

112TH CONGRESS
2D SESSION

S. 3312

To amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 19, 2012

Mr. UDALL of Colorado introduced the following bill; which was read twice and referred to the Committee on Rules and Administration

A BILL

To amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential 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. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Presidential Funding Act”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PRIMARY ELECTIONS

Sec. 101. Increase in and modifications to matching payments.

Sec. 102. Eligibility requirements for matching payments.

- Sec. 103. Inflation adjustment for contribution limitations and matching contributions.
- Sec. 104. Repeal of expenditure limitations.
- Sec. 105. Period of availability of matching payments.
- Sec. 106. Examination and audits of matchable contributions.
- Sec. 107. Modification to limitation on contributions for presidential primary candidates.

TITLE II—GENERAL ELECTIONS

- Sec. 201. Modification of eligibility requirements for public financing.
- Sec. 202. Repeal of expenditure limitations and use of qualified campaign contributions.
- Sec. 203. Matching payments and other modifications to payment amounts.
- Sec. 204. Inflation adjustment for payment amounts and qualified contributions.
- Sec. 205. Increase in limit on coordinated party expenditures.
- Sec. 206. Establishment of uniform date for release of payments.
- Sec. 207. Amounts in Presidential Election Campaign Fund.
- Sec. 208. Use of general election payments for general election legal and accounting compliance.

TITLE III—POLITICAL CONVENTIONS

- Sec. 301. Repeal of public financing of party conventions.
- Sec. 302. Contributions for political conventions.
- Sec. 303. Prohibition on use of soft money.

TITLE IV—OTHER PROVISIONS

- Sec. 401. Revisions to designation of income tax payments by individual taxpayers.
- Sec. 402. Regulations with respect to best efforts for identifying persons making contributions.
- Sec. 403. Prohibition on joint fundraising committees.
- Sec. 404. Disclosure of bundled contributions to presidential campaigns.
- Sec. 405. Judicial review of actions related to campaign finance laws.

TITLE V—SEVERABILITY AND EFFECTIVE DATE

- Sec. 501. Severability.
- Sec. 502. Effective date.

1 **TITLE I—PRIMARY ELECTIONS**

2 **SEC. 101. INCREASE IN AND MODIFICATIONS TO MATCHING** 3 **PAYMENTS.**

4 (a) INCREASE AND MODIFICATION.—

5 (1) IN GENERAL.—The first sentence of section
6 9034(a) of the Internal Revenue Code of 1986 is
7 amended—

1 (A) by striking “an amount equal to the
2 amount of each contribution” and inserting “an
3 amount equal to 400 percent of the amount of
4 each matchable contribution”; and

5 (B) by striking “authorized committees”
6 and all that follows through “\$250” and insert-
7 ing “authorized committees”.

8 (2) MATCHABLE CONTRIBUTIONS.—Section
9 9034 of such Code is amended—

10 (A) by striking the last sentence of sub-
11 section (a); and

12 (B) by inserting after subsection (b) the
13 following new subsection:

14 “(c) MATCHABLE CONTRIBUTION DEFINED.—For
15 purposes of this section and section 9033(b)—

16 “(1) MATCHABLE CONTRIBUTION.—The term
17 ‘matchable contribution’ means, with respect to the
18 nomination for election to the office of President of
19 the United States, a contribution by an individual to
20 a candidate or an authorized committee of a can-
21 didate—

22 “(A) which does not exceed \$200, and

23 “(B) with respect to which the candidate
24 has certified in writing that—

1 “(i) the individual making such con-
2 tribution has not made aggregate contribu-
3 tions (including such matchable contribu-
4 tion) to such candidate and the authorized
5 committees of such candidate in excess of
6 \$200 with respect to such nomination,

7 “(ii) such candidate and the author-
8 ized committees of such candidate will not
9 accept contributions from such individual
10 (including such matchable contribution)
11 aggregating more than \$200 with respect
12 to such nomination, and

13 “(iii) such contribution was not—

14 “(I) forwarded from the contrib-
15 utor from any person other than an
16 individual, or

17 “(II) received by the candidate or
18 committee from a contributor or con-
19 tributors, but credited by the com-
20 mittee or candidate to another person
21 who is not an individual through
22 records, designations, or other means
23 of recognizing that a certain amount
24 of money has been raised by such per-
25 son.

1 “(2) CONTRIBUTION.—For purposes of this
2 subsection, the term ‘contribution’ means a gift of
3 money made by a written instrument which identi-
4 fies the individual making the contribution by full
5 name and mailing address, but does not include a
6 subscription, loan, advance, or deposit of money, or
7 anything of value or anything described in subpara-
8 graph (B), (C), or (D) of section 9032(4).”.

9 (3) CONFORMING AMENDMENTS.—

10 (A) Section 9032(4) of such Code is
11 amended by striking “section 9034(a)” and in-
12 serting “section 9034”.

13 (B) Section 9033(b)(3) of such Code is
14 amended by striking “matching contributions”
15 and inserting “matchable contributions”.

16 (b) MODIFICATION OF PAYMENT LIMITATION.—Sec-
17 tion 9034(b) of the Internal Revenue Code of 1986 is
18 amended by striking “shall not exceed” and all that fol-
19 lows and inserting “shall not exceed \$100,000,000.”.

20 **SEC. 102. ELIGIBILITY REQUIREMENTS FOR MATCHING**
21 **PAYMENTS.**

22 (a) AMOUNT OF AGGREGATE CONTRIBUTIONS PER
23 STATE.—Section 9033(b)(3) of the Internal Revenue Code
24 of 1986 is amended by striking “\$5,000” and inserting
25 “\$25,000”.

1 (b) CONTRIBUTION LIMIT.—

2 (1) IN GENERAL.—Paragraph (4) of section
3 9033(b) of such Code is amended to read as follows:

4 “(4) the candidate and the authorized commit-
5 tees of the candidate will not accept aggregate con-
6 tributions from any person with respect to the nomi-
7 nation for election to the office of President of the
8 United States in excess of \$1,000.”.

9 (2) CONFORMING AMENDMENTS.—

10 (A) Section 9033(b) of such Code is
11 amended by adding at the end the following
12 new flush sentence:

13 “For purposes of paragraph (4), the term ‘contribution’
14 has the meaning given such term in section 301(8) of the
15 Federal Election Campaign Act of 1971.”.

16 (B) Section 9032(4) of such Code, as
17 amended by section 101(a)(3)(A) is amended by
18 inserting “or 9033(b)” after “9034”.

19 (c) PARTICIPATION IN SYSTEM FOR PAYMENTS FOR
20 GENERAL ELECTION.—Section 9033(b) of such Code is
21 amended—

22 (1) by striking “and” at the end of paragraph
23 (3);

24 (2) by striking the period at the end of para-
25 graph (4) and inserting “, and”; and

1 (3) by adding at the end the following new
2 paragraph:

3 “(5) if the candidate is nominated by a political
4 party for election to the office of President, the can-
5 didate will apply for and accept payments with re-
6 spect to the general election for such office in ac-
7 cordance with chapter 95.”.

8 **SEC. 103. INFLATION ADJUSTMENT FOR CONTRIBUTION**
9 **LIMITATIONS AND MATCHING CONTRIBU-**
10 **TIONS.**

11 Section 9033 of such Code is amended by adding at
12 the end the following new subsection:

13 “(d) INFLATION ADJUSTMENTS.—

14 “(1) IN GENERAL.—In the case of any applica-
15 ble period beginning after 2012, each of the dollar
16 amounts in paragraphs (3) and (4) of subsection
17 (b), subsection (c), and section 9034(b) shall be in-
18 creased by an amount equal to—

19 “(A) such dollar amount, multiplied by

20 “(B) the cost-of-living adjustment deter-
21 mined under section 1(f)(3) for the calendar
22 year following the year which such applicable
23 period begins, determined by substituting ‘cal-
24 endar year 2012’ for ‘calendar year 1992’ in
25 subparagraph (B) thereof.

1 “(2) APPLICABLE PERIOD.—For purposes of
2 this subsection, the term ‘applicable period’ means
3 the 4-year period beginning with the first day fol-
4 lowing the date of the last general election for the
5 office of President and ending on the date of the
6 next such general election.

7 “(3) ROUNDING.—If any amount as adjusted
8 under paragraph (1) is not a multiple of \$100, such
9 amount shall be rounded to the nearest multiple of
10 \$100.”.

11 **SEC. 104. REPEAL OF EXPENDITURE LIMITATIONS.**

12 (a) IN GENERAL.—Subsection (a) of section 9035 of
13 the Internal Revenue Code of 1986 is amended to read
14 as follows:

15 “(a) PERSONAL EXPENDITURE LIMITATION.—No
16 candidate shall knowingly make expenditures from his per-
17 sonal funds, or the personal funds of his immediate family,
18 in connection with his campaign for nomination for elec-
19 tion to the office of President in excess of, in the aggre-
20 gate, \$50,000.”.

21 (b) CONFORMING AMENDMENT.—Paragraph (1) of
22 section 9033(b) of the Internal Revenue Code of 1986 is
23 amended to read as follows:

24 “(1) the candidate will comply with the per-
25 sonal expenditure limitation under section 9035.”.

1 **SEC. 105. PERIOD OF AVAILABILITY OF MATCHING PAY-**
 2 **MENTS.**

3 Section 9032(6) of such Code is amended by striking
 4 “the beginning of the calendar year in which a general
 5 election for the office of President of the United States
 6 will be held” and inserting “the date that is 6 months
 7 prior to the date of the earliest State primary election”.

8 **SEC. 106. EXAMINATION AND AUDITS OF MATCHABLE CON-**
 9 **TRIBUTIONS.**

10 Section 9038(a) of the Internal Revenue Code of
 11 1986 is amended by inserting “and matchable contribu-
 12 tions accepted by” after “qualified campaign expenses of”.

13 **SEC. 107. MODIFICATION TO LIMITATION ON CONTRIBU-**
 14 **TIONS FOR PRESIDENTIAL PRIMARY CAN-**
 15 **DIDATES.**

16 Section 315(a)(6) of the Federal Election Campaign
 17 Act of 1971 (2 U.S.C. 441a(a)(6)) is amended by striking
 18 “calendar year” and inserting “four-year election cycle”.

19 **TITLE II—GENERAL ELECTIONS**

20 **SEC. 201. MODIFICATION OF ELIGIBILITY REQUIREMENTS**
 21 **FOR PUBLIC FINANCING.**

22 Section 9003(a) of the Internal Revenue Code of
 23 1986 is amended to read as follows:

24 “(a) IN GENERAL.—In order to be eligible to receive
 25 any payments under section 9006, the candidates of a po-

1 litical party in a presidential election shall meet the fol-
 2 lowing requirements:

3 “(1) PARTICIPATION IN PRIMARY PAYMENT
 4 SYSTEM.—The candidate for President received pay-
 5 ments under chapter 96 for the campaign for nomi-
 6 nation for election to be President.

7 “(2) AGREEMENTS WITH COMMISSION.—The
 8 candidates, in writing—

9 “(A) agree to obtain and furnish to the
 10 Commission such evidence as it may request of
 11 the qualified campaign expenses of such can-
 12 didates,

13 “(B) agree to keep and furnish to the
 14 Commission such records, books, and other in-
 15 formation as it may request, and

16 “(C) agree to an audit and examination by
 17 the Commission under section 9007 and to pay
 18 any amounts required to be paid under such
 19 section.

20 “(3) BAN ON CERTAIN CONTRIBUTIONS AND
 21 SOLICITATIONS.—The candidates certify to the Com-
 22 mission, under penalty of perjury, the following:

23 “(A) SOLICITATIONS FOR JOINT FUND-
 24 RAISING COMMITTEES.—Such candidates and
 25 their authorized committees will not, after June

1 1 of the election year, solicit any funds for any
 2 joint fundraising committee that includes any
 3 committee of a political party.

4 “(B) SOLICITATION FOR POLITICAL PAR-
 5 TIES.—Such candidates and their authorized
 6 committees will not, after the date described in
 7 section 9006(b), solicit any funds for any com-
 8 mittee of a political party.

9 Such certification shall be made within such time
 10 prior to the day of the presidential election as the
 11 Commission shall prescribe by rules or regulations.”.

12 **SEC. 202. REPEAL OF EXPENDITURE LIMITATIONS AND USE**
 13 **OF QUALIFIED CAMPAIGN CONTRIBUTIONS.**

14 (a) MAJOR PARTIES.—Subsection (b) of section 9003
 15 of the Internal Revenue Code of 1986 is amended to read
 16 as follows:

17 “(b) MAJOR PARTIES.—In order to be eligible to re-
 18 ceive any payments under section 9006, the candidates of
 19 a major party in a presidential election shall certify to the
 20 Commission, under penalty of perjury, that—

21 “(1) such candidates and their authorized com-
 22 mittees have not and will not accept any contribu-
 23 tions to defray qualified campaign expenses other
 24 than—

25 “(A) qualified campaign contributions, and

1 “(B) contributions to the extent necessary
2 to make up any deficiency payments received
3 out of the fund on account of the application of
4 section 9006(e), and

5 “(2) such candidates and their authorized com-
6 mittees have not and will not accept any contribu-
7 tion to defray expenses which would be qualified
8 campaign expenses but for subparagraph (C) of sec-
9 tion 9002(11).

10 Such certification shall be made at the same time as the
11 certification required under subsection (a)(3).”.

12 (b) MINOR AND NEW PARTIES.—Subsection (c) of
13 section 9003 of the Internal Revenue Code of 1986 is
14 amended to read as follows:

15 “(c) MINOR AND NEW PARTIES.—In order to be eli-
16 gible to receive any payments under section 9006, the can-
17 didates of a minor or new party in a presidential election
18 shall certify to the Commission, under penalty of perjury,
19 that such candidates and their authorized committees have
20 not and will not accept any contributions to defray quali-
21 fied campaign expenses other than—

22 “(1) qualified campaign contributions, and

23 “(2) contributions other than qualified cam-
24 paign contributions to the extent to which—

1 “(A) the aggregate payments to which
2 such candidates would be entitled under section
3 9004 if such candidates were candidates of a
4 major party, exceed

5 “(B) the aggregate payments to which
6 such candidates are entitled to under section
7 9004.

8 Such certification shall be made at the same time as the
9 certification required under subsection (a)(3).”.

10 (c) DEFINITION OF QUALIFIED CAMPAIGN CON-
11 TRIBUTIONS.—Section 9002 of the Internal Revenue Code
12 of 1986 is amended by adding at the end the following
13 new paragraph:

14 “(13) QUALIFIED CAMPAIGN CONTRIBUTION.—
15 The term ‘qualified campaign contribution’ means,
16 with respect to any election for the office of Presi-
17 dent of the United States, a contribution from a per-
18 son to a candidate or an authorized committee of a
19 candidate which—

20 “(A) is made after June 1 of the year in
21 which the election is held,

22 “(B) does not exceed \$1,000, and

23 “(C) with respect to which the candidate
24 has certified in writing that—

1 “(i) the person making such contribu-
2 tion has not made aggregate contributions
3 (including such qualified contribution) to
4 such candidate and the authorized commit-
5 tees of such candidate in excess of \$1,000
6 with respect to such election, and

7 “(ii) such candidate and the author-
8 ized committees of such candidate will not
9 accept contributions from such person (in-
10 cluding such qualified contribution) aggreg-
11 gating more than \$1,000 with respect to
12 such election.”.

13 (d) CONFORMING AMENDMENTS.—

14 (1) REPEAL OF EXPENDITURE LIMITS.—

15 (A) Section 315 of the Federal Election
16 Campaign Act of 1971 (2 U.S.C. 441a) is
17 amended by striking subsection (b).

18 (B) Section 315(c) of such Act (2 U.S.C.
19 441a(c)) is amended—

20 (i) in paragraph (1)(B)(i), by striking
21 “, (b)”;

22 (ii) in paragraph (2)(B)(i), by striking
23 “subsections (b) and (d)” and inserting
24 “subsection (d)”.

1 (2) LIMITATION ON PAYMENTS TO CANDIDATES
2 OF MINOR AND NEW PARTIES.—Paragraph (1) of
3 section 9004(b) of the Internal Revenue Code of
4 1986 is amended by inserting “, other than qualified
5 contributions,” after “contributions”.

6 (3) REPAYMENTS.—

7 (A) Section 9007(b) of such Code is
8 amended by striking paragraph (2) and redesignig-
9 nating paragraphs (3), (4), and (5) as para-
10 graphs (2), (3), and (4), respectively.

11 (B) Paragraph (2) of section 9007(b) of
12 such Code, as redesignated by subparagraph
13 (A), is amended by inserting “qualified con-
14 tributions and” after “contributions (other
15 than”.

16 (4) CRIMINAL PENALTIES.—

17 (A) EXCESS EXPENSES.—Section 9012(a)
18 of the Internal Revenue Code of 1986 is
19 amended by striking the first sentence.

20 (B) CONTRIBUTIONS.—

21 (i) CANDIDATES OF MAJOR PAR-
22 TIES.—Section 9012(b)(1) of the Internal
23 Revenue Code of 1986 is amended by in-
24 serting “other than qualified contribu-

1 tions,” after “to defray qualified campaign
2 expenses,”.

3 (ii) CANDIDATES OF OTHER PAR-
4 TIES.—Section 9012(b)(2) of such Code is
5 amended by inserting “, other than quali-
6 fied contributions,” after “contributions”.

7 **SEC. 203. MATCHING PAYMENTS AND OTHER MODIFICA-**
8 **TIONS TO PAYMENT AMOUNTS.**

9 (a) IN GENERAL.—

10 (1) AMOUNT OF PAYMENTS FOR MAJOR PARTY
11 CANDIDATES.—Subsection (a) of section 9004 of the
12 Internal Revenue Code of 1986 is amended to read
13 as follows:

14 “(a) IN GENERAL.—Subject to the provisions of this
15 chapter—

16 “(1) MAJOR PARTIES.—The eligible candidates
17 of each major party in a presidential election shall
18 be entitled to equal payment under section 9006 in
19 an amount equal to—

20 “(A) \$50,000,000, plus

21 “(B) an amount equal to 400 percent of
22 the amount of each matchable contribution re-
23 ceived by such candidate on or after June 1 of
24 the year of the presidential election, or by his
25 authorized committees.

1 The total amount of payments to which a major
 2 party candidate is entitled under subparagraph (B)
 3 shall not exceed \$150,000,000.

4 “(2) PRE-ELECTION PAYMENTS FOR MINOR
 5 AND NEW PARTIES.—

6 “(A) PAYMENT BASED ON PRIOR VOTES
 7 RECEIVED BY PARTY.—

8 “(i) IN GENERAL.—The eligible can-
 9 didates of a minor party in a presidential
 10 election shall be entitled to equal payment
 11 under section 9006 in an amount equal to
 12 the sum of—

13 “(I) the product of the popular
 14 vote ratio with respect to such minor
 15 party and the amount in effect under
 16 paragraph (1)(A), plus

17 “(II) an amount equal to the ap-
 18 plicable percentage of the amount of
 19 each matchable contribution received
 20 by such candidate on or after June 1
 21 of the year of the presidential election,
 22 or by his authorized committees.

23 The total amount of payments to which
 24 such a candidate is entitled under sub-
 25 clause (II) shall not exceed the product of

1 the amount in effect under the last sen-
2 tence of paragraph (1)(A) and the popular
3 vote ratio with respect to such minor
4 party.

5 “(ii) POPULAR VOTE RATIO WITH RE-
6 SPECT TO A MINOR PARTY.—For purposes
7 of this subparagraph, the popular vote
8 ratio with respect to a minor party is the
9 ratio of the number of popular votes re-
10 ceived by the candidate for President of
11 the minor party, as such candidate, in the
12 preceding presidential election to the aver-
13 age number of popular votes received by
14 the candidates for President of the major
15 parties in the preceding presidential elec-
16 tion.

17 “(iii) APPLICABLE PERCENTAGE.—
18 For purposes of subparagraph (A), the ap-
19 plicable percentage is the product of 400
20 percent and the popular vote ratio with re-
21 spect to such minor party.

22 “(B) PAYMENT BASED ON PRIOR VOTES
23 RECEIVED BY CANDIDATE.—

24 “(i) IN GENERAL.—If the candidate of
25 one or more political parties (not including

1 a major party) for the office of President
2 was a candidate for such office in the pre-
3 ceding presidential election and received 5
4 percent or more but less than 25 percent
5 of the total number of popular votes re-
6 ceived by all candidates for such office,
7 such candidate and his running mate for
8 the office of Vice President, upon compli-
9 ance with the provisions of section 9003(a)
10 and (c), shall be treated as eligible can-
11 didates entitled to payments under section
12 9006 in an amount computed as provided
13 in subparagraph (A), determined by sub-
14 stituting ‘the popular vote ratio with re-
15 spect to such candidate’ for ‘the popular
16 vote ratio with respect to such minor
17 party’ each place it appears.

18 “(ii) POPULAR VOTE RATIO WITH RE-
19 SPECT TO A CANDIDATE.—For purposes of
20 this subparagraph, the popular vote ratio
21 with respect to a candidate is the ratio of
22 the number of popular votes received by
23 such candidate for the office of President
24 in the preceding presidential election to the
25 average number of popular votes received

1 by the candidates for President of the
2 major parties in the preceding presidential
3 election.

4 “(iii) COORDINATION RULE.—If eligi-
5 ble candidates of a minor party are enti-
6 tled to payments under this subparagraph,
7 such entitlement shall be reduced by the
8 amount of the entitlement allowed under
9 subparagraph (A).

10 “(3) POST-ELECTION PAYMENTS FOR MINOR
11 AND NEW PARTIES.—

12 “(A) IN GENERAL.—The eligible can-
13 didates of a minor party or a new party in a
14 presidential election whose candidate for Presi-
15 dent in such election receives, as such can-
16 didate, 5 percent or more of the total number
17 of popular votes cast for the office of President
18 in such election shall be entitled to payments
19 under section 9006 equal to the sum of—

20 “(i) the product of the popular vote
21 ratio with respect to such candidate and
22 the amount in effect under paragraph
23 (1)(A), plus

24 “(ii) an amount equal to the applica-
25 ble percentage of the amount of each

1 matchable contribution received by such
2 candidate on or after June 1 of the year
3 of the presidential election, or by his au-
4 thorized committees.

5 The total amount of payments to which such a
6 candidate is entitled under clause (ii) shall not
7 exceed the product of the amount in effect
8 under the last sentence of paragraph (1)(A)
9 and the popular vote ratio with respect to such
10 candidate.

11 “(B) POPULAR VOTE RATIO WITH RESPECT
12 TO A CANDIDATE.—For purposes of this para-
13 graph, the popular vote ratio with respect to a
14 candidate in a presidential election is the ratio
15 of the number of popular votes received by such
16 candidate for the office of President in such
17 election to the average number of popular votes
18 received by the candidates for President of the
19 major parties in such election.

20 “(C) APPLICABLE PERCENTAGE.—For
21 purposes of subparagraph (A), the applicable
22 percentage is the product of 400 percent and
23 the popular vote ratio with respect to such can-
24 didate.

1 “(D) COORDINATION RULE.—In the case
 2 of eligible candidates entitled to payments
 3 under paragraph (2), the amount allowable
 4 under this paragraph shall be limited to the
 5 amount, if any, by which the entitlement under
 6 the preceding sentence exceeds the amount of
 7 the entitlement under paragraph (2).”.

8 (2) CONFORMING AMENDMENT.—Section
 9 9005(a) is amended by adding at the end the fol-
 10 lowing new sentence: “The Commission shall make
 11 such additional certifications as may be necessary to
 12 receive payments under section 9004.”.

13 (b) MATCHABLE CONTRIBUTION.—Section 9002 of
 14 such Code, as amended by section 202, is amended by add-
 15 ing at the end the following new paragraph:

16 “(14) MATCHABLE CONTRIBUTION.—The term
 17 ‘matchable contribution’ means, with respect to the
 18 election to the office of President of the United
 19 States, a contribution by an individual to a can-
 20 didate or an authorized committee of a candidate—

21 “(A) which does not exceed \$200, and

22 “(B) with respect to which the candidate
 23 has certified in writing that—

24 “(i) the individual making such con-
 25 tribution has not made aggregate contribu-

1 tions (including such matchable contribu-
2 tion) to such candidate and the authorized
3 committees of such candidate in excess of
4 \$200 with respect to such election,

5 “(ii) such candidate and the author-
6 ized committees of such candidate will not
7 accept contributions from such individual
8 (including such matchable contribution)
9 aggregating more than \$200 with respect
10 to such election, and

11 “(iii) such contribution was not—

12 “(I) forwarded from the contrib-
13 utor from any person other than an
14 individual, or

15 “(II) received by the candidate or
16 committee from a contributor or con-
17 tributors, but credited by the com-
18 mittee or candidate to another person
19 who is not an individual through
20 records, designations, or other means
21 of recognizing that a certain amount
22 of money has been raised by such per-
23 son.”.

1 **SEC. 204. INFLATION ADJUSTMENT FOR PAYMENT**
2 **AMOUNTS AND QUALIFIED CONTRIBUTIONS.**

3 Section 9004 of such Code is amended by adding at
4 the end the following new subsection:

5 “(f) INFLATION ADJUSTMENTS.—

6 “(1) IN GENERAL.—In the case of any applica-
7 ble period beginning after 2016, each of the dollar
8 amounts in subsection (a), section 9002(13), and
9 section 9002(14) shall be increased by an amount
10 equal to—

11 “(A) such dollar amount, multiplied by

12 “(B) the cost-of-living adjustment deter-
13 mined under section 1(f)(3) for the calendar
14 year following the year which such applicable
15 period begins, determined by substituting ‘cal-
16 endar year 2016’ for ‘calendar year 1992’ in
17 subparagraph (B) thereof.

18 “(2) APPLICABLE PERIOD.—For purposes of
19 this subsection, the term ‘applicable period’ means
20 the 4-year period beginning with the first day fol-
21 lowing the date of the last general election for the
22 office of President and ending on the date of the
23 next such general election.

24 “(3) ROUNDING.—If any amount as adjusted
25 under paragraph (1) is not a multiple of \$100, such

1 amount shall be rounded to the nearest multiple of
2 \$100.”.

3 **SEC. 205. INCREASE IN LIMIT ON COORDINATED PARTY EX-**
4 **PENDITURES.**

5 (a) IN GENERAL.—Section 315(d)(2) of the Federal
6 Election Campaign Act of 1971 (2 U.S.C. 441a(d)(2)) is
7 amended to read as follows:

8 “(2)(A) The national committee of a political party
9 may not make any expenditure in connection with the gen-
10 eral election campaign of any candidate for President of
11 the United States who is affiliated with such party which
12 exceeds \$50,000,000.

13 “(B) For purposes of this paragraph—

14 “(i) any expenditure made by or on behalf of a
15 national committee of a political party and in con-
16 nection with a presidential election shall be consid-
17 ered to be made in connection with the general elec-
18 tion campaign of a candidate for President of the
19 United States who is affiliated with such party; and

20 “(ii) any communication made by or on behalf
21 of such party shall be considered to be made in con-
22 nection with the general election campaign of a can-
23 didate for President of the United States who is af-
24 filiated with such party if any portion of the commu-
25 nication is in connection with such election.

1 “(C) Any expenditure under this paragraph shall be
2 in addition to any expenditure by a national committee
3 of a political party serving as the principal campaign com-
4 mittee of a candidate for the office of President of the
5 United States.”.

6 (b) CONFORMING AMENDMENTS RELATING TO TIM-
7 ING OF COST-OF-LIVING ADJUSTMENT.—

8 (1) IN GENERAL.—Section 315(c)(1) of such
9 Act (2 U.S.C. 441a(c)(1)), as amended by section
10 202(d)(1)(B), is amended—

11 (A) in subparagraph (B), by striking “(d)”
12 and inserting “(d)(3)”; and

13 (B) by inserting at the end the following
14 new subparagraph:

15 “(D) In any calendar year after 2016—

16 “(i) the dollar amount in subsection (d)(2) shall
17 be increased by the percent difference determined
18 under subparagraph (A);

19 “(ii) the amount so increased shall remain in
20 effect for the calendar year; and

21 “(iii) if the amount after adjustment under
22 clause (i) is not a multiple of \$100, such amount
23 shall be rounded to the nearest multiple of \$100.”.

1 (2) BASE YEAR.—Section 315(c)(2)(B) of such
2 Act (2 U.S.C. 441a(c)(2)(B)), as amended by sec-
3 tion 202(d)(1)(B), is amended—

4 (A) in clause (i)—

5 (i) by striking “(d)” and inserting
6 “(d)(3)”; and

7 (ii) by striking “and” at the end;

8 (B) in clause (ii), by striking the period at
9 the end and inserting “; and”; and

10 (C) by adding at the end the following new
11 clause:

12 “(iii) for purposes of subsection (d)(2), cal-
13 endar year 2015.”.

14 **SEC. 206. ESTABLISHMENT OF UNIFORM DATE FOR RE-**
15 **LEASE OF PAYMENTS.**

16 (a) DATE FOR PAYMENTS.—

17 (1) IN GENERAL.—Section 9006(b) of the In-
18 ternal Revenue Code of 1986 is amended to read as
19 follows:

20 “(b) PAYMENTS FROM THE FUND.—If the Secretary
21 of the Treasury receives a certification from the Commis-
22 sion under section 9005 for payment to the eligible can-
23 didates of a political party, the Secretary shall pay to such
24 candidates out of the fund the amount certified by the
25 Commission on the later of—

1 the Secretary's best estimate of the amount of moneys
 2 which will be deposited into the fund during the year, ex-
 3 cept that the amount of the estimate may not exceed the
 4 average of the annual amounts deposited in the fund dur-
 5 ing the previous 3 years.”.

6 (b) SPECIAL RULE FOR FIRST CAMPAIGN CYCLE
 7 UNDER THIS ACT.—

8 (1) IN GENERAL.—Section 9006 of the Internal
 9 Revenue Code of 1986 is amended by adding at the
 10 end the following new subsection:

11 “(d) SPECIAL AUTHORITY TO BORROW.—

12 “(1) IN GENERAL.—Notwithstanding subsection
 13 (c), there are authorized to be appropriated to the
 14 fund, as repayable advances, such sums as are nec-
 15 essary to carry out the purposes of the fund during
 16 the period ending on the first presidential election
 17 occurring after the date of the enactment of this
 18 subsection.

19 “(2) REPAYMENT OF ADVANCES.—

20 “(A) IN GENERAL.—Advances made to the
 21 fund shall be repaid, and interest on such ad-
 22 vances shall be paid, to the general fund of the
 23 Treasury when the Secretary determines that
 24 moneys are available for such purposes in the
 25 fund.

1 “(B) RATE OF INTEREST.—Interest on ad-
2 vances made to the fund shall be at a rate de-
3 termined by the Secretary of the Treasury (as
4 of the close of the calendar month preceding the
5 month in which the advance is made) to be
6 equal to the current average market yield on
7 outstanding marketable obligations of the
8 United States with remaining periods to matu-
9 rity comparable to the anticipated period during
10 which the advance will be outstanding and shall
11 be compounded annually.”.

12 (2) EFFECTIVE DATE.—The amendment made
13 by this subsection shall take effect January 1, 2013.

14 **SEC. 208. USE OF GENERAL ELECTION PAYMENTS FOR GEN-**
15 **ERAL ELECTION LEGAL AND ACCOUNTING**
16 **COMPLIANCE.**

17 Section 9002(11) of the Internal Revenue Code of
18 1986 is amended by adding at the end the following new
19 sentence: “For purposes of subparagraph (A), an expense
20 incurred by a candidate or authorized committee for gen-
21 eral election legal and accounting compliance purposes
22 shall be considered to be an expense to further the election
23 of such candidate.”.

1 **TITLE III—POLITICAL**
2 **CONVENTIONS**

3 **SEC. 301. REPEAL OF PUBLIC FINANCING OF PARTY CON-**
4 **VENTIONS.**

5 (a) **IN GENERAL.**—Chapter 95 of the Internal Rev-
6 enue Code of 1986 is amended by striking section 9008.

7 (b) **CONFORMING AMENDMENTS.**—

8 (1) Section 9006(c) of such Code is amended by
9 striking “section 9008(b)(3)”.

10 (2) Section 9009 of such Code is amended by
11 inserting “and” at the end of paragraph (3), by
12 striking the semi-colon at the end of paragraph (4)
13 and inserting a period, and by striking paragraphs
14 (5) and (6).

15 (3) Section 9012 of such Code, as amended by
16 section 202(d)(4), is amended—

17 (A) by striking subsection (a) and redesign-
18 ating subsections (b) through (f) as sub-
19 sections (a) through (e), respectively; and

20 (B) in subsection (a), as redesignated by
21 subparagraph (A), by striking paragraph (2)
22 and redesignating paragraph (3) as paragraph
23 (2).

1 (4) Section 9037(a) of such Code is amended
2 by striking “and for payments under section
3 9008(b)(3)”.

4 **SEC. 302. CONTRIBUTIONS FOR POLITICAL CONVENTIONS.**

5 (a) SEPARATE CONTRIBUTION LIMITATION.—

6 (1) INDIVIDUALS.—

7 (A) IN GENERAL.—Subsection (a)(1) of
8 section 315 of the Federal Election Campaign
9 Act of 1971 (2 U.S.C. 441a) is amended by
10 striking “or” at the end of subparagraph (C),
11 by striking the period at the end of subpara-
12 graph (D) and inserting “; or”, and by adding
13 at the end the following new subparagraph:

14 “(E) to the national nominating convention
15 account of political committees established and
16 maintained by a national political party, in any
17 4-year period ending on the last day of the cal-
18 endar year beginning on the day after a general
19 election for the office of President which, in the
20 aggregate, exceed the dollar amount in effect
21 under subparagraph (B);”.

22 (B) CONFORMING AMENDMENT.—Subpara-
23 graph (B) of section 315(a)(1) of such Act (2
24 U.S.C. 441a(a)(1)) is amended by inserting
25 “(other than to the national nominating conven-

1 tion accounts of such political committees which
2 are described in subparagraph (E))” after “na-
3 tional political party”.

4 (2) AGGREGATE CONTRIBUTION LIMITATION.—
5 Paragraph (3) of section 315(a) of such Act (2
6 U.S.C. 441a(a)) is amended by adding at the end
7 the following new flush sentence:

8 “The dollar amount in subparagraph (B) shall be in-
9 creased by the amount of contributions (not in excess of
10 the dollar amount in effect under subparagraph (E)) made
11 to the national nominating convention account of a polit-
12 ical committee established and maintained by a national
13 political party during the period described in the preceding
14 sentence.”.

15 (b) NATIONAL NOMINATING CONVENTION AC-
16 COUNT.—Subsection (a) of section 315 of such Act (2
17 U.S.C. 441a) is amended by adding at the end the fol-
18 lowing new paragraph:

19 “(9) For purposes of this subsection, the na-
20 tional nomination convention account of any political
21 committees established and maintained by a national
22 political party is a separate account the funds of
23 which may only be used to defray the costs of the
24 national nominating convention of such party.”.

1 **SEC. 303. PROHIBITION ON USE OF SOFT MONEY.**

2 Section 323 of the Federal Election Campaign Act
3 of 1971 (2 U.S.C. 441i) is amended by adding at the end
4 the following new subsection:

5 “(g) NATIONAL CONVENTIONS.—Any person de-
6 scribed in subsection (a) or (e) shall not solicit, receive,
7 direct, transfer, or spend any funds in connection with a
8 presidential nominating convention of any political party,
9 including funds from or for a host committee, civic com-
10 mittee, municipality, or any other person or entity spend-
11 ing funds in connection with such a convention, unless
12 such funds—

13 “(1) are not in excess of the amounts permitted
14 with respect to contributions to the political com-
15 mittee established and maintained by a national po-
16 litical party committee under section 315; and

17 “(2) are not from sources prohibited by this Act
18 from making contributions in connection with an
19 election for Federal office.”.

20 **TITLE IV—OTHER PROVISIONS**

21 **SEC. 401. REVISIONS TO DESIGNATION OF INCOME TAX**
22 **PAYMENTS BY INDIVIDUAL TAXPAYERS.**

23 (a) INCREASE IN AMOUNT DESIGNATED.—Section
24 6096(a) of the Internal Revenue Code of 1986 is amend-
25 ed—

1 (1) in the first sentence, by striking “\$3” each
2 place it appears and inserting “\$10”; and

3 (2) in the second sentence—

4 (A) by striking “\$6” and inserting “\$20”;

5 and

6 (B) by striking “\$3” and inserting “\$10”.

7 (b) INDEXING.—Section 6096 of such Code is amend-
8 ed by adding at the end the following new subsection:

9 “(d) INDEXING OF AMOUNT DESIGNATED.—

10 “(1) IN GENERAL.—With respect to each tax-
11 able year after 2012, each amount referred to in
12 subsection (a) shall be increased by the percent dif-
13 ference described in paragraph (2), except that if
14 any such amount after such an increase is not a
15 multiple of \$1, such amount shall be rounded to the
16 nearest multiple of \$1.

17 “(2) PERCENT DIFFERENCE DESCRIBED.—The
18 percent difference described in this paragraph with
19 respect to a taxable year is the percent difference
20 determined under section 315(e)(1)(A) of the Fed-
21 eral Election Campaign Act of 1971 with respect to
22 the calendar year during which the taxable year be-
23 gins, except that the base year involved shall be
24 2011.”.

1 (c) ENSURING TAX PREPARATION SOFTWARE DOES
2 NOT PROVIDE AUTOMATIC RESPONSE TO DESIGNATION
3 QUESTION.—Section 6096 of such Code, as amended by
4 subsection (b), is amended by adding at the end the fol-
5 lowing new subsection:

6 “(e) ENSURING TAX PREPARATION SOFTWARE DOES
7 NOT PROVIDE AUTOMATIC RESPONSE TO DESIGNATION
8 QUESTION.—The Secretary shall promulgate regulations
9 to ensure that electronic software used in the preparation
10 or filing of individual income tax returns does not auto-
11 matically accept or decline a designation of a payment
12 under this section.”.

13 (d) PUBLIC INFORMATION PROGRAM ON DESIGNA-
14 TION.—Section 6096 of such Code, as amended by sub-
15 sections (b) and (c), is amended by adding at the end the
16 following new subsection:

17 “(f) PUBLIC INFORMATION PROGRAM.—

18 “(1) IN GENERAL.—The Federal Election Com-
19 mission shall conduct a program to inform and edu-
20 cate the public regarding the purposes of the Presi-
21 dential Election Campaign Fund, the procedures for
22 the designation of payments under this section, and
23 the effect of such a designation on the income tax
24 liability of taxpayers.

1 mittee shall ensure that the name on the credit card used
 2 to make the contribution matches the name of the person
 3 making the contribution.

4 **SEC. 403. PROHIBITION ON JOINT FUNDRAISING COMMIT-**
 5 **TEES.**

6 (a) IN GENERAL.—Section 302(e) of the Federal
 7 Election Campaign Act of 1971 (2 U.S.C. 432(e)) is
 8 amended by adding at the end the following new para-
 9 graph:

10 “(6) No authorized committee of a candidate
 11 may establish a joint fundraising committee with a
 12 political committee other than an authorized com-
 13 mittee of a candidate.”.

14 (b) EFFECTIVE DATE.—The amendments made by
 15 this section shall take effect on January 1, 2013.

16 **SEC. 404. DISCLOSURE OF BUNDLED CONTRIBUTIONS TO**
 17 **PRESIDENTIAL CAMPAIGNS.**

18 (a) IN GENERAL.—Paragraphs (1) through (3) of
 19 section 304(i) of the Federal Election Campaign Act of
 20 1971 (2 U.S.C. 434(i)) are amended to read as follows:

21 “(1) IN GENERAL.—

22 “(A) DISCLOSURE OF BUNDLED CON-
 23 TRIBUTIONS BY LOBBYISTS.—Each committee
 24 described in paragraph (6) shall include in the
 25 first report required to be filed under this sec-

1 tion after each covered period (as defined in
2 paragraph (2)) a separate schedule setting forth
3 the name, address, and employer of each person
4 reasonably known by the committee to be a per-
5 son described in paragraph (7) who provided 2
6 or more bundled contributions to the committee
7 in an aggregate amount greater than the appli-
8 cable threshold (as defined in paragraph (3))
9 during the covered period, and the aggregate
10 amount of the bundled contributions provided
11 by each such person during the covered period.

12 “(B) DISCLOSURE OF BUNDLED CON-
13 TRIBUTIONS TO PRESIDENTIAL CAMPAIGNS.—
14 Each committee which is an authorized com-
15 mittee of a candidate for the office of President
16 or for nomination to such office shall include in
17 the first report required to be filed under this
18 section after each covered period (as defined in
19 paragraph (2)) a separate schedule setting forth
20 the name, address, and employer of each person
21 who provided 2 or more bundled contributions
22 to the committee in an aggregate amount great-
23 er than the applicable threshold (as defined in
24 paragraph (3)) during the election cycle, and
25 the aggregate amount of the bundled contribu-

1 tions provided by each such person during the
2 covered period and such election cycle. Such
3 schedule shall include a separate listing of the
4 name, address, and employer of each person in-
5 cluded on such schedule who is reasonably
6 known by the committee to be a person de-
7 scribed in paragraph (7), together with the ag-
8 gregate amount of bundled contributions pro-
9 vided by such person during such period and
10 such cycle.

11 “(2) COVERED PERIOD.—In this subsection, a
12 ‘covered period’ means—

13 “(A) with respect to a committee which is
14 an authorized committee of a candidate for the
15 office of President or for nomination to such of-
16 fice—

17 “(i) the 4-year election cycle ending
18 with the date of the election for the office
19 of the President; and

20 “(ii) any reporting period applicable
21 to the committee under this section during
22 which any person provided 2 or more bun-
23 dled contributions to the committee; and

24 “(B) with respect to any other com-
25 mittee—

1 “(i) the period beginning January 1
2 and ending June 30 of each year;

3 “(ii) the period beginning July 1 and
4 ending December 31 of each year; and

5 “(iii) any reporting period applicable
6 to the committee under this section during
7 which any person described in paragraph
8 (7) provided 2 or more bundled contribu-
9 tions to the committee in an aggregate
10 amount greater than the applicable thresh-
11 old.

12 “(3) APPLICABLE THRESHOLD.—

13 “(A) IN GENERAL.—In this subsection, the
14 ‘applicable threshold’ is—

15 “(i) \$50,000 in the case of a com-
16 mittee which is an authorized committee of
17 a candidate for the office of President or
18 for nomination to such office; and

19 “(ii) \$15,000 in the case of any other
20 committee.

21 In determining whether the amount of bundled
22 contributions provided to a committee by a per-
23 son exceeds the applicable threshold, there shall
24 be excluded any contribution made to the com-
25 mittee by the person or the person’s spouse.

1 “(B) INDEXING.—In any calendar year
2 after 2016, section 315(c)(1)(B) shall apply to
3 each amount applicable under subparagraph
4 (A) in the same manner as such section applies
5 to the limitations established under subsections
6 (a)(1)(A), (a)(1)(B), (a)(3), and (h) of such
7 section, except that for purposes of applying
8 such section to the amount applicable under
9 subparagraph (A), the ‘base period’ shall be
10 2015.”.

11 (b) CONFORMING AMENDMENTS.—Subsection (i) of
12 section 304 of such Act (2 U.S.C. 434) is amended—

13 (1) in paragraph (5), by striking “described in
14 paragraph (7)” each place it appears in subpara-
15 graphs (C) and (D);

16 (2) in paragraph (6), by inserting “(other than
17 a candidate for the office of President or for nomi-
18 nation to such office)” after “candidate”; and

19 (3) in paragraph (8)(A)—

20 (A) by striking “, with respect to a com-
21 mittee described in paragraph (6) and a person
22 described in paragraph (7),” and inserting “,
23 with respect to a committee described in para-
24 graph (6) or an authorized committee of a can-

1 didate for the office of President or for nomina-
2 tion to such office,”;

3 (B) by striking “by the person” in clause
4 (i) thereof and inserting “by any person”; and

5 (C) by striking “the person” each place it
6 appears in clause (ii) and inserting “such per-
7 son”.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply with respect to reports filed under
10 section 304 of the Federal Election Campaign Act of 1971
11 after January 1, 2013.

12 **SEC. 405. JUDICIAL REVIEW OF ACTIONS RELATED TO CAM-**
13 **PAIGN FINANCE LAWS.**

14 (a) IN GENERAL.—Title IV of the Federal Election
15 Campaign Act of 1971 (2 U.S.C. 451 et seq.) is amended
16 by inserting after section 406 the following new section:
17 **“SEC. 407. JUDICIAL REVIEW.**

18 **“(a) IN GENERAL.—**If any action is brought for de-
19 claratory or injunctive relief to challenge the constitu-
20 tionality of any provision of this Act or of chapter 95 or
21 96 of the Internal Revenue Code of 1986, or is brought
22 to with respect to any action of the Commission under
23 chapter 95 or 96 of the Internal Revenue Code of 1986,
24 the following rules shall apply:

1 “(1) The action shall be filed in the United
2 States District Court for the District of Columbia
3 and an appeal from the decision of the district court
4 may be taken to the Court of Appeals for the Dis-
5 trict of Columbia Circuit.

6 “(2) In the case of an action relating to declar-
7 atory or injunctive relief to challenge the constitu-
8 tionality of a provision—

9 “(A) a copy of the complaint shall be deliv-
10 ered promptly to the Clerk of the House of
11 Representatives and the Secretary of the Sen-
12 ate; and

13 “(B) it shall be the duty of the United
14 States District Court for the District of Colum-
15 bia, the Court of Appeals for the District of Co-
16 lumbia, and the Supreme Court of the United
17 States to advance on the docket and to expedite
18 to the greatest possible extent the disposition of
19 the action and appeal.

20 “(b) INTERVENTION BY MEMBERS OF CONGRESS.—
21 In any action in which the constitutionality of any provi-
22 sion of this Act or chapter 95 or 96 of the Internal Rev-
23 enue Code of 1986 is raised, any member of the House
24 of Representatives (including a Delegate or Resident Com-
25 missioner to the Congress) or Senate shall have the right

1 to intervene either in support of or opposition to the posi-
2 tion of a party to the case regarding the constitutionality
3 of the provision. To avoid duplication of efforts and reduce
4 the burdens placed on the parties to the action, the court
5 in any such action may make such orders as it considers
6 necessary, including orders to require intervenors taking
7 similar positions to file joint papers or to be represented
8 by a single attorney at oral argument.

9 “(c) CHALLENGE BY MEMBERS OF CONGRESS.—Any
10 Member of Congress may bring an action, subject to the
11 special rules described in subsection (a), for declaratory
12 or injunctive relief to challenge the constitutionality of any
13 provision of this Act or chapter 95 or 96 of the Internal
14 Revenue Code of 1986.”.

15 (b) CONFORMING AMENDMENTS.—

16 (1) IN GENERAL.—

17 (A) Section 310 of the Federal Election
18 Campaign Act of 1971 (2 U.S.C. 437h) is re-
19 pealed.

20 (B) Section 9011 of the Internal Revenue
21 Code of 1986 is amended to read as follows:

22 **“SEC. 9011. JUDICIAL REVIEW.**

23 “For provisions relating to judicial review of certifi-
24 cations, determinations, and actions by the Commission

1 under this chapter, see section 407 of the Federal Election
2 Campaign Act of 1971.”.

3 (C) Section 9041 of the Internal Revenue
4 Code of 1986 is amended to read as follows:

5 **“SEC. 9041. JUDICIAL REVIEW.**

6 “For provisions relating to judicial review of actions
7 by the Commission under this chapter, see section 407 of
8 the Federal Election Campaign Act of 1971.”.

9 (D) Section 403 of the Bipartisan Cam-
10 paign Finance Reform Act of 2002 (2 U.S.C.
11 437h note) is repealed.

12 (e) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to actions brought on or after Jan-
14 uary 1, 2013.

15 **TITLE V—SEVERABILITY AND**
16 **EFFECTIVE DATE**

17 **SEC. 501. SEVERABILITY.**

18 If any provision of this Act or amendment made by
19 this Act, or the application of a provision or amendment
20 to any person or circumstance, is held to be unconstitu-
21 tional, the remainder of this Act and amendments made
22 by this Act, and the application of the provisions and
23 amendment to any person or circumstance, shall not be
24 affected by the holding.

1 **SEC. 502. EFFECTIVE DATE.**

2 Except as otherwise provided in this Act, the amend-
3 ments made by this Act shall apply with respect to elec-
4 tions occurring after January 1, 2013.

○