

107TH CONGRESS
1ST SESSION

H. R. 1516

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

IN THE HOUSE OF REPRESENTATIVES

APRIL 4, 2001

Mr. SHAW introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committee on Energy 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

A BILL

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

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Campaign Finance Im-
5 provement Act of 2001”.

1 **SEC. 2. EXPANDING REPORTING REQUIREMENTS FOR CER-**
2 **TAIN CONTRIBUTIONS.**

3 (a) REQUIRING REPORTING OF ALL CONTRIBUTIONS
4 OF \$200 OR MORE WITHIN 10 DAYS OF RECEIPT.—Sec-
5 tion 304 of the Federal Election Campaign Act of 1971
6 (2 U.S.C. 434), as amended by section 502(a) of the De-
7 partment of Transportation and Related Agencies Act,
8 2001 (as enacted into law by reference under section
9 101(a) of Public Law 106–346), is amended by adding
10 at the end the following new subsection:

11 “(e)(1) Each political committee which receives a
12 contribution of \$200 or more shall notify the Commission
13 of the contribution not later than 10 days after receipt,
14 and shall include the identification of the contributor, the
15 date of receipt and amount of the contribution, and (in
16 the case of an authorized committee of a candidate) the
17 name of the candidate and the office sought by the can-
18 didate.

19 “(2) The report required under this subsection shall
20 be in addition to all other reports required under this
21 Act.”.

22 (b) EXPANDING TYPES OF CONTRIBUTIONS TO PRIN-
23 CIPAL CAMPAIGN COMMITTEES SUBJECT TO EXPEDITED
24 REPORTING.—Section 304(a)(6)(A) of such Act (2 U.S.C.
25 434(a)(6)(A)) is amended—

1 (1) by striking “\$1,000” and inserting “\$200”;

2 and

3 (2) by striking “20th day” and inserting “90th

4 day”.

5 **SEC. 3. REQUIRING MAJORITY OF AMOUNT OF CONTRIBU-**
6 **TIONS ACCEPTED BY CONGRESSIONAL CAN-**
7 **DIDATES TO COME FROM IN-STATE RESI-**
8 **DENTS.**

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

12 “(i)(1) The total amount of contributions accepted
13 with respect to an election by a candidate for the office
14 of Senator or the office of Representative in, or Delegate
15 or Resident Commissioner to, the Congress from in-State
16 individual residents shall be at least 50 percent of the total
17 amount of contributions accepted from all sources.

18 “(2) If a candidate in an election makes expenditures
19 of personal funds (including contributions by the can-
20 didate or the candidate’s spouse to the candidate’s author-
21 ized campaign committee) in an amount in excess of
22 \$250,000, paragraph (1) shall not apply with respect to
23 any opponent of the candidate in the election.

24 “(3) In determining the amount of contributions ac-
25 cepted by a candidate for purposes of paragraph (1), the

1 amounts of any contributions made by a political com-
2 mittee of a political party shall be allocated as follows:

3 “(A) 50 percent of such amounts shall be
4 deemed to be contributions from in-State individual
5 residents.

6 “(B) 50 percent of such amounts shall be
7 deemed to be contributions from persons other than
8 in-State individual residents.

9 “(4) As used in this subsection, the term ‘in-State
10 individual resident’ means an individual who resides in the
11 State in which the election involved is held.”.

12 (b) REPORTING REQUIREMENTS.—Section 304 of
13 such Act (2 U.S.C. 434), as amended by section 2(a), is
14 further amended by adding at the end the following new
15 subsection:

16 “(f)(1) Each principal campaign committee of a can-
17 didate for the Senate or the House of Representatives
18 shall include the following information in the first report
19 filed under subsection (a)(2) which covers the period
20 which begins 19 days before an election and ends 20 days
21 after the election:

22 “(A) The total contributions received by the
23 committee with respect to the election involved from
24 in-State individual residents (as defined in section

1 315(i)(4)), as of the last day of the period covered
2 by the report.

3 “(B) The total contributions received by the
4 committee with respect to the election involved from
5 all persons, as of the last day of the period covered
6 by the report.

7 “(2)(A) Each principal campaign committee of a can-
8 didate for the Senate or the House of Representatives
9 shall submit a notification to the Commission of the first
10 expenditure of personal funds (including contributions by
11 the candidate or the candidate’s spouse to the committee)
12 by which the aggregate amount of personal funds ex-
13 pended (or contributed) with respect to the election ex-
14 ceeds \$250,000.

15 “(B) Each notification under subparagraph (A)—

16 “(I) shall be submitted not later than 24 hours
17 after the expenditure or contribution which is the
18 subject of the notification is made; and

19 “(II) shall include the name of the candidate,
20 the office sought by the candidate, and the date of
21 the expenditure or contribution and amount of the
22 expenditure or contribution involved.”.

23 (c) PENALTY FOR VIOLATION OF LIMITS.—Section
24 309(d) of such Act (2 U.S.C. 437g(d)) is amended by add-
25 ing at the end the following new paragraph:

1 “(4)(A) Any candidate who knowingly and willfully
2 accepts contributions in excess of any limitation provided
3 under section 315(i) shall be fined an amount equal to
4 the greater of 200 percent of the amount accepted in ex-
5 cess of the applicable limitation or (if applicable) the
6 amount provided in paragraph (1)(A).

7 “(B) Interest shall be assessed against any portion
8 of a fine imposed under subparagraph (A) which remains
9 unpaid after the expiration of the 30-day period which be-
10 gins on the date the fine is imposed.”.

11 **SEC. 4. WAIVER OF “BEST EFFORTS” EXCEPTION FOR IN-**
12 **FORMATION ON IDENTIFICATION OF CON-**
13 **TRIBUTORS.**

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

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

19 (2) by adding at the end the following new
20 paragraph:

21 “(2) Paragraph (1) shall not apply with respect to
22 information regarding the identification of any person who
23 makes a contribution or contributions aggregating more
24 than \$200 during a calendar year (as required to be pro-
25 vided under subsection (c)(3)).”.

1 **SEC. 5. LOWERING THRESHOLD FOR CASH CONTRIBU-**
2 **TIONS.**

3 Section 321 of the Federal Election Campaign Act
4 of 1971 (2 U.S.C. 441g) is amended by striking “exceed
5 \$100” and inserting “exceed \$20”.

6 **SEC. 6. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING**
7 **AGE.**

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

11 “(9)(A) For purposes of the limitations imposed by
12 this section, any contribution made by a dependent minor
13 shall be treated as follows:

14 “(i) If the dependent minor is the dependent of
15 one other individual, the contribution shall be treat-
16 ed as a contribution made by such other individual.

17 “(ii) If the dependent minor is the dependent of
18 another individual and such other individual’s
19 spouse, the contribution shall be allocated among
20 such individuals in such manner as such other indi-
21 viduals may determine.

22 “(B) In this paragraph, the term ‘dependent minor’
23 means an individual who—

24 “(i) is a dependent of another individual; and

25 “(ii) has not, as of the time of making the con-
26 tribution involved, attained the legal age for voting

1 in elections for Federal office in the State in which
2 such individual resides.”.

3 **SEC. 7. PROHIBITING NON-CITIZEN INDIVIDUALS FROM**
4 **MAKING CONTRIBUTIONS IN CONNECTION**
5 **WITH FEDERAL ELECTIONS.**

6 Section 319(b)(2) of the Federal Election Campaign
7 Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by striking
8 “and who is not lawfully admitted” and all that follows
9 and inserting a period.

10 **SEC. 8. DISCLOSURE REQUIREMENTS FOR CERTAIN SOFT**
11 **MONEY EXPENDITURES OF POLITICAL PAR-**
12 **TIES.**

13 (a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL
14 PARTIES.—Section 304(b)(4) of the Federal Election
15 Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

16 (1) by striking “and” at the end of subpara-
17 graph (H);

18 (2) by adding “and” at the end of subpara-
19 graph (I); and

20 (3) by adding at the end the following new sub-
21 paragraph:

22 “(J) in the case of a political committee of
23 a national political party, all funds transferred
24 to any political committee of a State or local
25 political party, without regard to whether or not

1 part of such dues, fee, or payment will be used for
2 political activity in which the national bank or cor-
3 poration is engaged; and

4 “(B) for any labor organization described in
5 this section to collect from or assess its members or
6 nonmembers any dues, initiation fee, or other pay-
7 ment if any part of such dues, fee, or payment will
8 be used for political activity in which the labor orga-
9 nization is engaged.

10 “(2) An authorization described in paragraph (1)
11 shall remain in effect until revoked and may be revoked
12 at any time. Each entity collecting from or assessing
13 amounts from an individual with an authorization in effect
14 under such paragraph shall provide the individual with a
15 statement that the individual may at any time revoke the
16 authorization.

17 “(3) For purposes of this subsection, the term ‘polit-
18 ical activity’ means any activity carried out for the pur-
19 pose of influencing (in whole or in part) any election for
20 Federal office, influencing the consideration or outcome
21 of any Federal legislation or the issuance or outcome of
22 any Federal regulations, or educating individuals about
23 candidates for election for Federal office or any Federal
24 legislation, law, or regulations.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall apply to amounts collected or assessed
3 on or after the date of the enactment of this Act.

4 **SEC. 10. PROHIBITING AUTHORIZED COMMITTEES OF CAN-**
5 **DIDATES FROM ACCEPTING CONTRIBUTIONS**
6 **FROM AUTHORIZED COMMITTEES OF OTHER**
7 **CANDIDATES.**

8 Section 315 of the Federal Election Campaign Act
9 of 1971 (2 U.S.C. 441a), as amended by section 3(a), is
10 amended by adding at the end the following new sub-
11 section:

12 “(j)(1) Except as provided in paragraph (2), the au-
13 thorized committee of a candidate for election for Federal
14 office may not accept any contribution from an authorized
15 committee of another candidate for election for Federal
16 office.

17 “(2) Paragraph (1) does not apply to the transfer of
18 funds between an authorized committee of a candidate for
19 election for Federal office and an authorized committee
20 of the same candidate for election for another Federal of-
21 fice.”.

22 **SEC. 11. REQUIRING FEC TO MAKE SOFTWARE AVAILABLE**
23 **FOR ELECTRONIC FILING.**

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

1 (1) by striking “and” at the end of paragraph
2 (9);

3 (2) by striking the period at the end of para-
4 graph (10) and inserting “; and”; and

5 (3) by adding at the end the following new
6 paragraph:

7 “(11) through competitive bidding, obtain and
8 provide for computer software required to carry out
9 the electronic filing of designations, statements, and
10 reports under this Act.”.

11 **SEC. 12. REQUIRING BROADCASTERS TO PROVIDE FREE**
12 **RESPONSE TIME TO CANDIDATES SUBJECT**
13 **TO SOFT MONEY ADVERTISEMENTS.**

14 Section 317 of the Communications Act of 1934 (47
15 U.S.C. 317) is amended—

16 (1) by striking “radio station” each place it ap-
17 pears and inserting “broadcast station”; and

18 (2) by adding at the end of subsection (a) the
19 following new paragraph:

20 “(3)(A) A broadcast station may not accept for
21 broadcast any soft money advertisement which contains
22 the image, name, or likeness of a candidate for election
23 for Federal office unless the station agrees to broadcast
24 without charge—

1 “(i) if the soft money advertisement referred to
2 or presented the candidate in a critical or negative
3 manner, an advertisement provided by an authorized
4 committee of such candidate, under conditions (such
5 as the time of broadcast) similar to those under
6 which the soft money advertisement was broadcast;
7 or

8 “(ii) if the soft money advertisement referred to
9 or presented the candidate in a positive manner, an
10 advertisement provided by an authorized committee
11 of the candidate’s opponent in the election, under
12 conditions (such as the time of broadcast) similar to
13 those under which the soft money advertisement was
14 broadcast.

15 “(B) In this paragraph, the term ‘soft money adver-
16 tisement’ means an advertisement whose costs are fi-
17 nanced (in whole or in part) with funds which are not sub-
18 ject to the limitations, prohibitions, and reporting require-
19 ments of title III of the Federal Election Campaign Act
20 of 1971, but does not include any advertisement whose
21 costs are entirely financed by an authorized committee of
22 a candidate for election for Federal office.

23 “(C) In this paragraph, the terms ‘authorized com-
24 mittee’, ‘candidate’, ‘election’, and ‘Federal office’ have

1 the meaning given such terms in section 301 of the Fed-
2 eral Election Campaign Act of 1971 (2 U.S.C. 431).”.

3 **SEC. 13. EFFECTIVE DATE.**

4 Except as otherwise provided, the amendments made
5 by this Act shall apply with respect to elections and trans-
6 actions occurring after December 31, 2002.

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