

105TH CONGRESS
1ST SESSION

H. R. 506

To amend the Federal Election Campaign Act of 1971 to provide for public funding for House of Representatives elections, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 1997

Mr. ANDREWS introduced the following bill; which was referred to the Committee on House Oversight

A BILL

To amend the Federal Election Campaign Act of 1971 to provide for public funding for House of Representatives elections, 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. PUBLIC FUNDING FOR HOUSE OF REPRESENT-**
4 **ATIVES ELECTIONS.**

5 The Federal Election Campaign Act of 1971 is
6 amended by adding at the end the following new title:

1 **“TITLE V—PUBLIC FUNDING FOR**
2 **HOUSE OF REPRESENTA-**
3 **TIVES ELECTIONS**

4 **“SEC. 501. QUALIFICATIONS FOR PUBLIC FUNDING.**

5 “A House of Representatives candidate qualifies for
6 public funding if, as determined by the Commission—

7 “(1) at least 6 weeks before the general elec-
8 tion, the candidate obtains the signatures of 3 per-
9 cent of the registered voters in the congressional dis-
10 trict involved; or

11 “(2) the candidate is the candidate of a political
12 party, the candidate of which, in the preceding gen-
13 eral election, received more than 25 percent of the
14 vote.

15 **“SEC. 502. LIMITATIONS ON CONTRIBUTIONS TO QUALIFY-**
16 **ING HOUSE OF REPRESENTATIVES CAN-**
17 **DIDATES.**

18 “(a) **INDIVIDUAL CONTRIBUTIONS REQUIREMENT.—**
19 A qualifying House of Representatives candidate may not
20 accept contributions other than contributions from individ-
21 uals that total not more than \$100 per individual per elec-
22 tion cycle.

23 “(b) **IN-STATE CONTRIBUTION REQUIREMENT.—**
24 With respect to each reporting period for an election, at
25 least 80 percent of the total sum of contributions accepted

1 by a qualifying House of Representatives candidate shall
2 be from the State in which the congressional district in-
3 volved is located.

4 **“SEC. 503. USE OF PUBLIC FUNDING.**

5 “(a) IN GENERAL.—A qualifying House of Rep-
6 resentatives candidate may use public funds only for—

7 “(1) buying time on radio, cable, or television
8 broadcast stations;

9 “(2) buying rental space on billboards or other
10 outdoor signs;

11 “(3) buying advertising space in magazines,
12 newspapers, periodicals, and other advertising
13 media, including theaters, the internet, and the
14 worldwide web;

15 “(4) payment of the cost of producing adver-
16 tisements for media referred to in paragraphs (1),
17 (2), and (3);

18 “(5) procurement of computerized campaign
19 software, voter lists, and other voter contact tools;

20 “(6) payment of the cost of printing and mail-
21 ing campaign literature;

22 “(7) payment of the cost of telephone expenses;

23 “(8) payment of legal and accounting costs as-
24 sociated with campaigning;

25 “(9) payment of campaign employees’ salaries;

1 “(10) payment of the cost of campaign office
2 equipment and supplies; and

3 “(11) payment of incidental expenses of the
4 candidate, such as travel and food.

5 “(b) SPECIFIC EXCLUSION.—A qualifying House of
6 Representatives candidate may not use public funds under
7 this title to pay the candidate a salary or personal mort-
8 gages.

9 “(c) CALCULATION OF PUBLIC DISBURSEMENT.—A
10 qualifying House of Representatives candidate shall re-
11 ceive public funds closely approximating the cost of pro-
12 curing 2½ hours of television commercial time on local
13 television stations in the district’s media markets. An
14 exact amount shall be determined by the Commission,
15 using (i) the average cost of a media point per media mar-
16 ket, as defined by Arbitron Area of Dominant Influence,
17 for the 4th quarter of the preceding calendar year, and
18 (ii) a multiplier of 5,000 media points. The funds may
19 be used for any purpose specified in subsection (a).

20 “(d) DISBURSEMENTS.—The Commission shall make
21 disbursements of public funds under this title upon sub-
22 mission of evidence that an eligible expense has been in-
23 curred. No disbursement may be made with respect to an
24 expense incurred more than 4 months before the election
25 involved.

1 **“SEC. 504. MAXIMUM AMOUNT OF PUBLIC FUNDING.**

2 “(a) IN GENERAL.—The maximum amount of public
3 funding that a qualifying House of Representatives can-
4 didate may receive is \$750,000.

5 “(b) INDEXING.—The amount under subsection (a)
6 shall be increased as of the beginning of each even-num-
7 bered calendar year, based on the increase in the price
8 index determined under section 315(c), except that the
9 base period shall be calendar year 1995.

10 **“SEC. 505. TELEVISION DEBATE REQUIREMENT.**

11 “A qualifying House of Representatives candidate
12 shall be required to participate in at least 2 televised de-
13 bates, organized by a bipartisan or nonpartisan group, in
14 the congressional district media market.

15 **“SEC. 506. REQUIREMENT FOR ACCEPTANCE OF ADVERTIS-**
16 **ING BY RADIO AND TELEVISION STATIONS.**

17 “(a) IN GENERAL.—Each radio station and each tele-
18 vision station shall be—

19 “(1) required to accept orders for advertise-
20 ments to be paid for under this title until such ad-
21 vertising constitutes 40 percent of the station’s total
22 advertising time; and

23 “(2) subject to random periodic examination of
24 advertising charges paid under this title to ensure
25 that such charges are correct.

1 “(b) **CONDITION OF LICENSE.**—The continuation of
2 an existing license, the renewal of an expiring license, and
3 the issuance of a new license under section 307 of the
4 Communications Act of 1934 (47 U.S.C. 307) shall be
5 conditioned on the agreement by the licensee to abide by
6 the provisions of subsection (a)(1).

7 **“SEC. 507. DEFINITIONS.**

8 “As used in this title—

9 “(1) the term ‘House of Representatives can-
10 didate’ means a candidate for the office of Rep-
11 resentative in, or Delegate or Resident Commis-
12 sioner to, the Congress;

13 “(2) the term ‘qualifying House of Representa-
14 tives candidate’ means a House of Representatives
15 candidate who qualifies for public funding under this
16 title; and

17 “(3) the term ‘congressional district media mar-
18 ket’ means, with respect to a congressional district,
19 the media market of that district, as determined
20 from the licensing records of the Federal Commu-
21 nications Commission.”.

1 SEC. 2. [211]

2 A national committee of a political party, including
3 the national congressional campaign committees of a polit-
4 ical party, and any officers or agents of such party com-
5 mittees, shall not solicit or receive any contributions, do-
6 nations, or transfers of funds, or spend any funds, not
7 subject to the limitations, prohibitions, and reporting re-
8 quirements of this Act. This provision shall apply to any
9 entity that is established, financed, maintained or con-
10 trolled by a national committee of a political party, includ-
11 ing the national congressional campaign committees of a
12 political party, and any officer or agents of such party
13 committees, other than an entity that is regulated by sec-
14 tion (2) below.

15 SEC. 3. [212]

16 (a) Any amount expended or disbursed by a State,
17 district, or local committee of a political party, during a
18 calendar year in which a Federal election is held, for any
19 activity which might affect the outcome of a Federal elec-
20 tion, including but not limited to any voter registration
21 and get-out-the-vote activity, any generic campaign activ-
22 ity, and any communication that identifies a Federal can-
23 didate (regardless of whether a State or local candidate
24 is also mentioned or identified) shall be made from funds
25 subject to the limitations, prohibitions and reporting re-
26 quirements of this Act.

1 (b) Paragraph (a) shall not apply to expenditures or
2 disbursements made by a State, district or local committee
3 of a political party for—

4 (1) a contribution to a candidate other than for
5 Federal office, provided that such contribution is not
6 designated or otherwise earmarked to pay for activi-
7 ties described in subparagraph (a) above;

8 (2) the costs of a State or district/local political
9 convention;

10 (3) the non-Federal share of a State, district or
11 local party committee's administrative and overhead
12 expenses (but not including the compensation in any
13 month of any individual who spends more than 20
14 percent of his or her time on activity during such
15 month which may affect the outcome of a Federal
16 election). For purposes of this provision, the non-
17 federal share of a party committee's administrative
18 and overhead expenses shall be determined by apply-
19 ing the ratio of the non-Federal disbursements to
20 the total Federal expenditures and non-Federal dis-
21 bursements made by the committee during the pre-
22 vious presidential election year to the committee's
23 administrative and overhead expenses in the election
24 year in question;

1 (4) the costs of grassroots campaign materials,
2 including buttons, bumperstickers, and yard signs,
3 which material solely name or depict a State or local
4 candidate; and

5 (5) the cost of any campaign activity conducted
6 solely on behalf of a clearly identified State or local
7 candidate, provided that such activity is not covered
8 by subparagraph (a) above.

9 (c) Any amount spent by a national, State, district
10 or local committee or entity of a political party to raise
11 funds that are used, in whole or in part, to pay the costs
12 of any activity covered by paragraph 2(a) above shall be
13 made from funds subject to the limitations, prohibitions,
14 and reporting requirements of this Act.

15 This provision shall apply to any entity that is estab-
16 lished, financed, maintained, or controlled by a State, dis-
17 trict or local committee of a political party or any agent
18 or officer of such party committee in the same manner
19 as it applies to that committee.

20 **SEC. 4. [213]**

21 No national, State, district or local committee of a
22 political party shall solicit any funds for or make any do-
23 nations to any organization that is exempt from Federal
24 taxation under 26 U.S.C. 501(c).

1 **SEC. 5. [214]**

2 No candidate for Federal office, individual holding
3 Federal office, or any agent of such candidate or office-
4 holder, may solicit or receive any funds in connection with
5 any Federal election unless such funds are subject to the
6 limitations, prohibitions and reporting requirements of
7 this Act; This provision shall not apply to the solicitation
8 or receipt of funds by an individual who is a candidate
9 for a non-Federal office if such activity is permitted under
10 State law for such individual's non-Federal campaign com-
11 mittee.

12 **SEC. 6. REPORTING REQUIREMENTS. [215]**

13 (a) REPORTING REQUIREMENTS.—Section 304 of the
14 Federal Election Campaign Act of 1971 (2 U.S.C. 434)
15 is amended by adding at the end the following new sub-
16 section:

17 “(d) POLITICAL COMMITTEES.—(1) The national
18 committee of a political party, any congressional campaign
19 committee of a political party, and any subordinate com-
20 mittee of either, shall report all receipts and disburse-
21 ments during the reporting period, whether or not in con-
22 nection with an election for Federal office.

23 “(2) A political committee (not described in para-
24 graph (1)) to which section 325 applies shall report all
25 receipts and disbursements including separate schedules

1 for receipts and disbursements for any State Party Grass-
2 roots Fund described in section 301(21).

3 “(3) Any political committee to which section 325 ap-
4 plies shall include in its report under paragraph (1) or
5 (2) the amount of any transfer described in section
6 325(d)(2) and shall itemize such amounts to the extent
7 required by subsection (b)(3)(A).

8 “(4) Any political committee to which paragraph (1)
9 or (2) does not apply shall report any receipts or disburse-
10 ments that are used in connection with a Federal election.

11 “(5) If a political committee has receipts or disburse-
12 ments to which this subsection applies from any person
13 aggregating in excess of \$200 for any calendar year, the
14 political committee shall separately itemize its reporting
15 for such person in the same manner as required in sub-
16 section (b) (3)(A), (5), or (6).

17 “(6) Reports required to be filed under this sub-
18 section shall be filed for the same time periods required
19 for political committees under subsection (a).”.

20 (b) REPORT OF EXEMPT CONTRIBUTIONS.—Section
21 301(8) of the Federal Election Campaign Act of 1971 (2
22 U.S.C. 431(8)) is amended by inserting at the end the
23 following:

24 “(C) The exclusion provided in subpara-
25 graph (B)(viii) shall not apply for purposes of

1 any requirement to report contributions under
2 this Act, and all such contributions aggregating
3 in excess of \$50 shall be reported.”.

4 (c) REPORTS BY STATE COMMITTEES.—Section 304
5 of the Federal Election Campaign Act of 1971 (2 U.S.C.
6 434), as amended by subsection (a), is amended by adding
7 at the end the following new subsection:

8 “(e) FILING OF STATE REPORTS.—In lieu of any re-
9 port required to be filed by this Act, the Commission may
10 allow a State committee of a political party to file with
11 the Commission a report required to be filed under State
12 law if the Commission determines such reports contain
13 substantially the same information.”.

14 (d) OTHER REPORTING REQUIREMENTS.—

15 (1) AUTHORIZED COMMITTEES.—Section
16 304(b)(4) of the Federal Election Campaign Act of
17 1971 (2 U.S.C. 434(b)(4)) is amended—

18 (A) by striking “and” at the end of sub-
19 paragraph (H);

20 (B) by inserting “and” at the end of sub-
21 paragraph (I); and

22 (C) by adding at the end the following new
23 subparagraph:

24 “(J) in the case of an authorized commit-
25 tee, disbursements for the primary election, the

1 general election, and any other election in which
2 the candidate participates;”.

3 (2) NAMES AND ADDRESSES.—Section
4 304(b)(5)(A) of the Federal Election Campaign Act
5 of 1971 (2 U.S.C. 434(b)(5)(A)) is amended—

6 (A) by striking “within the calendar year”;

7 and

8 (B) by inserting “, and the election to
9 which the operating expenditure relates” after
10 “operating expenditure”.

11 **SEC. 7. SOFT MONEY OF PERSONS OTHER THAN POLITICAL**
12 **PARTIES. [221]**

13 Section 304 of the Federal Election Campaign Act
14 of 1971 (2 U.S.C. 434), as amended by section 215(c),
15 is amended by adding at the end the following new sub-
16 section:

17 “(f) ELECTION ACTIVITY OF PERSONS OTHER THAN
18 POLITICAL PARTIES.—(1)(A)(i) If any person to which
19 section 325 does not apply makes (or obligates to make)
20 disbursements for activities described in section 325(b) in
21 excess of \$2,000, such person shall file a statement—

22 “(I) on or before the date that is 48 hours be-
23 fore the disbursements (or obligations) are made; or

1 “(II) in the case of disbursements (or obliga-
2 tions) that are required to be made within 14 days
3 of the election, on or before such 14th day.

4 “(ii) An additional statement shall be filed each time
5 additional disbursements aggregating \$2,000 are made (or
6 obligated to be made) by a person described in clause (i).

7 “(B) This paragraph shall not apply to—

8 “(i) a candidate or a candidate’s authorized
9 committees; or

10 “(ii) an independent expenditure (as defined in
11 section 301(17)).

12 “(2) Any statement under this section shall be filed
13 with the Secretary of the Senate or the Clerk of the House
14 of Representatives, and the Secretary of State (or equiva-
15 lent official) of the State involved, as appropriate, and
16 shall contain such information as the Commission shall
17 prescribe, including whether the disbursement is in sup-
18 port of, or in opposition to, 1 or more candidates or any
19 political party. The Secretary of the Senate or Clerk of
20 the House of Representatives shall, as soon as possible
21 (but not later than 24 hours after receipt), transmit a
22 statement to the Commission. Not later than 48 hours
23 after receipt, the Commission shall transmit the statement
24 to—

1 “(A) the candidates or political parties involved;
2 or

3 “(B) if the disbursement is not in support of,
4 or in opposition to, a candidate or political party,
5 the State committees of each political party in the
6 State involved.

7 “(3) The Commission may make its own determina-
8 tion that disbursements described in paragraph (1) have
9 been made or are obligated to be made. The Commission
10 shall notify the candidates or political parties described
11 in paragraph (2) not later than 24 hours after its deter-
12 mination.”.

13 **SEC. 8. CONTRIBUTIONS THROUGH INTERMEDIARIES AND**
14 **CONDUITS. [231]**

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

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

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

1 from the person to the candidate. If a contribu-
2 tion is made to a candidate through an
3 intermediary or conduit, the intermediary or
4 conduit shall report the original source and the
5 intended recipient of the contribution to the
6 Commission and the intended recipient.

7 “(B) Contributions made directly or indi-
8 rectly by a person to or on behalf of a particu-
9 lar candidate through an intermediary or con-
10 duit, including contributions arranged to be
11 made by an intermediary or conduit, shall be
12 treated as contributions from the intermediary
13 or conduit to the candidate if—

14 “(i) the contributions made through
15 the intermediary or conduit are in the form
16 of a check or other negotiable instrument
17 made payable to the intermediary or con-
18 duit rather than the intended recipient; or

19 “(ii) the intermediary or conduit is—

20 “(I) a political committee, a po-
21 litical party, or an officer, employee,
22 or agent of either;

23 “(II) a person whose activities
24 are required to be reported under sec-
25 tion 308 of the Federal Regulation of

1 Lobbying Act (2 U.S.C. 267), the
2 Foreign Agents Registration Act of
3 1938 (22 U.S.C. 611 et seq.), or any
4 successor Federal law requiring a per-
5 son who is a lobbyist or foreign agent
6 to report the activities of such person;

7 “(III) a person who is prohibited
8 from making contributions under sec-
9 tion 316 or a partnership; or

10 “(IV) an officer, employee, or
11 agent of a person described in sub-
12 clause (II) or (III) acting on behalf of
13 such person.

14 “(C) The term ‘contributions arranged to
15 be made’ includes—

16 “(i)(I) contributions delivered directly
17 or indirectly to a particular candidate or
18 the candidate’s authorized committee or
19 agent by the person who facilitated the
20 contribution; and

21 “(II) contributions made directly or
22 indirectly to a particular candidate or the
23 candidate’s authorized committee or agent
24 that are provided at a fundraising event

1 sponsored by an intermediary or conduit
2 described in subparagraph (B);

3 (D) This paragraph shall not prohibit—

4 “(i) fundraising efforts for the benefit
5 of a candidate that are conducted by an-
6 other candidate or Federal officeholder; or

7 “(ii) the solicitation by an individual
8 using the individual’s resources and acting
9 in the individual’s own name of contribu-
10 tions from other persons in a manner not
11 described in paragraphs (B) and (C).”.

12 **SEC. 9. EFFECTIVE DATE.**

13 The amendments made by this Act shall apply with
14 respect to elections taking place after **【TO BE SUP-
15 PLIED】**.

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