

113TH CONGRESS
1ST SESSION

H. R. 269

To reform the financing of House elections, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2013

Mr. YARMUTH (for himself, Ms. PINGREE of Maine, Mr. NOLAN, Mr. LARSON of Connecticut, Mr. BLUMENAUER, Mr. CAPUANO, Ms. CHU, Mr. CICILLINE, Mr. COHEN, Mr. COOPER, Mrs. DAVIS of California, Mr. DEUTCH, Mr. ELLISON, Ms. ESHOO, Mr. GENE GREEN of Texas, Mr. GRIJALVA, Mr. HIMES, Mr. HOLT, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LANGEVIN, Mr. JONES, Ms. LEE of California, Mr. MAFFEI, Ms. MCCOLLUM, Mr. MCGOVERN, Mr. MICHAUD, Mr. GEORGE MILLER of California, Mr. MORAN, Ms. NORTON, Mr. PETERS of Michigan, Mr. POLIS, Mr. PRICE of North Carolina, Mr. RANGEL, Mr. SARBANES, Ms. SCHAKOWSKY, Mr. SIRES, Mr. SMITH of Washington, Mr. TONKO, Ms. TSONGAS, Mr. VAN HOLLEN, Mr. WELCH, Ms. SLAUGHTER, Mr. SHERMAN, Ms. DELAURO, Mrs. NAPOLITANO, Mr. OWENS, Mr. MCDERMOTT, Ms. MATSUI, Ms. HAHN, Mr. WAXMAN, Ms. WILSON of Florida, and Mr. KIND) introduced the following bill; which was referred to the Committee on House Administration

A BILL

To reform the financing of House 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,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Fair Elections Now Act”.

4 (b) **TABLE OF CONTENTS.**—The table of contents of
5 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Findings and declarations.

**TITLE I—FAIR ELECTIONS FINANCING OF HOUSE ELECTION
CAMPAIGNS**

Sec. 101. Benefits and eligibility requirements for House candidates.

**“TITLE V—FAIR ELECTIONS FINANCING OF HOUSE ELECTION
CAMPAIGNS**

“Subtitle A—Benefits

“Sec. 501. Benefits for participating candidates.

“Sec. 502. Allocations from the Fund.

“Sec. 503. Matching payments for certain small dollar contributions.

“Subtitle B—Eligibility and Certification

“Sec. 511. Eligibility.

“Sec. 512. Qualifying requirements.

“Sec. 513. Certification.

**“Subtitle C—Requirements for Candidates Certified as Participating
Candidates**

“Sec. 521. Contribution, expenditure, and fundraising requirements.

“Sec. 522. Debate requirement.

“Sec. 523. Remitting unspent funds after election.

“Subtitle D—Administrative Provisions

“Sec. 531. Fair Elections Fund.

“Sec. 532. Fair Elections Oversight Board.

“Sec. 533. Administration by Commission.

“Sec. 534. Violations and penalties.

“Sec. 535. Election cycle defined.

Sec. 102. Transfer of portion of civil money penalties into Fair Elections Fund.

Sec. 103. Prohibiting use of contributions by participating candidates for purposes other than campaign for election.

Sec. 104. Prohibition on joint fundraising committees.

Sec. 105. Treatment of coordinated expenditures by political party committees on behalf of participating candidates.

**TITLE II—RESPONSIBILITIES OF THE FEDERAL ELECTION
COMMISSION**

Sec. 201. Petition for certiorari.

Sec. 202. Filing by all candidates with Commission.

Sec. 203. Electronic filing of FEC reports.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Severability.

Sec. 302. Effective date.

1 **SEC. 2. FINDINGS AND DECLARATIONS.**

2 (a) UNDERMINING OF DEMOCRACY BY CAMPAIGN
3 CONTRIBUTIONS FROM PRIVATE SOURCES.—The House
4 of Representatives finds and declares that the current sys-
5 tem of privately financed campaigns for election to the
6 House of Representatives has the capacity, and is often
7 perceived by the public, to undermine democracy in the
8 United States by—

9 (1) creating a culture that fosters actual or per-
10 ceived conflicts of interest, by encouraging Members
11 of the House to accept large campaign contributions
12 from private interests that are directly affected by
13 Federal legislation;

14 (2) diminishing or appearing to diminish Mem-
15 bers' accountability to constituents by compelling
16 legislators to be accountable to the major contribu-
17 tors who finance their election campaigns;

18 (3) undermining the meaning of the right to
19 vote by allowing monied interests to have a dis-
20 proportionate and unfair influence within the polit-
21 ical process;

1 (4) imposing large, unwarranted costs on tax-
2 payers through legislative and regulatory distortions
3 caused by unequal access to lawmakers for campaign
4 contributors;

5 (5) making it difficult for some qualified can-
6 didates to mount competitive House election cam-
7 paigns;

8 (6) disadvantaging challengers and discouraging
9 competitive elections, because large campaign con-
10 tributors tend to donate their money to incumbent
11 Members, thus causing House elections to be less
12 competitive; and

13 (7) burdening incumbents with a preoccupation
14 with fundraising and thus decreasing the time avail-
15 able to carry out their public responsibilities.

16 (b) ENHANCEMENT OF DEMOCRACY BY PROVIDING
17 ALLOCATIONS FROM THE FAIR ELECTIONS FUND.—The
18 House of Representatives finds and declares that pro-
19 viding the option of the replacement of large private cam-
20 paign contributions with allocations from the Fair Elec-
21 tions Fund for all primary, runoff, and general elections
22 to the House of Representatives would enhance American
23 democracy by—

24 (1) reducing the actual or perceived conflicts of
25 interest created by fully private financing of the elec-

1 tion campaigns of public officials and restoring pub-
2 lic confidence in the integrity and fairness of the
3 electoral and legislative processes through a program
4 which allows participating candidates to adhere to
5 substantially lower contribution limits for contribu-
6 tors with an assurance that there will be sufficient
7 funds for such candidates to run viable electoral
8 campaigns;

9 (2) increasing the public's confidence in the ac-
10 countability of Members to the constituents who
11 elect them, which derives from the program's quali-
12 fying criteria to participate in the voluntary program
13 and the conclusions that constituents may draw re-
14 garding candidates who qualify and participate in
15 the program;

16 (3) helping to reduce the ability to make large
17 campaign contributions as a determinant of a citi-
18 zen's influence within the political process by facili-
19 tating the expression of support by voters at every
20 level of wealth, encouraging political participation,
21 incentivizing participation on the part of Members
22 through the matching of small dollar contributions;

23 (4) potentially saving taxpayers billions of dol-
24 lars that may be (or that are perceived to be) cur-
25 rently allocated based upon legislative and regu-

1 latory agendas skewed by the influence of campaign
2 contributions;

3 (5) creating genuine opportunities for all Amer-
4 icans to run for the House of Representatives and
5 encouraging more competitive elections;

6 (6) encouraging participation in the electoral
7 process by citizens of every level of wealth; and

8 (7) freeing Members from the incessant pre-
9 occupation with raising money, and allowing them
10 more time to carry out their public responsibilities.

11 **TITLE I—FAIR ELECTIONS FI-**
12 **NANCING OF HOUSE ELEC-**
13 **TION CAMPAIGNS**

14 **SEC. 101. BENEFITS AND ELIGIBILITY REQUIREMENTS FOR**
15 **HOUSE CANDIDATES.**

16 The Federal Election Campaign Act of 1971 (2
17 U.S.C. 431 et seq.) is amended by adding at the end the
18 following:

19 **“TITLE V—FAIR ELECTIONS FI-**
20 **NANCING OF HOUSE ELEC-**
21 **TION CAMPAIGNS**

22 **“Subtitle A—Benefits**

23 **“SEC. 501. BENEFITS FOR PARTICIPATING CANDIDATES.**

24 “(a) IN GENERAL.—If a candidate for election to the
25 office of Representative in, or Delegate or Resident Com-

1 missioner to, the Congress is a participating candidate
2 under this title with respect to an election for such office,
3 the candidate shall be entitled to payments under this
4 title, to be used only for authorized expenditures in con-
5 nection with the election.

6 “(b) TYPES OF PAYMENTS.—The payments to which
7 a participating candidate is entitled under this section
8 consist of—

9 “(1) allocations from the Fair Elections Fund,
10 as provided in section 502; and

11 “(2) payments from the Fair Elections Fund to
12 match certain small dollar contributions, as provided
13 in section 503.

14 **“SEC. 502. ALLOCATIONS FROM THE FUND.**

15 “(a) AMOUNT OF ALLOCATIONS.—

16 “(1) PRIMARY ELECTION ALLOCATION; INITIAL
17 ALLOCATION.—Except as provided in paragraph (6),
18 the Commission shall make an allocation from the
19 Fair Elections Fund established under section 531
20 to a candidate who is certified as a participating
21 candidate with respect to a primary election in an
22 amount equal to 40 percent of the base amount.

23 “(2) PRIMARY RUNOFF ELECTION ALLOCA-
24 TION.—The Commission shall make an allocation
25 from the Fund to a candidate who is certified as a

1 participating candidate with respect to a primary
2 runoff election in an amount equal to 25 percent of
3 the amount the participating candidate was eligible
4 to receive under this section for the primary election.

5 “(3) GENERAL ELECTION ALLOCATION.—Ex-
6 cept as provided in paragraph (6), the Commission
7 shall make an allocation from the Fund to a can-
8 didate who is certified as a participating candidate
9 with respect to a general election in an amount
10 equal to 60 percent of the base amount.

11 “(4) GENERAL RUNOFF ELECTION ALLOCA-
12 TION.—The Commission shall make an allocation
13 from the Fund to a candidate who is certified as a
14 participating candidate with respect to a general
15 runoff election in an amount equal to 25 percent of
16 the base amount.

17 “(5) RECOUNT ALLOCATION.—If the appro-
18 priate State or local election official conducts a re-
19 count of an election, the Commission shall make an
20 allocation from the Fund to a participating can-
21 didate for expenses relating to the recount in an
22 amount equal to 25 percent of the amount the par-
23 ticipating candidate was eligible to receive under this
24 section for the election involved.

25 “(6) UNCONTESTED ELECTIONS.—

1 “(A) IN GENERAL.—In the case of a pri-
2 mary or general election that is an uncontested
3 election, the Commission shall make an alloca-
4 tion from the Fund to a participating candidate
5 for such election in an amount equal to 25 per-
6 cent of the allocation for that election with re-
7 spect to such candidate.

8 “(B) UNCONTESTED ELECTION DE-
9 FINED.—For purposes of this subparagraph, an
10 election is uncontested if not more than 1 can-
11 didate has campaign funds (including payments
12 from the Fund) in an amount equal to or great-
13 er than 10 percent of the allocation a candidate
14 would be entitled to receive under this section
15 for that election (determined without regard to
16 this paragraph).

17 “(b) BASE AMOUNT.—The base amount is an amount
18 equal to 80 percent of the national average disbursements
19 of the cycle by winning candidates for the office of Rep-
20 resentative in, or Delegate or Resident Commissioner to,
21 the Congress in the last 2 election cycles.

22 “(c) TIMING; METHOD OF PAYMENT.—

23 “(1) TIMING.—The Commission shall make the
24 allocations required under subsection (a) to a par-
25 ticipating candidate—

1 “(A) in the case of amounts provided
2 under subsection (a)(1), not later than 48 hours
3 after the date on which such candidate is cer-
4 tified as a participating candidate under section
5 513;

6 “(B) in the case of a general election, not
7 later than 48 hours after—

8 “(i) the date of the certification of the
9 results of the primary election or the pri-
10 mary runoff election; or

11 “(ii) in any case in which there is no
12 primary election, the date the candidate
13 qualifies to be placed on the ballot;

14 “(C) in the case of a primary runoff elec-
15 tion or a general runoff election, not later than
16 48 hours after the certification of the results of
17 the primary election or the general election, as
18 the case may be; and

19 “(D) in the case of a recount allocation,
20 not later than 48 hours after the appropriate
21 State or local election official orders the holding
22 of the recount.

23 “(2) METHOD OF PAYMENT.—The Commission
24 shall distribute funds available to participating can-

1 didates under this section through the use of an
2 electronic funds exchange or a debit card.

3 **“SEC. 503. MATCHING PAYMENTS FOR CERTAIN SMALL**
4 **DOLLAR CONTRIBUTIONS.**

5 “(a) **IN GENERAL.**—The Commission shall pay to
6 each participating candidate an amount equal to 500 per-
7 cent of the amount of qualified small dollar contributions
8 received by the candidate from individuals who are resi-
9 dents of the State in which such participating candidate
10 is seeking election.

11 “(b) **LIMITATION.**—The maximum payment under
12 this section shall be the greater of—

13 “(1) 300 percent of the allocation under para-
14 graphs (1) through (4) of section 502(a) for that
15 election with respect to such candidate; or

16 “(2) the percentage of the allocation determined
17 by the Commission under section 532(c)(2).

18 “(c) **TIME OF PAYMENT.**—The Commission shall
19 make payments under this section not later than 2 busi-
20 ness days after the receipt of a report made under sub-
21 section (d).

22 “(d) **REPORTS.**—

23 “(1) **IN GENERAL.**—Each participating can-
24 didate shall file reports of receipts of qualified small

1 dollar contributions at such times and in such man-
2 ner as the Commission may by regulations prescribe.

3 “(2) CONTENTS OF REPORTS.—Each report
4 under this subsection shall disclose—

5 “(A) the amount of each qualified small
6 dollar contribution received by the candidate;

7 “(B) the amount of each qualified small
8 dollar contribution received by the candidate
9 from a resident of the State in which the can-
10 didate is seeking election; and

11 “(C) the name, address, and occupation of
12 each individual who made a qualified small dol-
13 lar contribution to the candidate.

14 “(3) FREQUENCY OF REPORTS.—Reports under
15 this subsection shall be made no more frequently
16 than—

17 “(A) once every month until the date that
18 is 90 days before the date of the election;

19 “(B) once every week after the period de-
20 scribed in subparagraph (A) and until the date
21 that is 21 days before the election; and

22 “(C) once every day after the period de-
23 scribed in subparagraph (B).

24 “(4) LIMITATION ON REGULATIONS.—The
25 Commission may not prescribe any regulations with

1 respect to reporting under this subsection with re-
2 spect to any election after the date that is 180 days
3 before the date of such election.

4 “(e) APPEALS.—The Commission shall provide a
5 written explanation with respect to any denial of any pay-
6 ment under this section and shall provide for the oppor-
7 tunity for review and reconsideration within 5 business
8 days of such denial.

9 “(f) QUALIFIED SMALL DOLLAR CONTRIBUTION DE-
10 FINED.—The term ‘qualified small dollar contribution’
11 means, with respect to a participating candidate, any con-
12 tribution (or a series of contributions)—

13 “(1) which is not a qualifying contribution (or
14 does not include a qualifying contribution);

15 “(2) which is made by an individual who is not
16 prohibited from making a contribution under this
17 Act; and

18 “(3) the aggregate amount of which does not
19 exceed the greater of—

20 “(A) \$100 per election; or

21 “(B) the amount determined by the Fair
22 Elections Oversight Board under section
23 532(c)(2).

1 **“Subtitle B—Eligibility and**
2 **Certification**

3 **“SEC. 511. ELIGIBILITY.**

4 “(a) IN GENERAL.—A candidate for the office of
5 Representative in, or Delegate or Resident Commissioner
6 to, the Congress is eligible to be certified as a participating
7 candidate under this title with respect to an election if
8 the candidate meets the following requirements:

9 “(1) During the election cycle for the office in-
10 volved, the candidate files with the Commission a
11 statement of intent to seek certification as a partici-
12 pating candidate.

13 “(2) The candidate meets the qualifying re-
14 quirements of section 512.

15 “(3) Not later than the last day of the Fair
16 Elections qualifying period, the candidate files with
17 the Commission an affidavit signed by the candidate
18 and the treasurer of the candidate’s principal cam-
19 paign committee declaring that the candidate—

20 “(A) has complied and, if certified, will
21 comply with the contribution and expenditure
22 requirements of section 521;

23 “(B) if certified, will comply with the de-
24 bate requirements of section 522;

1 “(C) if certified, will run only as a partici-
2 pating candidate for all elections for the office
3 that such candidate is seeking during the elec-
4 tion cycle; and

5 “(D) has either qualified or will take steps
6 to qualify under State law to be on the ballot.

7 “(b) GENERAL ELECTION.—Notwithstanding sub-
8 section (a), a candidate shall not be eligible to receive an
9 allocation from the Fund for a general election or a gen-
10 eral runoff election unless the candidate’s party nominated
11 the candidate to be placed on the ballot for the general
12 election or the candidate is otherwise qualified to be on
13 the ballot under State law.

14 “(c) FAIR ELECTIONS QUALIFYING PERIOD DE-
15 FINED.—The term ‘Fair Elections qualifying period’
16 means, with respect to any candidate for the office of Rep-
17 resentative in, or Delegate or Resident Commissioner to,
18 the Congress, the 120-day period (during the election cycle
19 for such office) which begins on the date on which the
20 candidate files a statement of intent under section
21 511(a)(1), except that such period may not continue after
22 the date that is 60 days before—

23 “(1) the date of the primary election; or

24 “(2) in the case of a State that does not hold
25 a primary election, the date prescribed by State law

1 as the last day to qualify for a position on the gen-
2 eral election ballot.

3 **“SEC. 512. QUALIFYING REQUIREMENTS.**

4 “(a) RECEIPT OF QUALIFYING CONTRIBUTIONS.—A
5 candidate for the office of Representative in, or Delegate
6 or Resident Commissioner to, the Congress meets the re-
7 quirement of this section if, during the Fair Elections
8 qualifying period described in section 511(c), the can-
9 didate obtains—

10 “(1) a single qualifying contribution from a
11 number of individuals equal to or greater than the
12 lesser of—

13 “(A) .25% of the voting age population of
14 the State involved (as reported in the most re-
15 cent decennial census), or

16 “(B) 1,500; and

17 “(2) a total dollar amount of qualifying con-
18 tributions equal to or greater than \$50,000.

19 “(b) REQUIREMENTS RELATING TO RECEIPT OF
20 QUALIFYING CONTRIBUTION.—Each qualifying contribu-
21 tion—

22 “(1) may be made by means of a personal
23 check, money order, debit card, credit card, or elec-
24 tronic payment account;

1 “(2) shall be accompanied by a signed state-
2 ment containing—

3 “(A) the contributor’s name and the con-
4 tributor’s address in the State in which the pri-
5 mary residence of the contributor is located;
6 and

7 “(B) an oath declaring that the contrib-
8 utor—

9 “(i) understands that the purpose of
10 the qualifying contribution is to show sup-
11 port for the candidate so that the can-
12 didate may qualify for Fair Elections fi-
13 nancing;

14 “(ii) is making the contribution in his
15 or her own name and from his or her own
16 funds;

17 “(iii) has made the contribution will-
18 ingly; and

19 “(iv) has not received any thing of
20 value in return for the contribution; and

21 “(3) shall be acknowledged by a receipt that is
22 sent to the contributor with a copy kept by the can-
23 didate for the Commission and a copy kept by the
24 candidate for the election authorities in the State

1 with respect to which the candidate is seeking elec-
2 tion.

3 “(c) VERIFICATION OF QUALIFYING CONTRIBU-
4 TIONS.—The Commission shall establish procedures for
5 the auditing and verification of qualifying contributions to
6 ensure that such contributions meet the requirements of
7 this section.

8 “(d) PROHIBITING PAYMENT ON COMMISSION BASIS
9 OF INDIVIDUALS COLLECTING QUALIFYING CONTRIBU-
10 TIONS.—No person may be paid a commission on a per
11 qualifying contribution basis for collecting qualifying con-
12 tributions.

13 “(e) QUALIFYING CONTRIBUTION DEFINED.—In this
14 section, the term ‘qualifying contribution’ means, with re-
15 spect to a candidate, a contribution that—

16 “(1) is in an amount that is—

17 “(A) not less than the greater of \$5 or the
18 amount determined by the Commission under
19 section 532(c)(2), and

20 “(B) not more than the greater of \$100 or
21 the amount determined by the Commission
22 under section 532(c)(2);

23 “(2) is made by an individual—

1 “(A) who has a primary residence in the
2 State in which such Candidate is seeking elec-
3 tion, and

4 “(B) who is not otherwise prohibited from
5 making a contribution under this Act;

6 “(3) is made during the Fair Elections quali-
7 fying period described in section 511(c); and

8 “(4) meets the requirements of subsection (b).

9 **“SEC. 513. CERTIFICATION.**

10 “(a) DEADLINE AND NOTIFICATION.—

11 “(1) IN GENERAL.—Not later than 5 days after
12 a candidate files an affidavit under section
13 511(a)(3), the Commission shall—

14 “(A) determine whether or not the can-
15 didate meets the requirements for certification
16 as a participating candidate;

17 “(B) if the Commission determines that
18 the candidate meets such requirements, certify
19 the candidate as a participating candidate; and

20 “(C) notify the candidate of the Commis-
21 sion’s determination.

22 “(2) DEEMED CERTIFICATION FOR ALL ELEC-
23 TIONS IN ELECTION CYCLE.—If the Commission cer-
24 tifies a candidate as a participating candidate with
25 respect to the first election of the election cycle in-

1 involved, the Commissioner shall be deemed to have
2 certified the candidate as a participating candidate
3 with respect to all subsequent elections of the elec-
4 tion cycle.

5 “(b) REVOCATION OF CERTIFICATION.—

6 “(1) IN GENERAL.—The Commission may re-
7 voke a certification under subsection (a) if—

8 “(A) a candidate fails to qualify to appear
9 on the ballot at any time after the date of cer-
10 tification (other than a candidate certified as a
11 participating candidate with respect to a pri-
12 mary election who fails to qualify to appear on
13 the ballot for a subsequent election in that elec-
14 tion cycle); or

15 “(B) a candidate otherwise fails to comply
16 with the requirements of this title, including
17 any regulatory requirements prescribed by the
18 Commission.

19 “(2) REPAYMENT OF BENEFITS.—If certifi-
20 cation is revoked under paragraph (1), the candidate
21 shall repay to the Fair Elections Fund established
22 under section 531 an amount equal to the value of
23 benefits received under this title with respect to the
24 election cycle involved plus interest (at a rate deter-

1 mined by the Commission) on any such amount re-
2 ceived.

3 “(c) PARTICIPATING CANDIDATE DEFINED.—In this
4 title, a ‘participating candidate’ means a candidate for the
5 office of Representative in, or Delegate or Resident Com-
6 missioner to, the Congress who is certified under this sec-
7 tion as eligible to receive benefits under this title.

8 **“Subtitle C—Requirements for Can-**
9 **didates Certified as Partici-**
10 **pating Candidates**

11 **“SEC. 521. CONTRIBUTION, EXPENDITURE, AND FUND-**
12 **RAISING REQUIREMENTS.**

13 “(a) CONTRIBUTIONS.—

14 “(1) PERMITTED SOURCES OF CONTRIBU-
15 TIONS.—Except as provided in subsection (c), a can-
16 didate who is certified as a participating candidate
17 with respect to an election shall, with respect to all
18 elections occurring during the election cycle for the
19 office involved, accept no contributions from any
20 source (including an unexpended contribution re-
21 ceived by the candidate with respect to a previous
22 election or a contribution made by any political com-
23 mittee or multicandidate committee) other than—

24 “(A) qualifying contributions described in
25 section 512;

1 “(B) qualified small dollar contributions
2 described in section 503;

3 “(C) allocations under section 502; and

4 “(D) payments under section 503.

5 “(2) CONTRIBUTIONS FOR LEADERSHIP AND
6 RELATED PACS.—A political committee of a partici-
7 pating candidate which is not an authorized com-
8 mittee of such candidate may accept contributions
9 other than contributions described in paragraph (1)
10 from any person if—

11 “(A) the aggregate amount of the con-
12 tributions from such person for any election
13 during the election cycle does not exceed \$100;
14 and

15 “(B) no portion of such contributions is
16 disbursed in connection with the campaign of
17 the participating candidate.

18 “(b) EXPENDITURES.—

19 “(1) PERMITTED SOURCES FOR EXPENDI-
20 TURES.—Except as provided in subsection (c), a
21 candidate who is certified as a participating can-
22 didate with respect to an election shall, with respect
23 to all elections occurring during the election cycle for
24 the office involved—

1 “(A) make no expenditures from any
2 amounts other than—

3 “(i) qualifying contributions described
4 in section 512;

5 “(ii) qualified small dollar contribu-
6 tions described in section 503;

7 “(iii) allocations under section 502;
8 and

9 “(iv) payments under section 503; and

10 “(B) make no expenditures from personal
11 funds or the funds of any immediate family
12 member of the candidate (other than funds re-
13 ceived through qualified small dollar contribu-
14 tions and qualifying contributions).

15 “(2) IMMEDIATE FAMILY MEMBER DEFINED.—

16 In paragraph (1)(B), the term ‘immediate family’
17 means, with respect to a candidate—

18 “(A) the candidate’s spouse;

19 “(B) a child, stepchild, parent, grand-
20 parent, brother, half-brother, sister, or half-sis-
21 ter of the candidate or the candidate’s spouse;
22 and

23 “(C) the spouse of any person described in
24 subparagraph (B).

25 “(c) EXCEPTIONS.—

1 “(1) EXCEPTION FOR CONTRIBUTIONS RE-
2 RECEIVED PRIOR TO FILING OF STATEMENT OF IN-
3 TENT.—A candidate who has accepted contributions
4 that are not qualified small dollar contributions,
5 qualifying contributions, or contributions described
6 in paragraph (a)(2) prior to the date the candidate
7 files a statement of intent under section 511(a)(1)
8 is not in violation of subsection (a), but only if all
9 such contributions are—

10 “(A) returned to the contributor;

11 “(B) submitted to the Commission for de-
12 posit in the Fair Elections Fund established
13 under section 531; or

14 “(C) spent in accordance with paragraph
15 (2).

16 “(2) EXCEPTION FOR EXPENDITURES MADE
17 PRIOR TO FILING OF STATEMENT OF INTENT.—If a
18 candidate has made expenditures prior to the date
19 the candidate files a statement of intent under sec-
20 tion 511(a)(1) that the candidate is prohibited from
21 making under subsection (b), the candidate is not in
22 violation of such subsection if the aggregate amount
23 of the prohibited expenditures is less than 20 per-
24 cent of the amount of an initial allocation to a can-
25 didate under section 502(a)(1).

1 “(3) EXCEPTION FOR CAMPAIGN SURPLUSES
2 FROM A PREVIOUS ELECTION.—Notwithstanding
3 paragraph (1), unexpended contributions received by
4 the candidate or an authorized committee of the
5 candidate with respect to a previous election may be
6 retained, but only if the candidate places the funds
7 in escrow and refrains from raising additional funds
8 for or spending funds from that account during the
9 election cycle in which a candidate is a participating
10 candidate.

11 “(4) EXCEPTION FOR CONTRIBUTIONS RE-
12 CEIVED BEFORE THE EFFECTIVE DATE OF THIS
13 TITLE.—Contributions received and expenditures
14 made by the candidate or an authorized committee
15 of the candidate prior to the effective date of this
16 title shall not constitute a violation of subsection (a)
17 or (b). Unexpended contributions shall be treated
18 the same as campaign surpluses under paragraph
19 (3), and expenditures made shall count against the
20 limit in paragraph (2).

21 “(d) SPECIAL RULE FOR COORDINATED PARTY EX-
22 PENDITURES.—For purposes of this section, a payment
23 made by a political party in coordination with a partici-
24 pating candidate shall not be treated as a contribution to
25 or as an expenditure made by the participating candidate.

1 **“SEC. 522. DEBATE REQUIREMENT.**

2 “A candidate who is certified as a participating can-
3 didate with respect to an election shall, during the election
4 cycle for the office involved, participate in at least—

5 “(1) 1 public debate before the primary election
6 with other participating candidates and other willing
7 candidates from the same party and seeking the
8 same nomination as such candidate; and

9 “(2) 2 public debates before the general election
10 with other participating candidates and other willing
11 candidates seeking the same office as such can-
12 didate.

13 **“SEC. 523. REMITTING UNSPENT FUNDS AFTER ELECTION.**

14 “(a) IN GENERAL.—Not later than the date that is
15 60 days after the last election for which a candidate cer-
16 tified as a participating candidate qualifies to be on the
17 ballot during the election cycle involved, such participating
18 candidate shall remit to the Commission for deposit in the
19 Fair Elections Fund established under section 531 an
20 amount equal to the lesser of—

21 “(1) the amount of money in the candidate’s
22 campaign account; or

23 “(2) the sum of the allocations received by the
24 candidate under section 502 and the payments re-
25 ceived by the candidate under section 503.

1 “(b) EXCEPTION FOR EXPENDITURES INCURRED
2 BUT NOT PAID AS OF DATE OF REMITTANCE.—

3 “(1) IN GENERAL.—Subject to subsection (a), a
4 candidate may withhold from the amount required to
5 be remitted under paragraph (1) of such subsection
6 the amount of any authorized expenditures which
7 were incurred in connection with the candidate’s
8 campaign but which remain unpaid as of the dead-
9 line applicable to the candidate under such sub-
10 section, except that any amount withheld pursuant
11 to this paragraph shall be remitted to the Commis-
12 sion not later than 120 days after the date of the
13 election to which such subsection applies.

14 “(2) DOCUMENTATION REQUIRED.—A can-
15 didate may withhold an amount of an expenditure
16 pursuant to paragraph (1) only if the candidate sub-
17 mits documentation of the expenditure and the
18 amount to the Commission not later than the dead-
19 line applicable to the candidate under subsection (a).

20 **“Subtitle D—Administrative**
21 **Provisions**

22 **“SEC. 531. FAIR ELECTIONS FUND.**

23 “(a) ESTABLISHMENT.—There is established in the
24 Treasury a fund to be known as the ‘Fair Elections Fund’.

1 “(b) AMOUNTS HELD BY FUND.—The Fund shall
2 consist of the following amounts:

3 “(1) APPROPRIATED AMOUNTS.—Amounts ap-
4 propriated to the Fund, including trust fund
5 amounts appropriated pursuant to applicable provi-
6 sions of the Internal Revenue Code of 1986.

7 “(2) VOLUNTARY CONTRIBUTIONS.—Voluntary
8 contributions to the Fund.

9 “(3) TRANSFERS RESULTING FROM PAYMENT
10 OF CIVIL PENALTIES.—Amounts transferred into the
11 Fund pursuant to section 309(a)(13).

12 “(4) OTHER DEPOSITS.—Amounts deposited
13 into the Fund under—

14 “(A) section 521(a)(3) (relating to excep-
15 tions to contribution requirements);

16 “(B) section 523 (relating to remittance of
17 allocations from the Fund);

18 “(C) section 534 (relating to violations);

19 and

20 “(D) any other section of this Act.

21 “(5) INVESTMENT RETURNS.—Interest on, and
22 the proceeds from, the sale or redemption of, any
23 obligations held by the Fund under subsection (c).

24 “(c) INVESTMENT.—The Commission shall invest
25 portions of the Fund in obligations of the United States

1 in the same manner as provided under section 9602(b)
2 of the Internal Revenue Code of 1986.

3 “(d) USE OF FUND.—

4 “(1) IN GENERAL.—The sums in the Fund
5 shall be used to provide benefits to participating
6 candidates as provided in subtitle A.

7 “(2) INSUFFICIENT AMOUNTS.—Under regula-
8 tions established by the Commission, rules similar to
9 the rules of section 9006(c) of the Internal Revenue
10 Code of 1986 shall apply.

11 **“SEC. 532. FAIR ELECTIONS OVERSIGHT BOARD.**

12 “(a) ESTABLISHMENT.—There is established within
13 the Federal Election Commission an entity to be known
14 as the ‘Fair Elections Oversight Board’.

15 “(b) STRUCTURE AND MEMBERSHIP.—

16 “(1) IN GENERAL.—The Board shall be com-
17 posed of 5 members appointed by the President, of
18 whom—

19 “(A) 2 shall be appointed after consulta-
20 tion with the Majority Leader of the House of
21 Representatives;

22 “(B) 2 shall be appointed after consulta-
23 tion with the Minority Leader of the House of
24 Representatives; and

1 “(C) 1 shall be appointed upon the rec-
2 ommendation of the members appointed under
3 subparagraphs (A) and (B).

4 “(2) QUALIFICATIONS.—

5 “(A) IN GENERAL.—The members shall be
6 individuals who are nonpartisan and, by reason
7 of their education, experience, and attainments,
8 exceptionally qualified to perform the duties of
9 members of the Board.

10 “(B) PROHIBITION.—No member of the
11 Board may be—

12 “(i) an employee of the Federal Gov-
13 ernment;

14 “(ii) a registered lobbyist or an indi-
15 vidual who was a registered lobbyist at any
16 time during the 2-year period preceding
17 appointment to the Board; or

18 “(iii) an officer or employee of a polit-
19 ical party or political campaign.

20 “(3) DATE.—Members of the Board shall be
21 appointed not later than 60 days after the date of
22 the enactment of this Act.

23 “(4) TERMS.—A member of the Board shall be
24 appointed for a term of 5 years.

1 “(5) VACANCIES.—A vacancy on the Board
2 shall be filled not later than 30 calendar days after
3 the date on which the Board is given notice of the
4 vacancy, in the same manner as the original ap-
5 pointment. The individual appointed to fill the va-
6 cancy shall serve only for the unexpired portion of
7 the term for which the individual’s predecessor was
8 appointed.

9 “(6) CHAIRPERSON.—The Board shall des-
10 ignate a Chairperson from among the members of
11 the Board.

12 “(c) DUTIES AND POWERS.—

13 “(1) ADMINISTRATION.—The Board shall have
14 such duties and powers as the Commission may pre-
15 scribe, including the power to administer the provi-
16 sions of this title.

17 “(2) REVIEW OF FAIR ELECTIONS FINANC-
18 ING.—

19 “(A) IN GENERAL.—After each regularly
20 scheduled general election for Federal office,
21 the Board shall conduct a comprehensive review
22 of the Fair Elections financing program under
23 this title, including—

1 “(i) the maximum dollar amount of
2 qualified small dollar contributions under
3 section 503(f);

4 “(ii) the maximum and minimum dol-
5 lar amounts for qualifying contributions
6 under section 512(d);

7 “(iii) the number and value of quali-
8 fying contributions a candidate is required
9 to obtain under section 512(a) to be eligi-
10 ble for certification as a participating can-
11 didate;

12 “(iv) the amount of allocations that
13 candidates may receive under section 502;

14 “(v) the maximum amount of pay-
15 ments a candidate may receive under sec-
16 tion 503;

17 “(vi) the overall satisfaction of partici-
18 pating candidates and the American public
19 with the program; and

20 “(vii) such other matters relating to
21 financing of House of Representatives
22 campaigns as the Board determines are
23 appropriate.

1 “(B) CRITERIA FOR REVIEW.—In con-
2 ducting the review under subparagraph (A), the
3 Board shall consider the following:

4 “(i) QUALIFYING CONTRIBUTIONS
5 AND QUALIFIED SMALL DOLLAR CON-
6 TRIBUTIONS.—The Board shall consider
7 whether the number and dollar amount of
8 qualifying contributions required and max-
9 imum dollar amount for such qualifying
10 contributions and qualified small dollar
11 contributions strikes a balance regarding
12 the importance of voter involvement, the
13 need to assure adequate incentives for par-
14 ticipating, and fiscal responsibility, taking
15 into consideration the number of primary
16 and general election participating can-
17 didates, the electoral performance of those
18 candidates, program cost, and any other
19 information the Board determines is ap-
20 propriate.

21 “(ii) REVIEW OF PROGRAM BENE-
22 FITS.—The Board shall consider whether
23 the totality of the amount of funds allowed
24 to be raised by participating candidates
25 (including through qualifying contributions

1 and small dollar contributions), allocations
2 under section 502, and payments under
3 section 503 are sufficient for voters in each
4 State to learn about the candidates to cast
5 an informed vote, taking into account the
6 historic amount of spending by winning
7 candidates, media costs, primary election
8 dates, and any other information the
9 Board determines is appropriate.

10 “(C) ADJUSTMENT OF AMOUNTS.—

11 “(i) IN GENERAL.—Based on the re-
12 view conducted under subparagraph (A),
13 the Board shall provide for the adjust-
14 ments of the following amounts:

15 “(I) the maximum dollar amount
16 of qualified small dollar contributions
17 under section 503(f);

18 “(II) the maximum and min-
19 imum dollar amounts for qualifying
20 contributions under section 512(d);

21 “(III) the number and value of
22 qualifying contributions a candidate is
23 required to obtain under section
24 512(a) to be eligible for certification
25 as a participating candidate;

1 “(IV) the base amount for can-
2 didates under section 502(b); and

3 “(V) the maximum amount of
4 matching contributions a candidate
5 may receive under section 503(b).

6 “(ii) REGULATIONS.—The Commis-
7 sion shall promulgate regulations providing
8 for the adjustments made by the Board
9 under clause (i).

10 “(D) REPORT.—Not later than March 30
11 following any general election for Federal office,
12 the Board shall submit a report to Congress on
13 the review conducted under paragraph (1).
14 Such report shall contain a detailed statement
15 of the findings, conclusions, and recommenda-
16 tions of the Board based on such review.

17 “(d) MEETINGS AND HEARINGS.—

18 “(1) MEETINGS.—The Board may hold such
19 hearings, sit and act at such times and places, take
20 such testimony, and receive such evidence as the
21 Board considers advisable to carry out the purposes
22 of this Act.

23 “(2) QUORUM.—Three members of the Board
24 shall constitute a quorum for purposes of voting, but

1 a quorum is not required for members to meet and
2 hold hearings.

3 “(e) REPORTS.—Not later than March 30, 2014, and
4 every 2 years thereafter, the Board shall submit to the
5 Committee on House Administration of the House of Rep-
6 resentatives a report documenting, evaluating, and making
7 recommendations relating to the administrative implemen-
8 tation and enforcement of the provisions of this title.

9 “(f) ADMINISTRATION.—

10 “(1) COMPENSATION OF MEMBERS.—

11 “(A) IN GENERAL.—Each member, other
12 than the Chairperson, shall be paid at a rate
13 equal to the daily equivalent of the minimum
14 annual rate of basic pay prescribed for level IV
15 of the Executive Schedule under section 5315
16 of title 5, United States Code.

17 “(B) CHAIRPERSON.—The Chairperson
18 shall be paid at a rate equal to the daily equiva-
19 lent of the minimum annual rate of basic pay
20 prescribed for level III of the Executive Sched-
21 ule under section 5314 of title 5, United States
22 Code.

23 “(2) PERSONNEL.—

24 “(A) DIRECTOR.—The Board shall have a
25 staff headed by an Executive Director. The Ex-

1 executive Director shall be paid at a rate equiva-
2 lent to a rate established for the Senior Execu-
3 tive Service under section 5382 of title 5,
4 United States Code.

5 “(B) STAFF APPOINTMENT.—With the ap-
6 proval of the Chairperson, the Executive Direc-
7 tor may appoint such personnel as the Execu-
8 tive Director and the Board determines to be
9 appropriate.

10 “(C) EXPERTS AND CONSULTANTS.—With
11 the approval of the Chairperson, the Executive
12 Director may procure temporary and intermit-
13 tent services under section 3109(b) of title 5,
14 United States Code.

15 “(D) DETAIL OF GOVERNMENT EMPLOY-
16 EES.—Upon the request of the Chairperson, the
17 head of any Federal agency may detail, without
18 reimbursement, any of the personnel of such
19 agency to the Board to assist in carrying out
20 the duties of the Board. Any such detail shall
21 not interrupt or otherwise affect the civil service
22 status or privileges of the Federal employee.

23 “(E) OTHER RESOURCES.—The Board
24 shall have reasonable access to materials, re-
25 sources, statistical data, and other information

1 from the Library of Congress and other agen-
2 cies of the executive and legislative branches of
3 the Federal Government. The Chairperson of
4 the Board shall make requests for such access
5 in writing when necessary.

6 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated such sums as are nec-
8 essary to carry out the purposes of this subtitle.

9 **“SEC. 533. ADMINISTRATION BY COMMISSION.**

10 “The Commission shall prescribe regulations to carry
11 out the purposes of this title, including regulations—

12 “(1) to establish procedures for—

13 “(A) verifying the amount of valid quali-
14 fying contributions with respect to a candidate;

15 “(B) effectively and efficiently monitoring
16 and enforcing the limits on the raising of quali-
17 fied small dollar contributions;

18 “(C) effectively and efficiently monitoring
19 and enforcing the limits on the use of personal
20 funds by participating candidates; and

21 “(D) monitoring the use of allocations
22 from the Fair Elections Fund established under
23 section 531 and matching contributions under
24 this title through audits of not fewer than $\frac{1}{3}$ of

1 all participating candidates or other mecha-
2 nisms; and

3 “(2) regarding the conduct of debates in a man-
4 ner consistent with the best practices of States that
5 provide public financing for elections.

6 **“SEC. 534. VIOLATIONS AND PENALTIES.**

7 “(a) CIVIL PENALTY FOR VIOLATION OF CONTRIBU-
8 TION AND EXPENDITURE REQUIREMENTS.—If a can-
9 didate who has been certified as a participating candidate
10 accepts a contribution or makes an expenditure that is
11 prohibited under section 521, the Commission shall assess
12 a civil penalty against the candidate in an amount that
13 is not more than 3 times the amount of the contribution
14 or expenditure. Any amounts collected under this sub-
15 section shall be deposited into the Fair Elections Fund
16 established under section 531.

17 “(b) REPAYMENT FOR IMPROPER USE OF FAIR
18 ELECTIONS FUND.—

19 “(1) IN GENERAL.—If the Commission deter-
20 mines that any benefit made available to a partici-
21 pating candidate was not used as provided for in
22 this title or that a participating candidate has vio-
23 lated any of the dates for remission of funds con-
24 tained in this title, the Commission shall so notify

1 the candidate and the candidate shall pay to the
2 Fund an amount equal to—

3 “(A) the amount of benefits so used or not
4 remitted, as appropriate; and

5 “(B) interest on any such amounts (at a
6 rate determined by the Commission).

7 “(2) OTHER ACTION NOT PRECLUDED.—Any
8 action by the Commission in accordance with this
9 subsection shall not preclude enforcement pro-
10 ceedings by the Commission in accordance with sec-
11 tion 309(a), including a referral by the Commission
12 to the Attorney General in the case of an apparent
13 knowing and willful violation of this title.

14 **“SEC. 535. ELECTION CYCLE DEFINED.**

15 “In this title, the term ‘election cycle’ means, with
16 respect to an election for the office of Representative in,
17 or Delegate or Resident Commissioner to, the Congress,
18 the period beginning on the day after the date of the most
19 recent general election for that office (or, if the general
20 election resulted in a runoff election, the date of the runoff
21 election) and ending on the date of the next general elec-
22 tion for that office (or, if the general election resulted in
23 a runoff election, the date of the runoff election).”.

1 **SEC. 102. TRANSFER OF PORTION OF CIVIL MONEY PEN-**
2 **ALTIES INTO FAIR ELECTIONS FUND.**

3 Section 309(a) of the Federal Election Campaign Act
4 of 1971 (2 U.S.C. 437g(a)) is amended by adding at the
5 end the following new paragraph:

6 “(13) Upon receipt in the General Fund of the Treas-
7 ury of any payment attributable to a civil money penalty
8 imposed under this subsection, there shall be transferred
9 to the Fair Elections Fund established under section 531
10 an amount equal to 50 percent of the amount of such pay-
11 ment.”.

12 **SEC. 103. PROHIBITING USE OF CONTRIBUTIONS BY PAR-**
13 **TICIPATING CANDIDATES FOR PURPOSES**
14 **OTHER THAN CAMPAIGN FOR ELECTION.**

15 Section 313 of the Federal Election Campaign Act
16 of 1971 (2 U.S.C. 439a) is amended by adding at the end
17 the following new subsection:

18 “(d) RESTRICTIONS ON PERMITTED USES OF FUNDS
19 BY CANDIDATES RECEIVING FAIR ELECTIONS FINANC-
20 ING.—Notwithstanding paragraphs (2), (3), or (4) of sub-
21 section (a), if a candidate for election for the office of Rep-
22 resentative in, or Delegate or Resident Commissioner to,
23 the Congress is certified as a participating candidate
24 under title V with respect to the election, any contribution
25 which the candidate is permitted to accept under such title

1 may be used only for authorized expenditures in connec-
2 tion with the candidate's campaign for such office.”.

3 **SEC. 104. PROHIBITION ON JOINT FUNDRAISING COMMIT-**
4 **TEES.**

5 Section 302(e) of the Federal Election Campaign Act
6 of 1971 (2 U.S.C. 432(e)) is amended by adding at the
7 end the following new paragraph:

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

12 **SEC. 105. TREATMENT OF COORDINATED EXPENDITURES**
13 **BY POLITICAL PARTY COMMITTEES ON BE-**
14 **HALF OF PARTICIPATING CANDIDATES.**

15 (a) REVISION OF LIMITATIONS.—Section 315(d)(3)
16 of the Federal Election Campaign Act of 1971 (2 U.S.C.
17 441a(d)) is amended—

18 (1) by redesignating subparagraphs (A) and
19 (B) as subparagraphs (B) and (C), respectively; and

20 (2) by inserting before subparagraph (B), as re-
21 designated by paragraph (1), the following new sub-
22 paragraph:

23 “(A) in the case of a candidate for election
24 to the office of Representative in, or Delegate
25 or Resident Commissioner to, the Congress who

1 is certified as a participating candidate under
2 title V, the lesser of—

3 “(i) 10 percent of the allocation that
4 the participating candidate is eligible to re-
5 ceive for the general election under section
6 502(a); or

7 “(ii) the amount which would (but for
8 this subparagraph) apply with respect to
9 such candidate under subparagraph (B);”.

10 (b) CONFORMING AMENDMENT.—Section 315(d)(3)
11 of such Act (2 U.S.C. 441a(d)(3)) is amended—

12 (1) in subparagraph (B) (as redesignated by
13 subsection (a)), by inserting “who is not certified as
14 a participating candidate under title V” after “only
15 one Representative”; and

16 (2) in subparagraph (C) (as redesignated by
17 subsection (a)), by inserting “who is not certified as
18 a participating candidate under title V” after “any
19 other State”.

20 **TITLE II—RESPONSIBILITIES OF**
21 **THE FEDERAL ELECTION**
22 **COMMISSION**

23 **SEC. 201. PETITION FOR CERTIORARI.**

24 Section 307(a)(6) of the Federal Election Campaign
25 Act of 1971 (2 U.S.C. 437d(a)(6)) is amended by insert-

1 ing “(including a proceeding before the Supreme Court on
2 certiorari)” after “appeal”.

3 **SEC. 202. FILING BY ALL CANDIDATES WITH COMMISSION.**

4 Section 302(g) of the Federal Election Campaign Act
5 of 1971 (2 U.S.C. 432(g)) is amended to read as follows:

6 “(g) FILING WITH THE COMMISSION.—All des-
7 ignations, statements, and reports required to be
8 filed under this Act shall be filed with the Commis-
9 sion.”.

10 **SEC. 203. ELECTRONIC FILING OF FEC REPORTS.**

11 Section 304(a)(11) of the Federal Election Campaign
12 Act of 1971 (2 U.S.C. 434(a)(11)) is amended—

13 (1) in subparagraph (A), by striking “under
14 this Act—” and all that follows and inserting
15 “under this Act shall be required to maintain and
16 file such designation, statement, or report in elec-
17 tronic form accessible by computers.”;

18 (2) in subparagraph (B), by striking “48
19 hours” and all that follows through “filed electroni-
20 cally)” and inserting “24 hours”; and

21 (3) by striking subparagraph (D).

1 **TITLE III—MISCELLANEOUS**
2 **PROVISIONS**

3 **SEC. 301. SEVERABILITY.**

4 If any provision of this Act or amendment made by
5 this Act, or the application of a provision or amendment
6 to any person or circumstance, is held to be unconstitu-
7 tional, the remainder of this Act and amendments made
8 by this Act, and the application of the provisions and
9 amendment to any person or circumstance, shall not be
10 affected by the holding.

11 **SEC. 302. EFFECTIVE DATE.**

12 Except as otherwise provided for in this Act, this Act
13 and the amendments made by this Act shall take effect
14 on January 1, 2014.

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