

104TH CONGRESS
2D SESSION

H. R. 3543

To provide for congressional election campaign accountability, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 29, 1996

Ms. DUNN of Washington (for herself, Mr. ISTOOK, Mr. JACOBS, and Mr. ENGLISH of Pennsylvania) introduced the following bill; which was referred to the Committee on House Oversight, and in addition to the Committees on Government Reform and Oversight, and 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

A BILL

To provide for congressional election campaign accountability, 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 “Fairness, Accountabil-
5 ity, Integrity, and Reform (FAIR) Elections Act of 1996”.

1 **TITLE I—PROMOTING FAIR COM-**
2 **PETITION BETWEEN INCUM-**
3 **BENTS AND CHALLENGERS**

4 **SEC. 101. LIMITATION ON FRANKED MASS MAILING PRIOR**
5 **TO GENERAL ELECTION.**

6 Section 3210(a)(6)(A) of title 39, United States
7 Code, is amended—

8 (1) by redesignating clause (ii) as clause (iii);

9 (2) by amending clause (i) to read as follows:

10 “(i) if the mass mailing is postmarked fewer
11 than 60 days immediately before the date of any pri-
12 mary election (whether regular, special, or runoff) in
13 which the Member is a candidate for reelection;”;
14 and

15 (3) by inserting after clause (i) the following:

16 “(ii) if the mass mailing is postmarked fewer
17 than 180 days immediately before the date of any
18 general election (whether regular, special, or runoff)
19 in which the Member is a candidate for reelection;
20 or”.

1 **SEC. 102. HOUSE OF REPRESENTATIVES ELECTION LIMITA-**
2 **TIONS ON CONTRIBUTIONS FROM PERSONS**
3 **OTHER THAN STATE AND LOCAL RESIDENTS.**

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

7 “(i)(1) A candidate for the office of Representative
8 in, or Delegate or Resident Commissioner to, the Congress
9 may not, with respect to a reporting period for an election,
10 accept—

11 “(A) contributions from persons other than
12 local residents totaling in excess of three times the
13 total of contributions accepted from local residents;
14 or

15 “(B) contributions from persons other than
16 State residents totaling in excess of one half of the
17 total of contributions accepted from State residents.

18 “(2) For purposes of this subsection—

19 “(A) the term ‘local resident’ means a person
20 who resides or has its principal place of business in
21 the congressional district from which the candidate
22 involved seeks election;

23 “(B) an individual may not be considered a
24 resident of more than one congressional district; and

25 “(C) the term ‘State resident’ means a person
26 who resides or has its principal place of business in

1 the State in which the congressional district involved
2 is located.

3 “(3)(A) Any candidate who accepts contributions that
4 exceed a limitation under this subsection by 5 percent or
5 less shall refund the excess contributions to the persons
6 who made the contributions.

7 “(B) Any candidate who accepts contributions that
8 exceed a limitation under this subsection by more than 5
9 percent and less than 10 percent shall pay to the Commis-
10 sion, for deposit in the Treasury, an amount equal to three
11 times the amount of the excess contributions.

12 “(C) Any candidate who accepts contributions that
13 exceed a limitation under this subsection by 10 percent
14 or more shall pay to the Commission, for deposit in the
15 Treasury, an amount equal to three times the amount of
16 the excess contributions plus a civil penalty in an amount
17 determined by the Commission.”.

1 **TITLE II—REDUCING THE INFLU-**
2 **ENCE OF MULTICANDIDATE**
3 **POLITICAL COMMITTEES,**
4 **LOBBYISTS, AND FOREIGN**
5 **AGENTS**

6 **SEC. 201. RESTRICTIONS ON BUNDLING.**

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

10 “(9)(A) No person described in subparagraph (B), ei-
11 ther directly or indirectly, may act as a conduit or
12 intermediary for any contribution to a candidate.

13 “(B) A person referred to in subparagraph (A) is—

14 “(i) a multicandidate political committee (as de-
15 fined in subsection (a)(4)); or

16 “(ii) a person who is required to register or to
17 report its lobbying activities, or a lobbyist whose ac-
18 tivities are required to be reported, under section
19 308 of the Federal Regulation of Lobbying Act (2
20 U.S.C. 267), the Foreign Agents Registration Act of
21 1938 (22 U.S.C. 611 et seq.), or any successor Fed-
22 eral law requiring a person who is a lobbyist or for-
23 eign agent to register or a person to report its lobby-
24 ing activities.

25 “(C) For purposes of this paragraph:

1 “(i) The term ‘conduit or intermediary’ means
2 a person who transmits a contribution to a can-
3 didate or candidate’s committee or representative
4 from another person, except that—

5 “(I) a candidate or representative of a can-
6 didate is not a conduit or intermediary for the
7 purpose of transmitting contributions to the
8 candidate’s principal campaign committee or
9 authorized committee; and

10 “(II) an individual is not a conduit or
11 intermediary for the purpose of transmitting a
12 contribution from the individual’s spouse.

13 “(ii) The term ‘representative’ means an indi-
14 vidual who is expressly authorized by the candidate
15 to engage in fundraising, and who occupies a signifi-
16 cant position within the candidate’s campaign orga-
17 nization, provided that the individual is not acting as
18 an officer, employee or agent of any other person.

19 “(D)(i) Nothing in this paragraph shall prohibit—

20 “(I) joint fundraising conducted in accordance
21 with rules prescribed by the Commission by 2 or
22 more candidates; or

23 “(II) fundraising for the benefit of a candidate
24 that is conducted by another candidate.

1 “(ii) No person prohibited from acting as a conduit
2 or intermediary under subparagraph (A) may conduct or
3 otherwise participate in joint fundraising activities with or
4 on behalf of any candidate.”.

5 **SEC. 202. REDUCTION IN LIMITATION AMOUNT FOR CON-**
6 **TRIBUTIONS TO CANDIDATES FOR FEDERAL**
7 **OFFICE BY MULTICANDIDATE POLITICAL**
8 **COMMITTEES TO THE SAME AMOUNT APPLI-**
9 **CABLE TO CONTRIBUTIONS BY OTHER PER-**
10 **SONS.**

11 (a) IN GENERAL.—Section 315(a)(2)(A) of the Fed-
12 eral Election Campaign Act of 1971 (2 U.S.C.
13 441a(a)(2)(A)) is amended by striking out “\$5,000;” and
14 inserting “the amount applicable to contributions by other
15 persons under paragraph (1)(A);”.

16 (b) INDEXING.—Section 315(a) of the Federal Elec-
17 tion Campaign Act of 1971 (2 U.S.C. 441a(a)), as amend-
18 ed by section 201, is further amended by adding at the
19 end the following new paragraph:

20 “(10) The amounts under paragraphs (1)(A) and
21 (2)(A) shall each be adjusted as of the beginning of each
22 calendar year based on the certification of the price index
23 difference under subsection (c), except that the base pe-
24 riod shall be calendar year 1996.”.

1 (c) AUTOMATIC CHANGE IN CERTAIN AMOUNTS.—
2 Section 315(a) of the Federal Election Campaign Act of
3 1971 (2 U.S.C. 441a(a)), as amended by section 201 and
4 subsection (b), is further amended by adding at the end
5 the following new paragraph:

6 “(11) If any change is made in the amount under
7 paragraph (1)(A) or the amount under paragraph (2)(A),
8 whether by law or by operation of paragraph (10), the
9 same change shall take effect with respect to the amount
10 in the other such paragraph.”.

11 **SEC. 203. LIMITATION ON FUNDRAISING BY MEMBERS OF**
12 **THE HOUSE OF REPRESENTATIVES IN THE**
13 **DISTRICT OF COLUMBIA.**

14 Title III of the Federal Election Campaign Act of
15 1971 (2 U.S.C. 431 et seq.) is amended by adding at the
16 end the following new section:

17 “LIMITATION ON FUNDRAISING BY MEMBERS OF THE
18 HOUSE OF REPRESENTATIVES IN THE DISTRICT OF
19 COLUMBIA

20 “SEC. 323. A Representative in, or a Delegate or
21 Resident Commissioner to, the Congress may not solicit
22 or accept any contribution in the District of Columbia at
23 any time when the House of Representatives is conducting
24 legislative business.”.

1 **TITLE III—DISCOURAGING CAN-**
2 **DIDATE EXPENDITURE OF**
3 **PERSONAL WEALTH**

4 **SEC. 301. PAYMENT OF CAMPAIGN DEBT BY HOUSE OF REP-**
5 **RESENTATIVES CANDIDATES.**

6 Section 315 of the Federal Election Campaign Act
7 of 1971 (2 U.S.C. 441a), as amended by section 102, is
8 amended by adding at the end the following new sub-
9 section:

10 “(j) Not later than the 90th day after a general, spe-
11 cial, or runoff election for the office of Representative in,
12 or Delegate or Resident Commissioner to, the Congress,
13 any outstanding debt of, or loan or extension of credit to,
14 a candidate for such office or an authorized committee of
15 the candidate with respect to such election shall be paid
16 or repaid in full. Any such debt, loan, or extension of cred-
17 it that is not paid or repaid by such date shall be assumed
18 as a personal obligation by the candidate. No contribution
19 made to the candidate or an authorized committee of the
20 candidate may be used after such date to pay or repay
21 such debt, loan, or extension of credit.”.

22 **SEC. 302. CANDIDATE EXPENDITURES FROM PERSONAL**
23 **FUNDS.**

24 Section 315 of the Federal Election Campaign Act
25 of 1971 (2 U.S.C. 441a), as amended by sections 102 and

1 301, is further amended by adding at the end the following
2 new subsection:

3 “(k)(1) A candidate for the office of Representative
4 in, or Delegate or Resident Commissioner to, the Con-
5 gress, who makes an expenditure from the personal funds
6 of the candidate or the personal funds of a member of
7 the immediate family of the candidate or incurs a personal
8 loan in connection with the campaign for such office may
9 repay such expenditure or loan from contributions made
10 to the candidate or any authorized committee of the can-
11 didate with respect to the election only to the extent of
12 the actual amount of the loan or \$25,000, whichever is
13 the lesser amount. Repayment of any such loan shall not
14 include any interest on the principal amount of such loan.

15 “(2) For purposes of this subsection, the term ‘imme-
16 diate family’ means a candidate’s spouse, and any child,
17 stepchild, parent, grandparent, brother, half-brother, sis-
18 ter or half-sister of the candidate, and the spouse of any
19 such person and any child, stepchild, parent, grandparent,
20 brother, half-brother, sister or half-sister of the can-
21 didate’s spouse, and any spouse of any such person.

22 “(3) The amount under the first sentence of para-
23 graph (1) shall be adjusted as of the beginning of each
24 calendar year based on the certification of the price index

1 difference under section 315(c), except that the base pe-
 2 riod shall be calendar year 1996.”.

3 **TITLE IV—ENCOURAGING PAR-**
 4 **TICIPATION IN POLITICAL**
 5 **CAMPAIGNS AND STRENGTH-**
 6 **ENING POLITICAL PARTIES**

7 **SEC. 401. DEDUCTION FOR CONTRIBUTIONS TO CAN-**
 8 **DIDATES FOR PUBLIC OFFICE.**

9 (a) IN GENERAL.—Part VII of subchapter B of chap-
 10 ter 1 of the Internal Revenue Code of 1986 (relating to
 11 additional itemized deductions for individuals) is amended
 12 by inserting after section 217 the following new section:

13 **“SEC. 218. CONTRIBUTIONS TO CANDIDATES FOR PUBLIC**
 14 **OFFICE.**

15 “(a) ALLOWANCE OF DEDUCTION.—In the case of an
 16 individual, there shall be allowed as a deduction any politi-
 17 cal contribution payment of which is made by the individ-
 18 ual within the taxable year.

19 “(b) LIMITATIONS.—

20 “(1) AMOUNT.—The deduction under sub-
 21 section (a) shall not exceed \$100 (\$200 in the case
 22 of a joint return).

23 “(2) VERIFICATION.—The deduction under sub-
 24 section (a) shall be allowed, with respect to any po-
 25 litical contribution, only if the contribution is veri-

1 fied in the manner prescribed by the Secretary in
2 regulations.

3 “(3) INDEXING.—The amounts under para-
4 graph (1) shall each be adjusted as of the beginning
5 of each calendar year based on the certification of
6 the price index difference under section 315(c) of
7 the Federal Election Campaign Act of 1971 (2
8 U.S.C. 441a(c)), except that the base period shall be
9 calendar year 1996.

10 “(c) DEFINITIONS.—For purposes of this section—

11 “(1) POLITICAL CONTRIBUTION.—The term
12 ‘political contribution’ means a contribution or gift
13 of money to—

14 “(A) an individual who is a candidate for
15 nomination or election to any Federal, State, or
16 local elective public office in any primary, gen-
17 eral, or special election, for use by the individ-
18 ual to further the candidacy of the individual
19 for nomination or election to the office,

20 “(B) any committee, association, or organi-
21 zation (whether or not incorporated) organized
22 and operated exclusively for the purpose of in-
23 fluencing, or attempting to influence, the nomi-
24 nation or election of 1 or more individuals who
25 are candidates for nomination or election to any

1 Federal, State, or local elective public office, for
2 use by the committee, association, or organiza-
3 tion to further the candidacy of the individual
4 or individuals for nomination or election to the
5 office,

6 “(C) the national committee of a national
7 political party,

8 “(D) the State committee of a national po-
9 litical party as designated by the national com-
10 mittee of the party, or

11 “(E) a local committee of a national politi-
12 cal party as designated by the State committee
13 of the party designated under subparagraph
14 (D).

15 “(2) CANDIDATE.—The term ‘candidate’
16 means, with respect to any Federal, State, or local
17 elective public office, an individual who—

18 “(A) publicly announces before the close of
19 the calendar year following the calendar year in
20 which the contribution or gift is made that the
21 individual is a candidate for nomination or elec-
22 tion to the office, and

23 “(B) meets the qualifications prescribed by
24 law to hold such office.

1 “(3) NATIONAL POLITICAL PARTY.—The term
2 ‘national political party’ means—

3 “(A) in the case of contributions made
4 during a taxable year of the taxpayer in which
5 the electors of President and Vice President are
6 chosen, a political party presenting candidates
7 or electors for such offices on the official elec-
8 tion ballot of 10 or more States, or

9 “(B) in the case of contributions made
10 during any other taxable year of the taxpayer,
11 a political party which met the qualifications
12 described in subparagraph (A) in the last pre-
13 ceding election of a President and Vice Presi-
14 dent.

15 “(4) STATE AND LOCAL.—The term ‘State’
16 means the various States and the District of Colum-
17 bia. The term ‘local’ means a political subdivision or
18 part thereof, or 2 or more political subdivisions or
19 parts thereof, of a State.

20 “(d) CROSS REFERENCES.—

**“(1) For disallowance of deduction to estates and
 trusts, see section 642(j).**

**“(2) For treatment of Indian tribal governments as
 States (and the subdivisions of Indian tribal govern-
 ments as political subdivisions of States), see sec-
 tion 7871.”**

21 (b) CONFORMING AMENDMENTS.—

1 (1) Section 642 of such Code (relating to spe-
2 cial rules for credits and deductions) is amended by
3 adding at the end the following new subsection:

4 “(j) POLITICAL CONTRIBUTIONS.—An estate or trust
5 shall not be allowed any deduction under section 218 (re-
6 lating to contributions to candidates for public office).”

7 (2) Paragraph (6) of section 7871(a) of such
8 Code (relating to Indian tribal governments treated
9 as States for certain purposes) is amended by redesi-
10 gnating subparagraphs (B) and (C) as subpara-
11 graphs (C) and (D), respectively, and by inserting
12 after subparagraph (A) the following new subpara-
13 graph:

14 “(B) section 218(c)(4) (relating to con-
15 tributions to candidates for public office),”.

16 (3) The table of sections for part VII of sub-
17 chapter B of chapter 1 of such Code is amended by
18 inserting after the item relating to section 217 the
19 following new item:

 “Sec. 218. Contributions to candidates for public office.”

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to amounts paid after the date of
22 the enactment of this Act.

23 **SEC. 402. POLITICAL PARTY CONTRIBUTIONS.**

24 Section 315(d) of the Federal Election Campaign Act
25 of 1971 (2 U.S.C. 441a(d)) is amended—

1 (1) in paragraph (1), by striking “and (3)” and
2 inserting “, (3), and (4)”;

3 (2) in paragraph (3), by striking “The” and in-
4 serting “Except as provided in paragraph (4), the”;
5 and

6 (3) by adding at the end the following:

7 “(4) The national, State, and local committees of a
8 political party each may contribute \$5,000 to a candidate
9 for office of Representative in, or Delegate or Resident
10 Commissioner to, the Congress or to the authorized politi-
11 cal committee of the candidate. The amount under the
12 preceding sentence shall be adjusted as of the beginning
13 of each calendar year based on the certification of the
14 price index difference under subsection (c), except that the
15 base period shall be calendar year 1996.”.

16 **TITLE V—IMPROVING THE OPER-**
17 **ATION OF THE FEDERAL**
18 **ELECTION COMMISSION**

19 **SEC. 501. CHANGE IN CERTAIN REPORTING FROM A CAL-**
20 **ENDAR YEAR BASIS TO AN ELECTION CYCLE**
21 **BASIS.**

22 Paragraphs (2) through (7) of section 304(b) of the
23 Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)
24 (2)–(7)) are amended by inserting after “calendar year”
25 each place it appears the following: “(election cycle, in the

1 case of an authorized committee of a candidate for Federal
2 office)”).

3 **SEC. 502. RANDOM AUDITS.**

4 Section 311(b) of the Federal Election Campaign Act
5 of 1971 (2 U.S.C. 438(b)) is amended—

6 (1) by inserting “(1)” before “The Commis-
7 sion”; and

8 (2) by adding at the end the following:

9 “(2)(A) Notwithstanding paragraph (1), the Commis-
10 sion may from time to time conduct random audits and
11 investigations to ensure voluntary compliance with this
12 Act. The subjects of such audits and investigations shall
13 be selected on the basis of criteria established by vote of
14 at least 4 members of the Commission to ensure impartial-
15 ity in the selection process.”.

16 **SEC. 503. PRELIMINARY REPORT ON INVESTIGATION OF**
17 **ALLEGED VIOLATION.**

18 Section 309(a)(2) of the Federal Election Campaign
19 Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by adding
20 at the end the following: “If the Commission is unable to
21 complete the investigation before the expiration of the 90-
22 day period beginning on the date that the vote is taken
23 under this paragraph, the Commission shall prepare a pre-
24 liminary report on such investigation and submit it to the
25 respondent not later than the date of the expiration of

1 such period. In the preliminary report, the Commission
2 shall specify a date certain for completion of the investiga-
3 tion. If, on that date, the investigation has not been com-
4 pleted, the investigation shall be terminated and the com-
5 plaint, if any, shall be dismissed, unless, by vote of at least
6 4 members, the Commission determines that the investiga-
7 tion should continue.”.

8 **TITLE VI—ACTIVITIES OF LABOR**
9 **ORGANIZATIONS, CORPORA-**
10 **TIONS, AND OTHER ENTITIES**

11 **SEC. 601. LIMITATION ON CONTRIBUTIONS AND EXPENDI-**
12 **TURES BY LABOR ORGANIZATIONS.**

13 (a) CONTRIBUTIONS TO ALL POLITICAL COMMIT-
14 TEES INCLUDED.—Paragraph (2) of section 316(b) of the
15 Federal Election Campaign Act of 1971 (2 U.S.C.
16 441b(b)(2)) is amended by inserting “political commit-
17 tee,” after “campaign committee,”.

18 (b) APPLICABILITY OF REQUIREMENTS TO LABOR
19 ORGANIZATIONS.—Section 316(b) of such Act (2 U.S.C.
20 441b(b)) is amended by adding at the end the following
21 new paragraph:

22 “(8)(A) Subparagraphs (A), (B), and (C) of para-
23 graph (2) shall not apply to a labor organization unless
24 the organization meets the requirements of subparagraphs
25 (B), (C), and (D).

1 “(B) The requirements of this subparagraph are met
2 only if the labor organization provides, at least once annu-
3 ally, to all employees within the labor organization’s bar-
4 gaining unit or units (and to new employees within 30
5 days after commencement of their employment) written
6 notification presented in a manner to inform any such em-
7 ployee—

8 “(i) that an employee cannot be obligated to
9 pay, through union dues or any other mandatory
10 payment to a labor organization, for the political ac-
11 tivities of the labor organization, including, but not
12 limited to, the maintenance and operation of, or so-
13 licitation of contributions to, a political committee,
14 political communications to members, and voter reg-
15 istration and get-out-the-vote campaigns;

16 “(ii) that no employee may be required actually
17 to join any labor organization, but if a collective bar-
18 gaining agreement covering an employee purports to
19 require membership or payment of dues or other
20 fees to a labor organization as a condition of em-
21 ployment, the employee may elect instead to pay an
22 agency fee to the labor organization;

23 “(iii) that the amount of the agency fee shall be
24 limited to the employee’s pro rata share of the cost
25 of the labor organization’s exclusive representation

1 services to the employee’s collective bargaining unit,
2 including collective bargaining, contract administra-
3 tion, and grievance adjustment;

4 “(iv) that an employee who elects to be a full
5 member of the labor organization and pay member-
6 ship dues is entitled to a reduction of those dues by
7 the employee’s pro rata share of the total spending
8 by the labor organization for political activities;

9 “(v) that the cost of the labor organization’s ex-
10 clusive representation services, and the amount of
11 spending by such organization for political activities,
12 shall be computed on the basis of such cost and
13 spending for the immediately preceding fiscal year of
14 such organization; and

15 “(vi) of the amount of the labor organization’s
16 full membership dues, initiation fees, and assess-
17 ments for the current year; the amount of the re-
18 duced membership dues, subtracting the employee’s
19 pro rata share of the organization’s spending for po-
20 litical activities, for the current year; and the
21 amount of the agency fee for the current year.

22 “(C) The requirements of this subparagraph are met
23 only if the labor organization provides all represented em-
24 ployees an annual examination by an independent certified
25 public accountant of financial statements supplied by such

1 organization which attests that the expenditures which the
2 union claimed it made for certain expenses were actually
3 made for those expenses. Such examination shall be con-
4 ducted in accordance with generally accepted auditing
5 standards.

6 “(D) The requirements of this subparagraph are met
7 only if the labor organization—

8 “(i) maintains procedures to promptly deter-
9 mine the costs that may properly be charged to
10 agency fee payors as costs of exclusive representa-
11 tion, and explains such procedures in the written no-
12 tification required under subparagraph (B); and

13 “(ii) if any person challenges the costs which
14 may be properly charged as costs of exclusive rep-
15 resentation—

16 “(I) provides a mutually selected impartial
17 decisionmaker to hear and decide such chal-
18 lenge pursuant to rules of discovery and evi-
19 dence and subject to de novo review by the Na-
20 tional Labor Relations Board or an applicable
21 court; and

22 “(II) places in escrow amounts reasonably
23 in dispute pending the outcome of the chal-
24 lenge.

1 “(E)(i) A labor organization that does not satisfy the
2 requirements of subparagraphs (B), (C), and (D) shall fi-
3 nance any expenditures specified in subparagraphs (A) or
4 (B) of paragraph (2) only with funds legally collected
5 under this Act for its separate segregated fund.

6 “(ii) For purposes of this paragraph, subparagraph
7 (A) of paragraph (2) shall apply only with respect to com-
8 munications expressly advocating the election or defeat of
9 any clearly identified candidate for elective public office.”.

10 **SEC. 602. DISCLOSURE OF ELECTION-RELATED ACTIVITY**

11 **BY CORPORATIONS, LABOR ORGANIZATIONS**

12 **AND NONPROFIT ORGANIZATIONS.**

13 Section 304 of the Federal Election Campaign Act
14 of 1971 (2 U.S.C. 434) is amended by adding at the end
15 the following new subsection:

16 “(d) Any corporation, labor organization, or non-
17 profit organization that makes a payment for a commu-
18 nication or other activity that—

19 “(1) relates to any election for Federal office;

20 and

21 “(2) in the case of a corporation or labor orga-
22 nization, by reason of subparagraph (A), (B), or (C)
23 of paragraph (2) of section 316(b), is not a con-
24 tribution or expenditure;

1 shall report such payment to the Commission in the same
2 manner as a contribution or expenditure, as the case may
3 be, is reported by a principal campaign committee of a
4 candidate for the House of Representatives or the Senate
5 under this section.”.

6 **TITLE VII—EFFECTIVE DATE**

7 **SEC. 701. EFFECTIVE DATE.**

8 Except as otherwise provided in this Act, the amend-
9 ments made by, and the provisions of, this Act shall take
10 effect on the date of the enactment of this Act, but shall
11 not apply with respect to activities in connection with any
12 election occurring before January 1, 1996.

○