;

(2) in subparagraph (B)—

(A) by striking ''in the case'' and inserting ''except as provided in subparagraph (C), in the case'', and

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

(3) by adding at the end the following:

''(C) in the case of an election to the office of Representative in or Delegate or Resident Commissioner to the Congress in which 1 or more candidates is a clean money candidate (as defined in section 501), 10 percent of the amount of clean money that a clean money candidate is eligible to receive for the general election period.''.

SEC. 204. PARTY INDEPENDENT EXPENDITURES AND OTHER COORDINATED EXPENDITURES.

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

(1) in paragraph (1)—

(A) by inserting ''coordinated'' after ''make''; and

(B) by striking ''(2) and (3)'' and inserting ''(2), (3), and (4)''; and

(2) by adding at the end the following:

''(4)(A) Before a committee of a political party makes a coordinated expenditure in connection with a general election campaign for Federal office in excess of $5,000, the committee shall file with the Commission a certification, signed by the treasurer, that the committee has not made and will not make any independent expenditures in connection with that campaign for Federal office. A party committee that determines to make a coordinated expenditure shall not make any transfer of funds in the same election cycle to, or receive any transfer of funds in the same election cycle from, any other party committee that determines to make independent expenditures in connection with the same campaign for Federal office.

''(B) A committee of a political party shall be considered to be in coordination with a candidate of the party if the committee—

''(i) makes a payment for a communication or anything of value in coordination with the candidate, as described in section 301(8)(A)(iii);

''(ii) makes a coordinated expenditure under this subsection on behalf of the candidate;

''(iii) participates in joint fundraising with the candidate or in any way solicits or receives a contribution on behalf of the candidate;

''(iv) communicates with the candidate, or an agent of the candidate (including a pollster, media consultant, vendor, advisor, or staff member), acting on behalf of the candidate, about advertising, message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics or strategy; or

''(v) provides in-kind services, polling data, or anything of value to the candidate.

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

''(D) For purposes of subparagraph (A), any coordination between a committee of a political party and a candidate of the party after the candidate has filed a statement of candidacy constitutes coordination for the period beginning with the filing of the statement of candidacy and ending at the end of the election cycle.''.

(b) DEFINITIONS.—

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

(A) in subparagraph (A)—

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

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

(iii) by adding at the end the following:

''(iii) a payment made for a communication or anything of value that is for the purpose of influencing an election for Federal office and that is made in coordination with a candidate (as defined in subparagraph (C)).''; and

(B) by adding at the end the following:

''(C) For the purposes of subparagraph (A)(iii), the term 'payment made in coordination with a candidate' includes—

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

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

''(iii) a payment made based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with a view toward having the payment made;

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

''(v) a payment made by a person if the person making the payment has served in any formal policy or advisory position with the candidate's campaign or has participated in strategic or policymaking discussions with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made; and

''(vi) a payment made by a person if the person making the payment retains the professional services of an individual or person who has provided or is providing campaign-related services in the same election cycle to a candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the payment is for services of which the purpose is to influence that candidate's election.

''(D) For purposes of subparagraph (C)(vi), the term 'professional services' includes services in support of a candidate's pursuit of nomination for election, or election, to Federal office such as polling, media advice, direct mail, fundraising, or campaign research.''.

(2) DEFINITION OF CONTRIBUTION IN SECTION 315(a)(7).—Section 315(a)(7) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)) is amended by striking paragraph (B) and inserting the following:

''(B)(i) Except as provided in clause (ii), a payment made in coordination with a candidate (as described in section 301(8)(A)(iii)) shall be considered to be a contribution to the candidate, and, for the purposes of any provision of this Act that imposes a limitation on the making of expenditures by a candidate, shall be treated as an expenditure by the candidate for purposes of this paragraph.

''(ii) In the case of a clean money candidate (as defined in section 501), a payment made in coordination with a candidate by a committee of a political party shall not be treated as a contribution to the candidate for purposes of section 503(b)(1) or an expenditure made by the candidate for purposes of section 503(b)(2).''.

(c) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election

Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking ''shall include'' and inserting ''includes a contribution or expenditure (as those terms are defined in section 301) and also includes''.

TITLE III—VOTER INFORMATION

SEC. 301. FREE BROADCAST TIME.

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

(1) in subsection (a), in the third sentence, by striking ''within the meaning of this subsection'' and inserting ''within the meaning of this subsection or subsection (c)'';

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

(3) by inserting after subsection (b) the following:

''(c) FREE BROADCAST TIME.—

''(1) AMOUNT OF TIME.—A clean money candidate shall be entitled to receive—

''(A) 30 minutes of free broadcast time during each of the primary election period and the primary runoff election period; and

''(B) 75 minutes of free broadcast time during the general election period and general runoff election period.

''(2) TIME DURING WHICH THE BROADCAST IS SHOWN.—The broadcast time under paragraph (1) shall be—

''(A) with respect to a television broadcast, the time between 6:00 p.m. and 10:00 p.m. on any day that falls on Monday through Friday;

''(B) with respect to a radio broadcast, the time between 7:00 a.m. and 9:30 a.m. or between 4:30 p.m. and 7:00 p.m. on any day that falls on Monday through Friday; or

''(C) with respect to any broadcast, such other time to which the candidate and broadcaster may agree.

''(3) MAXIMUM REQUIRED OF ANY STATION.—The amount of free broadcast time that any 1 station is required to make available to any 1 clean money candidate during each of the primary election period, primary runoff election period, and general election period shall not exceed 15 minutes.''; and

(4) in subsection (d) (as redesignated by paragraph (1))—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon, and by redesignating that paragraph as paragraph (4);

(C) by inserting after paragraph (1) the following:

''(2) the term 'clean money candidate' has the meaning given in section 501 of the Federal Election Campaign Act of 1971;

''(3) the terms 'general election period' and 'general runoff election period' have the meaning given in section 501 of the Federal Election Campaign Act of 1971;''; and

(D) by adding at the end the following:

''(5) the term 'primary election period' has the meaning given in section 501 of the Federal Election Campaign Act of 1971;

''(6) the term 'private money candidate' has the meaning given in section 501 of the Federal Election Campaign Act of 1971; and

''(7) the term 'primary runoff election period' has the meaning given in section 501 of the Federal Election Campaign Act of 1971.''.

SEC. 302. BROADCAST RATES AND PREEMPTION.

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

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and adjusting the margins accordingly;

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

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

(3) by adding at the end the following:

''(2) CLEAN MONEY CANDIDATES.—In the case of a clean money candidate, the charges for the use of a television broadcasting station shall not exceed 50 percent of the lowest charge described in paragraph (1)(A) during—

''(A) the 30 days preceding the date of a primary or primary runoff election in which the candidate is opposed; and

''(B) the 60 days preceding the date of a general or special election in which the candidate is opposed.

''(3) OTHER HOUSE CANDIDATES.—In the case of a candidate for election for Member of, or Delegate or Resident Commissioner to, the Congress who is not a clean money candidate, paragraph (1)(A) shall not apply.

''(4) RATE CARDS.—A licensee shall provide to a candidate for Member of or Delegate or Resident Commissioner to the Congress a rate card that discloses—

''(A) the rate charged under this subsection; and

''(B) the method that the licensee uses to determine the rate charged under this subsection.''.

(b) PREEMPTION.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) (as amended by section 301) is amended—

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

(2) by inserting after subsection (c) the following:

''(d) PREEMPTION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a licensee shall not preempt the use of a broadcasting station by a legally qualified candidate for Member of or Delegate or Resident Commissioner to the Congress who has purchased and paid for such use.

''(2) CIRCUMSTANCES BEYOND CONTROL OF LICENSEE.—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.''.

(c) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of the Communications Act of 1934 (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 ''the candidacy of the candidate, under the same terms, conditions, and business practices as apply to the most favored advertiser of the licensee''.

SEC. 303. CAMPAIGN ADVERTISING.

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

(1) in subsection (a)—

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

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

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

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

(2) by adding at the end the following:

''(c) Any printed communication described in subsection (a) shall 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 broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections, an audio statement that identifies the candidate and states that the candidate has approved the communication.

''(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement which 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.

''(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If broadcast or cablecast by means of television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

(b) REPORTING REQUIREMENTS FOR ISSUE ADVERTISEMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103) is amended by adding at the end the following:

''(e) ISSUE ADVERTISEMENTS.—

''(1) IN GENERAL.—A person that makes or obligates to make a disbursement to purchase an issue advertisement shall file a report with the Commission not later than 48 hours after making or obligating to make the disbursement, containing the following information—

''(A) the amount of the disbursement;

''(B) the information required under subsection (b)(3)(A) for each person that makes a contribution, in an aggregate amount of $1,000 or greater in a calendar year, to the person who makes the disbursement;

''(C) the name and address of the person making the disbursement; and

''(D) the purpose of the issue advertisement.

''(2) DEFINITION OF ISSUE ADVERTISEMENT.—In this subsection, the term 'issue advertisement' means a communication through a broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising—

''(A) the purchase of which is not an independent expenditure or a contribution;

''(B) that contains the name or likeness of a candidate for Member of or Delegate or Resident Commissioner to the Congress;

''(C) that is communicated during an election year; and

''(D) that recommends a position on a political issue.''.

SEC. 304. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

''(A)(i) Except as provided in clause (ii), a Member of Congress shall not mail any mass mailing as franked mail during the period which begins on the first day of the primary election period (as described in section 501(12) of the Federal Election Campaign Act of 1971) and ends on the date of the general election for that office (other than any portion of such period between the date of the

primary election and the first day of the general election period), unless the Member has made a public announcement that the Member will not be a candidate for reelection in that year or for election to any other Federal office.

''(ii) A Member of Congress may mail a mass mailing as franked mail if—

''(I) the purpose of the mailing is to communicate information about a public meeting; and

''(II) the content of the mailed matter includes only the Representative's name, and the date, time, and place of the public meeting.''.

TITLE IV—SOFT MONEY OF POLITICAL PARTY COMMITTEES

SEC. 401. SOFT MONEY OF POLITICAL PARTY COMMITTEES.

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

''SEC. 324. SOFT MONEY OF PARTY COMMITTEES.

''(a) NATIONAL COMMITTEES.—A national committee of a political party (including a national congressional campaign committee of a political party but not including an entity regulated under subsection (b)) shall not solicit or receive any contributions, donations, or transfers of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

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

''(1) IN GENERAL.—A State, district, or local committee of a political party shall not expend or disburse any amount during a calendar year in which a Federal election is held for any activity that might affect the outcome of a Federal election, including but not limited to voter registration or get-out-the-vote activities and/or generic campaign activities unless the amount is subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) ACTIVITY EXCLUDED FROM PARAGRAPH (1).—

''(A) IN GENERAL.—Paragraph (1) shall not apply to an expenditure or disbursement made by a State, district, or local committee of a political party for—

''(i) a contribution to a candidate for State or local office if the contribution is not designated or otherwise earmarked to pay for an activity described in paragraph (1);

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

''(iii) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of any individual who spends more than 20 percent of the individual's time on activities during the month that may affect the outcome of a Federal election), except that for purposes of this paragraph, the non-Federal share of a party committee's administrative and overhead expenses shall be determined by applying the ratio of the non-Federal disbursements to the total Federal expenditures and non-Federal disbursements made by the committee during the previous presidential election year to the committee's administrative and overhead expenses in the election year in question;

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

''(v) the cost of any campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, if the candidate activity is not an activity described in paragraph (1).

''(B) FUNDRAISING COSTS.—A national, State, district, or local committee of a political party shall not expend any amount to raise funds that are used, in whole or in part, to pay the costs of an activity described in paragraph (1) unless the amount is subject to the limitations, prohibitions, and reporting requirements of this Act.

''(c) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party) shall not solicit any funds for or make any donations to an organization that is exempt from Federal taxation under section 501(a) of the Internal Revenue Code of 1986 and that is described in section 501(c) of such Code.

''(d) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office shall not—

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

''(B) solicit, receive, or transfer funds that are to be expended in connection with any election other than a Federal election unless the funds—

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

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

''(C) solicit, receive, or transfer any funds on behalf of any person that are not subject to the limitations, prohibitions, and reporting requirements of this Act if the funds are for use in financing any campaign-related activity or any communication that refers to a clearly identified candidate for Federal office.

''(2) EXCEPTION.—Paragraph (1) does not apply to the solicitation or receipt of funds by an individual who is a candidate for a State or local office if the solicitation or receipt of funds is permitted under State law for the individual's State or local campaign committee.

''(e) DEFINITION OF COMMITTEE.—In this section, the term 'committee of a political party' includes an entity that is directly or indirectly established, financed, maintained, or controlled by a party committee or its agent, an entity acting on behalf of a party committee, and an officer or agent acting on behalf of any such committee or entity.''.

SEC. 402. STATE PARTY GRASSROOTS FUNDS.

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

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

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

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

''(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;

''(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 that 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) LIMITS.—

(1) IN GENERAL.—Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by striking paragraph (3) and inserting the following:

''(3) OVERALL LIMITS.—

''(A) INDIVIDUAL LIMIT.—No individual shall make contributions during any calendar year that, in the aggregate, exceed $25,000.

''(B) CALENDAR YEAR.—No individual shall make contributions during any calendar year—

''(i) to all candidates and their authorized political committees that, in the aggregate, exceed $25,000; or

''(ii) to all political committees established and maintained by State committees of a political party that, in the aggregate, exceed $20,000.

''(C) NONELECTION YEARS.—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 the contribution is made shall be treated as being made during the calendar year in which the election is held.''.

(c) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1970 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) The term 'generic campaign activity' means a campaign activity that promotes a political party and does not refer to any particular Federal or non-Federal candidate.

''(21) 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 326(d).''.

(d) STATE PARTY GRASSROOTS FUNDS.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 401) is amended by adding at the end the following:

''SEC. 325. STATE PARTY GRASSROOTS FUNDS.

''(a) IN GENERAL.—A State committee of a political party shall only make disbursements and expenditures from the committee's State Party Grassroots Fund that are described in subsection (d).

''(b) TRANSFERS.—

''(1) IN GENERAL.—Notwithstanding section 315(a)(4), a State committee of a political party shall not transfer any funds from the committee's State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except as provided in paragraph (2).

''(2) EXCEPTION.—A committee of a political party may transfer funds from the committee's State Party Grassroots Fund to a district or local committee of the same political party in the same State if the district or local committee—

''(A) has established a separate segregated fund for the purposes described in subsection (d); and

''(B) uses the transferred funds solely for those purposes.

''(c) AMOUNTS RECEIVED BY GRASSROOTS FUNDS FROM STATE AND LOCAL CANDIDATE COMMITTEES.—

''(1) IN GENERAL.—Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in subsection (d) that are for the benefit of that candidate shall be treated as meeting the requirements of 324(b)(1) and section 304(d) if—

''(A) the 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)(i); 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 those requirements are met; and

''(ii) certifies that the requirements were met.

''(2) DETERMINATION OF COMPLIANCE.—For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in paragraph (1)(A)—

''(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 funds meeting those requirements sufficient to cover the transferred funds.

''(3) REPORTING.—Notwithstanding paragraph (1), any State Party Grassroots Fund that receives a 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 the candidate committee.

''(d) DISBURSEMENTS AND EXPENDITURES.—A State committee of a political party may make disbursements and expenditures from its State Party Grassroots Fund only for—

''(1) any generic campaign activity;

''(2) payments described in clauses (v), (ix), and (xi) of paragraph (8)(B) and clauses (iv), (viii), and (ix) of paragraph (9)(B) of section 301;

''(3) 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;

''(4) voter registration; and

''(5) development and maintenance of voter files during an even-numbered calendar year.

''(e) DEFINITION.—In this section, the term 'State or local candidate committee' means a committee established, financed, maintained, or controlled by a candidate for other than Federal office.''.

SEC. 403. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 303(b)) is amended by adding at the end the following:

''(f) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, 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) OTHER POLITICAL COMMITTEES TO WHICH SECTION 324 APPLIES.—A political committee to which section 324(b)(1) applies shall report all receipts and disbursements made for activities described in section 324(b) (1) and (2)(A)(iii).

''(3) OTHER POLITICAL COMMITTEES.—Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements that are used in connection with a Federal election.

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

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

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

(1) by striking clause (viii); and

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

(c) REPORTS BY STATE COMMITTEES.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by subsection (a)) is amended by adding at the end the following:

''(g) 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 that such reports contain substantially the same information.''.

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(A) by striking ''and'' at the end of subparagraph (H);

(B) by inserting ''and'' at the end of subparagraph (I); and

(C) by adding at the end the following:

''(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 the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by striking ''operating expense'' and inserting ''operating expenditure, and the election to which the operating expenditure relates''.

TITLE V—RESTRUCTURING AND STRENGTHENING OF THE FEDERAL ELECTION COMMISSION

SEC. 501. APPOINTMENT AND TERMS OF COMMISSIONERS.

(a) IN GENERAL.—Section 306(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a)) is amended—

(1) in paragraph (1)—

(A) by striking ''(1) There is established'' and inserting ''(1)(A) There is established'';

(B) by striking the second sentence and inserting the following:

''(B) COMPOSITION OF COMMISSION.—The Commission is composed of 6 members appointed by the President, by and with the advice and consent of the United States Senate, and 1 member appointed by the President from among persons recommended by the Commission as provided in subparagraph (D).'';

(C) by striking ''No more than'' and inserting the following:

''(C) PARTY AFFILIATION.—Not more than''; and

(D) by adding at the end the following:

''(D) NOMINATION BY COMMISSION OF ADDITIONAL MEMBER.—

''(i) IN GENERAL.—The members of the Commission shall recommend to the President, by a vote of 4 members, 3 persons for the appointment to the Commission.

''(ii) VACANCY.—On vacancy of the position of the member appointed under this subparagraph, a member shall be appointed to fill the vacancy in the same manner as provided in clause (i).''; and

(2) in paragraphs (3) and (4), by striking ''(other than the Secretary of the Senate and the Clerk of the House of Representatives)''.

(b) TRANSITION RULE.—Not later than 90 days after the date of enactment of this Act, the Commission shall recommend persons for appointment under section 306(a)(1)(D) of the Federal Election Campaign Act of 1971, as added by subsection (a)(1)(D).

SEC. 502. AUDITS.

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

(1) by inserting ''(1)'' before ''The Commission''; and

(2) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), after every primary, general, and runoff election, the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act.

''(B) SELECTION OF SUBJECTS.—The subjects of audits and investigations under this paragraph shall be selected on the basis of impartial criteria established by a vote of at least 4 members of the Commission.

''(C) EXCLUSION.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under chapter 95 or 96 of the Internal Revenue Code of 1986.''.

SEC. 503. AUTHORITY TO SEEK INJUNCTION.

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

(1) by adding at the end the following:

''(13) AUTHORITY TO SEEK INJUNCTION.—

''(A) IN GENERAL.—If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

''(i) there is a substantial likelihood that a violation of this Act is occurring or is about to occur;

''(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

''(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

''(iv) the public interest would be best served by the issuance of an injunction;

the Commission may initiate a civil action for a temporary restraining order or preliminary injunction pending the outcome of proceedings under paragraphs (1), (2), (3), and (4).

''(B) VENUE.—An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found, or in which the violation is occurring, has occurred, or is about to occur.'';

(2) in paragraph (7), by striking ''(5) or (6)'' and inserting ''(5), (6), or (13)''; and

(3) in paragraph (11), by striking ''(6)'' and inserting ''(6) or (13)''.

SEC. 504. STANDARD FOR INVESTIGATION.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437f(a)(2)) is amended by striking ''reason to believe that'' and inserting ''reason to open an investigation on whether''.

SEC. 505. PETITION FOR CERTIORARI.

Section 307(a)(6) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437d(a)) is amended by inserting ''(including a proceeding before the Supreme Court on certiorari)'' after ''appeal''.

SEC. 506. EXPEDITED PROCEDURES.

Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 503) is amended by adding at the end the following:

''(14) EXPEDITED PROCEDURE.—

''(A) 60 DAYS BEFORE A GENERAL ELECTION.—If the complaint in a proceeding was filed within 60 days before the date of a general election, the Commission may take action described in this subparagraph.

''(B) RESOLUTION BEFORE AN ELECTION.—If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that

there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur and it appears that the requirements for relief stated in clauses (ii), (iii), and (iv) of paragraph (13)(A) are met, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, immediately seek relief under paragraph (13)(A).

''(C) MERITLESS COMPLAINTS.—If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

SEC. 507. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

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

''(5) FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.—

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

''(i) is required to maintain and file the designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file the designation, statement, or report in that manner if not required to do so under a regulation under clause (i).

''(B) FACSIMILE MACHINES.—The Commission shall prescribe a regulation that allows a person to file a designation, statement, or report required by this Act through the use of a facsimile machine.

''(C) VERIFICATION.—In a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying a designation, statement, or report. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.

''(D) COMPATIBILITY OF SYSTEMS.—The Secretary of the Senate shall ensure that any computer or other system that the Secretary may develop and maintain to receive designations, statements, and reports in the forms required or permitted under this paragraph is compatible with any system that the Commission may develop and maintain.''.

SEC. 508. POWER TO ISSUE SUBPOENA WITHOUT SIGNATURE OF CHAIRPERSON.

Section 307(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437d(a)(3)) is amended by striking '', signed by the chairman or the vice chairman,''.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. SEVERABILITY.

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

SEC. 602. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 603. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on January 1, 1999.

H.R. 2183

OFFERED BY MR. WHITE OF WASHINGTON

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 16: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Independent Commission on Campaign Finance Reform Act of 1998''.

SEC. 2. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the ''Independent Commission on Campaign Finance Reform'' (referred to in this Act as the ''Commission''). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 3. MEMBERSHIP OF COMMISSION.

(a) COMPOSITION.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) APPOINTMENT.—

(1) IN GENERAL.—Members shall be appointed as follows:

(A) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) FAILURE TO SUBMIT LIST OF NOMINEES.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint 3 members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) POLITICAL INDEPENDENT DEFINED.—In this subsection, the term ''political independent'' means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) CHAIRMAN.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) TERMS.—The members of the Commission shall serve for the life of the Commission.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) POLITICAL AFFILIATION.—Not more than 4 members of the Commission may be of the same political party.

SEC. 4. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least 9 members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 5. ADMINISTRATIVE PROVISIONS.

(a) PAY AND TRAVEL EXPENSES OF MEMBERS.—(1) Each member of the Commission shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(b) STAFF DIRECTOR.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, appoint a staff director, who shall be paid at the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(c) STAFF OF COMMISSION; SERVICES.—

(1) IN GENERAL.—With the approval of the Commission, the staff director of the Commission may appoint and fix the pay of additional personnel. The Director may make such appointments without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and any personnel so appointed may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum annual rate of basic pay payable for grade GS–15 of the General Schedule under section 5332 of title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Commission may procure by contract the temporary or intermittent services of experts or consultants pursuant to section 3109 of title 5, United States Code.

SEC. 6. REPORT AND RECOMMENDED LEGISLATION.

(a) REPORT.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Fifth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) RECOMMENDATIONS; DRAFT OF LEGISLATION.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity, including any changes in the rules of the Senate or the House of Representatives, to which 9 or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) GOALS OF RECOMMENDATIONS AND LEGISLATION.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 7. EXPEDITED CONGRESSIONAL CONSIDERATION OF LEGISLATION.

(a) IN GENERAL.—If any legislation is introduced the substance of which implements a recommendation of the Commission submitted under section 6(b) (including a joint resolution proposing an amendment to the Constitution), subject to subsection (b), the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of the legislation in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) SPECIAL RULES.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on House Oversight of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on Rules and Administration of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the recommendation involved is submitted under section 6(b).

(3) Notwithstanding subsection (d)(2) of section 2908 of such Act—

(A) debate on the legislation in the House of Representatives, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation;

(B) debate on the legislation in the Senate, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation; and

(C) debate in the Senate on any single debatable motion and appeal in connection with the legislation shall be limited to not more than 1 hour, divided equally between the mover and the manager of the bill (except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee), and the majority and minority leader may each allot additional time from time under such leader's control to any Senator during the consideration of any debatable motion or appeal.

SEC. 8. TERMINATION.

The Commission shall cease to exist 90 days after the date of the submission of its report under section 6.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this Act.

Amend the title so as to read: ''A bill to establish the Independent Commission on Campaign Finance Reform to recommend reforms in the laws relating to the financing of political activity.''.