

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2141

To amend the Federal Election Campaign Act of 1971 to provide for a reduction in the limitation amount for multicandidate political committee contributions to candidates, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 28, 1995

Mr. SHAYS (for himself, Mr. LUTHER, Mrs. WALDHOLTZ, Mr. BARRETT of Wisconsin, Mr. KLUG, Mr. CASTLE, Mr. MINGE, Mr. MCHALE, Mr. DEAL of Georgia, Mr. DICKEY, Mr. ZIMMER, Mr. MEEHAN, and Mr. INGLIS of South Carolina) introduced the following bill; which was referred to the Committee on House Oversight

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## A BILL

To amend the Federal Election Campaign Act of 1971 to provide for a reduction in the limitation amount for multicandidate political committee contributions to candidates, 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. REDUCTION LIMITATION AMOUNT FOR**  
4                               **MULTICANDIDATE POLITICAL COMMITTEE**  
5                               **CONTRIBUTIONS TO CANDIDATES.**

6       Section 315(a)(2)(A) of the Federal Election Cam-  
7       paign Act of 1971 (2 U.S.C. 441a(a)(2)(A)) is amended

1 by striking out “\$5,000” and inserting in lieu thereof  
2 “\$2,500”.

3 **SEC. 2. PERCENTAGE LIMITATION ON CONTRIBUTIONS**  
4 **FROM MULTICANDIDATE POLITICAL COM-**  
5 **MITTEES.**

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

9 “(i) A candidate for the office of Representative in,  
10 or Delegate or Resident Commissioner to, the Congress  
11 may not, with respect to a reporting period for an election,  
12 accept contributions from multicandidate political commit-  
13 tees totaling in excess of 50 percent of all contributions  
14 accepted by the candidate with respect to the reporting  
15 period.”.

16 **SEC. 3. HOUSE OF REPRESENTATIVES ELECTION LIMITA-**  
17 **TION ON CONTRIBUTIONS FROM PERSONS**  
18 **OTHER THAN IN-STATE RESIDENTS.**

19 Section 315 of the Federal Election Campaign Act  
20 of 1971 (2 U.S.C. 441a), as amended by section 2, is fur-  
21 ther amended by adding at the end the following new sub-  
22 section:

23 “(j)(1) A candidate for the office of Representative  
24 in, or Delegate or Resident Commissioner to, the Congress  
25 may not, with respect to a reporting period for an election,

1 accept contributions from persons other than in-State resi-  
2 dents totaling in excess of 50 percent of all contributions  
3 accepted by the candidate with respect to the reporting  
4 period.

5 “(2) As used in this subsection, the term ‘in-State  
6 resident’ means a resident of the State in which the con-  
7 gressional district involved is located.”.

8 **SEC. 4. ELIMINATION OF LIMITATIONS ON CONTRIBUTIONS**  
9 **TO CANDIDATES WHOSE OPPONENTS USE**  
10 **LARGE AMOUNTS OF PERSONAL FUNDS.**

11 (a) IN GENERAL.—Section 315 of the Federal Elec-  
12 tion Campaign Act of 1971 (2 U.S.C. 441a), as amended  
13 by sections 2 and 3, is further amended by adding at the  
14 end the following new subsection:

15 “(k) Each candidate in an election for the office of  
16 Senator or Representative in, or Delegate or Resident  
17 Commissioner to, the Congress shall declare by September  
18 1 of an election year if it is the intention of the candidate  
19 to make expenditures of \$100,000 or more from the per-  
20 sonal funds of the candidate. If a candidate declares or  
21 makes expenditures of \$100,000 or more from personal  
22 funds, then, with respect to any opponent of the candidate  
23 who so uses personal funds and the candidate who so uses  
24 personal funds, the limitation under subsection (a)(2)(A)

1 shall be deemed to be \$5,000 and the limitations under  
2 subsections (i) and (j) shall not apply.”.

3 (b) NOTIFICATION.—Section 304(a)(6) of the Fed-  
4 eral Election Campaign Act of 1971 (2 U.S.C. 434(a)(6))  
5 is amended by adding at the end the following new sub-  
6 paragraph:

7 “(C)(i) If expenditures of personal funds aggregate  
8 a total of \$100,000 or more, the principal campaign com-  
9 mittee of a candidate shall notify the Commission in writ-  
10 ing by telegram, facsimile, or other written electronic  
11 means.

12 “(ii) The notification requirement under clause (i)  
13 shall be made not later than 24 hours after the expendi-  
14 ture is made.

15 “(iii) The Commission shall notify all other can-  
16 didates of the expenditure immediately upon receipt of no-  
17 tification under clause (i).”.

18 **SEC. 5. PROHIBITION OF LEADERSHIP COMMITTEES; RE-**  
19 **STRICTION ON CONTRIBUTIONS BETWEEN**  
20 **PRINCIPAL CAMPAIGN COMMITTEES.**

21 (a) LEADERSHIP COMMITTEE PROHIBITION.—Sec-  
22 tion 302 of the Federal Election Campaign Act of 1971  
23 (2 U.S.C. 432) is amended by adding at the end the fol-  
24 lowing new subsection:

1 “(j) A candidate for Federal office may not establish,  
2 maintain, finance, or control a political committee, other  
3 than the principal campaign committee of the candidate.”.

4 (b) PRINCIPAL CAMPAIGN COMMITTEE RESTRIC-  
5 TION.—Section 315 of the Federal Election Campaign Act  
6 of 1971 (2 U.S.C. 441a), as amended by sections 2, 3,  
7 and 4, is further amended by adding at the end the follow-  
8 ing new subsection:

9 “(l) A principal campaign committee of a candidate  
10 for Federal office may not make any contribution to any  
11 other principal campaign committee (other than the prin-  
12 cipal campaign committee of the same individual as a can-  
13 didate for another Federal office).”.

14 **SEC. 6. CONTRIBUTIONS THROUGH INTERMEDIARIES AND**  
15 **CONDUITS.**

16 Section 315(a)(8) of the Federal Election Campaign  
17 Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read  
18 as follows:

19 “(8) For the purposes of this subsection:

20 “(A) Contributions made by a person, either di-  
21 rectly or indirectly, to or on behalf of a particular  
22 candidate, including contributions that are in any  
23 way earmarked or otherwise directed through an  
24 intermediary or conduit to a candidate, shall be

1 treated as contributions from the person to the can-  
2 didate.

3 “(B) Contributions made directly or indirectly  
4 by a person to or on behalf of a particular candidate  
5 through an intermediary or conduit, including con-  
6 tributions made or arranged to be made by an  
7 intermediary or conduit, shall be treated as contribu-  
8 tions from the intermediary or conduit to the can-  
9 didate if—

10 “(i) the contributions made through the  
11 intermediary or conduit are in the form of a  
12 check or other negotiable instrument made pay-  
13 able to the intermediary or conduit rather than  
14 the intended recipient; or

15 “(ii) the intermediary or conduit is—

16 “(I) a political committee;

17 “(II) an officer, employee, or agent of  
18 such a political committee;

19 “(III) a political party;

20 “(IV) a partnership or sole proprietor-  
21 ship;

22 “(V) a person who is required to reg-  
23 ister or to report its lobbying activities, or  
24 a lobbyist whose activities are required to  
25 be reported, under section 308 of the Fed-

1 eral Regulation of Lobbying Act (2 U.S.C.  
2 267), the Foreign Agents Registration Act  
3 of 1938 (22 U.S.C. 611 et seq.), or any  
4 successor Federal law requiring a person  
5 who is a lobbyist or foreign agent to reg-  
6 ister or a person to report its lobbying ac-  
7 tivities; or

8 “(VI) an organization prohibited from  
9 making contributions under section 316, or  
10 an officer, employee, or agent of such an  
11 organization acting on the organization’s  
12 behalf.

13 “(C)(i) The term ‘intermediary or conduit’ does  
14 not include—

15 “(I) a candidate or representative of a can-  
16 didate receiving contributions to the candidate’s  
17 principal campaign committee or authorized  
18 committee;

19 “(II) a professional fundraiser com-  
20 pensated for fundraising services at the usual  
21 and customary rate, but only if the individual  
22 is not described in subparagraph (B)(ii);

23 “(III) a volunteer hosting a fundraising  
24 event at the volunteer’s home, in accordance

1 with section 301(8)(B), but only if the individ-  
2 ual is not described in subparagraph (B)(ii); or

3 “(IV) an individual who transmits a con-  
4 tribution from the individual’s spouse.

5 “(ii) The term ‘representative’ means an indi-  
6 vidual who is expressly authorized by the candidate  
7 to engage in fundraising, and who occupies a signifi-  
8 cant position within the candidate’s campaign orga-  
9 nization, provided that the individual is not de-  
10 scribed in subparagraph (B)(ii).

11 “(iii) The term ‘contributions made or arranged  
12 to be made’ includes—

13 “(I) contributions delivered to a particular  
14 candidate or the candidate’s authorized commit-  
15 tee or agent; and

16 “(II) contributions directly or indirectly ar-  
17 ranged to be made to a particular candidate or  
18 the candidate’s authorized committee or agent,  
19 in a manner that identifies directly or indirectly  
20 to the candidate or authorized committee or  
21 agent the person who arranged the making of  
22 the contributions or the person on whose behalf  
23 such person was acting.

24 Such term does not include contributions made, or  
25 arranged to be made, by reason of an oral or written

1 communication by a candidate for Federal office or  
2 Federal officeholder expressly advocating the nomi-  
3 nation for election, or election, of any other can-  
4 didate for Federal office and encouraging the mak-  
5 ing of a contribution to such other candidate.

6 “(iv) The term ‘acting on the organization’s be-  
7 half’ includes the following activities by an officer,  
8 employee or agent of a person described in subpara-  
9 graph (B)(ii)(VI):

10 “(I) Soliciting or directly or indirectly ar-  
11 ranging the making of a contribution to a par-  
12 ticular candidate in the name of, or by using  
13 the name of, such a person.

14 “(II) Soliciting or directly or indirectly ar-  
15 ranging the making of a contribution to a par-  
16 ticular candidate using other than incidental re-  
17 sources of such a person.

18 “(III) Soliciting contributions for a par-  
19 ticular candidate by substantially directing the  
20 solicitations to other officers, employees, or  
21 agents of such a person.

22 “(D) Nothing in this paragraph shall prohibit—

23 “(i) bona fide joint fundraising efforts con-  
24 ducted solely for the purpose of sponsorship of  
25 a fundraising reception, dinner, or other similar

1 event, in accordance with rules prescribed by  
2 the Commission, by—

3 “(I) 2 or more candidates;

4 “(II) 2 or more national, State, or  
5 local committees of a political party within  
6 the meaning of section 301(4) acting on  
7 their own behalf; or

8 “(III) a special committee formed by  
9 2 or more candidates, or a candidate and  
10 a national, State, or local committee of a  
11 political party acting on their own behalf;  
12 or

13 “(ii) fundraising efforts for the benefit of  
14 a candidate that are conducted by another can-  
15 didate.

16 When a contribution is made to a candidate through an  
17 intermediary or conduit, the intermediary or conduit shall  
18 report the original source and the intended recipient of  
19 the contribution to the Commission and to the intended  
20 recipient.”.

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