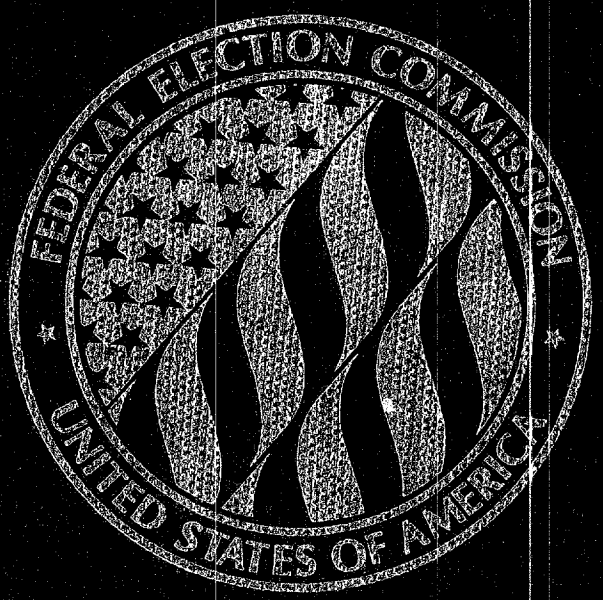
LEGISLATIVE HISTORY OF FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974



LEGISLATIVE HISTORY OF FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

THE
FEDERAL ELECTION
COMMISSION

LEGISLATIVE HISTORY OF FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Federal Election Commission
1325 K Street, Northwest
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PREFACE

The Federal Election Commission is publishing this legislative history of the 1974 Amendments to the Federal Election Campaign Act of 1971 to provide to Commissioners and Commission staff, the Congress, and to candidates and committees affected by the Federal Election Campaign Act, easy access to the Amendments, the bills from which they derive, accompanying reports, and the floor debates.

The material is presented in a chronological fashion, and is comprehensively indexed.

The legislative history was compiled, edited and indexed under the supervision of the Office of General Counsel. A companion volume containing the legislative history of the 1976 Amendments to the Federal Election Campaign Act is being issued concurrently.

The Commission hopes that this legislative history will aid all those affected by the Federal Election Campaign Act of 1971, as amended, in better understanding and complying with the Act.

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S.3044

Calendar No. 665

93D CONGRESS
2D SESSION

S. 3044

[Report No. 93–689]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 21 (legislative day, FEBRUARY 19), 1974

Mr. CANNON, from the Committee on Rules and Administration, reported the following bill; which was read twice and placed on the calendar

A BILL

To amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

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TITLE I—FINANCING OF FEDERAL CAMPAIGNS

PUBLIC FINANCING PROVISIONS

SEC. 101. The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—PUBLIC FINANCING OF FEDERAL ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title, the term—

"(1) 'candidate', 'Commission', 'contribution', 'expenditure', 'political committee', 'political party', or 'State' has the meaning given it in section 301 of this Act;

"(2) 'authorized committee' means the central campaign committee of a candidate (under section 310 of this Act) or any political committee authorized in writing by that candidate to make or receive contributions or to make expenditures on his behalf;

"(3) 'Federal office' means the office of President, Senator, or Representative;

"(4) 'Representative' means a Member of the House of Representatives, the Resident Commissioner from the Commonwealth of Puerto Rico, and the Delegates from the District of Columbia, Guam, and the Virgin Islands;

"(5) 'general election' means any regularly scheduled or special election held for the purpose of electing a candidate to Federal office or for the purpose of electing presidential and vice presidential electors;

"(6) 'primary election' means (A) an election, including a runoff election, held for the nomination by a political party of a candidate for election to Federal office, (B) a convention or caucus of a political party held for the nomination of such candidate, (C) a convention, caucus, or election held for the selection of delegates to a national nominating convention of a political party, and (D) an election held for the expression of a preference for the nomination by a

political party of persons for election to the office of President;

"(7) 'eligible candidate' means a candidate who is eligible, under section 502, for payments under this title;

"(8) 'major party' means, with respect to an election for any Federal office—

"(A) a political party whose candidate for election to that office in the preceding general election for that office received, as the candidate of that party, 25 percent or more of the total number of votes cast in that election for all candidates for that office, or

"(B) if only one political party qualifies as a major party under the provisions of subparagraph (A), the political party whose candidate for election to that office in that election received, as the candidate of that party, the second greatest number of votes cast in that election for all candidates for that office (if such number is equal to 15 percent or more of the total number of votes cast in that election for all candidates for that office);

"(9) 'minor party' means, with respect to an election for a Federal office, a political party whose candidate for election to that office in the preceding general election for that office received, as the candidate of that party, at least 5 percent but less than 25 percent of the total number of

votes cast in that election for all candidates for that office; and

"(10) 'fund' means the Federal Election Campaign Fund established under section 506(a).

"ELIGIBILITY FOR PAYMENTS

"SEC. 502. (a) To be eligible to receive payments under this title, a candidate shall agree—

"(1) to obtain and to furnish to the Commission any evidence it may request about his campaign expenditures and contributions;

"(2) to keep and to furnish to the Commission any records, books, and other information it may request;

"(3) to an audit and examination by the Commission under section 507 and to pay any amounts required under section 507; and

"(4) to furnish statements of campaign expenditures and proposed campaign expenses required under section 508.

"(b) Every such candidate shall certify to the Commission that—

"(1) the candidate and his authorized committees will not make campaign expenditures greater than the limitations in section 504; and

"(2) no contributions will be accepted by the can-

didate or his authorized committees in violation of section 615(b) of title 18, United States Code.

"(c) (1) To be eligible to receive any payments under section 506 for use in connection with his primary election campaign, a candidate shall certify to the Commission that—

"(A) he is seeking nomination by a political party for election as a Representative and he and his authorized committees have received contributions for that campaign of more than $10,000;

"(B) he is seeking nomination by a political party for election to the Senate and he and his authorized committees have received contributions for that campaign equal in amount to the lesser of—

"(i) 20 percent of the maximum amount he may spend in connection with his primary election campaign under section 504(a) (1); or

"(ii) $125,000; or

"(2) To be eligible to receive any payments under section 506 for use in connection with a primary runoff election campaign, a candidate shall certify to the Commission that he is seeking nomination by a political party for election as a Representative or as a Senator, and that he is a candidate for such nomination in a runoff primary election. Such a candidate is not required to receive any minimum

amount of contributions before receiving payments under this title.

"(3) he is seeking nomination by a political party for election to the office of President and he and his authorized committees have received contributions for his campaign throughout the United States in a total amount of more than $250,000.

"(d) To be eligible to receive any payments under section 506 in connection with his general election campaign, a candidate must certify to the Commission that—

"(1) he is the nominee of a major or minor party for election to Federal office; or

"(2) in the case of any other candidate, he is seeking election to Federal office and he and his authorized committees have received contributions for that campaign in a total amount of not less than the campaign fund required under subsection (c) of a candidate for nomination for election to that office, determined in accordance with the provisions of subsection (e) (disregarding the words 'for nomination to' in paragraph (2) of such subsection and substituting the words 'general election' for 'primary election' in paragraphs (2) and (3) of such subsection).

"(e) In determining the amount of contributions received by a candidate and his authorized committees for pur-

poses of subsection (c) and for purposes of subsection (d) (2)—

"(1) no contribution received by the candidate or any of his authorized committees as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account;

"(2) in the case of a candidate for nomination for election to the office of President, no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his primary election campaign; and

"(3) in the case of any other candidate, no contribution from any person shall be taken into account to the extent that it exceeds $100 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his primary election campaign.

"(f) Agreements and certifications under this section shall be filed with the Commission at the time required by the Commission.

"ENTITLEMENT TO PAYMENTS

"SEC. 503. (a) (1) Every eligible candidate is entitled to payments in connection with his primary election campaign

in an amount which is equal to the amount of contributions he accepts for that campaign.

"(2) For purposes of paragraph (1)--

"(A) in the case of a candidate for nomination for election to the office of President, no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election campaign; and

"(B) in the case of any other candidate for nomination for election to Federal office, no contribution from any person shall be taken into account to the extent that it exceeds $100 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election campaign.

"(b) (1) Every eligible candidate who is nominated by a major party is entitled to payments for use in his general election campaign in an amount which is equal to the amount of expenditures the candidate may make in connection with that campaign under section 504.

"(2) Every eligible candidate who is nominated by a minor party is entitled to payments for use in his general election campaign in an amount which bears the same ratio to the amount of payments to which a candidate of a major

party for the same office is entitled under this subsection as the total number of popular votes received by the candidate of that minor party for that office in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding general election.

"(3) (A) A candidate who is eligible under section 502 (d) (2) to receive payments under section 506 is entitled to payments for use in his general election campaign in an amount equal to the amount determined under subparagraph (B).

"(B) If a candidate whose entitlement is determined under this paragraph received, in the preceding general election held for the office to which he seeks election, 5 percent or more of the total number of votes cast for all candidates for that office, he is entitled to receive payments for use in his general election campaign in an amount (not in excess of the applicable limitation under section 504) equal to an amount which bears the same ratio to the amount of the payment under section 506 to which the nominee of a major party is entitled for use in his general election campaign for that office as the number of votes received by that candidate in the preceding general election for that office bears to the average number of votes cast in the preceding

general election for all major party candidates for that office. The entitlement of a candidate for election to any Federal office who, in the preceding general election held for that office, was the candidate of a major or minor party shall not be determined under this paragraph.

"(4) An eligible candidate who is the nominee of a minor party or whose entitlement is determined under section 502 (d) (2) and who receives 5 percent or more of the total number of votes cast in the current election, is entitled to payments under section 506 after the election for expenditures made or incurred in connection with his general election campaign in an amount (not in excess of the applicable limitation under section 504) equal to—

"(A) an amount which bears the same ratio to the amount of the payment under section 506 to which the nominee of a major party was or would have been entitled for use in his campaign for election to that office as the number of votes received by the candidate in that election bears to the average number of votes cast for all major party candidates for that office in that election, reduced by

"(B) any amount paid to the candidate under section 506 before the election.

"(5) In applying the provisions of this section to a candidate for election to the office of President—

"(A) votes cast for electors affiliated with a political party shall be considered to be cast for the Presidential candidate of that party, and

"(B) votes cast for electors publicly pledged to cast their electoral votes for a candidate shall be considered to be cast for that candidate.

"(c) Notwithstanding the provisions of subsections (a) and (b), no candidate is entitled to the payment of any amount under this section which, when added to the total amount of contributions received by him and his authorized committees and any other payments made to him under this title for his primary or general election campaign, exceeds the amount of the expenditure limitation applicable to him for that campaign under section 504.

"EXPENDITURE LIMITATIONS

"SEC. 504. (a) (1) Except to the extent that such amounts are changed under subsection (f) (2), no candidate (other than a candidate for nomination for election to the office of President) who receives payments under this title for use in his primary election campaign may make expenditures in connection with that campaign in excess of the greater of—

"(A) 10 cents multiplied by the voting age population (as certified under subsection (g)) of the geo-

graphical area in which the election for such nomination is held, or

"(B) (i) $125,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2) (A) No candidate for nomination for election to the office of President may make expenditures in any State in which he is a candidate in a primary election in excess of two times the amount which a candidate for nomination for election to the office of Senator from that State (or for nomination for election to the office of Delegate in the case of the District of Columbia, the Virgin Islands, or Guam, or to the office of Resident Commissioner in the case of Puerto Rico) may expend in that State in connection with his primary election campaign.

"(B) Notwithstanding the provisions of subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to ten cents multiplied by the voting age population of the United States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Colum-

bia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(b) Except to the extent that such amounts are changed under subsection (f) (2), no candidate who receives payments under this title for use in his general election campaign may make expenditures in connection with that campaign in excess of the greater of—

"(1) 15 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election is held, or

"(2) (A) $175,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(B) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(c) No candidate who is unopposed in a primary or general election may make expenditures in connection with his primary or general election campaign in excess of 10 percent of the limitation in subsection (a) or (b).

"(d) The Commission shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure

limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(e) (1) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure, or

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate to make the expenditure.

"(4) For purposes of this section an expenditure made by the national committee of a political party, or by the State committee of a political party, in connection with the general election campaign of a candidate affiliated with that party which is not in excess of the limitations contained

in section 614(b) of title 18, United States Code, is not considered to be an expenditure made on behalf of that candidate.

"(f) (1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1975), as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsections (a) and (b) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(g) During the first week of January, 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first

day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"(h) Upon receiving the certification of the Secretary of Commerce and of the Secretary of Labor, the Commission shall publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, and for each State and congressional district under this section.

"(h) In the case of a candidate who is campaigning for election to the House of Representatives from a district which has been established, or the boundaries of which have been altered, since the preceding general election for such office, the determination of the amount and the determination of whether the candidate is a major party candidate or a minor party candidate or is otherwise entitled to payments under this title shall be made by the Commission based upon the number of votes cast in the preceding general election for such office by voters residing within the area encompassed in the new or altered district."

"CERTIFICATIONS BY COMMISSION

"SEC. 505. (a) On the basis of the evidence, books, records, and information furnished by each candidate eligible to receive payments under section 506, and prior to examination and audit under section 507, the Commission shall

certify from time to time to the Secretary of the Treasury for payment to each candidate the amount to which that candidate is entitled.

"(b) Initial certifications by the Commission under subsection (a), and all determinations made by it under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 313.

"PAYMENTS TO ELIGIBLE CANDIDATES

"SEC. 506. (a) There is established within the Treasury a fund to be known as the Federal Election Campaign Fund. There are authorized to be appropriated to the fund amounts equal to the sum of the amounts designated by taxpayers under section 6096 of the Internal Revenue Code of 1954 not previously taken into account for purposes of this subsection, and such additional amounts as may be necessary to carry out the provisions of this title without any reduction under subsection (c). The moneys in the fund shall remain available without fiscal year limitation.

"(b) Upon receipt of a certification from the Commission under section 505, the Secretary of the Treasury shall pay the amount certified by the Commission to the candidate to whom the certification relates.

"(c) (1) If the Secretary of the Treasury determines that the monies in the fund are not, or may not be, suffi-

cient to pay the full amount of entitlement to all candidates eligible to receive payments, he shall reduce the amount to which each candidate is entitled under section 503 by a percentage equal to the percentage obtained by dividing (1) the amount of money remaining in the fund at the time of such determination by (2) the total amount which all candidates eligible to receive payments are entitled to receive under section 503. If additional candidates become eligible under section 502 after the Secretary determines there are insufficient monies in the fund, he shall make any further reductions in the amounts payable to all eligible candidates necessary to carryout the purposes of this subsection. The Secretary shall notify the Commission and each eligible candidate by registered mail of the reduction in the amount to which that candidate is entitled under section 503.

"(2) If, as a result of a reduction under this subsection in the amount to which an eligible candidate is entitled under section 503, payments have been made under this section in excess of the amount to which such candidate is entitled, that candidate is liable for repayment to the fund of the excess under procedures the Commission shall prescribe by regulation.

"EXAMINATION AND AUDITS; REPAYMENTS

"SEC. 507. (a) After each Federal election, the Commission shall conduct a thorough examination and audit of

the campaign expenditures of all candidates for Federal office who received payments under this title for use in campaigns relating to that election.

"(b) (1) If the Commission determines that any portion of the payments made to an eligible candidate under section 506 was in excess of the aggregate amount of the payments to which the candidate was entitled, it shall so notify that candidate, and he shall pay to the Secretary of the Treasury an amount equal to the excess amount. If the Commission determines that any portion of the payments made to a candidate under section 506 for use in his primary election campaign or his general election campaign was not used to make expenditures in connection with that campaign, the Commission shall so notify the candidate and he shall pay an amount equal to the amount of the unexpended portion to the Secretary. In making its determination under the preceding sentence, the Commission shall consider all amounts received as contributions to have been expended before any amounts received under this title are expended.

"(2) If the Commission determines that any amount of any payment made to a candidate under section 506 was used for any purpose other than—

"(A) to defray campaign expenditures, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contribu-

tions to defray campaign expenditures which were received and expended) which were used, to defray campaign expenditures,

it shall notify the candidate of the amount so used, and the candidate shall pay to the Secretary of the Treasury an amount equal to such amount.

"(3) No payment shall be required from a candidate under this subsection in excess of the total amount of all payments received by the candidate under section 506 in connection with the campaign with respect to which the event occurred which caused the candidate to have to make a payment under this subsection.

"(c) No notification shall be made by the Commission under subsection (b) with respect to a campaign more than eighteen months after the day of the election to which the campaign related.

"(d) All payments received by the Secretary under subsection (b) shall be deposited by him in the fund.

"INFORMATION ON EXPENDITURES AND PROPOSED EXPENDITURES

"SEC. 508. (a) Every candidate shall, from time to time as the Commission requires, furnish to the Commission a detailed statement, in the form the Commission prescribes, of—

"(1) the campaign expenditures incurred by him

and his authorized committees prior to the date of the statement (whether or not evidence of campaign expenditures has been furnished for purposes of section 505), and

"(2) the campaign expenditures which he and his authorized committees propose to incur on or after the date of the statement.

"(b) The Commission shall, as soon as possible after it receives a statement under subsection (a), prepare and make available for public inspection and copying a summary of the statement, together with any other data or information which it deems advisable.

"REPORTS TO CONGRESS

"SEC. 509. (a) The Commission shall, as soon as practicable after the close of each calendar year, submit a full report to the Senate and House of Representatives setting forth—

"(1) the expenditures incurred by each candidate, and his authorized committees, who received any payment under section 506 in connection with an election;

"(2) the amounts certified by it under section 505 for payment to that candidate; and

"(3) the amount of payments, if any, required from that candidate under section 507, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to conduct examinations and audits (in addition to the examinations and audits under sections 505 and 507), to conduct investigations, and to require the keeping and submission of any books, records, or other information necessary to carry out the functions and duties imposed on it by this title.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 510. The Commission may initiate civil proceedings in any district court of the United States to seek recovery of any amounts determined to be payable to the Secretary of the Treasury by a candidate under this title.

"PENALTY FOR VIOLATIONS

"SEC. 511. Violation of any provision of this title is punishable by a fine of not more than $50,000, or imprisonment for not more than five years, or both.

"RELATIONSHIP TO OTHER FEDERAL ELECTION LAWS

"SEC. 512. The Commission shall consult from time to time with the Secretary of the Senate, the Clerk of the House of Representatives, the Federal Communications Commission, and with other Federal officers charged with the administration of laws relating to Federal elections, in order to develop as much consistency and coordination with the

administration of those other laws as the provisions of this title permit. The Commission shall use the same or comparable data as that used in the administration of such other election laws whenever possible.".

TITLE II—CHANGES IN CAMPAIGN COMMUNICATIONS LAW AND IN REPORTING AND DISCLOSURE PROVISIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971

CAMPAIGN COMMUNICATIONS

SEC. 201. (a) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by inserting after "public office" in the first sentence thereof the following: ", other than Federal elective office (including the office of Vice President)".

(b) Section 315(b) of such Act (47 U.S.C. 315(b)) is amended by striking out "by any person" and inserting "by or on behalf of any person".

(c) (1) Section 315(c) of such Act (47 U.S.C. 315(c)) is amended to read as follows:

"(c) No station licensee may make any charge for the use of any such station by or on behalf of any legally qualified candidate for nomination for election, or for election, to Federal elective office unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of

such charge will not exceed the limit on expenditures applicable to that candidate under section 504 of the Federal Election Campaign Act of 1971, or under section 614 of title 18, United States Code.".

(2) Section 315(d) of such Act (47 U.S.C. 315 (d)) is amended to read as follows:

"(d) If a State by law imposes a limitation upon the amount which a legally qualified candidate for nomination for election, or for election, to public office (other than Federal elective office) within that State may spend in connection with his campaign for such nomination or his campaign for election, then no station licensee may make any charge for the use of such station by or on behalf of such candidate unless such candidate (or a person specifically authorized in writing by him to do so) certifies to such licensee in writing that the payment of such charge will not violate that limitation.".

(d) Section 317 of such Act (47 U.S.C. 317), is amended by—

(1) striking out in paragraph (1) of subsection (a) "person: *Provided,* That" and inserting in lieu thereof the following: "person. If such matter is a political advertisement soliciting funds for a candidate or a political committee, there shall be announced at the time of such broadcast a statement that a copy

of reports filed by that person with the Federal Election Commission is available from the Federal Election Commission, Washington, D.C., and the licensee shall not make any charge for any part of the costs of making the announcement. The term"; and

(2) by redesignating subsection (e) as (f), and by inserting after subsection (d) the following new subsection:

"(e) Each station licensee shall maintain a record of any political advertisement broadcast, together with the identification of the person who caused it to be broadcast, for a period of two years. The record shall be available for public inspection at reasonable hours.".

(e) The Campaign Communications Reform Act is repealed.

CHANGES IN DEFINITIONS FOR REPORTING AND DISCLOSURE

SEC. 202. (a) Section 301 of the Federal Election Campaign Act of 1971 (relating to definitions) is amended by—

(1) striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" in paragraph (a), and by inserting "and" before "(4)" in such paragraph;

(2) striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committee' means—

"(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State central committee of a political party; and

"(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610 of title 18, United States Code;";

(3) inserting in paragraph (e) (1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(4) striking out in paragraph (e) (1) "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee

(other than a payment made or an obligation incurred by a corporation or labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, does not constitute a contribution by that corporation or labor organization), or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office";

(5) striking out subparagraph (2) of paragraph (e), and amending subparagraph (3) of such paragraph to read as follows:

"(3) funds received by a political committee which are transferred to that committee from another political committee;";

(6) redesignating subparagraphs (4) and (5) of paragraph (e) as paragraphs (3) and (4), respectively;

(7) striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure'—

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for elec-

tion, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office; and

"(2) means the transfer of funds by a political committee to another political committee; but

"(3) does not include—

"(A) the value of services rendered by individuals who volunteer to work without compensation on behalf of a candidate; or

"(B) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18.

United States Code, would not constitute an expenditure by that corporation or labor organization;";

(7) striking "and" at the end of paragraph (h);

(8) striking the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(9) adding at the end thereof the following new paragraphs:

"(j) 'identification' means—

"(1) in the case of an individual, his full name and the full address of his principal place of residence; and

"(2) in the case of any other person, the full name and address of that person;

"(k) 'national committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the national level, as determined by the Commission; and

"(l) 'political party' means an association, committee, or organization which nominates a candidate for election to any Federal office, whose name appears on the election ballot as the candidate of that association, committee, or organization.".

(b) (1) Section 302 (b) of such Act (relating to reports of contributions in excess of $10) is amended by striking ",

the name and address (occupation and principal place of business, if any)" and inserting "of the contribution and the identification".

(2) Section 302(c) of such Act (relating to detailed accounts) is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (2) and (4) and inserting in each such paragraph "identification".

(3) Section 302(c) of such Act is further amended by striking the semicolon at the end of paragraph (2) and inserting "and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any);".

REGISTRATION OF CANDIDATES AND POLITICAL COMMITTEES

SEC. 203. (a) Section 303 of the Federal Election Campaign Act of 1971 (relating to registration of political committees; statements) is amended by redesignating subsections (a) through (d) as (b) through (e), respectively, and by inserting after "SEC. 303." the following new subsection (a):

"(a) Each candidate shall, within ten days after the date on which he has qualified under State law as a candidate, or on which he, or any person authorized by him to do so, has received a contribution or made an expendi-

ture in connection with his campaign or for the purpose of preparing to undertake his campaign, file with the Commission a registration statement in such form as the Commission may prescribe. The statement shall include—

"(1) the identification of the candidate, and any individual, political committee, or other person he has authorized to receive contributions or make expenditures on his behalf in connection with his campaign;

"(2) the identification of his campaign depositories, together with the title and number of each account at each such depository which is to be used in connection with his campaign, any safety deposit box to be used in connection therewith, and the identification of each individual authorized by him to make any expenditure or withdrawal from such account or box; and

"(3) such additional relevant information as the Commission may require.".

(b) The first sentence of subsection (b) of such section (as redesignated by subsection (a) of this section) is amended to read as follows: "The treasurer of each political committee shall file with the Commission a statement of organization within ten days after the date on which the committee is organized.".

(c) The second sentence of such subsection (b) is

amended by striking out "this Act" and inserting in lieu thereof the following: "the Federal Election Campaign Act Amendments of 1974".

(d) Subsection (c) of such section (as redesignated by subsection (a) of this section) is amended by—

(1) inserting "be in such form as the Commission shall prescribe, and shall" after "The statement of organization shall";

(2) striking out paragraph (3) and inserting in lieu thereof the following:

"(3) the geographic area or political jurisdiction within which the committee will operate, and a general description of the committee's authority and activities;"; and

(3) striking out paragraph (9) and inserting in lieu thereof the following:

"(9) the name and address of the campaign depositories used by that committee, together with the title and number of each account and safety deposit box used by that committee at each depository, and the identification of each individual authorized to make withdrawals or payments out of such account or box;".

(e) The caption of such section 303 is amended by

inserting "CANDIDATES AND" after "REGISTRATION OF".

CHANGES IN REPORTING REQUIREMENTS

SEC. 204. (a) Section 304 of the Federal Election Campaign Act of 1971 (relating to reports by political committees and candidates) is amended by—

(1) inserting "(1)" after "(a)" in subsection (a);

(2) striking out "for election" each place it appears in the first sentence of subsection (a) and inserting in lieu thereof in each such place "for nomination for election, or for election,";

(3) striking out the second sentence of subsection (a) and inserting in lieu thereof the following: "Such reports shall be filed on the tenth day of April, July, and October of each year, on the tenth day preceding an election, and on the last day of January of each year. Notwithstanding the preceding sentence, the reports required by that sentence to be filed during April, July, and October by or relating to a candidate during a year in which no Federal election is held in which he is a candidate, may be filed on the twentieth day of each month.";

(4) striking out everything after "filing" in the third sentence of subsection (a) and inserting in lieu thereof a period and the following: "If the person making any anonymous contribution is subsequently identi-

fied, the identification of the contributor shall be reported to the Commission within the reporting period within which he is identified."; and

(5) adding at the end of subsection (a) the following new paragraph:

"(2) Upon a request made by a Presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates (other than January 31) set forth in paragraph (1), and require instead that such candidates or political committees file reports not less frequently than monthly. The Commission may not require a Presidential candidate or a political committee operating in more than one State to file more than eleven reports (not counting any report to be filed on January 31) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, that candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

(b) (1) Section 304(b) of such Act (relating to reports by political committees and candidates) is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (9) and (10) and inserting in lieu thereof in each such paragraph "identification".

(2) Subsection (b) (5) of such section 304 is amended by striking out "lender and endorsers" and inserting in lieu thereof "lender, endorsers, and guarantors".

(c) Subsection (b) (12) of such section is amended by inserting before the semicolon the following: ", together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefor".

(d) Subsection (b) of such section is amended by—

(1) striking the "and" at the end of paragraph (12); and

(2) redesignating paragraph (13) as (14), and by inserting after paragraph (12) the following new paragraph:

"(13) such information as the Commission may require for the disclosure of the nature, amount, source, and designated recipient of any earmarked, encumbered, or restricted contribution or other special fund; and".

(e) The first sentence of subsection (c) of such section is amended to read as follows: "The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, and during such additional periods of time as the Commission may require.".

(f) Such section 304 is amended by adding at the end thereof the following new subsections:

"(d) This section does not require a Member of Congress to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him before the first day of January of the year preceding the year in which his term of office expires if those services were furnished to him by the Senate Recording Studio, the House Recording Studio, or by any individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

"(e) Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by this section. Statements required by this subsection shall be filed on the

dates on which reports by political committees are filed but need not be cumulative.".

(g) The caption of such section 304 is amended to read as follows:

"REPORTS".

CAMPAIGN ADVERTISEMENTS

SEC. 205. Section 305 of the Federal Election Campaign Act of 1971 (relating to reports by others than political committees) is amended to read as follows:

"REQUIREMENTS RELATING TO CAMPAIGN ADVERTISING

"SEC. 305. (a) No person shall cause any political advertisement to be published unless he furnishes to the publisher of the advertisement his identification in writing, together with the identification of any person authorizing him to cause such publication.

"(b) Any published political advertisement shall contain a statement, in such form as the Commission may prescribe, of the identification of the person authorizing the publication of that advertisement.

"(c) Any publisher who publishes any political advertisement shall maintain such records as the Commission may prescribe for a period of two years after the date of publication setting forth such advertisement and any material relating to identification furnished to him in

connection therewith, and shall permit the public to inspect and copy those records at reasonable hours.

"(d) To the extent that any person sells space in any newspaper or magazine to a candidate or his agent for Federal office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, the charges made for the use of such space in connection with his campaign shall not exceed the charges made for comparable use of such space for other purposes.

"(e) Any political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"'A copy of our report filed with the Federal Election Commission is available for purchase from the Federal Election Commission, Washington, D.C.'

"(f) As used in this section, the term—

"(1) 'political advertisement' means any matter advocating the election or defeat of any candidate but does not include any bona fide news story (including interviews, commentaries, or other works prepared for and published by any newspaper, magazine, or other periodical publication the publication of which work is not paid for by any candidate, political committee, or agent thereof); and

"(2) 'published' means publication in a newspaper, magazine, or other periodical publication, distribution of printed leaflets, pamphlets, or other documents, or display through the use of any outdoor advertising facility, and such other use of printed media as the Commission shall prescribe.".

WAIVER OF REPORTING REQUIREMENTS

SEC. 206. Section 306(c) of the Federal Election Campaign Act of 1971 (relating to formal requirements respecting reports and statements) is amended to read as follows:

"(c) The Commission may, by published regulation of general applicability, relieve—

"(1) any category of candidates of the obligation to comply personally with the requirements of subsections (a) through (e) of section 304, if it determines that such action will not have any adverse effect on the purposes of this title, and

"(2) any category of political committees of the obligation to comply with such section if such committees—

"(A) primarily support persons seeking State or local office, and

"(B) do not operate in more than one State or do not operate on a statewide basis.".

ESTABLISHMENT OF FEDERAL ELECTION COMMISSION; CENTRAL CAMPAIGN COMMITTEES; CAMPAIGN DEPOSITORIES

SEC. 207. (a) Title III of the Federal Election Campaign Act of 1971 (relating to disclosure of Federal campaign funds) is amended by redesignating section 308 as section 312, and by inserting after section 307 the following new sections:

"FEDERAL ELECTION COMMISSION

"SEC. 308. (a) (1) There is established, as an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission.

"(2) The Commission shall be composed of the Comptroller General, who shall serve without the right to vote, and seven members who shall be appointed by the President by and with the advice and consent of the Senate. Of the seven members—

"(A) two shall be chosen from among individuals recommended by the President pro tempore of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(B) two shall be chosen from among individuals recommended by the Speaker of the House of Repre-

sentatives, upon the recommendations of the majority leader of the House and the minority leader of the House.

The two members appointed under subparagraph (A) shall not be affiliated with the same political party; nor shall the two members appointed under subparagraph (B). Of the members not appointed under such subparagraphs, not more than two shall be affiliated with the same political party.

"(3) Members of the Commission, other than the Comptroller General, shall serve for terms of seven years, except that, of the members first appointed—

"(A) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending on the April thirtieth first occurring more than six months after the date on which he is appointed;

"(B) one of the members appointed under paragraph (2) (A) shall be appointed for a term ending one year after the April thirtieth on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (2) (B) shall be appointed for a term ending two years thereafter;

"(D) one of the members not appointed under

subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending three years thereafter;

"(E) one of the members appointed under paragraph (2) (A) shall be appointed for a term ending four years thereafter;

"(F) one of the members appointed under paragraph (2) (B) shall be appointed for a term ending five years thereafter; and

"(G) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending six years thereafter.

"(4) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be reappointed to the Commission only once.

"(5) An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the office of member of the Commission shall be filled in the manner in which that office was originally filled.

"(6) The Commission shall elect a Chairman and a Vice Chairman from among its members for a term of two years. The Chairman and the Vice Chairman shall not be affiliated with the same political party. The Vice Chairman

shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

"(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission. Four members of the Commission shall constitute a quorum.

"(c) The Commission shall have an official seal which shall be judicially noticed.

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

"(e) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers in any State.

"(f) The Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The General Counsel shall be the chief legal officer of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders

of the Commission. However, the Commission shall not delegate the making of regulations regarding elections to the Executive Director.

"(g) The Chairman of the Commission shall appoint and fix the compensation of such personnel as are necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code.

"(h) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(i) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General may make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"(j) The provisions of section 7324 of title 5, United States Code, shall apply to members of the Commission notwithstanding the provisions of subsection (d) (3) of such section.

"(k) (1) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation requested by the Congress or by any Member of Congress to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"POWERS OF COMMISSION

"SEC. 309. (a) The Commission has the power—

"(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

"(2) to administer oaths;

"(3) to require by subpena, signed by the Chairman or the Vice Chairman, the attendance and testi-

mony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

"(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(6) to initiate (through civil proceedings for injunctive relief and through presentations to Federal grand juries), prosecute, defend, or appeal any civil or criminal action in the name of the Commission for the purpose of enforcing the provisions of this Act and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code, through its General Counsel;

"(7) to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (3), to any officer or employee of the Commission; and

"(8) to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United

States Code, as are necessary to carry out the provisions of this Act.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this Act, and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code. Any violation of any such provision shall be prosecuted by the Attorney General or Department of Justice personnel only after consultation with, and with the consent of, the Commission.

"(e) (1) Any person who violates any provision of this Act or of section 602, 608, 610, 611, 612, 613, 614, 615, 616, or 617 of title 18, United States Code, may be assessed a civil penalty by the Commission under paragraph (2) of this subsection of not more than $10,000 for each

such violation. Each occurrence of a violation of this Act and each day of noncompliance with a disclosure requirement of this title or an order of the Commission issued under this section shall constitute a separate offense. In determining the amount of the penalty the Commission shall consider the person's history of previous violations, the appropriateness of such penalty to the financial resources of the person charged, the gravity of the violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation.

"(2) A civil penalty shall be assessed by the Commission by order only after the person charged with a violation has been given an opportunity for a hearing and the Commission has determined, by decision incorporating its findings of fact therein, that a violation did occur, and the amount of the penalty. Any hearing under this section shall be of record and shall be held in accordance with chapter 5 of title 5, United States Code.

"(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Commission shall file a petition for enforcement of its order assessing the penalty in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall forthwith be sent by registered or cer-

tified mail to the respondent and his attorney of record, and thereupon the Commission shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and decision of the Commission or it may remand the proceedings to the Commission for such further action as it may direct. The court may determine de novo all issues of law but the Commission's findings of fact, if supported by substantial evidence, shall be conclusive.

"(f) Upon application made by any individual holding Federal office, any candidate, or any political committee, the Commission, through its General Counsel, shall provide within a reasonable period of time an advisory opinion, with respect to any specific transaction or activity inquired of, as to whether such transaction or activity would constitute a violation of any provision of this Act or of any provision of title 18, United States Code, over which the Commission has primary jurisdiction under subsection (d).

"CENTRAL CAMPAIGN COMMITTEES

"SEC. 310. (a) Each candidate shall designate one political committee as his central campaign committee. A candidate for nomination for election, or for election, to the office of President, may also designate one political

committee in each State in which he is a candidate as his State campaign committee for that State. The designation shall be made in writing, and a copy of the designation, together with such information as the Commission may require, shall be furnished to the Commission upon the designation of any such committee.

"(b) No political committee may be designated as the central campaign committee of more than one candidate. The central campaign committee, and each State campaign committee, designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee and the State campaign committee of the candidate nominated by that party for election to the office of Vice President.

"(c) (1) Any political committee authorized by a candidate to accept contributions or make expenditures in connection with his campaign for nomination for election, or for election, which is not a central campaign committee or a State campaign committee, shall furnish each report required of it under section 304 (other than reports required under section 311 (b)) to that candidate's central campaign committee at the time it would, but for this subsection, be required to furnish that report to the Commission. Any report properly furnished to a central campaign committee under this subsection shall be, for purposes of this title,

held and considered to have been furnished to the Commission at the time at which it was furnished to such central campaign committee.

"(2) The Commission may, by regulation, require any political committee receiving contributions or making expenditures in a State on behalf of a candidate who, under subsection (a), has designated a State campaign committee for that State to furnish its reports to that State campaign committee instead of furnishing such reports to the central campaign committee of that candidate.

"(3) The Commission may require any political committee to furnish any report directly to the Commission.

"(d) Each political committee which is a central campaign committee or a State campaign committee shall receive all reports filed with or furnished to it by other political committees, and consolidate and furnish the reports to the Commission, together with its own reports and statements, in accordance with the provisions of this title and regulations prescribed by the Commission.

"CAMPAIGN DEPOSITORIES

"SEC. 311. (a) (1) Each candidate shall designate one or more National or State banks as his campaign depositories. The central campaign committee of that candidate, and any other political committee authorized by him to receive contributions or to make expenditures on his behalf, shall main-

tain a checking account at a depository so designated by the candidate and shall deposit any contributions received by that committee into that account. A candidate shall deposit any payment received by him under section 506 of this Act in the account maintained by his central campaign committee. No expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

"(2) The treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or to make expenditures on his behalf) shall designate one or more National or State banks as campaign depositories of that committee, and shall maintain a checking account for the committee at each such depository. All contributions received by that committee shall be deposited in such an account. No expenditure may be made by that committee except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

"(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $100 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission, and such statements and reports thereof

shall be furnished to the Commission as it may require.

"(c) A candidate for nomination for election, or for election, to the office of President may establish one such depository in each such State, which shall be considered by his State campaign committee for that State and any other political committee authorized by him to receive contributions or to make expenditures on his behalf in that State, under regulations prescribed by the Commission, as his single campaign depository. The campaign depository of the candidate of a political party for election to the office of Vice President shall be the campaign depository designated by the candidate of that party for election to the office of President.".

(b) (1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(60) Members (other than the Comptroller General), Federal Election Commission (7)."

(2) Section 5315 of such title is amended by adding at the end thereof the following new paragraphs:

"(98) General Counsel, Federal Election Commission.

"(99) Executive Director, Federal Election Commission."

(c) Until the appointment and qualification of all the

members of the Federal Election Commission and its General Counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as such titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its General Counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within thirty days after the date on which all such members and the General Counsel are appointed, of all records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971.

(d) Title III of the Federal Election Campaign Act of 1971 is amended by—

(1) amending section 301 (g) (relating to definitions) to read as follows:

"(g) 'Commission' means the Federal Election Commission;";

(2) striking out "supervisory officer" in section 302 (d) and inserting "Commission";

(3) striking out section 302(f) (relating to organization of political committees);

(4) amending section 303 (relating to registration of political committees; statements) by—

(A) striking out "supervisory officer" each time it appears therein and inserting "Commission"; and

(B) striking out "he" in the second sentence of subsection (b) of such section (as redesignated by section 203(a) of this Act) and inserting "it";

(5) amending section 304 (relating to reports by political committees and candidates) by—

(A) striking out "appropriate supervisory officer" and "him" in the first sentence thereof and inserting "Commission" and "it", respectively; and

(B) striking out "supervisory officer" where it appears in the third sentence of subsection (a) and in paragraphs (12) and (14) (as redesignated by section 204(d)(2) of this Act) of subsection (b), and inserting "Commission";

(6) striking out "supervisory officer" each place it appears in section 306 (relating to formal requirements respecting reports and statements) and inserting "Commission";

(7) striking out "Comptroller General of the United States" and "he" in section 307 (relating to reports on convention financing) and inserting "Federal Election Commission" and "it", respectively;

(8) striking out "SUPERVISORY OFFICER" in the caption of section 312 (as redesignated by subsection (a) of this section) (relating to duties of the supervisory officer) and inserting "COMMISSION";

(9) striking out "supervisory officer" in section 312(a) (as redesignated by subsection (a) of this section) the first time it appears and inserting "Commission";

(10) amending section 312(a) (as redesignated by subsection (a) of this section) by—

(A) striking out "him" in paragraph (1) and inserting "it";

(B) striking out "him" in paragraph (4) and inserting "it"; and

(C) striking out "he" each place it appears in paragraphs (7) and (9) and inserting "it";

(11) striking out "supervisory officer" in section 312(b) (as redesignated by subsection (a) of this subsection) and inserting "Commission";

(12) amending subsection (c) of section 312 (as redesignated by subsection (a) of this section) by—

(A) striking out "Comptroller General" each place it appears therein and inserting "Commission", and striking out "his" in the second sentence of such subsection and inserting "its"; and

(B) striking out the last sentence thereof; and

(13) amending subsection (d) (1) of section 312 (as redesignated by subsection (a) of this section) by—

(A) striking out "supervisory officer" each place it appears therein and inserting "Commission";

(B) striking out "he" the first place it appears in the second sentence of such section and inserting "it"; and

(C) striking out "the Attorney General on behalf of the United States" and inserting "the Commission".

INDEXING AND PUBLICATION OF REPORTS

SEC. 208. Section 312 (a) (6) (as redesignated by this Act) of the Federal Election Campaign Act of 1971 (relating to duties of the supervisory officer) is amended to read as follows:

"(6) to compile and maintain a cumulative index listing all statements and reports filed with the Commission during each calendar year by political committees and candidates, which the Commission shall

cause to be published in the Federal Register no less frequently than monthly during even-numbered years and quarterly in odd-numbered years and which shall be in such form and shall include such information as may be prescribed by the Commission to permit easy identification of each statement, report, candidate, and committee listed, at least as to their names, the dates of the statements and reports, and the number of pages in each, and the Commission shall make copies of statements and reports listed in the index available for sale, direct or by mail, at a price determined by the Commission to be reasonable to the purchaser;".

JUDICIAL REVIEW

SEC. 209. Title III of the Federal Election Campaign Act of 1971 is amended by inserting after section 312 (as redesignated by this Act) the following new section:

"JUDICIAL REVIEW

"SEC. 313. (a) Any agency action by the Commission made under the provisions of this Act shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the agency action by the Commission for which review is sought.

"(b) The Commission, the national committee of any

political party, and individuals eligible to vote in an election for Federal office, are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement any provision of this Act.

"(c) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551 of title 5, United States Code, by the Commission.

FINANCIAL ASSISTANCE TO STATES TO PROMOTE COMPLIANCE

SEC. 210. Section 309 of the Federal Election Campaign Act of 1971 (relating to statements filed with State officers) is redesignated as section 314 of such Act and amended by—

(1) striking out "a supervisory officer" in subsection (a) and inserting in lieu thereof "the Commission";

(2) striking out "in which an expenditure is made by him or on his behalf" in subsection (a) (1) and inserting in lieu thereof the following: "in which he is a candidate or in which substantial expenditures are made by him or on his behalf"; and

(3) adding the following new subsection:

"(c) There is authorized to be appropriated to the

Commission in each fiscal year the sum of $500,000, to be made available in such amounts as the Commission deems appropriate to the States for the purpose of assisting them in complying with their duties as set forth in this section.".

CONTRIBUTIONS IN THE NAME OF ANOTHER PERSON

SEC. 211. Section 310 of the Federal Election Campaign Act of 1971 (relating to prohibition of contributions in name of another) is redesignated as section 315 of such Act and amended by inserting after "another person", the first time it appears, the following: "or knowingly permit his name to be used to effect such a contribution".

ROLE OF POLITICAL PARTY ORGANIZATION IN PRESIDENTIAL CAMPAIGNS; USE OF EXCESS CAMPAIGN FUNDS; AUTHORIZATION OF APPROPRIATIONS; PENALTIES

SEC. 212. Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 311 and by adding at the end of such title the following new sections:

"APPROVAL OF PRESIDENTIAL CAMPAIGN EXPENDITURES BY NATIONAL COMMITTEE

"SEC. 316. (a) No expenditure in excess of $1,000 shall be made by or on behalf of any candidate who has received the nomination of his political party for President or Vice President unless such expenditure has been specifically approved by the chairman or treasurer of that political party's national committee or the designated representative of that

national committee in the State where the funds are to be expended.

"(b) Each national committee approving expenditures under subsection (a) shall register under section 303 as a political committee and report each expenditure it approves as if it had made that expenditure, together with the identification of the person seeking approval and making the expenditure.

"(c) No political party shall have more than one national committee.

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"SEC. 317. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his campaign expenses (after the application of section 507(b)(1) of this Act), and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by that candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, or may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954. To the extent any such contribution, amount contributed, or expenditure thereof is not otherwise required to be disclosed under the provisions of this title, such contribution, amount

contributed, or expenditure shall be fully disclosed in accordance with regulations promulgated by the Commission. The Commission is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 318. There are authorized to be appropriated to the Commission, for the purpose of carrying out its functions under this title, title V, and under chapter 29 of title 18, United States Code, not to exceed $5,000,000 for the fiscal year ending June 30, 1974, and not to exceed $5,000,000 for each fiscal year thereafter.

"PENALTY FOR VIOLATIONS

"SEC. 319. (a) Violation of any provision of this title is a misdemeanor punishable by a fine of not more than $10,000, imprisonment for not more than one year, or both.

"(b) Violation of any provision of this title with knowledge or reason to know that the action committed or omitted is a violation of this title is punishable by a fine of not more than $10,000, imprisonment for not more than five years, or both.".

APPLICABLE STATE LAWS

SEC. 213. Section 403 of the Federal Election Campaign Act of 1971 is amended to read as follows:

"EFFECT ON STATE LAW

"SEC. 403. The provisions of this Act, and of regulations promulgated under this Act, preempt any provision of State law with respect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301(c)).".

TITLE III—CRIMES RELATING TO ELECTIONS AND POLITICAL ACTIVITIES

CHANGES IN DEFINITIONS

SEC. 301. (a) Paragraph (a) of section 591 of title 18, United States Code, is amended by—

(1) inserting "or" before "(4)"; and

(2) striking out "and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States".

(b) Such section 591 is amended by striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committee' means—

"(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or sub-

sidiary of a national political party, and any State central committee of a political party; and

"(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610;".

(c) Such section 591 is amended by—

(1) inserting in paragraph (e) (1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(2) striking out in such paragraph "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee, or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office"; and

(3) striking out subparagraph (2) of paragraph (e), and amending subparagraph (3) of such paragraph to read as follows:

"(2) funds received by a political committee which are transferred to that committee from another political committee;";

(4) redesignating subparagraphs (4) and (5) of paragraph (e) as paragraphs (3) and (4), respectively;

(d) Such section 591 is amended by striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure' means—

"(1) a purchase, payment, distribution, loan (except a loan of money by a National or State bank made in accordance with the applicable banking laws and regulations, and in the ordinary course of business), advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee

in connection with any campaign for nomination for election, or for election, to Federal office; and

"(2) the transfer of funds by a political committee to another political committee; but

"(3) does not include the value of service rendered by individuals who volunteer to work without compensation on behalf of a candidate;".

(e) Such section 591 is amended by striking out "and" at the end of paragraph (g), striking out the "States." in paragraph (h) and inserting in lieu thereof "States;", and by adding at the end thereof the following new paragraphs:

"(i) 'political party' means any association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of that association, committee, or organization: and

"(j) 'national committee' means the organization which, by virtue of the bylaws of the political party, is responsible for the day-to-day operation of that political party at the national level as determined by the Federal Election Commission under section 301 (k) of the Federal Election Campaign Act of 1971.".

EXPENDITURE OF PERSONAL AND FAMILY FUNDS FOR FEDERAL CAMPAIGNS

SEC. 302. (a) (1) Subsection (a) (1) of section 608 of title 18, United States Code, is amended to read as follows:

"(a) (1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaigns for nomination for election, and for election, to Federal office in excess, in the aggregate during any calendar year, of—

"(A) $50,000, in the case of a candidate for the office of President or Vice President;

"(B) $35,000, in the case of a candidate for the office of Senator; or

"(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.".

(2) Subsection (a) of such section is amended by adding at the end thereof the following new paragraphs:

"(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

"(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid."

(b) Subsection (c) of such section is amended by striking out "$1,000" and inserting in lieu thereof "$25,000", and by striking out "one year" and inserting in lieu thereof "five years".

(c) (1) The caption of such section 608 is amended by adding at the end thereof the following: "out of candidates' personal and family funds".

(2) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 608 and inserting in lieu thereof the following:

"608. Limitations on contributions and expenditures out of candidates' personal and family funds.".

(d) Notwithstanding the provisions of section 608 of title 18, United States Code, it shall not be unlawful for any individual who, as of the date of enactment of this Act, has outstanding any debt or obligation incurred on his behalf by any political committee in connection with his campaigns prior to January 1, 1973, for nomination for election, and for election, to Federal office, to satisfy or discharge any such debt or obligation out of his own personal funds or the personal funds of his immediate family (as such term is defined in such section 608).

SEPARATE SEGREGATED FUND MAINTENANCE BY GOVERNMENT CONTRACTORS

SEC. 303. Section 611 of title 18, United States Code, is amended by adding at the end thereof the following new paragraph:

"It shall not constitute a violation of the provisions of this section for a corporation or a labor organization to establish, administer, or solicit contributions to a separate segregated fund to be utilized for political purposes by that corporation or labor organization if the establishment and administration of, and solicitation of contributions to, such fund do not constitute a violation of section 610.".

LIMITATIONS ON POLITICAL CONTRIBUTIONS AND EXPENDITURES; EMBEZZLEMENT OR CONVERSION OF CAMPAIGN FUNDS

SEC. 304. (a) Chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 614. Limitation on expenditures generally

"(a) (1) No candidate may make expenditures in connection with his campaign for nomination for election, or for election, to Federal office in excess of the amount to which he

would be limited under section 504 of the Federal Election Campaign Act of 1971 if he were receiving payments under title V of that Act.

"(2) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

"(3) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(4) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure, or

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate to make the expenditure.

"(5) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for Presidential nomination for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such

State which can reasonably be expected to be influenced by such expenditure.

"(b) The national committee of a political party may not make any expenditure during any calendar year in connection with the general election campaign of any candidate for Federal office who is affiliated with that party which, when added to the sum of all other expenditures made by that national committee during that year in connection with the general election campaigns of all candidates affiliated with that party, exceeds an amount equal to 2 cents multiplied by the voting age population of the United States. The State committee of a political party, including any subordinate committees of the State committee, may not make any expenditure during the calendar year in connection with the general election campaign of a candidate for Federal office in such State who is affiliated with that party which, when added to all other expenditures made by that State committee during that year in connection with the general eelction campaigns of candidates affiliated with that party, exceeds an amount equal to 2 cents multiplied by the voting age population of that State. For purposes of this subsection—

"(1) the term 'voting age population' means voting age population certified for the year under section 504

(g) of the Federal Election Campaign Act of 1971; and

"(2) the approval by the national committee of a political party of an expenditure by or on behalf of the Presidential candidate of that party as required by section 316 of that Act is not considered an expenditure by that national committee.

"(c) (1) No person may make any expenditure (other than an expenditure made on behalf of a candidate under the provisions of subsection (a) (4)) advocating the election or defeat of a clearly identified candidate during a calendar year which, when added to all other expenditures made by that person during the year advocating the election or defeat of that candidate, exceeds $1,000.

"(2) For purposes of paragraph (1)—

"(A) 'clearly identified' means—

"(i) the candidate's name appears;

"(ii) a photograph or drawing of the candidate appears; or

"(iii) the identity of the candidate is apparent by unambiguous reference;

"(B) 'person' does not include the National or State committee of a political party; and

"(C) 'expenditure' does not include any payment made or incurred by a corporation or a labor organiza-

tion which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by that corporation or labor organization.

"(d) Any person who knowingly or willfully violates the provisions of this section, other than subsection (a) (5), shall be punishable by a fine of $25,000, imprisonment for a period of not more than five years, or both. If any candidate is convicted of violating the provisions of this section because of any expenditure made on his behalf (as determined under subsection (a) (4)) by a political committee, the treasurer of that committee, or any other person authorizing such expenditure, shall be punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both, if such person knew, or had reason to know, that such expenditure was in excess of the limitation applicable to such candidate under this section.

"§ 615. Limitations on contributions

"(a) No person may make a contribution to, or for the benefit of, a candidate for that candidate's campaign for nomination for election, or election, which, when added to the sum of all other contributions made by that person for that campaign, exceeds $3,000.

"(b) (1) No candidate may knowingly accept a contribution for his campaign from any person which, when

added to the sum of all other contributions received from that person for that campaign, exceeds $3,000.

"(2) No officer or employee of a political committee or of a political party may knowingly accept any contribution made for the benefit or use of a candidate which that candidate could not accept under paragraph (1).

"(c) (1) For purposes of the limitations contained in this section all contributions made by any person directly or indirectly to or for the benefit of a particular candidate, including contributions which are in any way earmarked, enucumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

"(2) Contributions made to, or for the benefit of, a candidate nominated by a political party for election to the office of Vice President shall be considered, for purposes of this section, to be made to, or for the benefit of, a candidate nominated by that party for election to the office of President.

"(3) The limitations imposed by subsections (a) and (b) shall apply separately to each primary, primary runoff, general, and special election in which a candidate participates.

"(d) (1) No individual may make a contribution during any calendar year which, when added to the sum of all other contributions made by that individual during that year, exceeds $25,000.

"(2) Any contribution made for a campaign in a year, other than the calendar year in which the election is held to which that campaign relates, is, for purposes of this section, considered to be made during the calendar year in which that election is held.

"(e) Violation of the provisions of this section is punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both.

"§ 616. Form of contributions

"No person may make a contribution to, or for the benefit of, any candidate or political committee in excess, in the aggregate during any calendar year, of $100 unless such contribution is made by a written instrument identifying the person making the contribution. Violation of the provisions of this section is punishable by a fine of not to exceed $1,000, imprisonment for not to exceed one year, or both.

"§ 617. Embezzlement or conversion of political contributions

"(a) No candidate, officer, employee, or agent of a political committee, or person acting on behalf of any candidate or political committee, shall embezzle, knowingly convert to his own use or the use of another, or deposit in any place or in any manner except as authorized by law, any contributions or campaign funds entrusted to him or under his possession, custody, or control, or use any campaign funds to

pay or defray the costs of attorney fees for the defense of any person or persons charged with the commission of a crime; or receive, conceal, or retain the same with intent to convert it to his personal use or gain, knowing it to have been embezzled or converted.

"(b) Violation of the provisions of this section is punishable by a fine of not more than $25,000, imprisonment for not more than ten years, or both; but if the value of such property does not exceed the sum of $100, the fine shall not exceed $1,000 and the imprisonment shall not exceed one year. Notwithstanding the provisions of this section, any surplus or unexpended campaign funds may be contributed to a national or State political party for political purposes, or to educational or charitable organizations, or may be preserved for use in future campaigns for elective office, or for any other lawful purpose.".

(b) Section 591 of title 18, United States Code, is amended by striking out "and 611" and inserting in lieu thereof "611, 614, 615, 616, and 617".

(c) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"614. Limitation on expenditures generally.
"615. Limitation on contributions.
"616. Form of contributions.
"617. Embezzlement or conversion of political contributions.".

TITLE IV—DISCLOSURE OF FINANCIAL INTERESTS BY CERTAIN FEDERAL OFFICERS AND EMPLOYEES

FEDERAL EMPLOYEE FINANCIAL DISCLOSURE REQUIREMENTS

SEC. 401. (a) Any candidate of a political party in a general election for the office of a Member of Congress who, at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, and each Member of Congress, each officer and employee of the United States (including any member of a uniformed service) who is compensated at a rate in excess of $25,000 per annum, any individual occupying the position of an officer or employee of the United States who performs duties of the type generally performed by an individual occupying grade GS-16 of the General Schedule or any higher grade or position (as determined by the Federal Election Commission regardless of the rate of compensation of such individual), the President, and the Vice President shall file annually, with the Commission a report containing a full and complete statement of—

(1) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from his spouse or any member of

his immediate family) received by him or by him and his spouse jointly during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, and other facilities received by him in kind;

(2) the identity of each asset held by him, or by him and his spouse jointly which has a value in excess of $1,000, and the amount of each liability owed by him or by him and his spouse jointly, which is in excess of $1,000 as of the close of the preceding calendar year;

(3) any transactions in securities of any business entity by him or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in transactions in the securities of such business entity exceeds $1,000 during such year;

(4) all transactions in commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in such transactions exceeds $1,000; and

(5) any purchase or sale, other than the purchase or sale of his personal residence, of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the value of property involved in such purchase or sale exceeds $1,000.

(b) Reports required by this section (other than reports so required by candidates of political parties) shall be filed not later than May 15 of each year. In the case of any person who ceases, prior to such date in any year, to occupy the office or position the occupancy of which imposes upon him the reporting requirements contained in subsection (a) shall file such report on the last day he occupies such office or position, or on such later date, not more than three months after such last day, as the Commission may prescribe.

(c) Reports required by this section shall be in such form and detail as the Commission may prescribe. The Commission may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

(d) Any person who willfully fails to file a report required by this section or who knowingly and willfully files a false report under this section, shall be fined $2,000, or imprisoned for not more than five years, or both.

(e) All reports filed under this section shall be maintained by the Commission as public records, which, under such reasonable regulations as it shall prescribe, shall be available for inspection by members of the public.

(f) For the purposes of any report required by this section, an individual shall be considered to have been President, Vice President, a Member of Congress, an officer or employee of the United States, or a member of a uniformed service, during any calendar year if he served in any such position for more than six months during such calendar year.

(g) As used in this section—

(1) The term "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954.

(2) The term "security" means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b).

(3) The term "commodity" means commodity as defined in section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2).

(4) The term "transactions in securities or commodities" means any acquisition, holding, withholding, use, transfer,

or other disposition involving any security or commodity.

(5) The term "Member of Congress" means a Senator, a Representative, a Resident Commissioner, or a Delegate.

(6) The term "officer" has the same meaning as in section 2104 of title 5, United States Code.

(7) The term "employee" has the same meaning as in section 2105 of such title.

(8) The term "uniformed service" means any of the Armed Forces, the commissioned corps of the Public Health Service, or the commissioned corps of the National Oceanic and Atmospheric Administration.

(9) The term "immediate family" means the child, parent, grandparent, brother, or sister of an individual, and the spouses of such persons.

(h) Section 554 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) All written communications and memorandums stating the circumstances, source, and substance of all oral communications made to the agency, or any officer or employee thereof, with respect to any case which is subject to the provisions of this section by any person who is not an officer or employee of the agency shall be made a part of the public record of such case. This subsection shall not apply to communications to any officer, employee, or agent of the

agency engaged in the performance of investigative or prosecuting functions for the agency with respect to such case."

(i) The first report required under this section shall be due on the fifteenth day of May occurring at least thirty days after the date of enactment.

TITLE V—RELATED INTERNAL REVENUE CODE AMENDMENTS

INCREASE IN POLITICAL CONTRIBUTIONS CREDIT AND DEDUCTION

SEC. 501. (a) Section 41 (b) (1) of the Internal Revenue Code of 1954 (relating to maximum credit for contributions to candidates for public office) is amended to read as follows:

"(1) MAXIMUM CREDIT.—The credit allowed by subsection (a) for a taxable year shall not exceed $25 ($50 in the case of a joint return under section 6013)."

(b) Section 218 (b) (1) of the Internal Revenue Code of 1954 (relating to amount of deduction for contributions to candidates for public office) is amended to read as follows:

"(1) AMOUNT.—The deduction under subsection (a) shall not exceed $100 ($200 in the case of a joint return under section 6013)."

(c) The amendments made by subsections (a) and (b) shall apply with respect to any political contribution the payment of which is made after December 31, 1973.

DOUBLING OF DOLLAR CHECKOFF; REPEAL OF SUBTITLE H

SEC. 502. (a) Section 6096 (a) of the Internal Revenue Code of 1954 (relating to designation of income tax payments to the Presidential Election Campaign Fund) is amended to read as follows:

"(a) IN GENERAL.—Every individual whose income tax liability for the taxable year is $2 or more is considered to have designated that $2 shall be paid over to the Federal Election Campaign Fund established under section 506 of the Federal Election Campaign Act of 1971 unless he elects not to make that designation. In the case of a joint return of a husband and wife having an income tax liability of $4 or more, each spouse shall be considered to have designated that $2 shall be paid over to such fund unless he elects not to make such designation.".

(b) Section 6096 (c) of such Code is amended by—

(1) striking out "Designation" in the caption thereof and inserting in lieu thereof "Election";

(2) striking out "A designation" and inserting in lieu thereof "An election"; and

(3) striking out "designation" each place it appears in the text of such section and inserting in lieu thereof "election".

(c) (1) The caption of part VIII of subchapter A of

chapter 61 of the Internal Revenue Code of 1954 is amended to read as follows:

"PART VIII.—DESIGNATION OF INCOME TAX PAYMENTS TO FEDERAL ELECTION CAMPAIGN FUND".

(2) The table of parts for subchapter A of chapter 61 of the Code is amended by striking out the item relating to part VIII and inserting in lieu thereof the following:

"PART VIII. DESIGNATION OF INCOME TAX PAYMENTS TO FEDERAL ELECTION CAMPAIGN FUND.".

(d) Subtitle H of the Internal Revenue Code of 1954 (relating to financing of Presidential election campaigns) is repealed.

(e) Any amount designated by a taxpayer under section 6096 of such Code before its amendment by this section is considered to have been designated for payment into the Federal Election Campaign Fund.

(f) The amendments made by this section apply with respect to taxable years beginning after December 31, 1973.

Calendar No. 665

93D CONGRESS
2D SESSION

S. 3044

[Report No. 93–689]

A BILL

To amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

By Mr. CANNON

FEBRUARY 21 (legislative day, FEBRUARY 19), 1974
Read twice and placed on the calendar

REPORT TO ACCOMPANY S.3044

SENATE COMMITTEE ON RULES AND ADMINISTRATION

Calendar No. 665

93D CONGRESS
2d Session

SENATE

REPORT
No. 93-689

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

REPORT

OF THE

COMMITTEE ON RULES AND ADMINISTRATION

(TOGETHER WITH ADDITIONAL VIEWS)

TO ACCOMPANY

S. 3044

TO AMEND THE FEDERAL ELECTION CAMPAIGN ACT OF 1971 TO PROVIDE FOR PUBLIC FINANCING OF PRIMARY AND GENERAL ELECTION CAMPAIGNS FOR FEDERAL ELECTIVE OFFICE, AND TO AMEND CERTAIN OTHER PROVISIONS OF LAW RELATING TO THE FINANCING AND CONDUCT OF SUCH CAMPAIGNS

FEBRUARY 21 (legislative day, FEBRUARY 19), 1974.—Ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

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Calendar No. 665

93D CONGRESS
2d Session

SENATE

REPORT
No. 93-689

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

FEBRUARY 21 (legislative day, FEBRUARY 19), 1974.—Ordered to be printed

Mr. CANNON, from the Committee on Rules and Administration, submitted the following

REPORT

[To accompany S. 3044]

The Committee on Rules and Administration, having considered an original bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns, reports favorably thereon, and recommends that the bill do pass.

PURPOSE OF THE BILL

This recommended legislation is a comprehensive and far-reaching measure, designed to bring together various laws already enacted or passed by the Senate, for the purpose of providing complete control over and disclosure of campaign contributions and expenditures in campaigns for Federal elective office, including all public funds which any candidate may be entitled to receive prior to or after the date of any election.

During the 92nd Congress (1971–1972) a major new law was enacted to provide sweeping and thorough control over, and public disclosure of, receipts and expenditures in both Federal primary elections and general elections. The new Act, the Federal Election Campaign Act of 1971 (P.L. 92–225), applies to all elections, all candidates seeking nomination for election or election to Federal office, and all political committees raising or spending in excess of $1,000 during a calendar year for the purpose of influencing or attempting to influence the results of those elections. Also, it requires candidates and political committees to file periodic statements and reports of receipts and expenditures with appropriate supervisory officers charged with responsibility to enforce compliance with the provisions of the Act.

The Act of 1971 was predicated upon the principle of public disclosure, that timely and complete disclosure of receipts and expenditures would result in the exercise of prudence by candidates and their committees and that excessive expenditures would incur the displeasure of the electorate who would or could demonstrate indignation at the polls. Except for the use of the media—radio, television, newspapers, magazines, outdoor advertising facilities, and banks of telephones—no limitations were imposed upon expenditures by candidates or their committees, and no limitation was set upon contributions to candidates or committees.

It was unfortunate that the new Act did not become effective until April 7, 1972, because the scramble to raise political funds prior to that date, and thus to avoid the disclosure provisions of the law, resulted in broad and grave dissatisfaction with the Act and led to a demand for new and more comprehensive controls.

At the beginning of the 93rd Congress, many bills were introduced providing strict limitations upon contributions and expenditures. S. 372, the Federal Election Campaign Act Amendments of 1973, was reported to the Senate after public hearings and study, and following substantial debate in the Senate, was passed by a vote of 82 to 8, as an amendment to the Act of 1971. S. 372 was referred to the House of Representatives for further consideration, but as of the date of this report, no action has been taken by that body.

Further, with the introduction of specific limitations upon contributions and expenditures, concern developed that major political parties and well-known individuals, including incumbent officeholders, would have greater access and appeal to donors than would minor parties and unknown individuals who desired to enter the political arena. Therefore, a movement for the public financing of Federal elections evolved in the Senate.

Public hearings were held by the Subcommittee on Privileges and Elections, chaired by Senator Claiborne Pell, on the 18th, 19th, 20th, and 21st of September, 1973. Over 40 witnesses appeared to testify in person and to submit lengthy statements in support of public financing. A few witnesses appeared in opposition, but the greater preponderance of testimony was favorable to the concept.

Senator Cranston, from the State of California, speaking for a bipartisan group of more than a third of the Senate membership, submitted a set of principles, eight in number, which they considered to be essential tenets of any legislation to provide public financing in Federal elections. The principles were built upon the existing Presidential checkoff plan, which passed the Senate in 1971 under the leadership of Senators Russell Long, from Louisiana, and John Pastore, from Rhode Island.

Those eight principles are as follows:

> 1. Extension of the Presidential checkoff concept adopted in 1971 to provide Treasury financing of qualified candidates that will enable a candidate to mount an effective campaign without the need to seek large private contributions; the amount must be sufficient to allow nonincumbents to campaign against better-known incumbents; and there must be adequate safeguards to insure full and easy public accountability for the use of private funds.

2. Full funding for major party candidates; funding for minor party, new party, and independent candidates—up to full funding—based upon their performance in the last election or their showing in the present election.

3. Extension of public funding for qualified primary candidates once they have demonstrated broad public support through some means, which might include raising a special number of petition signatures asking that the candidate be given Federal funding for his campaign.

4. Establishing of an overall expenditure limit for both general and primary elections.

5. Permitting candidates to raise a limited amount of private funds in very small contributions.

6. Provision of a role for political parties which would allow them to serve as a legitimate pooling mechanism for private contributions to candidates in general elections.

7. Requirement of a central financial reporting and record-keeping check point in each candidate's campaign for effective monitoring.

8. Administration of campaign financial reporting and disclosure laws and regulations by an independent elections commission with enforcement powers.

On November 16, 1973, Senator Pell, Chairman of the Subcommittee on Privileges and Elections, introduced S. 2718, the Federal Election Finance Act, which was then referred to the Committee on Rules and Administration. At that time the Senate was considering the debt ceiling bill and a public financing proposal which had been offered as an amendment to that bill by a bipartisan group of nine Senators. The amendment was adopted by a majority of the Senate. Subsequently, when the Senate was required to recede from its action to add public financing amendments to the debt ceiling bill, a commitment was made by the Committee on Rules and Administration, through its chairman, Senator Cannon, and other Members, to report to the Senate a bill providing for the public financing of Federal elections within approximately 30 days following the reconvening of the Senate on January 21, 1974.

The Pell bill provided the fundamentals, which the Committee considered during the course of its deliberations and mark-up sessions. The original bill here reported to the Senate meets the objectives of the previously mentioned eight principles, and of last year's amendment to the debt ceiling bill. Also, in order to present a comprehensive coverage of private and public financing, limitations of contributions and expenditures, and public disclosure of and supervision over the whole spectrum of Federal election campaigns, the bill incorporates the following:

Title I—Financing of Federal Campaigns;

Title II—Changes in Campaign Communications Law and in Reporting and Disclosure Provisions of the Federal Election Campaign Act of 1971;

Title III—Crimes Relating to Elections and Political Activities;

Title IV—Disclosure of Financial Interests by Certain Federal Officers and Employees; and

Title V—Related Internal Revenue Code Amendments.

Therefore, if enacted, this Committee bill will renew and reemphasize the disclosure provisions of the Federal Election Campaign Act of 1971, as amended in the Senate by the bill S. 372, the Federal Election Campaign Act Amendments of 1973. Moreover, the limitations set by S. 372 upon contributions and expenditures and the creation in that bill of an independent Federal Election Commission with primary civil and criminal prosecutorial powers, as carried over in this bill, will help to ensure careful compliance with all provisions.

The use of a modified dollar check-off as an inducement to taxpayers to designate $2 of their tax liability for the Federal Election Campain Fund, and carry-over of the tax credit or tax deduction incentives, will serve to encourage broader citizen participation in the elective process. The doubling of tax credit/tax deduction provisions of existing law should also increase citizen support of candidates and parties of their choice.

Need For and Argument Favoring Public Financing

The bill provides an integrated comprehensive program of campaign reform, Title I dealing with public financing assistance for federal elections is the only portion of the bill which has not previously been considered and approved by the Senate.

The Committee recognizes that the issue of public financing has been a controversial one for several years, and that our colleagues may have a variety of questions regarding the impact and implications of these proposals. While the Committee has built upon the principles already adopted by Congress in the Presidential Campaign Fund of the 1971 Revenue Act, the present bill extends these principles to other parts of the electoral process for federal office.

Before proceeding with a detailed discussion of the provisions in this Title, therefore, it will be useful to indicate the Committee's thinking in regard to the major issues and contentions which were raised at the hearings.

Public financing is necessary for effective campaign reform

There is no question that the public appreciates the pervasive evils of our present system for campaign financing. The potentials for abuse are all too clear. Americans are looking to Congress for comprehensive, effective reform, not for halfway measures that only reach a small part of the problem—or which may make some present problems even worse.

The Committee is aware of the position, advanced by opponents of public financing, that reporting and disclosure rules combined with limits on contributions provide sufficient reform and make it unnecessary to extend public campaign financing beyond existing law. The Committee does not agree.

In light of the record made before this Committee during its consideration of S. 372, and the hearings on the present legislation, it is clear to us that contribution and expenditure limits which would check excessive influence of great wealth cannot be effectively and fairly implemented without a comprehensive system of public campaign financing.

Congress has already recognized the desirability of public financing for Presidential elections. This bill extends this recognition to Con-

gressional general elections and to primary elections for both Congress and the presidency.

The only way in which Congress can eliminate reliance on large private contributions and still ensure adequate presentation to the electorate of opposing viewpoints of competing candidates is through comprehensive public financing.

Modern campaigns are increasingly expensive and the necessary fundraising is a great drain on the time and energies of the candidates. Low contribution limits alone will compound that problem. Many candidates—incumbent and challenger alike—will find it exceedingly difficult to finance an adequate campaign to carry their message to the voters. Drastically reducing the amounts which may be expended by the candidate would ease this burden, but at the cost of increasing the present disadvantage for non-incumbent challengers and endangering the whole process of political competition.

Moreover, even those candidates who could raise adequate funds under restricted contribution limits would benefit from public financing. The committee bill would enable them to rely less heavily on those relatively few individuals capable of contributing the maximum amount permitted by law.

Nor does the Committee agree with the argument that public financing would be an unwise waste of public monies at a time when control of the federal budget is essential. The Committee believes the American voter has now had ample demonstration that the modest cost per citizen of public financing for federal elections will be as wise an investment of tax dollars as a democracy can make.

The election of federal officials is not a private affair. It is the foundation of our government. As Senator Mansfield recently observed, it is now clear that "we shall not finally come to grips with the problems except as we are prepared *to pay for the public business of elections with public funds.* (State of the Congress Address, February 6, 1974.)

Formula grants for qualified general election candidates

The bill provides nominees of major parties with public financing equal to the full amount of expenditures permitted to be made in a campaign.

Alternative approaches to financing general election campaigns were noted by the Committee, but none provided a satisfactory substitute for the provisions of the committee bill.

Some suggestions, such as increased mail privileges for both incumbent and challenger, or free radio and television time, are complementary to this bill. These suggestions have merit and deserve careful consideration by the appropriate Congressional committees. If they are enacted, such programs would obviously reduce the remaining expenditures a candidate faces. If the cost of the campaign is cut down, then the amounts of direct public funds which the bill provides for may then be proportionately reduced. But the many complex questions raised by proposals for free services and other in-kind assistance, need not delay enactment of a comprehensive approach to campaign financing.

Other alternatives considered and rejected by the Committee for reform of *general election campaign financing* include a system of

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matching payments in response to private contributions or a minimum floor of public assistance with the bulk of campaign costs raised privately.

The Committee bill embodies the sounder principle that once someone becomes an unquestionably serious candidate, by virtue of his being a major party nominee, he should be assured of adequate financing to run a fully informative and effective campaign. The use of matching payments is appropriate in the primary phase, as noted below, when it is not yet clear who may be the serious candidates and who may be frivolous ones. But such a scheme, or partial public funding, in the general election would require candidates who have established their legitimacy to devote too much time to endless fund raising at the expense of providing competitive debate of the issues for the electorate. This would be especially true in view of the $3,000 limit which the Senate has imposed on individual contributions and which is carried forward in the bill.

Matching grants for qualified primary candidates

If public financing is made available in general elections, the question remains whether it should also be extended to primary election candidates. Devising fair criteria for eligibility is harder in primary elections since no single candidate has won his party's nomination. The difficulty lies in screening out frivolous candidates who might be encouraged to enter by the prospect of a large subsidy, while still providing some assistance to serious candidates with potential for developing significant support.

In light of this issue, some witnesses suggested that any public financing be limited to general elections. After reviewing these suggestions, your Committee concluded that meaningful reform of our campaign financing practices requires inclusion of primary elections.

Unless primary election candidates can be relieved of their excessive dependence on large amounts of private money, a system of public financing in general elections will only move the evils it seeks to remedy upstream to the primary phase of the electoral process.

It will be difficult to justify the expenditure of public money to help purify that process, if candidates must still raise the full cost of expensive campaigns from private contributors, in order to win the nomination in the first place.

If a reasonable portion of these costs are defrayed by public assistance, candidates for nomination will be able to raise the remainder on a truly "grass roots" basis without relying so heavily on those who are wealthy enough to give the maximum contributions permitted each person under this act.

The bill provides significant public financing for primary candidates, up to one-half the total expenditures they are permitted. Such assistance is limited to those who demonstrate they are serious candidates by raising a threshold eligibility fund in small amounts from many contributors. No more than $100 from the contribution of any person may be counted. The Committee believes the use of small contributions is the best practicable test for such support. This fund will establish the candidate's initial credibility and qualify him for federal assistance. But this test does not determine the total amount of federal funding he will actually receive.

The threshold fund may merely represent a small nucleus of supporters and not reflect enough widespread support to warrant sizeable federal grants. Therefore, unlike the formula grants available to party nominees in the general election, primary candidates are only entitled to federal assistance which matches, dollar for dollar, whatever private funds they are able to raise.

Moreover, as in the case of the threshold fund, only $100 of each person's contribution can be matched with federal funds. This limitation encourages a candidate to involve large numbers of voters in the fundraising process. It also ensures that larger amounts of public assistance will only go to candidates who continue to demonstrate widespread support as the campaign develops.

The Committee believes this scheme for financing primary campaigns is a sound, balanced approach which avoids constitutional difficulties. Candidates are not barred from entering any primary merely because they have not raised the threshold eligibility fund. They can still run in the primary and finance their campaign privately. But Congress is not required to fund every candidate, no matter how frivolous, who exercises his constitutional right to enter a party primary. It may set a reasonable test of minimum support before it commits public moneys to assist a campaign.

The States have a recognized "interest, if not a duty, to protect the integrity of its political processes from frivolous or fraudulent candidacies." *Bullock* v. *Carter* 405 U.S. 134, 145 (1971). Surely Congress has an equal interest, if not a duty, to ensure that large sums of public moneys are not expended on the campaigns of such frivolous candidacies.

Several other concerns have been raised in regard to the enactment of comprehensive public financing legislation for Federal elections. These are discussed briefly below.

Strengthening political parties

The Committee was cautioned by several witnesses to examine the relationship between campaign finance legislation and political parties. Your Committee agrees that a vigorous party system is vital to American politics and has given this matter careful study.

Under the Committee bill, parties will retain their essential nonfinancial responsibilities in electoral politics. More important, the bill retains the role of political parties in private financing for federal candidates.

Public grants will go directly to candidates in the manner Congress has already established for the Presidential Campaign Fund of the 1971 Tax Act. This also reflects the present pattern of private fundraising, since candidates receive the bulk of their contributions directly from the public, rather than from parties.

However, the Committee recognizes that pooling resources from many small contributors is a legitimate function and an integral part of party politics. Accordingly, the bill includes a special provision for private funding by political parties. In a general election, candidates may not accept direct contributions if they accept the full level of public assistance. But they may receive substantial private funding, in addition to the public grant, in the form of expenditures by state and national party committees.

The bill insures that such party assistance actually represents the involvement of many voters and not merely the influence of a wealthy few. It prevents evasion of the individual contribution limits by persons funneling large gifts through party committees; each person's donation to party funds used to assist federal candidates under this special provision must not exceed the maximum amount he could give directly to a candidate.

Thus, parties will play an increased role in building strong coalitions of voters and in keeping candidates responsible to the electorate through the party organization.

In addition, parties will continue to perform crucial functions in the election apart from fundraising, such as registration and voter turnout campaigns, providing speakers, organizing volunteer workers and publicizing issues. Indeed, the combination of substantial public financing with limits on private gifts to candidates will release large sums presently committed to individual campaigns and make them available for donation to the parties, themselves. As a result, our financially hard-pressed parties will have increased resources not only to conduct party-wide election efforts, but also to sustain important party operations in between elections.

Preventing proliferation of splinter parties

The bill also provides a balanced approach to the difficult issues posed by minor parties.

On the one hand, the Committee bill would not stimulate a proliferation of splinter parties or independent candidates. Such a proliferation would undermine the stability provided by a strong two-party system and could polarize voters on the basis of a single volatile issue.

All but fringe candidates would have an incentive to seek a major party nomination, rather than run as a minor party candidate, so as to be eligible for the full level of public assistance in the general election. The bill would thereby have a cohesive effect, encouraging different factions to compete and work out coalitions within the framework of a basic two-party system.

If a candidate's supporters clearly constitute a mere fringe group, with no prospect of appealing to a large mass of voters, then he may choose to run as a minor party candidate. But it is unlikely he would raise many matchable contributions, in the event his party had a primary. And in the general election, he will only be eligible for a grant based on his party's prior voting record.

Fair opportunity for minor parties

At the same time, minor parties with significant support are eligible to receive a fair share of public assistance commensurate with their proven political strength.

Under the bill the subsidy for minor parties would only be a fraction of the amount available to major party nominees, determined by the ration of the minor party's showing in the previous election to that of the major parties. This formula follows the Presidential election checkoff of the 1971 Tax Act.

This smaller subsidy would, however, be offset by two provisions, which serve as safety valves to ensure fair opportunity for minor parties without unduly promoting their proliferation or inducing entry into contests which otherwise would not have been made.

First, minor candidates may raise proportionately more private funds than may a major party nominee receiving greater federal assistance. Therefore, the total amount which each candidate would be permitted to spend would remain equal. Second, if the minor party's tally in the election is better than past performances, the candidate would receive a post-election entitlement increasing his federal grant to reflect the actual level of support indicated at the polls. This supplement could be used to pay outstanding campaign obligations or to reimburse loans and contributions.

Both of these provisions, too, follow the principles established by Congress in the 1971 Tax Act for Presidential election financing.

In short, minor parties will retain their present opportunity—one constitutionally required—to grow into a major political force if their support is widespread and not a transient phenomenon. As the United States Supreme Court has noted, the legitimate interest in preserving the benefits of two major parties does not justify laws which would choke off competition by other parties with potential appeal to the electorate.

The bill complies with this requirement. It does not prevent minor parties from placing candidates on the ballot or from organizing resources to support them. It does not freeze the political status quo. Compare *Williams* v. *Rhodes* 393 U.S. 23 (1968), with *Jeness* v. *Fortson* 403 U.S. 431 (1971).

The Supreme Court has recognized and approved reasonable differences in the treatment of major and lesser parties based on their demonstrated relative strength, observing:

"Sometimes the grossest discrimination can lie in treating things that are different as though they were exactly alike. . . ." (*Jeness* v. *Fortson*, *supra* 403 U.S. at 442.)

The Committee believes the reasonable difference in assistance available to major and minor parties, in conjunction with other provision to provide a fair opportunity for minor parties to demonstrate their strength and to increase it, provide a responsible scheme for public financing of all parties which is constitutional.

Preventing Federal interference with a candidate's campaign

When other arguments fail, opponents of any program to subsidize a private activity vital to the public interest have always raised the specter of "federal control." Predictably, some opponents of campaign reform have followed suit, arguing that public campaign financing will lead to bureaucrats in Washington telling candidates how to run their campaigns.

This objection is unfounded. The bill makes clear that candidates are permitted full flexibility and discretion in their election efforts, subject only to limitation on the dollar amounts of expenditures and contributions.

In the first place, candidates for the Senate or House of Representatives are free to use all or some or none of the public campaign funds to which they are entitled. If a candidate elects to accept less than the full grant to which he is entitled in the general election, he is free to raise privately the difference between the federal aid he does accept and his overall expenditure limit.

Equally important, the Committee has resisted any suggestion that those who accept federal campaign funds be obligated to conduct their campaign in particular ways, or to use the federal moneys for specific purposes that some may think are most useful to the electorate. Whether they qualify for public assistance and accept it, or not, all candidates are free to "do their own thing": to decide how they will conduct their campaign and employ their financial resources.

Since public assistance will be granted in accordance with automatic formulas—on either a matching or cent-per-voter basis—the statute requires uniform treatment and prevents discriminatory funding in favor of any candidate or party. The actual disbursement and audit of public campaign funds would be overseen by the Independent Elections Commission, which itself is subject to judicial review of alleged discrimination.

Public financing will not provide an unfair advantage to incumbent officials

Opponents of comprehensive campaign reform have even suggested that campaign finance legislation would aggravate any inherent advantages which incumbent elected officials now hold over their election opponents. While some schemes involving public financing may be envisaged for which this is true, this is clearly not such a bill.

Indeed, an incumbent concerned with preserving his obvious advantages over nonincumbent challengers might vote against the Committee bill since it will increase the chance of meaningful competition between the candidates.

As indicated above, lower limits on campaign contributions, *by themselves, would serve to increase the advantages incumbents presently have in fundraising.* However, the bill provides sufficient public funds for both nominees so that this problem is eliminated.

Public Financing Provisions

Primary elections

Title I of the bill affords an equal and fair opportunity to candidates of major, minor, or other parties, to obtain a certain amount of public financing from the Treasury of the United States if they can demonstrate a reasonable amount of support from the electorate in any geographic area in which an election is held and in which they intend to run for nomination for election or for election to Federal office. Any candidate who has a bona fide following who will make contributions to him or his authorized political committees sufficient to meet the base amounts set by the title, is entitled to receive matching payments from the government. Further, those contributions, under the bill, are eligible for matching payments only up to certain limits.

Any candidate who participates in, or who qualifies under State law to participate in, a Presidential Preference Primary and who desires to receive public financing from the Federal Government, must raise a threshold or "earnest money" fund before becoming eligible for the receipt of any public assistance.

The threshold amount is $250,000. While contributions may be received up to $3,000—which is the limit allowed by S. 372 on contribu-

tions by individuals or others—only the first $250 of any such contribution would be counted toward the base or threshold fund required.

The threshold fund would be required to be raised by a Presidential candidate only once—the first primary entered.

While the use of loans in the campaign process is accepted, in accordance with the provisions of existing law, including the disclosure of any loans made to or on behalf of any candidate, the Committee believes that no loan should be counted in determining whether a candidate has raised his threshold amount.

To demonstrate a genuine appeal to the electorate the candidate must raise his threshold from committed gifts, instead of mere loans which could be repaid from public funds after the threshold is raised. If the threshold could be raised from loans, in whole or in part, the spirit of the law would be violated.

Loans have their place and may be used for any other purpose during the entire period of election campaigning except for the raising of the "seed money" or threshold fund required to be raised by each candidate who desires to receive matching Federal funds in primary elections for Federal office.

Once having met the required threshold, the candidate would be eligible to receive an equal or matching amount from the Treasury. And, thereafter, each dollar contribution up to $250 would qualify the candidate to receive equal matching funds from the government until he reaches the limit set for the amount he may spend in any primary election. That limit, as provided by the bill S. 372, and incorporated in this bill, is 10 cents multiplied by the voting age population of the geographic area in which an election is to be held, *except*, that in the case of Presidential Primary Elections, the limit is doubled for any given State. That is, the Presidential Preference Primary candidate may spend for any primary election in a particular State twice the amount that a candidate running for nomination to the Senate in that State may spend. (See table on page 30.)

The reason for allowing Presidential Preference Primary candidates to exceed the limit set for any particular State, in contrast to the limit set for candidates for the Senate nomination or Representative at Large nomination, is to give an unknown individual the opportunity to compete with one who enjoys a national identity or who is well known in a particular area of the nation.

However, the bill S. 372 set an aggregate or overall limit on the amount which could be spent for the entire nominating process by a candidate seeking nomination to the office of President of the United States, and that overall limit is retained for that purpose in this bill, i.e. 10 cents times the voting age population of the United States for the entire nomination period.

In calculating and auditing expenditures made from contributions received from private donors, every contribution up to and including $3,000 would be counted for the purpose of determining the total spending limitation. But, for the purpose of determining eligibility to receive public financing, only those private contributions up to $250 would be counted.

Any candidate who qualifies, under the law of the State in which he seeks nomination, to seek nomination for election for the office of United States Senator, Delegate, Resident Commissioner, or Repre-

sentative from a State having only one Representative must also raise a threshold or earnest-money base fund in order to be eligible to receive Federal matching funds.

Such a candidate would be required to raise an amount equal to the lesser of 20 percent of the maximum amount he may spend in his primary election, or $125,000. S. 372 set the limitation upon the amount which a candidate for nomination for election to the Senate may spend. It is the amount to be obtained by multiplying 10 cents times the voting age population for the geographic area (the State), but not less than $125,000. The $125,000 base was established as a reasonable minimum for expenditures by candidates of those States having small populations.

Therefore, the 20 percent threshold amount would begin with the $125,000 base and rise to the maximum, but for those States having very large populations, i.e., California, New York, etc., the maximum threshold figure would be $125,000. So, a candidate for nomination to the Senate would be required to raise an amount not less than 20 percent of the base ($125,000), or $25,000, but not more than the maximum for eligibility, or $125,000. (See table on page 33.)

For the Senate, as for the House of Representatives, only those individual contributions not in excess of $100 would qualify for public matching funds.

Once having met the threshold, all additional dollar contributions not in excess of $100 would qualify for matching Federal payments up to the limitation which a candidate for nomination to the Senate may spend in any State.

A candidate for nomination for election to the House of Representatives must raise a threshold amount of $10,000. The threshold is the same for all candidates seeking nomination for election to the House, except for those running in the States having only one Representative, or in the District of Columbia. The $100 limit on contributions eligible for matching payments applies as it does for the Senate.

Where separate run-off elections must be held to determine nominees for the Senate or the House of Representatives, the same provisions shall apply.

All candidates seeking nomination for election to the offices of President, Senator, or Representative, have the option of soliciting all private contributions up to the limitation on spending if they so choose, or seeking both private and public matching funds. Total public financing of primary elections is not provided.

General elections

Candidates participating in general election campaigns are treated differently depending upon whether they are the nominees of major or minor parties having previous voting records, or of minor parties having no previous voting records.

A major party is defined as one whose candidates for President and Vice President in the preceding election received at least 25 percent of the total number of popular votes cast in the United States for all candidates for such offices.

A candidate nominated by a major party would be eligible to receive full public funding in his campaign for election up to the limit set by the bill S. 372 (15 cents times the voting age population of the geo-

graphic area in which the election is to be held), as carried over into this public financing bill.

A minor party is defined to mean any political party whose candidates for President and Vice President in the preceding election received at least 5 percent but less than 25 percent of the total number of popular votes cast in the United States for all candidates for such offices.

A candidate nominated by a minor party would be eligible for public funding up to an amount which is in the same ratio as the average number of popular votes cast for all the candidates of the major party bears to the total number of popular votes cast for the candidate of the minor party.

Where only one political party qualifies as a major party, then that party whose candidate for election to a particular office at the preceding general election received the next greatest number of votes (but not less than 15 percent of the total number of votes cast) shall be treated as a major party and entitled to receive full public funding as such for the current election. There are States in which one political party or the candidate of a political party is so popular or dominant as to render, in fact, all other parties minor parties, whether Democratic or Republican. Therefore, this provision will help to ensure the equal entitlement of the Democratic and Republican parties, except in very rare instances where one of those parties would rank third.

The bill also takes into consideration the candidate who ran at the preceding election as a Democrat or Republican and received more than 25 percent of the votes cast and who then runs at the following election as an independent. When such a candidate switches from one party to another he does not carry with him the "track record", i.e. votes cast at the last general election, when he runs under another party label. He would be entitled to payments as an independent only if he receives at least 5 percent of the votes at the current election and his payments would be in reimbursements after the election, not before.

If that candidate runs again as an independent at the succeeding general election, and if he received more than 25 percent of the vote as an independent at the preceding general election, then he would be eligible for full public funding.

If a candidate of a minor party whose candidate for election to a given Federal office at the preceding general election received at least 5 percent of the votes cast for all candidates for that office, he will be entitled to receive public funds on a pro rata basis, and if at the current election that candidate receives more than 5 percent of the total votes cast, then he will be entitled to receive additional payments, as reimbursements to reflect the additional voter support.

In the general election, candidates may choose to receive all private contributions and no public funding, a blend of private and public funding within the limitations on expenditures for general elections as set forth in the bill, or, in the case of major party candidates exclusively public funding.

Post-election payments

Post-election payments are available to candidates in 2 situations.

First, if a minor party candidate or an independent candidate who is entitled to payments before the election in an amount which is less

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than the amount payable to the candidate of a major party before the election receives a greater percentage of the votes than the candidate of his party received in the last election (when compared to the average percentage received by a major party candidate in that election), he is entitled to receive an additional amount after the election. For example, if the average percentage of the votes received by a major party candidate in the preceding election was 30 percent and the minor party candidate received 15 percent of the votes in that election, the candidate of the minor party in the current election is entitled to a pre-election payment of half the amount to which a major party candidate is entitled. If the minor party candidate in the current election receives 40 percent of the vote and the average percentage received by the major party candidates is still 30 percent, the minor party candidate is entitled to a post-election payment equal to the amount of the pre-election payment to which the major party candidates were each entitled, reduced by the amount of any payments he received before the election and the amount of any contributions he received for use in his campaign. If his pre-election payment and his contributions, added together, equal the spending limitation for that race the amount of his post-election payment is zero. If the sum of his pre-election payment and the contributions equals 90 percent of the spending limitation, his post-election payment is 10 percent of the spending limitation.

Second, a candidate who is not the nominee of a major or minor party and who did not receive more than 5 percent of the votes in the most recent general election for the same office, is not entitled to receive any pre-election payments. If he takes the same steps before the election to become eligible for payments that other candidates must take in order to receive pre-election payments, then, if he receives 5 percent or more of the votes in the current election he is entitled to a payment after the election which bears the same ratio to the maximum payment (equal to the spending limitation) as the number of votes he receives bears to the average number of votes a major party candidate receives. The post-election payment is reduced by the amount of contributions he receives for use in his campaign.

The rules under which the post-election payment may be used are basically these:

(1) The candidate cannot incur campaign expenditures in excess of the amount of his limitation under proposed section 504. The limitation there is the same as the limitation that would apply if he were receiving pre-election public financing of his campaign.

(2) The post-election payment may be used only to pay outstanding campaign debts.

(3) The candidate is regarded as having no outstanding campaign debts until he has spent all the amounts he received as contributions.

(4) Any part of the post-election payment which is left after paying his campaign debts must be returned to the Treasury for deposit back into the fund.

Source of Public Funding

Appropriations may be made by the Congress based on the amounts taxpayers have designated for the fund under the checkoff system.

Authority is provided for the appropriation of additional amounts if necessary.

The Internal Revenue Code of 1954 is amended to provide for the automatic designation of $2 of income tax liability of every individual whose income tax liability is $2 or more for the taxable year to the Federal Election Campaign Fund, unless the individual elects not to make such a designation. In the case of a joint return of a husband and wife having an income tax liability of $4 or more, each spouse is considered to have designated that $2 shall be paid over to the fund unless he elects not to make such a designation.

If the taxpayer designations of $2 per individual of tax liability result in a sufficient total fund to meet the requirements of all candidates entitled to receive public financing, then the Congress may appropriate that amount for distribution by the Secretary of the Treasury. If the amounts of designated tax payments to the fund do not result in a sufficient total amount to fulfill the entitlements of all qualified candidates, then the Congress may appropriate such additional sums as may be necessary to make up any deficit.

In the event that insufficient funds are available to meet the entitlements of candidates, and the Congress had not acted to appropriate amounts necessary to meet the entitlements of candidates, then such candidates may receive private contributions.

Any private contribution received would be limited to the ceilings established by the bill upon contributions from individuals or political committees and subject further to the amount of public financing, if any, that the candidate is entitled or elects to receive.

Additional Tax Incentives

The Internal Revenue Code would be amended so as to allow an individual who has made a political contribution to a candidate or political committee or political party during a calendar year to claim in his tax return for that year a tax credit or a tax deduction.

The tax credit is limited to one half of the amount of the contribution made and to $25 per individual, or $50 on a joint return.

The tax deduction is limited to $100 per individual.

Thus these tax incentives would double the provisions set forth in the existing law as they were enacted in the Revenue Act of 1971.

Role of Political Parties

Emphasis in this bill is placed upon candidates. But, to preserve the place of political parties in the elective process the bill provides that the National Committee of a political party may spend for political purposes an amount not in excess of the amount to be obtained by multiplying 2 cents by the voting age population of the United States.

A State Committee of a political party may spend an amount to be obtained by multiplying 2 cents by the voting age population of the State in which it functions.

Campaign Reform

Title II of the bill contains in part the text of S. 372 (the Federal Election Campaign Act of 1973) which was passed by the Senate on July 30, 1973.

The Committee amendments to S. 372 do not affect any of the substantive provisions relating to limitations upon contributions or limitations upon expenditures in primary or general elections. The amendments, instead, are intended to remove from the text only those matters which were considered nonessential or which duplicated other provisions of the bill, or which were changed by subsequent action of the Congress. For example, the section prohibiting mass mailing of newsletters, etc., within 60 days prior to the date of any election, was made unnecessary by the enactment of Public Law 93–191, December 18, 1973, regulating the use of the frank.

Title II, in general contains provisions—

relating to political broadcasting, and

revising title III of the Federal Election Campaign Act of 1971 (relating to reporting and disclosure).

Political Broadcasting

The bill includes also the provisions of S. 372 which repeal the Campaign Communications Act, imposing limitations on amounts spent by candidates for Federal office for the use of broadcast and printed media in their campaigns. It also amends the Communications Act of 1934—

(1) to remove Federal candidates from the equal time requirements of section 315 of that Act.

(2) to require broadcasters to demand a certification by any Federal candidate, before charging him for broadcast time, indicating that the payment of charges for that time will not exceed his expenditure limit under title 18, United States Code, and to apply this provision to State and local candidates wherever similar limits are imposed on them by State law; and

(3) to require broadcasters to make certain announcements and keep certain records in connection with political broadcasts.

Reporting and Disclosure

Title II of the bill is concerned with a general revision of title III of the Federal Election Campaign Act of 1971 (relating to the disclosure of Federal campaign funds).

The bill establishes an independent Federal Election Commission within the executive branch to enforce the reporting and disclosure requirements of the 1971 Act and to enforce certain provisions of chapter 29 of title 18, United States Code (relating to crimes related to political activity). The Commission is given broad powers of enforcement, including the power to make presentations to Federal grand juries and to prosecute criminal cases.

In addition to a number of changes in the details of the reporting and disclosure requirements of the 1971 Act, Title II—

(1) requires a candidate for Federal office to designate a central campaign committee to serve as his central reporting and disclosure agent, and to designate campaign depositories into which all contributions and any public financing payments must be deposited and out of which all campaign expenditures (other than petty cash) must be made;

(2) increases penalties for violations of reporting and disclosure requirements to a maximum of $100,000 and five years imprisonment for a knowing violation;

(3) requires that no expenditure in excess of $1,000 can be made in connection with a Presidential campaign unless that expenditure has been approved by the Chairman of the national committee of the political party or his delegate; and

(4) provides that excess campaign contributions may be used by a person elected to Federal office to defray expenses incurred in connection with that office or as a contribution to a charity.

Criminal Code Amendments

Chapter 29 of title 18, United States Code (relating to political activities), is amended by Title II of the bill—

(1) to make certain minor changes in the definitions of "election", "political committee", "contribution", and "expenditure";

(2) to revise the provisions of section 608 (relating to limitations on contributions and expenditures by a Federal candidate from his own funds and his family's funds) by making the dollar limitations applicable to total campaign expenditures during a calendar year, requiring loans or advances by the candidate or his family to be evidenced by a written instrument, including only the outstanding balances of such loans or advances in the computation of the limitation, and increasing the penalty for violations to a maximum of $25,000 fine and five years imprisonment;

(3) to amend section 611 (relating to contributions by Government contractors) to permit Government contractors to maintain separate segregated funds for voluntary contributions in the same manner as a non-Government corporate contractor may;

(4) to limit Federal campaign expenditures to the limits established for candidates who elect to receive public financing, i.e.—

(A) in the case of primary election campaigns, the greater of—

(i) 10 cents multiplied by the voting age population of the State or Congressional district, or

(ii) $125,000 (in the case of a candidate for Senator, Resident Commissioner, Delegate, or sole Representative), or $90,000 (in the case of a candidate for Representative from a State entitled to 2 or more Representatives);

(B) in the case of general election campaigns, the greater of—

(i) 15 cents multiplied by the appropriate voting age population, or

(ii) $175,000 (in the case of a candidate for Senator, Resident Commissioner, Delegate, or sole Representative), or $90,000 (in the case of a candidate for Representative from a State entitled to 2 or more Representatives); and

(C) in the case of a candidate for nomination as a Presidential candidate, or for election as President, the amount allowable in each State in which he campaigns is twice the

amount which would be allowable to a candidate for nomination for election to the Senate from that State subject to an overall limitation for expenditures throughout the United States of 10 cents multiplied by the voting age;

(5) to limit political contributions by individuals to Federal candidates to a yearly maximum of—

(A) $3,000 for each primary and general election campaign of any particular candidate, and

(B) $25,000, in the aggregate, for all contributions to Federal candidates and to political committees that support them;

(6) to limit independent political expenditures by anyone (other than the national committee or State committee of a political party, or one of the Congressional campaign committees) to $1,000 per year for each candidate;

(7) to limit general election expenditures by a political party to 2 cents multiplied by the voting age population of the United States, in the case of a national committee of a political party, or in the State, in the case of a State committee.

(8) to prohibit contributions in excess of $100 other than by a written instrument identifying the contributor; and

(9) to prohibit the embezzlement or conversion of political contributions.

Limits on "Independent Expenditures"

The bill retains the limits on independent expenditures already adopted by the Senate in S. 372. The Committee finds these limits are both necessary and constitutional. "Independent expenditures" refer to sums expended on behalf of a candidate without his authorization, as distinct from contributions of money, goods or services put at the disposal of his campaign organization.

For example, a person might purchase billboard advertisements endorsing a candidate. If he does so completely on his own, and not at the request or suggestion of the candidate or his agent's that would constitute an "independent expenditure on behalf of a candidate" under section 614(c) of the bill. The person making the expenditure would have to report it as such.

However, if the advertisement was placed in cooperation with the candidate's campaign organization, then the amount would constitute a gift by the supporter and an expenditure by the candidate—just as if there had been a direct contribution enabling the candidate to place the advertisement, himself. It would be so reported by both.

While independent expenditures pose a difficult question, it should be emphasized that *the need to control them does not arise from public financing*. Whether campaigns are funded privately or publicly such controls are imperative if Congress is to enact meaningful limits on direct contributions. Otherwise, wealthy individuals limited to a $3,000 direct contribution could also purchase one hundred thousand dollars' worth of advertisements for a favored candidate. Such a loophole would render direct contribution limits virtually meaningless.

Admittedly, expenditures made directly by an individual to urge support of a candidate pose First Amendment issues more vividly than

do financial contributions to a campaign fund. Nevertheless, to prohibit a $60,000 direct contribution to be used for a TV spot commercial but then to permit the would-be contributor to purchase the time himself, and place a commercial endorsing the candidate, would exalt constitutional form over substance. Your Committee does not believe the First Amendment requires such a wooden construction.

If Congress may, consistent with the First Amendment, limit contributions to preserve the integrity of the electoral process, then it also can constitutionally limit independent expenditures in order to make the contribution limits effective.

At the same time, the bill avoids some of the constitutional issues in this area encountered by previous legislation. The 1971 Federal Election Campaign Act deals with such independent efforts by requiring candidate approval before the media may accept advertisements from any source which promote his candidacy. See *ACLU* v. *Jennings*, CA. No. 1967–72 (Three-judge court, D.C. Dist. Col.) In contrast, the Committee bill does not require this candidate "sign off." Nor does it include unauthorized expenditures in the total spending limit imposed on the candidate.

Limiting the amount of independent expenditure someone may make in support of a candidate, *but not counting* such amounts for purposes of the overall spending limit of the candidate, is the best compromise of competing interests in free speech and effective campaign regulation.

It controls undue influence by a group or individual. Yet it avoids the dilemma of either giving candidates a veto over such independent expression or subjecting the candidate to the independent decisions of his supporters, even if he prefers using his permitted expenditure in other ways.

Thus, the bill preserves to everyone some right of political expression, which they can undertake *regardless* of whether the candidate has already used up his permitted expenditures *and regardless* of whether the expression they wish to make on the candidate's behalf "fits in" with his campaign plan.

Finally, your Committee has been careful to preserve inviolate every citizen's ability to communicate to anyone his views on political issues. Expenditures made by a person or group to communicate such views, if the communication does not advocate specific candidates, count neither as direct contributions, nor as independent expenditures on behalf of a candidate.

Examples of the Application of the Public Financing Provisions to Federal Elections

There are elections which do not present the conventional situation of a choice between 2 major party candidates. It is also true that, from time to time, a candidate changes his political party affiliation. The following examples illustrate the application of the provisions of the bill to such elections and candidates.

Example No. 1

In a 1984 election for the Senate, Mr. Apple is the candidate of political party A, political party B, and political party C. His opponent, Mr. Orange, is the candidate of political party D. When the

votes are counted, Mr. Apple has received 55 percent of the total number of votes. He received 20 percent of the vote as the candidate of party A, 20 percent of the vote as the candidate of party B, and 15 percent of the vote as the candidate of party C. Mr. Orange, as the candidate of party D, received 45 percent of the vote.

In the 1990 contest for Mr. Apple's seat, parties A, B, and D are treated as major parties. (Under section 501(8) of the proposed new title of the Federal Election Campaign Act of 1971, a major party is a political party whose candidate received, as the candidate of that party, 25 percent or more of the votes cast in the most recent election for the same office. However, if only one party qualifies as a major party under that rule, any political party whose candidate received the second highest number of votes in that election is also treated as a major party if he received at least 15 percent of the votes.) In this example Apple received 20 percent of the vote as the candidate of party A. Since the candidate of party A did not receive 25 percent or more of the votes, party A will be treated in the 1990 election as a major party only because its candidate received the second highest number of votes in the 1984 election, and because he received more than 15 percent of the votes. Mr. Apple also received 20 percent of the votes as the candidate of party B, so that party will also be treated as a major party in the 1990 election. Party D is a major party in the 1990 election becuse its candidate in 1984, Mr. Orange, received more than 25 percent of the votes. Party C is a minor party in the 1990 election because its candidate, in 1984, Mr. Apple, neither received more than 25 percent of the vote as the candidate of that party nor the second highest number of votes as the candidates of that party.

The provisions of the bill apply to the 1990 contest for Mr. Apple's seat in the following ways:

VARIATION A

Mr. Apple is again the nominee of party A, party B, and party C. Since party A and party B are each treated as a major party, their candidates are entitled to payments equal in amount to the spending limitation (assume the applicable limitation is $200,000). The candidate of party C in 1990 is entitled to a payment which bears the same ratio to the amount a major party candidate may receive ($200,000) as the number of votes received by the candidate of that party in the preceding general election bears to the average number of votes received by a major party candidate in that election. Mr. Apple, as the candidate of party C in 1984, received 15 percent of the votes and the average number of votes received by the candidates of party A, party B, and Party D was 28.3 percent of the total. The party C candidate in 1984 is entitled to approximately fifteen twenty-eighths of $200,000, which equals about $107,175. Although Mr. Apple is the candidate of party A, party B, party C in 1990, he is not entitled to a combined payment of $507,175. The provisions of proposed section 503(c) limit the amount of the maximum payment any candidate can receive to the amount he can spend. Mr. Appple's sending limit is $200,000, so he would receive payments totaling $200,000. Whether he would receive the full amount as the candidate of party A (or of party B) and nothing as the candidate of the other 2 parties, or whether he would

receive part of the amount as the candidate of each party would depend upon the circumstances under which he certified his candidacy and upon the arrangements he made with each party.

Since Mr. Orange, as the candidate of party D, received 45 percent of the votes in the 1984 contest, the candidate of party D in the 1990 contest is entitled to receive a payment of $200,000 as the candidate of a major party.

VARIATION B

Mr. Apple decides not to seek re-election. For the reasons set forth above, the candidates of parties A, B, and D would each be entitled to receive payments under the proposed new title of $200,000 each for use in the 1990 general election campaign. The candidate of party C would be entitled to receive $107,175.

VARIATION C

Mr. Apple decides to seek re-election only as the candidate of party A. Mr. Apple is entitled to a payment of $200,000, the candidates of parties B and D are each entitled to receive a payment of $200,000, and the candidate of party C is entitled to a payment of $107,175.

VARIATION D

Regardless of what Mr. Apple does, Mr. Orange decides to try again for the seat, but this time he chooses to run as an independent candidate rather than as the candidate of party D. Mr. Orange is not entitled to receive one penny in public funds until after the election is over. If he receives more than 5 percent of the votes cast, then he is entitled to receive payments in reimbursement of his campaign expenses based on the percentage of votes he receives as compared to the average number of votes received by major party candidates in that election.

Example No. 2

In a 1984 election for the House the candidate of political party A is an individual who has been elected to the House from that district for over 80 years, so party B doesn't bother to nominate a candidate. The incumbent retires before his term is up and a special election is called for 1985. In the special election, the new candidate of party A is entitled to a payment equal to his expenditure limitation. Assume that the applicable limitation is $100,000. Party B nominates a candidate, but, since the party had no candidate in the preceding general election for the office, he is not entitled to any payment before the election. In the 1985 election, the candidate of party A receives 45 percent of the votes; the candidate of party B receives 55 percent of the votes. The candidate of party B is then entitled to a payment after the election which bears the same ratio to the pre-election payment made to the candidate of party A as the number of votes received by the candidate of party B bears to the number of votes received by the candidate of party A. Since the candidate of party B received more votes than the candidate of party A, his post-election payment is equal to the pre-election payment received by the candidate of party A (it does not exceed that payment because of the application of the limitation in proposed section 503 (c)).

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Example No. 3

In the 1984 election mentioned in example number 2, party B decides that the incumbent is to be their nominee as well. Sixty-five percent of the votes he receives come from the members of party A and the remaining 35 percent come from the members of party B. In the special election of 1985, both party A and party B are major parties because their candidate in 1984, the now retired incumbent, received more than 25 percent of the vote in the preceding general election as the candidate of each party. The candidate of party A and the candidate of party B in the 1985 election are each entitled to a pre-election payment of $100,000.

Presidential general elections

The Committee bill makes no basic change in existing law in the application of the dollar checkoff to the entitlement of candidates to public funds in Presidential elections.

In general, a candidate qualifies for full public funding if he is the candidate of a "major" party—a party that received 25 percent or more of the popular votes cast in the preceding election. He qualifies for partial public funding if he is the candidate of a "minor" party—a party that received 5 percent or more, but less than 25 percent, of the popular votes cast in the preceding election; the amount of public funds for a minor party candidate is based on the proportion of the popular vote he received in the preceding election.

In addition, a candidate may also qualify for public funds retroactively, on the basis of his showing in the current election. In such a case, a candidate who receives public funds after the election may use the funds to reimburse private contributors.

In the 1972 Presidential election, President Nixon received 60.2 percent of the vote as the candidate of the Republican Party. Senator McGovern received 37.2 percent of the vote as the candidate of the Democratic Party. Representative Schmitz received 1.3 percent of the vote as the candidate of the American Independent Party or under other party designations.

In 1976 the Republican Party and the Democratic Party qualify as major parties on the basis of the 1972 election, and their candidates will be entitled to full public funding. Since no other party qualifies as a major or minor party on the basis of the 1972 election, no other candidates will be entitled to public funds in advance of the 1976 election. However, if a candidate of a third party runs in 1976 and receives more than 5 percent of the vote, he will qualify retroactively for public funds, based on his showing in the 1976 election.

The application of the public financing provision to Presidential elections is also illustrated by the following section, showing its application to Senate elections.

Senate elections

Some of the following examples are adapted from actual Senate elections in recent years. Most of the examples are designed to illustrate the application of the dollar checkoff to Senate elections involving relatively unusual situations. The dollar checkoff, already appli-

cable to Presidential general elections under existing law, was enacted in 1971 with close attention to its impact on potential third party presidential candidacies. As the examples demonstrate, the formula in existing law for Presidential elections is easily applied to Senate elections, as provided by the Committee bill.

Typically, however, minor party candidates have not been a significant factor in the vast majority of recent Senate elections.

In the past three Congressional election years, there have been a total of 103 Senate elections. In 42 of these elections—14 of the 34 races in 1972, 12 of the 35 races in 1970, and 16 of the 34 races in 1968—only two candidates were entered—Democratic and Republican. In the other 61 races, additional candidates representing some 30 other parties were also on the ballot in those years in various states. But, in those 61 races, there were only seven races in which the third candidate received more than 5 percent of the vote—Louisiana in 1972; Connecticut and New York in 1970; and Alabama, Alaska, Maryland and New York in 1968. In those seven races—seven out of 103 races in all—the third candidate would have qualified for partial public funding as a "minor" party candidate in the following election. In none of those seven races did the third candidate receive more than 25 percent of the vote; therefore, no third candidate would have qualified as a "major" party candidate entitled to full public funding in the following election.

The examples follow:

1. In the 1968 Senate election, Candidate A of the Democratic Party defeated Candidate B of the Republican Party by 50 percent to 48 percent, and Candidate C of Party X received 2 percent of the vote.

When the Senate seat is up again in 1974, the Democratic Party and the Republican Party are "major" parties. Their candidates are each entitled to public funds in the amount of 15 cents per vote, based on the voting age population of the State. Since Candidate C failed to reach the 5 percent cutoff in the 1968 election, Party X does not qualify for public funds in 1974.

2. Same as example (1) for 1968. In the 1974 election, Candidate A of the Democratic Party defeats Candidate B of the Republican Party by 46 percent to 44 percent, and Candidate D of Party X receives 10 percent of the vote.

Candidate D qualifies as a "minor" party candidate on the basis of his showing in the current election (1974), since he received more than 5 percent of the vote. He is therefore entitled to public funds on a retroactive reimubursement basis, even though he did not qualify for public funds in advance of the election because Party X failed to receive 5 percent of the vote in 1968. Candidate D would be entitled to 10/45 or 22 percent of the amount of public funds given to each major party candidate, A and B. The amount is based on Candidate D's proportional share of the average vote of the two major party candidates, and is calculated as follows: $10\% \div (46\% + 44\%)/2 = 10/45 = 22\%$. Candidate C may use these public funds to reimburse private contributors to his campaign in 1974.

3. In 1968, Candidate A of the Republican Party defeated Candidate B of the Democratic Party by 46 percent to 44 percent, and Candidate C of Party X won 10 percent of the vote.

In 1974, the candidates of the Democratic Party and the Republican Party are "major" party candidates and qualify for full public funds (15 cents per vote). The candidate of Party X is a "minor" party candidate and qualifies for partial public funds in 1974, in the amount of 22 percent of the entitlement of each major party candidate.

4. In the 1974 Senate election, Candidate A of the Democratic Party defeats Candidate B of the Republican Party by 46 percent to 44 percent. Candidate C runs as an Independent and receives 10 percent of the vote.

Candidate C qualifies retroactively for public funds on the same basis as if he were the candidate of a party. He receives 22 percent of the amount of public funds given to each major party candidate.

5. A received 4 percent of the vote as the candidate of Party X and 3 percent of the vote as the candidate of Party Y in 1968.

In 1974, A qualifies for public funds as a minor party candidate. His entitlement to public funds is based on 7 percent of the 1968 vote, since the bill permits a candidate to accumulate his votes from the preceding election, if he received 5 percent or more but less than 25 percent of the votes in that election.

6. In the 1968 election, Candidate A of the Democratic Party defeated Candidate B of the Republican Party by 54 percent to 37 percent. In the 1974 election, Senator A runs as an Independent, B runs as an Independent, C runs as the Candidate of the Republican Party, and D runs as the candidate of the Democratic Party. (Based on a recent Virginia Senate election.)

Candidate C of the Republican Party and Candidate D of the Democratic Party are each entitled to full public funding in 1974, since they are candidates of a major party on the basis of the 1968 election. Senator A is also entitled to full public funding, based on his own showing as a winning major party candidate in 1974. B does not qualify for public funds, since the Committee bill does not offer public funds to an independent candidate who was a defeated major party candidate in the preceding election.

7. Senator A ran as an Independent in 1968 and won the election with 54 percent of the vote. The candidate of the Democratic Party received 31 percent of the vote and the candidate of the Republican Party received 15 percent of the vote. (Based on a recent Virginia Senate election.)

If Senator A runs again as an Independent in 1974, he is entitled to full public funds (15 cents per vote), based on his 1968 showing as an Independent. The candidate of the Democratic Party in 1974 is also entitled to full public funds, because Party A qualifies as a "major" party on the basis of its 1968 showing. However, the candidate of the Republican Party in 1974 will qualify only for partial public funds, since it is a "minor" party based on its 1968 showing, even though it was a "major" party based on the 1962 election. In 1974, the Republican candidate is entitled to 15/(54+31)/2, or 35% of the amount given to Senator A and to the Democratic candidate.

If the Republican candidate receives more than 25 percent of the vote in 1974 he qualifies retroactively as a "major" party candidate and is entitled to full public funds.

8. In 1968, candidate A of the Republican Party defeated Independent Candidate B by 50.7 percent to 49.3 percent, and there was no

candidate of the Democratic Party (adapted from the Virginia Governor's election in 1973).

If Candidate B runs again as an Independent in 1974, he is entitled to full public funds. Senator A of the Republican Party will also be entitled to full public funds. If there is a candidate of the Democratic Party, he will not qualify for public funds unless he does so retroactively on the basis of his showing in the 1974 election. If Candidate B runs as the candidate of the Democratic Party in 1974, he qualifies for full public funds—not because he is the Democratic Candidate, but because of his personal showing as an Independent in 1968.

9. In 1968, Candidate A of the Democratic Party defeated Candidate B of the Republican Party by 78 percent to 22 percent (based on a recent West Virginia Senate election).

In 1974 since the Democratic Party is the only "major" party on the basis of the 1968 results, the Republican Party will also qualify as a "major" party under the bill. It is the party with the next highest showing in the preceding election, even though its candidate in 1968 won less than 25 percent of the vote and would not ordinarily qualify as a "major" party.

10. In 1968, Candidate A defeated Candidate B by 60 percent to 40 percent. Candidate A received 45 percent of his vote as the candidate of the Democratic Party, and 15 percent of his vote as the candidate of the Liberal Party. Candidate B received 26 percent of his vote as the candidate of the Republican Party, and 14 percent of his vote as the candidate of the Conservative Party. (Adapted from recent New York Senate elections.)

In 1974, the Democratic and Republican candidates qualify as "major" party candidates. The candidates of the Liberal and Conservative Parties each qualify as "minor" party candidates. In addition, if B runs as the Conservative Party candidate, but not as the Republican Party Candidate, in 1974, he qualifies only as a "minor" party candidate, because the bill does not allow a defeated major party candidate to run as a minor party candidate in the next election and carry over his status as a major party candidate.

9. In 1968, Candidate A of the Democratic Party won the election with 55% of the vote. Candidate B of the Republican Party won 19% of the vote and Independent Candidate C won 23% of the vote. (Based on a recent Louisiana Senate election.)

In 1974, since the Democratic Party is the only "major" party on the basis of the 1968 results, the bill, as noted in example (9), operates to allow the Republican Party to qualify as a "major" party, even though it received less than 25% of the vote in 1968, and even though Independent Candidate C made a better showing in 1968. If Candidate C runs again as an Independent in 1974, he qualifies for partial public funds as a "minor" party candidate. But the bill does not benefit an Independent by allowing him to receive full public funding as if he were a major party candidate. As example (7) makes clear, if both an Independent candidate and the Democratic Party candidate qualify for full public funds on the basis of the preceding election, the bill does not operate to allow the Republican candidate to qualify for full public funds. In other words, the bill does not operate to create full public funding for a third candidate, where two candidates already qualify for full public funds on the basis of their showing in the preceding election.

Illustrative examples of public financing under Senate Rules Committee print No. 4, as revised

(Supplied by the General Accounting Office)

1. *1976 Presidential Primary Elections.*—Assume four Democrats and four Republicans raise a campaign fund of at least $250,000 each from contributions of not more than $250 each. Each candidate would be entitled to matching funds of $250,000, plus one dollar for each additional dollar of qualifying contributions (under $250) raised. In each primary election or convention to select national convention delegates, each candidate could spend up to twice the amount permitted a Senate primary candidate. For example, in the 1976 Wisconsin presidential primary each candidate could spend up to 20¢ times voting age population ($606,600 based on current population) and could receive up to one-half of that amount in public funds.

2. *1976 Presidential General Election.*—Both the Democratic and the Republican candidates represent a major party (over 25% of the popular vote in 1972). Both are entitled to optional full public financing up to the spending limit of 15 cents times voting age population ($21,250,000 based on current population). The spending limit applies to all candidates whether or not they choose public financing. No other candidate is qualified for public funds based on 1972 results, but if another candidate receives over 5% of the 1976 vote, he would be entitled after the election to a proportionate share to reimburse campaign expenditures.

Assume the two major party candidates receive 41 percent and 39 percent of the 1976 popular vote, respectively, and assume Candidate C of the National Party receives 10 percent. Candidate C will be entitled to a post-election payment based on the ratio of his vote to the average of the major parties' vote; i.e. 10/40 of $21,250,000. Candidate C would receive up to $5,312,500. In the 1980 general election for President, the Democrats and Republicans would be major parties and the National Party would be a minor party whose candidate is entitled to pre-election payments in the same ratio. If Candidate C runs as an independent in 1980, he would also be entitled to payments based on the votes he received in 1976.

3. *Senate Primary Election.*—Candidate A is opposed in the primary by Candidate B and both raise the required threshold campaign fund from contributions of $100 or less. Each candidate is entitled to matching funds on a dollar for dollar basis. If either candidate doesn't raise the minimum amount from private sources he will not receive any public funds.

4. *Senate Nominating Convention.*—Same result as in preceding example because the term "primary election" in the bill includes a convention or caucus of a political party held to nominate a candidate.

5. *Senate General Election.*—Assume Candidates A and B are nominated by the major parties and Candidate C represents a minor party; and the voting age population of the state is 4 million. Candidates A and B are each entitled to $600,000 (15¢ times voting age population) for their general election campaign. If the minor party received ⅓ of the average vote of the major parties in the preceding election, Candidate C is entitled to $200,000.

6. *House Primary Election.*—In a congressional district in a multi-district state, four candidates for major party nomination qualify for matching funds by raising more than $10,000 in contributions of $100 or less. Each is entitled to spend up to $90,000 and is entitled to matching funds for each dollar raised.

7. *House General Election.*—The nominated candidate of a major party is entitled to full public payment of $90,000 in the general election. If the State has only one district, the primary limit is increased to $125,000 and the general election limit is increased to $175,000.

Cost Estimates Pursuant to Section 252(a) of the Legislative Reorganization Act of 1970

Section 252(a) of the Legislative Reorganization Act of 1970 requires that any committee reporting a bill of a public character shall include in its accompanying report an estimate of the costs which would be incurred in effecting such legislation, or a statement of the reasons compliance with this requirement is impracticable.

Accordingly, the Committee on Rules and Administration estimates the annual cost to the United States Government to an average of $89,391,693. This average estimate is based upon the supposition that all seats in the House of Representatives will be contested every two years; that one third of all Senate seats will be contested every two years; and that, of course, there will be a quadrennial election for President and Vice President. The costs are predicated upon total estimated public funds paid to eligible candidates for nomination for election, or election to Federal office.

The Committee is not aware of any estimates of costs made by any Federal agency which are different from those made by the committee.

COST ESTIMATES

	4-year total
President (every 4 years):	
Primary elections, not including State conventions (21 States)	$42,010,800
General	47,218,194
Total, President	89,228,994
Senate (33 campaigns every 2 years):	
Primary (33 States) including conventions	10,170,900
General (33 States)	23,929,900
Total, Senate	34,100,800
Multiplied by 2	68,201,600
House (every 2 years):	
Primary (435 seats) including conventions	31,245,100
General (435 seats)	69,062,888
Total, House	100,307,988
Multiplied by 2	200,615,976
Total, 4-year cost	358,046,570
Average annual cost	89,511,643

ADDITIONAL COST ESTIMATES

The Internal Revenue Service furnished the following information, based upon 1971 figures, demonstrating the cost to the government if

all taxpayers were to designate one dollar of tax liability to the Presidential Campaign fund:

Total returns joint	$4[illegible], 770, 000
Total individual returns	3[illegible], 830, 000
Total returns	7[illegible], 600, 000

If all returns, individual and joint, should take full advantage of the *one dollar check off* the total cost would be *$117,370,000.*

If, all returns should take full advantage of a *two dollar check off* the cost would be *$234,740,000.*

RESULTS OF DOLLAR CHECKOFF

	Returns using checkoff for 1973			Total returns filed
	Number	Percent	Amount	
1973 returns filed in 1974:				
Through Jan. 18	43,198	10.7	$60,066	
Week of:				
Jan. 25	120,202	14.0	171,384	
Feb. 1	251,312	14.7	365,777	
Feb. 8	396,287	14.3	585,519	
Feb. 15	553,806	14.1	820,986	
Cumulative:				
Jan. 25	163,400	13.0	232,050	
Feb. 1	414,712	14.0	597,827	
Feb. 8	810,999	14.1	1,183,346	15,940,000
Feb. 15	1,364,805	14.1	2,004,332	23,492,000

	Returns using checkoff for 1972			Total returns filed
	Number	Percent	Amount	
1973 returns filed in 1974:				
Through Jan. 18	21,580	5.3	$30,461	
Week of:				
Jan. 25	59,360	6.9	85,998	
Feb. 1	120,088	7.0	177,418	
Feb. 8	186,534	6.7	280,093	
Feb. 15	258,172	6.6	390,459	
Cumulative:				
Jan. 25	80,940	6.4	116,459	
Feb. 1	201,028	6.8	293,877	
Feb. 8	387,562	6.8	573,970	
Feb. 15	645,734	6.7	964,429	

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION
LONGWORTH HOUSE OFFICE BUILDING,
Washington, D.C., February 21, 1974.

Mr. JAMES H. DUFFY,
Chief Counsel, Subcommittee on Privileges and Elections, Rules and Administration Committee, U.S. Senate, Washington, D.C.

DEAR MR. DUFFY: This is in reference to your telephone request of February 20 for the estimated decrease in Federal individual income tax liability which would result from doubling from $50 ($100 for joint returns) to $100 ($200 for joint returns) the maximum deduction for political contributions and doubling from $12.50 ($25 for joint returns) to $25 ($50 for joint returns) the maximum tax credit for political contributions.

Based on estimated 1972 levels of political contributions under the proposal as derived from the levels of contributions reflected in tax returns filed for 1972, we estimate that the proposed doubling of the maximum deduction and the maximum credit would decrease Federal individual income tax liability by about $26 million of which $15 million is ascribable to the doubling of the maximum deduction and $11 million is ascribable to the doubling of the maximum credit.

Sincerely yours,

LAURENCE N. WOODWORTH.

SENATE CAMPAIGN FUND LIMITATIONS UNDER RULES COMMITTEE BILL

State	1973 voting age population (VAP) for 1974 elections	Primary threshold matching fund [1]	Primary spending limit—10 cents times VAP or $125,000	General spending limit—15 cents times VAP or $175,000
Alabama	2,338,000	$46,760	$233,800	$350,700
Alaska	200,000	25,000	125,000	175,000
Arizona	1,345,000	26,900	134,500	201,750
Arkansas	1,374,000	27,480	137,400	206,100
California	14,143,000	125,000	1,414,300	2,121,450
Colorado	1,631,000	32,620	163,100	244,650
Connecticut	2,101,000	42,020	210,000	315,000
Delaware	382,000	25,000	125,000	175,000
Florida	5,427,000	108,540	542,700	814,050
Georgia	3,140,000	62,800	314,000	471,000
Hawaii	549,000	25,000	125,000	175,000
Idaho	501,000	25,000	125,000	175,000
Illinois	7,568,000	125,000	756,800	1,135,200
Indiana	3,530,000	70,600	353,000	529,500
Iowa	1,957,000	39,140	195,700	293,550
Kansas	1,570,000	31,400	157,000	235,500
Kentucky	2,235,000	44,700	223,500	335,250
Louisiana	2,399,000	47,980	239,900	359,850
Maine	689,000	25,000	125,000	175,000
Maryland	2,720,000	54,400	272,000	408,000
Massachusetts	4,006,000	80,120	400,600	600,900
Michigan	5,922,000	118,440	592,200	888,300
Minnesota	2,575,000	51,500	257,500	386,250
Mississippi	1,453,000	29,060	145,300	217,950
Missouri	3,251,000	65,020	325,100	487,650
Montana	474,000	25,000	125,000	175,000
Nebraska	1,042,000	25,000	125,000	175,000
Nevada	365,000	25,000	125,000	175,000
New Hampshire	531,000	25,000	125,000	175,000
New Jersey	5,030,000	100,600	503,000	754,500
New Mexico	691,000	25,000	125,000	175,000
New York	12,665,000	125,000	1,266,500	1,899,750
North Carolina	3,541,000	70,820	354,100	531,150
North Dakota	421,000	25,000	125,000	175,000
Ohio	7,175,000	125,000	717,500	1,076,250
Oklahoma	1,832,000	70,820	183,020	274,800
Oregon	1,532,000	30,640	153,200	229,800
Pennsylvania	8,240,000	125,000	824,000	1,236,000
Rhode Island	677,000	25,000	125,000	175,000
South Carolina	1,775,000	35,100	177,500	266,250
South Dakota	454,000	25,000	125,000	175,000
Tennessee	2,799,000	55,980	279,900	419,850
Texas	7,785,000	125,000	778,500	1,167,750
Utah	715,000	25,000	125,000	175,000
Vermont	309,000	25,000	125,000	175,000
Virginia	3,243,000	64,860	324,300	486,450
Washington	2,329,000	46,580	232,900	349,350
West Virginia	1,228,000	25,000	125,000	184,200
Wisconsin	3,033,000	60,660	303,300	454,950
Wyoming	234,000	25,000	125,000	175,000

[1] Figures in this column represent 20 percent of the applicable primary spending limit except for a maximum threshold of $125,000 and a minimum threshold of $25,000.

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PRESIDENTIAL PRIMARY

(Based on 1972)

Assumptions:
1) Candidates qualify by raising $250,000
2) Apply 1972 qualifiers to primaries actually run

Requirements:
1) To qualify candidates must raise $250,000

Formula:
1) Match $1 for $1 raised by those qualifying up to spending limit
2) Spending limit is 2 times the Senate formula which is the greater of 10¢ x state VAP or $125,000

1) New Hampshire - 4 candidates in primary raised $250,000
   spending limit: 10¢ x 531,000 = $53,100 x 2 = $106,200 or $250,000
   government cost: $125,000 x 4 candidates = $500,000

2) Florida - 8 candidates in primary raised $250,000
   spending limit: 10¢ x 5,427,000 = $542,700 x 2 = $1,085,400
   government cost: $542,700 x 8 candidates = $4,341,600

3) Illinois - 1 candidate in primary raised $250,000
   spending limit: 10¢ x 7,568,000 = $756,800 x 2 = $1,513,600
   government cost: $756,800 x 1 candidate = $756,800

4) Wisconsin - 8 candidates in primary raised $250,000
   spending limit: 10¢ x 3,033,000 = $303,300 x 2 = $606,600
   government cost: $303,300 x 8 candidates = $2,426,400

5) Massachusetts - 7 candidates in primary raised $250,000
   spending limit: 10¢ x 4,006,000 = $400,600 x 2 = $801,200
   government cost: $400,600 x 7 candidates = $2,804,200

6) Pennsylvania - 5 candidates in primary raised $250,000
   spending limit: 10¢ x 8,240,000 = $824,000 x 2 = $1,648,000
   government cost: $824,000 x 5 candidates = $4,120,000

7) District of Columbia - 1 candidate in primary raised $250,000
   spending limit: 10¢ x 529,000 = $52,900 x2 = $105,800 or $250,000
   government cost: $125,000 x 1 candidate = $125,000

8) Indiana - 4 candidates in primary raised $250,000
   spending limit: 10¢ x 3,530,000 = $353,000 x 2 = $706,000
   government cost: $353,000 x 4 candidates = $1,412,000

9) Tennessee - 8 candidates in primary raised $250,000
   spending limit: 10¢ x 2,799,000 = $279,900 x 2 = $559,800
   government cost: $279,900 x 8 candidates = $2,239,200

10) Ohio - 5 candidates in primary raised $250,000
   spending limit: 10¢ x 7,175,000 = $717,500 x 2 = $1,435,000
   government cost: $717,500 x 5 candidates = $3,587,500

11) North Carolina - 5 candidates in primary raised $250,000
   spending limit: 10¢ x 3,541,000 = $354,100 x 2 = $708,200
   government cost: $354,100 x 5 candidates = $1,770,500

12) Nebraska - 8 candidates in primary raised $250,000
spending limit: 10¢ x 1,042,000 = $104,200 x 2 = $208,400
government cost: $104,200 x 8 candidates = $833,600

13) West Virginia - 2 candidates in primary raised $250,000
spending limit: 10¢ x 1,228,000 = $122,800 x 2 = $245,600
government cost: $122,800 x 2 candidates = $245,600

14) Maryland - 8 candidates in primary raised $250,000
spending limit: 10¢ x 2,720,000 = $272,000 x 2 = $544,000
government cost: $272,000 x 8 candidates = $2,176,000

15) Michigan - 5 candidates in primary raised $250,000
spending limit: 10¢ x 5,922,000 = $592,200 x 2 = $1,184,400
government cost: $592,200 x 5 candidates = $2,961,000

16) Oregon - 8 candidates in primary raised $250,000
spending limit: 10¢ x 1,532,000 = $153,200 x 2 = $306,400
government cost: $153,200 x 8 candidates = $1,225,600

17) Rhode Island - 8 candidates in primary raised $250,000
spending limit: 10¢ x 677,000 = $67,700 x 2 = $135,400 or $250,000
government cost: $125,000 x 8 candidates = $1,000,000

18) California - 6 candidates in primary raised $250,000
spending limit: 10¢ x 14,143,000 = $1,414,300 x 2 = $2,828,600
government cost: $1,414,300 x 6 candidates = $8,485,800

19) New Jersey - No candidates in primary raised $250,000

20) New Mexico - 6 candidates in primary raised $250,000
spending limit: 10¢ x 691,000 = $69,100 x 2 = $138,200 or $250,000
government cost: $125,000 x 6 candidates = $750,000

21) South Dakota - 2 candidates in primary raised $250,000
spending limit: 10¢ x 454,000 = $45,400 x 2 = $90,800 or $250,000
government cost: $125,000 x 2 candidates = $250,000

Total primary cost to government = $42,010,800

Requirements: 1) Major parties (25% or more vote) receive full Federal funding up to spending limit.
2) Minor parties (5-25% of vote) receive proportionate share.

Formula: 1) Spending limit is 15¢ x VAP ($21,248,400)

Assumption: 1) Two major parties
2) One minor party gets 10% of vote

VAP = 141,656,000

spending limit:	15¢ x 141,656,000 = $21,248,400	
government cost:	$21,248,400 x 2 candidates =	$42,496,800
	+ minor party=	4,721,394
		$47,218,194

$42,010,800
47,218,194
$89,228,994

U.S. SENATE

(Based on 1972)

Assumptions:
1) Primary opposed-- 2 candidates qualified and spent maximum
2) Primary unopposed-- candidates did not raise qualifying amount
3) General-- major candidates raised qualifying amounts

Formula:
1) Qualifying amount-- lesser of 20% of primary spending amount or $125,000
2) Primary spending amount-- greater of 10¢ x VAP or $125,000
3) General spending amount-- greater of 15¢ x VAP or $175,000
4) Matching in primary-- 1 for 1
5) Full amount in general

1) Alabama:
Qualify (lesser of 20% of $233,800 or $125,000) = $46,760
Primary: spending limit = 10¢ x 2,338,000 = $233,800
4 candidates qualified - matching
government cost = $233,800 ÷ 2 x 4 = $467,600
General: spending limit = 15¢ x 2,338,000 = $350,700
2 candidates qualified - full amount
government cost = $350,700 x 2 = $701,400

2) Alaska:
Qualify (20% of $125,000) = $25,000
Primary: spending limit = 10¢ x 200,000 = $20,000 or $125,000
no candidates qualified
government cost = 0
General: spending list = 15¢ x 200,000 = $30,000 or $175,000
2 candidates qualified - full amount
government cost = $75,000 x 2 = $350,000

3) Arkansas:
Qualifying (lesser of 20% of 137,400 or $125,000) = $27,480
Primary: spending limit = 10¢ x 1,374,000 = $137,400
2 candidates qualified - matching
government cost = $137,400 x 2 = $274,400
General: spending limit = 15¢ x 1,374,000 = $206,100
2 candidates qualified - full amount
government cost = $206,100 x 2 = $412,200

4) Colorado:
Qualifying (Lesser of 20% of $163,100 or $125,000) = $32,620
Primary: spending limit = 10¢ x $1,631,000 = $163,100
2 candidates qualified - matching
government cost = $163,100 x 2 ÷ 2 = $163,100
General: spending limit = 15¢ x 1,631,000 = $244,650
2 candidates qualified - full amount
government cost = $244,650 x 2 = $489,300

5) Delaware:
Qualifying (lesser of 20% of $38,200 or $125,000) = $25,000
Primary: spending limit = 10¢ x 382,000 = $38,200 or $125,000
no candidate qualified
government cost = 0
General: spending limit = 15¢ x 382,000 or 175,000 = $175,000
2 candidates qualified - full amount
government cost = $175,000 x 2 = $350,000

6) Georgia:
Qualifying (lesser of 20% of $314,000 or $125,000) = $62,800
Primary: spending limit = 10¢ x 3,140,000 = $314,000
4 candidates qualified - matching
government cost = $314,000 ÷ 2 x 4 = $628,000
General: spending limit = 15¢ x 3,140,000 = $471,000
2 candidates qualified - full amount
government cost = $471,000 x 2 = $942,000

7) Idaho:
Qualifying (lesser of 20% of $50,100 or $125,000) = $25,000
Primary: spending limit = 10¢ x 501,000 = $50,100 or $125,000
4 candidates qualified - matching
government cost = $125,000 ÷ 2 x 4 = $250,000
General: spending limit = 15¢ x 501,000 = $75,105 or $175,000
= $175,000
2 candidates qualified - full amount
government cost = $175,000 x 2 = $350,000

8) Illinois:
Qualifying (lesser of 20% of $756,800 or $125,000) = $125,000
Primary: spending limit = 10¢ x 7,568,000 = $756,800
2 candidates qualified - matching
government cost = $756,800 x 2 ÷ 2 = $756,800
General: spending limit = 15¢ x 7,568,000 = $1,135,200
2 candidates qualified - full amount
government cost = $1,135,200 x 2 = $2,270,400

9) Iowa:
Qualifying (lesser of 20% of $195,700 or $125,000) = $39,140
Primary: spending limit = 10¢ x 1,957,000 = $195,700
2 candidates qualified - matching
government cost = $195,700 x 2 ÷ 2 = $195,700
General: spending limit = 15¢ x 1,957,000 = $293,550
2 candidates qualified - full amount
government cost = $293,550 x 2 = $587,100

10) Kansas:
Qualifying (lesser of 20% of $157,000 or $125,000) = $31,400
Primary: spending limit = 10¢ x 1,570,000 = $157,000
2 candidates qualified - matching
government cost = 157,000 x 2 ÷ 2 = $157,000
General: spending limit = 15¢ x 1,570,000 = $235,500
2 candidates qualified - full amount
government cost = $235,500 x 2 = $471,000

11) Kentucky:
Qualifying (lesser of 20% of $223,500 or $125,000) = $44,700
Primary: spending limit = 10¢ x 2,235,000 = $223,500
4 candidates qualified - matching
government cost = $223,500 ÷ 2 x 4 = $447,000

11) Kentucky (cont'd) General: spending limit = 15¢ x 2,235,000 = $335,250
2 candidates qualified - full amount
government cost = $335,250 x 2 = $670,500

12) Louisiana: Qualifying (lesser of 20% of $239,900 or $125,000) = $47,980
Primary: spending limit = 10¢ x 2,399,000 = $239,900
2 candidates qualified - matching
government cost = $239,900 ÷ 2 x 4 = $479,800
General: spending limit = 15¢ x 2,399,000 = $359,850
2 candidates qualified - full amount
government cost = $359,850 x 2 = $719,700

13) Maine: Qualifying (lesser of 20% of $68,900 or $125,000) = $25,000
Primary: spending limit = 10¢ x 689,000 = $68,900
4 candidates qualified - matching
government cost = $125,000 ÷ 2 x 4 = $250,000
General: spending limit = 15¢ x 689,000 = $103,350 or $175,000
2 candidates qualified - full amount
government cost = $175,000 x 2 = $350,000

14) Massachusetts: Qualifying (lesser of 20% of $400,600 or $125,000) = $80,120
Primary: spending limit = 10¢ x 4,006,000 = $400,600
2 candidates qualified - matching
government cost = $400,600 x 2 ÷ 2 = $400,600
General: spending limit = 15¢ x 4,006,000 = $600,900
2 candidates qualified - full amount
government cost = $600,900 x 2 = $1,201,800

15) Michigan: Qualifying (lesser of 20% of $592,200 or $125,000) = $118,440
Primary: spending limit = 10¢ x 5,922,000 = $592,200
no candidates qualified
government cost = 0
General: spending limit = 15¢ x 5,922,000 = $888,300
2 candidates qualified - full amount
government cost = $888,300 x 2 = $1,776,600

16) Minnesota: Qualifying (lesser of 20% of $257,500 or $125,000) = $51,500
Primary: spending limit = 10¢ x $2,575,000 = $257,500
2 candidates qualified - full amount
government cost = $257,500 ÷ 2 x 2 = $257,500
General: spending limit = 15¢ x 2,575,000 = $386,250
2 candidates qualified - full amount
government cost = $386,250 x 2 = $772,500

17) Mississippi: Qualifying (lesser of 20% of $145,300 or $125,000) = $29,060
Primary: spending limit = 10¢ x 1,453,000 = $145,300
4 candidates qualified - matching
government cost = $145,300 ÷ 2 x 4 = $290,600
General: spending limit = 15¢ x 1,453,000 = $217,950
2 candidates qualified - full amount
government cost = $217,950 x 2 = $435,900

18) Montana:
Qualifying (lesser of 20% of $47,400 or $125,000) = $25,000
Primary: spending limit = 10¢ x 474,000 = $47,400 or $125,000
4 candidates qualified - matching
government cost = $125,000 ÷ 2 x 4 = $250,000
General: spending limit = 15¢ x 474,000 = $71,100 or $175,000
2 candidates qualified - full amount
government cost = $175,000 x 2 = $350,000

19) Nebraska:
Qualifying (lesser of 20% of $104,200 or $125,000) = $25,000
Primary: spending limit = 10¢ x 1,042,000 = $104,200 or $125,000
4 candidates qualified - matching
government cost = $125,200 ÷ 2 x 4 = $250,000
General: spending limit = 15¢ x 1,042,000 = $156,300 or
$175,000
2 candidates qualified - full amount
government cost = $175,000 x 2 = $350,000

20) New Hampshire:
Qualifying (lesser of 20% of $53,100 or $125,000) = $25,000
Primary: spending limit = 10¢ x 531,000 = $53,100 or $125,000
2 candidates qualified - matching
government cost = $125,000 ÷ 2 x 2 = $125,000
General: spending limit = 15¢ x 531,000 = $79,650 or $175,000
2 candidates qualified - full amount
government cost = $175,000 x 2 = $350,000

21) New Jersey:
Qualifying (lesser of 20% of $503,000 or $125,000) = $100,600
Primary: spending limit = 10¢ x $5,030,000 = $503,000
4 candidates qualified - matching
government cost = $503,000 ÷ 2 x 4 = $1,006,000
General: spending limit = 15¢ x 5,030,000 = $754,500
2 candidates qualified - full amount
government cost = $754,500 x 2 = $1,509,000

22) New Mexico:
Qualifying (lesser of 20% of $69,100 or $125,000) = $25,000
Primary: spending limit = 10¢ x 691,000 = $69,100 or $125,000
4 candidates qualified - matching
government cost = $125,000 ÷ 2 x 4 = $250,000
General: spending limit = 15¢ x 691,000 = $103,650 or $175,000
2 candidates qualified - full amount
government cost = $175,000 x 2 = $350,000

23) North Carolina:
Qualifying (lesser of 20%) of $354,100 or $125,000) = $70,820
Primary: spending limit = 10¢ x 3,541,000 = $354,100
4 candidates qualified - matching
government cost = $354,100 ÷ 2 x 4 = $708,200
General: spending limit = 15¢ x 3,541,000 = $351,150
2 candidates qualified - full amount
government cost = $531,150 x 2 = $1,062,300

24) Oklahoma:
Qualifying (lesser of 20% of $183,200 or $125,000) = $36,640
Primary: spending limit = 10¢ x 1,832,000 = $813,200
4 candidates qualified - matching
government cost = $183,200 ÷ 2 x 4 = $366,400
General: spending limit = 15¢ x 1,832,000 = $274,800
2 candidates qualified - full amount
government cost = $274,800 x 2 = $549,600

25) Oregon:
Qualifying (lesser of 20% of $153,200 or $125,000) = $30,640
Primary: spending limit = 10¢ x 1,532,000 = $153,200
4 candidates qualified - matching
government cost = $153,200 ÷ 2 x 4 = $306,400
General: spending limit = 15¢ x 1,532,000 = $229,800
2 candidates qualified - full amount
government cost = $229,800 x 2 = $459,600

26) Rhode Island:
Qualifying (lesser of 20% of $67,700 or $125,000) = $25,000
Primary: spending limit = 10¢ x $677,000 = $67,700 or $125,000
no candidates qualified
government cost = 0
General: spending limit = 15¢ x $677,000 = $101,550 or $175,000
2 candidates qualified - full amount
government cost = $175,000 x 2 = $350,000

27) South Carolina:
Qualifying (lesser of 20% of $177,500 or $125,000) = $35,500
Primary: spending limit = 10¢ x 1,775,000 = $177,500
2 candidates qualified - matching
government cost = $177,500 ÷ 2 x 2 = $177,500
General: spending limit = 15¢ x 1,775,000 = $266,250
2 candidates qualified - full amount
government cost = $266,250 x 2 = $532,500

28) South Dakota:
Qualifying (lesser of 20% of $45,400 or $125,000) = $25,000
Primary: spending limit = 10¢ x 454,000 = $45,400 or $125,000
4 candidates qualified - matching
government cost = $125,000 ÷ 2 x 4 = $250,000
General: spending limit = 15¢ x 454,000 = $68,100 or $175,000
2 candidates qualified - full amount
government cost = $175,000 x 2 = $350,000

29) Tennessee:
Qualifying (lesser of 20% of $279,900 or $125,000) = $55,980
Primary: spending limit = 10¢ x 2,799,000 = $279,900
4 candidates qualified - matching
government cost = $279,900 ÷ 2 x 4 = $559,800
General: spending limit = 15¢ x 2,799,000 = $419,850
2 candidates qualified - full amount
government cost = $419,850 x 2 = $839,700

30) Texas:
Qualifying (lesser of 20% of $778,500 or $125,000) = $125,000
Primary: spending limit = 10¢ x 7,785,000 = $778,500
2 candidates qualified - matching
government cost = $778,500 x 2 ÷ 2 = $778,500
General: spending limit = 15¢ x 7,785,000 = $1,167,750
2 candidates qualified - full amount
government cost = $1,167,750 x 2 = $2,335,500

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31) Virginia: Qualifying (lesser of 20% of $324,300 or $125,000) = $64,860
Primary: spending limit = 10¢ x 3,243,000 = $324,300
no candidates qualified
government cost = 0
General: spending limit = 15¢ x 3,243,000 = $486,450
2 candidates qualified = full amount
government cost = $486,450 x 2 = $972,900

32) West Virginia: Qualifying (lesser of 20% of $122,800 or $125,000) = $25,000
Primary: spending limit = 10¢ x 1,228,000 = $122,800 or $125,000
no candidates qualified
government cost = 0
General: spending limit = 15¢ x 1,228,000 = $184,200
2 candidates qualified - full amount
government cost = $184,200 x 2 = $368,400

33) Wyoming: Qualifying (lesser of 20% of $23,400 or $125,000) = $25,000
Primary: spending limit = 10¢ x 234,000 = $23,400 or $125,000
2 candidates qualified - matching
government cost = $125,000 ÷ 2 x 2 = $125,000
General: spending limit = 15¢ x 234,000 = $35,100 or $175,000
2 candidates qualified - full amount
government cost = $175,000 x 2 = $350,000

TOTAL PRIMARY	$10,170,900
TOTAL GENERAL	23,929,900
GRAND TOTAL SENATE	$34,100,800

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill S. 3044 as reported by the Committee on Rules and Administration, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

COMMUNICATIONS ACT OF 1934

(47 U.S.C. 315, 317)

§ 315. Candidates for public office; facilities; rules

(a) If any licensee shall permit any person who is a legally qualified candidate for any public office, *other than Federal elective office (including the office of Vice President)*, to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station: *Provided*, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is imposed upon any licensee to allow the use of its station by any such candidate. Appearance by a legally qualified candidate on any—

(1) bona fide newscast,

(2) bona fide news interview,

(3) bona fide documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary), or

(4) on-the-spot coverage of bona fide news events (including but not limited to political conventions and activities incidental thereto),

shall not be deemed to be use of a broadcasting station within the meaning of this subsection. Nothing in the foregoing sentence shall be construed as relieving broadcasters, in connection with the presentation of newscasts, news interviews, news documentaries, and on-the-spot coverage of news events, from the obligation imposed upon them under this chapter to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

(b) The charges made for the use of any broadcasting station [by any person] *by or on behalf of any person* who is a legally qualified candidate for any public office in connection with his campaign for nomination for election, or election, to such office shall not exceed—

(1) during the forty-five days preceding the date of a primary or primary runoff election and during the sixty days preceding the date of a general or special election in which such person is a candidate, the lowest unit charge of the station for the same class and amount of time for the same period; and

(2) at any other time, the charges made for comparable use of such station by other users thereof.

[(c) No station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) unless such candidate

(or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not violate any limitation specified in paragraph (1), (2), or (3) of section 104(a) of the Campaign Communications Reform Act, whichever paragraph is applicable.]

(c) No station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate for nomination for election, or for election, to Federal elective office unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not exceed the limit on expenditures applicable to that candidate under section 504 of the Federal Election Campaign Act of 1971, or under section 614 of title 18, United States Code.

[(d) a State by law and expressly—

[(1) has provided that a primary or other election for any office of such State or of a political subdivision thereof is subject to this subsection,

[(2) has specified a limitation upon total expenditures for the use of broadcasting stations on behalf of the candidacy of each legally qualified candidate in such election,

[(3) has provided in any such law an unequivocal expression of intent to be bound by the provisions of this subsection, and

[(4) has stipulated that the amount of such limitation shall not exceed the amount which would be determined for such election under section 104(a)(1)(B) or 104(a)(2)(B) (whichever is applicable) of the Campaign Communications Reform Act had such election been an election for a Federal elective office or nomination thereto;

[then no station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate in such election unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not violate such State limitation.]

(d) If a State by law imposes a limitation upon the amount which a legally qualified candidate for nomination for election, or for election, to public office (other than Federal elective office) within that State may spend in connection with his campaign for such nomination or his campaign for election, then no station licensee may make any charge for the use of such station by or on behalf of such candidate unless such candidate (or a person specifically authorized in writing by him to do so) certifies to such licensee in writing that the payment of such charge will not violate that limitation.

(e) Whoever willfully and knowingly violates the provisions of subsection (c) or (d) of this section shall be punished by a fine not to exceed $5,000 or imprisonment for a period not to exceed five years, or both. The provisions of sections 501 through 503 of this Act shall not apply to violators of either such subsection.

(f) For the purposes of this section:

(A) The term "broadcasting station" includes a community antenna television system.

(B) The term "licensee" and "station licensee" when used with respect to a community antenna television system, means the operator of such system.

(C) The term "Federal elective office" means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States.

(2) For purposes of subsections (c) and (d), the term "legally qualified candidate" means any person who (A) meets the qualifications prescribed by the applicable laws to hold the office for which he is a candidate and (B) is eligible under applicable State law to be voted for by the electorate directly or by means of delegates or electors.

(g) The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this section.

§ 317. Announcement of payment for broadcast

(a)(1) All matter broadcast by any radio station for which any money, service or other valuable consideration is directly or indirectly paid, or promised to or charged or accepted by, the station so broadcasting, from any person, shall, at the time the same is so broadcast, be announced as paid for or furnished, as the case may be, by such [person: *Provided*, That] *person. If such matter is a political advertisement soliciting funds for a candidate or a political committee, there shall be announced at the time of such broadcast a statement that* a *copy of reports filed by that person with the Federal Election Commission is available from the Federal Election Commission, Washington, D.C., and the licensee shall not make any charge for any part of the costs of making the announcement. The term* "service or other valuable consideration" shall not include any service or property furnished without charge or at a nominal charge for use on, or in connection with, a broadcast unless it is so furnished in consideration for an identification in a broadcast of any person, product, service, trademark, or brand name beyond an identification which is reasonably related to the use of such service or property on the broadcast.

(2) Nothing in this section shall preclude the Commission from requiring that an appropriate announcement shall be made at the time of the broadcast in the case of any political program or any program involving the discussion of any controversial issue for which any films, records, transcriptions, talent, scripts, or other material or service of any kind have been furnished, without charge or at a nominal charge, directly or indirectly, as inducement to the broadcast of such program.

(b) In any case where a report has been made to a radio station, as required by section 508 of this title, of circumstances which would have required an announcement under this section had the consideration been received by such radio station, an appropriate announcement shall be made by such radio station.

(c) The licensee of each radio station shall exercise reasonable diligence to obtain from its employees, and from other persons with whom it deals directly in connection with any program or program matter for broadcast, information to enable such licensee to make the announcement required by this section.

(d) The Commission may waive the requirement of an announcement as provided in this section in any case or class of cases with respect to which it determines that the public interest, convenience, or necessity does not require the broadcasting of such announcement.

(e) Each station licensee shall maintain a record of any political advertisement broadcast, together with the identification of the person who caused it to be broadcast, for a period of two years. The record shall be available for public inspection at reasonable hours.

[e] *(f)* The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this section.

CAMPAIGN COMMUNICATIONS REFORM ACT

[TITLE I—CAMPAIGN COMMUNICATIONS

[SHORT TITLE

[SEC. 101. This title may be cited as the "Campaign Communications Reform Act".

[DEFINITIONS

[SEC. 102. For purposes of this title:

[(1) The term "communications media" means broadcasting stations, newspapers, magazines, outdoor advertising facilities, and telephones; but, with respect to telephones, spending or an expenditure shall be deemed to be spending or an expenditure for the use of communications media only if such spending or expenditure is for the costs of telephones, paid telephonists, and automatic telephone equipment, used by a candidate for Federal elective office to communicate with potential voters (excluding any costs of telephones incurred by a volunteer for use of telephones by him).

[(2) The term "broadcasting station" has the same meaning as such term has under section 315(f) of the Communications Act of 1934.

[(3) The term "Federal elective office" means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States (and for purposes of section 103(b) such term includes the office of Vice President).

[(4) The term "legally qualified candidate" means any person who (A) meets the qualifications prescribed by the applicable laws to hold the Federal elective office for which he is a candidate, and (B) is eligible under applicable State law to be voted for by the electorate directly or by means of delegates or electors.

[(5) The term "voting age population" means resident population, eighteen years of age and older.

[(6) The term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

[MEDIA RATE AND RELATED REQUIREMENTS

[SEC. 103. Note: Subsection (a) amended the Communications Act of 1934, which is not affected by repeal of the Campaign Communications Reform Act.

[(b) To the extent that any person sells space in any newspaper or magazine to a legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for

nomination for, or election to, such office, the charges made for the use of such space in connection with his campaign shall not exceed the charges made for comparable use of such space for other purposes.

[LIMITATIONS OF EXPENDITURES FOR USE OF COMMUNICATIONS MEDIA

[SEC. 104. (a)(1) Subject to paragraph (4), no legally qualified candidate in an election (other than a primary or primary runoff election) for a Federal elective office may—

[(A) spend for the use of communications media on behalf of his candidacy in such election a total amount in excess of the greater of—

[(i) 10 cents multiplied by the voting age population (as certified under paragraph (5)) of the geographical area in which the election for such office is held, or

[(ii) $50,000 or

[(B) spend for the use of broadcast stations on behalf of his candidacy in such election a total amount in excess of 60 per centum of the account determined under subparagraph (A) with respect to such election.

[(2) No legally qualified candidate in a primary election for nomination to a Federal elective office, other than President, may spend—

[(A) for the use of communications media, or

[(B) for the use of broadcast stations,

[on behalf of his candidacy in such election a total amount in excess of the amounts determined under paragraph (1) (A) or (B), respectively, with respect to the general election for such office. For purposes of this subsection a primary runoff election shall be treated as a separate primary election.

[(3)(A) No person who is a candidate for presidential nomination may spend—

[(i) for the use in a State of communications media, or

[(ii) for the use in a State of broadcast stations,

[on behalf of his candidacy for presidential nomination a total amount in excess of the amounts which would have been determined under paragraph (1) (A) or (B), respectively, had he been a candidate for election for the office of Senator from such State (or for the office of Delegate or Resident Commissioner in the case of the District of Columbia or the Commonwealth of Puerto Rico).

[(B) For purposes of this paragraph (3), a person is a candidate for presidential nomination if he makes (or any other person makes on his behalf) an expenditure for the use of any communications medium on behalf of his candidacy for any political party's nomination for election to the office of President. He shall be considered to be such a candidate during the period—

[(i) beginning on the date on which he (or such other person) first makes such an expenditure (or, if later, January 1 of the year in which the election for the office of President is held), and

[(ii) ending on the date on which such political party nominates a candidate for the office of President.

[For purposes of this title and of section 315 of the Communications Act of 1934, a candidate for presidential nomination shall be considered a legally qualified candidate for public office.

[(C) The Comptroller General shall prescribe regulations under which any expenditure by a candidate for presidential nomination for the use in two or more States of a communications medium shall be attributed to such candidate's expenditure limitation in each such State, based on the number of persons in such State who can reasonably be expected to be reached by such communications medium.

[(4) (A) For purposes of subparagraph (B):

[(i) The term "price index" means the average over a calendar year of the Consumer Price Index (all items--United States city average) published monthly by the Bureau of Labor Statistics.

[(ii) The term "base period" means the calendar year 1970.

[(B) At the beginning of each calendar year (commencing in 1972), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Comptroller General and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under paragraph (1)(A)(i) and (ii) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

[(5) Within 60 days after the date of enactment of this Act, and during the first week of January in 1973 and every subsequent year, the Secretary of Commerce shall certify to the Comptroller General and publish in the Federal Register an estimate of the voting age population of each State and congressional district for the last calendar year ending before the date of certification.

[(6) Amounts spent for the use of communications media on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) shall, for the purposes of this subsection, be deemed to have been spent by such candidate. Amounts spent for the use of communications media by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this section, be deemed to have been spent by the candidate for the office of President of the United States with whom he is running.

[(7) For purposes of this section and section 315(c) of the Communications Act of 1934—

[(A) spending and charges for the use of communications media include not only the direct charges of the media but also agents' commissions allowed the agent by the media, and

[(B) any expenditure for the use of any communications medium by or on behalf of the candidacy of a candidate for Federal elective office (or nomination thereto) shall be charged against the expenditure limitation under this subsection applicable to the election in which such medium is used.

[(b) No person may make any charge for the use by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) of any newspaper, magazine, or outdoor advertising facility, unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies in writing to the person making such charge that the payment of such charge will not violate paragraph (1), (2), or (3) of subsection (a), whichever is applicable.]

NOTE: Subsection (c) amended the Communications Act of 1934, which is not affected by the repeal of this section.

[REGULATIONS

[SEC. 105. The Comptroller General shall prescribe such regulations as may be necessary or appropriate to carry out sections 102, 103(b), 104(a), and 104(b) of this Act.

[PENALTIES

[SEC. 106. Whoever willfully and knowingly violates any provision of section 103(b), 104(a), or 104(b) or any regulation under section 105 shall be punished by a fine of not more than $5,000 or by imprisonment of not more than five years, or both.]

THE FEDERAL ELECTION CAMPAIGN ACT OF 1971

* * * * * * *

TITLE III—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

DEFINITIONS

SEC. 301. When used in this title—

(a) "election" means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, *and* (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President [, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States];

(b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(c) "Federal office" means the office of President or Vice President of the United States; or of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

[(d) "political committee" means any committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;]

(d) "political committee" means—

(1) any committee, club, association, or other group of persons which receives any contributions or mokes expendi-

tures during a calendar year in an aggregate amount exceeding $1,000;

(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State central committee of a political party; and

(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610 of title 18, United States Code;

(e) "contribution" means—

(1) a gift, subscription (*including any assessment, fee, or membership dues*), loan, advance, or deposit of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office or as a presidential or vice-presidential elector, or for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, [or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States] *or for the purpose of financing any operations of a political committee (other than a payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute a contribution by that corporation or labor union), or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office;*

[(2) a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;

[(3) a transfer between political committees;]

(3) funds received by a political committee which are transferred to that committee from another political committee;

[(4)] *(3)* the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge for any such purpose; and

[(5)] *(4)* notwithstanding the foregoing meanings of "contribution", the word shall not be construed to include services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee;

[(f) "expenditure" means—

[(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or as a presidential and vice-presidential elector, or for the purpose of influencing the

result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

[(2) a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure, and

[(3) a transfer of funds between political committees;]

(*f*) *"expenditure"—*

(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector;

(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

(C) financing any operations of a political committee; or

(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office;

(2) means the transfer of funds by a political committee to another political committee; but

(3) does not include—

(A) the value of services rendered by individuals who volunteer to work without compensation on behalf of a candidate; or

(B) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by that corporation or labor organization;

[(g) "supervisory officer" means the Secretary of the Senate with respect to candidates for Senator; the Clerk of the House of Representatives with respect to candidates for Representatives in, or Delegate or Resident Commissioner to, the Congress of the United States; and the Comptroller General of the United States in any other case;]

(g) "Commission" means the Federal Election Commission;

(h) "person" means an individual, partnership, committee, association, corporation, labor organization, and any other organization or group of persons; [and]

(i) "State" means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States[.]*;*

(j) "identification" means—

(1) in the case of an individual, his full name and the full address of his principal place of residence; and

(2) in the case of any other person, the full name and address of that person;

(k) "national committee" means the duly constituted organization which, by virtue of the bylaws of a political party is responsibel for the day-to-day operation of that political party at the national level, as determined by the Commission; and

(l) "political party" means an association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of that association, committee, or organization.

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 302. (a) Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of chairman or treasurer thereof. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

(b) Every person who receives a contribution in excess of $10 for a political committee shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount [, the name and address (occupation and the principal place of business, if any)] *of the contribution and the identification* of the person making such contribution, and the date on which received. All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

(c) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

(1) all contributions made to or for such committee;

(2) the [full name and mailing address (occupation and the principal place of business, if any)] *identification* of every person making a contribution in excess of $10, and the date and amount thereof [;] *and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any)*;

(3) all expenditures made by or on behalf of such committee; and

(4) the [full name and mailing address (occupation and the principal place of business, if any)] *identification* of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

(d) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee in excess of $100 in amount, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditures to the same person during a calendar year exceeds

$100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the [supervisory officer.] *Commission.*

(e) Any political committee which solicits or receives contributions or makes expenditures on behalf of any candidate that is not authorized in writing by such candidate to do so shall include a notice on the face or front page of all literature and advertisements published in connection with such candidate's campaign by such committee or on its behalf stating that the committee is not authorized by such candidate and that such candidate is not responsible for the activities of such committee.

[(f)(1) Any political committee shall include on the face or front page of all literature and advertisements soliciting funds the following notice:

["A copy of our report filed with the appropriate supervisory officer is (or will be) available for purchase from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402."

[(2)(A) The supervisory officer shall compile and furnish to the Public Printer, not later than the last day of March of each year, an annual report for each political committee which has filed a report with him under this title during the period from March 10 of the preceding calendar year through January 31 of the year in which such annual report is made available to the Public Printer. Each such annual report shall contain—

[(i) a copy of the statement of organization of the political committee required under section 303, together with any amendments thereto; and

[(ii) a copy of each report filed by such committee under section 304 from March 10 of the preceding year through January 31 of the year in which the annual report is so furnished to the Public Printer.

[(B) The Public Printer shall make copies of such annual reports available for sale to the public by the Superintendent of Documents as soon as practicable after they are received from the supervisory officer.]

REGISTRATION OF CANDIDATES AND POLITICAL COMMITTEES: STATEMENTS

SEC. 303. (*a*) *Each candidate shall, within ten days after the date on which he has qualified under State law as a candidate, or on which he, or any person authorized by him to do so, has received a contribution or made an expenditure in connection with his campaign or for the purpose of preparing to undertake his campaign, file with the Commission a registration statement in such form as the Commission may prescribe. The statement shall include—*

(*1*) *the identification of the candidate, and any individual, political committee, or other person he has authorized to receive contributions or make expenditures on his behalf in connection with his campaign;*

(*2*) *the identification of his campaign depositories, together with the title and number of each account at each such depository which is to be used in connection with his campaign, and safety*

deposit box to be used in connection therewith, and the identification of each individual authorized by him to make any expenditure or withdrawal from such account or box; and

(3) such additional relevant information as the Commission may require.

[(a)] *(b)* [Each political committee which anticipates receiving contributions or making expenditures during the calendar years in an aggregate amount exceeding $1,000 shall file with the supervisory officer a statement of organization, within ten days after its organization or, if later, ten days after the date on which it has information which causes the committee to anticipate it will receive contributions or make expenditures in excess of $1,000.] *The treasurer of each political committee shall file with the Commission a statement of organization within ten days after the date on which the committee is organized.* Each such committee in existence at the date of enactment of [this Act] *the Federal Election Campaign Act Amendments of 1974* shall file a statement of organization with the [supervisory officer] *Commission* at such time as [he] *it* prescribes.

[(b)] *(c)* The statement of organization shall *be in such form as the Commission shall prescribe, and shall* include—

(1) the name and address of the committee;

(2) the names, addresses, and relationships of affiliated or connected organizations;

[(3) the area, scope, or jurisdiction of the committee;]

(3) the geographic area or political jurisdiction within which the committee will operate, and a general description of the committee's authority and activities;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) the name, address, office sought, and party affiliate of (A) each candidate whom the committee is supporting, and (B) any other individual, if any, whom the committee is supporting for nomination for election, or election, to any public office whatever; or, if the committee is supporting the entire ticket of any party, the name of the party;

(7) a statement whether the committee is a continuing one;

(8) the disposition of residual funds which will be made in the event of dissolution;

[(9) a listing of all banks, safety deposit boxes, or other repositories used;]

(9) the name and address of the campaign depositories used by that committee, together with the title and number of each account and safety deposit box used by that committee at each depository, and the identification of each individual authorized to make withdrawals or payments out of such account or box;

(10) a statement of the reports required to be filed by the committee with State or local officers, and, if so, the names, addresses, and positions of such persons; and

(11) such other information as shall be required by the [supervisory officer.] *Commission.*

[(c)](*d*) Any change in information previously submitted in a statement of organization shall be reported to the [supervisory officer] *Commission* within a ten-day period following the change.

[(d)](*e*) Any committee which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make expenditures during the calendar year in an aggregate amount exceeding $1,000 shall so notify the [supervisory officer.] *Commission.*

REPORTS [BY POLITICAL COMMITTEES AND CANDIDATES]

SEC. 304. (a) (1) Each treasurer of a political committee supporting a candidate or candidates [for election] *for nomination for election, or for election,* to Federal office, and each candidate [for election] *for nomination for election, or for election,* to such office, shall file with the [appropriate supervisory officer] *Commission* reports of receipts and expenditures on forms to be prescribed or approved by [him.] *it.* [Such reports shall be filed on the tenth day of March, June, and September, in each year, and on the fifteenth and fifth days next preceding the date on which an election is held, and also by the thirty-first day of January.] *Such reports shall be filed on the tenth day of April, July, and October of each year, on the tenth day preceding an election, and on the last day of January of each year. Notwithstanding the preceding sentence, the reports required by that sentence to be filed during April, July, and October by or relating to a candidate during a year in which no Federal election is held in which he is a candidate, may be filed on the twentieth day of each month.* Such reports shall be complete as of such date as the [supervisory officer] *Commission* may prescribe, which shall not be less than five days before the date of filing[, except that any contribution of $5,000 or more received after the last report is filed prior to the election shall be reported within forty-eight hours after its receipt.] *If the person making any anonymous contribution is subsequently identified, the identification of the contributor shall be reported to the Commission within the reporting period within which he is identified.*

(*2*) *Upon a request made by a Presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates (other than January 31) set forth in paragraph (1), and require instead that such candidates or political committees file reports not less frequently than monthly. The Commission may not require a Presidential candidate or a political committee operating in more than one State to file more than eleven reports (not counting any report to be filed on January 31) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, that candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.*

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (occupation and the principal place of business, if any) of each person who has made

one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in an aggregate amount or value in excess of $100, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts and dates of all transfers;

(5) each loan to or from any person within the calendar year in an aggregate amount or value in excess of $100, together with the full names and mailing addresses (occupations and the principal place of business, if any) of the [lender and endorsers,] *lender, endorsers, and guarantors*, if any, and the date and amount of such loans;

(6) the total amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising event; (B) mass collections made at such events; and (C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution, rebate, refund, or other receipt in excess of $100 not otherwise listed under paragraphs (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period;

(9) the [full name and mailing address (occupation and the principal place of business, if any)] *identification* of each person to whom expenditures have been made by such committee or on behalf of such committee or candidate within the calendar year in an aggregate amount or value in excess of $100, the amount, date, and purpose of each such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made;

(10) the [full name and mailing address (occupation and the principal place of business, if any)] *identification* of each person to whom an expenditure for personal services, salaries, and reimbursed expenses in excess of $100 has been made, and which is not otherwise reported, including the amount, date, and purpose of such expenditure;

(11) the total sum of expenditures made by such committee or candidate during the calendar year;

(12) the amount and nature of debts and obligations owed by or to the committee, in such form as the [supervisory officer] *Commission* may prescribe and a continuous reporting of their debts and obligations after the election at such periods as the [supervisory officer] *Commission* may require until such debts and obligations are extinguished, *together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefor;* [and]

(13) such information as the Commission may require for the disclosure of the nature, amount, source, and designated recipient

of any ear-marked, encumbered, or restricted contribution or other special fund; and

[13] *(14)* such other information as shall be required by the [supervisory officer.] *Commission.*

(c) [The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the amount need be carried forward.] *The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, and during such additional periods of time as the Commission may require.* If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee or candidate shall file a statement to that effect.

(d) This section does not require a Member of Congress to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him before the first day of January of the year preceding the year in which his term of office expires if those services were furnished to him by the Senate Recording Studio, the House Recording Studio, or by any individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

(e) Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by this section. Statements required by this subsection shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.

[REPORTS BY OTHER THAN POLITICAL COMMITTEES

[SEC. 305. Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the supervisory officer a statement containing the information required by section 304. Statements required by this section shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.]

REQUIREMENTS RELATING TO CAMPAIGN ADVERTISING

SEC. 305. (a) No person shall cause any political advertisement to be published unless he furnishes to the publisher of the advertisement his identification in writing, together with the identification of any person authorizing him to cause such publication.

(b) Any published political advertisement shall contain a statement, in such form as the Commision may prescribe, of the identification of the person authorizing the publication of that advertisement.

(c) Any publisher who publishes any political advertisement shall maintain such records as the Commission may prescribe for a period of two years after the date of publication setting forth such advertisement and any material relating to identification furnished to him in connection therewith, and shall permit the public to inspect and copy those records at reasonable hours.

(d) To the extent that any person sells space in any newspaper or magazine to a candidate for Federal office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, the charges made for the use of such space in connection with his campaign shall not exceed the charges made for comparable use of such space for other purposes.

(e) Any political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"A copy of our report filed with the Federal Election Commission is available for purchase from the Federal Election Commission, Washington, D.C."

(f) As used in this section, the term—

(1) "political advertisements" means any matter advocating the election or defeat of any candidate or otherwise seeking to influence the outcome of any election, but does not include any bona fide news story (including interviews, commentaries, or other works prepared for and published by any newspaper, magazine, or other periodical publication the publication of which work is not paid for by any candidate, political committee, or agent thereof or by any other person); and

(2) "published" means publication in a newspaper, magazine, or other periodical publication, distribution of printed leaflets, pamphlets, or other documents, or display through the use of any outdoor advertising facility, and such other use of printed media as the Commission shall prescribe.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

SEC. 306. (a) A report or statement required by this title to be filed by a treasurer of a political committee, a candidate, or by any other person, shall be verified by the oath or affirmation of the person filing such report or statement, taken before any officer authorized to administer oaths.

(b) A copy of a report or statement shall be preserved by the person filing it for a period of time to be designated by the [supervisory officer] *Commission* in a published regulation.

[(c) The supervisory officer may, by published regulation of general applicability, relieve any category of political committees of the obligation to comply with section 304 if such committee (1) primarily supports persons seeking State or local office, and does not substantially support candidates, and (2) does not operate in more than one State or on a statewide basis.]

(c) The Commission may, by published regulation of general applicability, relieve—

(1) any category of candidates of the obligation to comply personally with the requirements of section 304, if it determines

that such action will not have any adverse effect on the purposes of this title, and

(2) any category of political committees of the obligation to comply with such if such committees—

(A) primarily support persons seeking State or local office, and

(B) do not operate in more than one State or do not operate on a statewide basis.

(d) The [supervisory officer] *Commission* shall, by published regulations of General applicability, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

REPORTS ON CONVENTION FINANCING

SEC. 307. Each committee or other organization which—

(1) represents a State, or a political subdivision thereof, or any group of persons, in dealing with officials of a national political party with respect to matters involving a convention held in such State or political subdivision to nominate a candidate for the office of President or Vice President, or

(2) represents a national political party in making arrangements for the convention of such party held to nominate a candidate for the office of President or Vice President.

shall, within sixty days following the end of the convention (but not later than twenty days prior to the date on which presidential and vice-presidential electors are chosen), file with the [Comptroller General of the United States] *Federal Election Commission* a full and complete financial statement, in such form and detail as [he] *it* may prescribe, of the sources from which it derived its funds, and the purposes for which such funds were expended.

FEDERAL ELECTION COMMISSION

SEC. 308. (a)(1) There is hereby established, as an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission.

(2) The Commission shall be composed of the Comptroller General, who shall serve without the right to vote, and seven members who shall be appointed by the President, by and with the advice and consent of the Senate. Of the seven members of the Commission—

(A) two shall be chosen from among individuals recommended by the President pro tempore of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

(B) two shall be chosen from among individuals recommended by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House.

The two members appointed under subparagraph (A) shall not be affiliated with the same political party; nor shall the two members

appointed under subparagraph (B). Of the members not appointed under such subparagraphs, not more than two shall be affiliated with the same political party.

(3) Members of the Commission, other than the Comptroller General, shall serve for terms of seven years, except that, of the members first appointed—

(A) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending on the April thirtieth first occurirng more than six months after the date on which he is appointed;

(B) one of the members appointed under paragraph (3) (A) shall be appointed for a term ending one year after the April thirtieth on which the term of the member referred to in subparagraph (A) of this paragraph ends;

(C) one of the members appointed under paragraph (3) (B) shall be appointed for a term ending two years thereafter;

(D) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending three years thereafter;

(E) one of the members appointed under paragraph (3) (A) shall be appointed for a term ending four years thereafter;

(F) one of the members appointed under paragraph (3) (B) shall be appointed for a term ending five years thereafter; and

(G) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending six years thereafter.

(4) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be reappointed to the Commission only once.

(5) An individual appointed to fill a vacanvy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the office of member of the Commission shall be filled in the manner in which that office was originally filled.

(6) The Commission shall elect a Chairman and a Vice Chairman from among its members for a term of two years. The Chairman and the Vice Chairman shall not be affiliated with the same political party. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission and four members thereof shall constitute a quorum.

(c) The Commission shall have an official seal which shall be judicially noticed.

(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

(e) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers in any State.

(f) The Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The General Counsel shall be the chief legal officer of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission. However, the Commission shall not delegate the making of regulations regarding elections to the Executive Director.

(g) The Chairman of the Commission shall appoint and fix the compensation of such personnel as may be necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code.

(h) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(i) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General are authorized to make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

(j) The provisions of section 7324 of title 5, United States Code, shall apply to members of the Commission notwithstanding the provisions of subsection (d) (3) of such section.

(k) (1) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation requested by the Congress or by any Member of Congress to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

POWERS OF THE COMMISSION

SEC. 309. (a) The Commission shall have the power—

(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submissions shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

(2) to administer oaths;

(3) to require by subpena, signed by the Chairman or the Vice Chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

(6) to initiate (through civil proceedings for injunctive relief and through presentations to Federal grand juries), prosecute, defend, or appeal any civil or criminal action in the name of the Commission for the purpose of enforcing the provisions of this title and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code, through its General Counsel;

(7) to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (3), to any officer or employee of the Commission; and

(8) to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act.

(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under section (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

(d) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this title, and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code. Any violation of any such provision shall be prosecuted by the Attorney General or Department of Justice personnel only after consultation with, and with the consent of, the Commission.

(e) (1) Any person who violates any provision of this Act, or of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, or 617 of title 18, United States Code, may be assessed a civil penalty by the Commission under paragraph (2) of this subsection of not more than $10,000 for each such violation. Each occurrence of a violation of this title and each day of noncompliance with a disclosure requirement of this title or an order of the Commission issued under this section shall constitute a separate offense. In determining the amount of the penalty the Commission shall consider the person's history of previous violations, the appropriateness of such penalty to the financial resources of the person charged, the gravity of the violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation.

(2) A civil penalty shall be assessed by the Commission by order only after the person charged with a violation has been given an opportunity for a hearing and the Commission has determined, by decision incorporating its findings of fact therein, that a violation

did occur, and the amount of the penalty. Any hearing under this section shall be of record and shall be held in accordance with section 554 of title 5, United States Code.

(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Commission shall file a petition for enforcement of its order assessing the penalty in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall forthwith be sent by registered or certified mail to the respondent and his attorney of record, and thereupon the Commission shall certify and file in such court the record upon which such order sought to be forced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and decision of the Commission or it may remand the proceedings to the Commission for such further action as it may direct. The court may determine de novo all issues of law but the Commission's findings of fact, if supported by substantial evidence, shall be conclusive.

CENTRAL CAMPAIGN COMMITTEES

SEC. 310. (a) Each candidate shall designate one political committee as his central campaign committee. A candidate for nomination for election, or for election, to the office of President, may also designate one political committee in each State in which he is a candidate as his State campaign committee for that State. The designation shall be made in writing, and a copy of the designation, together with such information as the Commission may require, shall be furnished to the Commission upon the designation of any such committee.

(b) No political committee may be designated as the central campaign committee of more than one candidate. The central campaign committee, and each State campaign committee, designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee and the State campaign committee of the candidate nominated by that party for election to the office of Vice President.

(c) (1) Any political committee authorized by a candidate to accept contributions or make expenditures in connection with his campaign for nomination for election, or for election, which is not a central campaign committee or a State campaign committee, shall furnish each report required of it under section 304 (other than reports required under the last sentence of section 304(a) and 311(b) to that candidate's central campaign committee at the time it would, but for this subsection, be required to furnish that report to the Commission. Any report properly furnished to a central campaign committee under this subsection shall be, for purposes of this title, held and considered to have been furnished to the Commission at the time at which it was furnished to such central campaign committee.

(2) The Commission may, by regulation, require any political committee receiving contributions or making expenditures in a State on behalf of a candidate who, under subsection (a), has designated a State campaign committee for that State to furnish its reports to that State campaign committee instead of furnishing reports to the central campaign committee of that candidate.

(3) The Commission may require any political committee to furnish any report directly to the Commission.

(d) Each political committee which is a central campaign committee or a State campaign committee shall receive all reports filed with or furnished to it by other political committees, and consolidate and furnish the reports to the Commission, together with its own reports, in accordance with the provisions of this title and regulations prescribed by the Commission.

CAMPAIGN DEPOSITORIES

SEC. 311. (a) (1) Each candidate shall designate one or more National or State banks as his campaign depositories. The central campaign committee of that candidate, and any other political committee authorized by him to receive contributions or to make expenditures on his behalf, shall maintain a checking account at a depository so designated by the candidate and shall deposit any contributions received by that committee into that account. A candidate shall deposit any payment received by him under section 506 of this Act in the account maintained by his central campaign committee. No expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

(2) The treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or to make expenditures on his behalf) shall designate one or more National or State banks as campaign depositories of that committee, and shall maintain a checking account for the committee at each such depository. All contributions received by that committee shall be deposited in such an account. No expenditure may be made by that committee except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $100 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission, and such statements and reports thereof shall be furnished to the Commission as it may require.

(c) A candidate for nomination for election, or for election, to the office of President may establish one such depository in each State, which shall be considered by his State campaign committee for that State and any other political committee authorized by him to receive contributions or to make expenditures on his behalf in that State, under regulations prescribed by the Commission, as his single campaign depository. The campaign depository of the candidate of a political party for election to the office of Vice President shall be the campaign depository designated by the candidate of that party for election to the office of President.

DUTIES OF THE [SUPERVISORY OFFICER] *COMMISSION*

SEC. [308.] *312.* (a) It shall be the duty of the [supervisory officer] *Commission*—

(1) to develop and furnish to the person required by the provisions of this Act prescribed forms for the making of the reports and statements required to be filed with [him] *it* under this title;

(2) to prepare, publish, and furnish to the person required to file such reports and statements a manual setting forth recommended uniform methods of bookkeeping and reporting;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this title;

(4) to make the reports and statements filed with [him] *it* available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person: *Provided*, That any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(5) to preserve such reports and statements for a period of ten years from the date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

[(6) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate;]

(6) to compile and maintain a cumulative index listing all statements and reports filed with the Commission during each calendar year by political committees and candidates, which the Commission shall cause to be published in the Federal Register no less frequently than monthly during even-numbered years and quarterly in odd-numbered years and which shall be in such form and shall include such information as may be prescribed by the Commission to permit easy identification of each statement, report, candidate, and committee listed, at least as to their names, the dates of the statements and reports, and the number of pages in each, and the Commission shall make copies of statements and reports listed in the index available for sale, direct or by mail, at a price determined by the Commission to be reasonable to the purchaser;

(7) to prepare and publish an annual report including compilations of (A) total reported contributions and expenditures for all candidates, political committees, and other persons during the year; (B) total amounts expended according to such categories as [he] *it* shall determine and broken down into candidate, party, and nonparty expenditures on the national, State, and local levels; (C) total amounts expended for influencing nominations and elections stated separately; (D) total amounts contributed according to such categories of amounts as [he] *it* shall determine and broken down into contributions on the national, State, and local level for candidates and political committees; and (E) aggregate amounts contributed by any contributor shown to have contributed in excess of $100;

(8) to prepare and publish from time to time special reports comparing the various totals and categories of contributions and expenditures made with respect to preceding elections;

(9) to prepare and publish such other reports as [he] *it* may deem appropriate;

(10) to assure wide dissemination of statistics, summaries, and reports prepared under this title;

(11) to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of this title, and with respect to alleged failures to file any report or statement required under the provisions of this title;

(12) to report apparent violations of law to the appropriate law enforcement authorities; and

(13) to prescribe suitable rules and regulations to carry out the provisions of this title.

(b) The [supervisory officer] *Commission* shall encourage, and cooperate with, the election officials in the several States to develop procedures which will eliminate the necessity of multiple filings by permitting the filing of copies of Federal reports to satisfy the State requirements.

(c) It shall be the duty of the [Comptroller General] *Commision* to serve as a national clearinghouse for information in respect to the administration of elections. In carrying out [his] *its* duties under this subsection, the [Comptroller General] *Commission* shall enter into contracts for the purpose of conducting independent studies of the administration of elections. Such studies shall include, but shall not be limited to, studies of—

(1) the method of selection of, and the type of duties assigned to, officials and personnel working on boards of elections;

(2) practices relating to the registration of voters; and

(3) voting and counting methods.

Studies made under this subsection shall be published by the [Comptroller General] *Commission* and copies thereof shall be made available to the general public upon the payment of the cost thereof. [Nothing in this subsection shall be construed to authorize the Comptroller General to require inclusion of any comment or recommendation of the Comptroller General in any such study.]

(d)(1) Any person who believes a violation of this title has occurred may file a complaint with the [supervisory officer] *Commission*. If the [supervisory officer] *Commission* determines there is substantial reason to believe such a violation has occurred [he] *it* shall expeditiously make an investigation, which shall also include an investigation of reports and statements filed by the complainant if he is a candidate, of the matter complained of. Whenever in the judgment of the [supervisory officer] *Commission*, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title or any regulation or order issued thereunder, [the Attorney General on behalf of the United States] *the Commission* shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.

(2) In any action brought under paragraph (1) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

(3) Any party aggrieved by an order granted under paragraph (1) of this subsection may, at any time within sixty days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such person is found, resides, or transacts business, for judicial review of such order.

(4) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(5) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection).

JUDICIAL REVIEW

SEC. 313. (a) Any agency action by the Commissioner made under the provisions of this Act shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the agency action by the Commission for which review is sought.

(b) The Commission, the national committee of any political party, and individuals eligible to vote in an election for Federal office, are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement any provision of this Act.

(c) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551 of title 5, United States Code, by the Commission.

STATEMENTS FILED WITH STATE OFFICERS

SEC. [309.] 314. (a) A copy of each statement required to be filed with [a supervisory officer] *the Commission* by this title shall be filed with the Secretary of State (or, if there is no office of Secretary of State, the equivalent State officer) of the appropriate State. For purposes of this subsection, the term "appropriate State" means—

(1) for reports relating to expenditures and contributions in connection with the campaign for nomination for election, or election, of a candidate to the office of President or Vice President of the United States, each State [in which an expenditure is made by him or on his behalf,] *in which he is a candidate or in which substantial expenditures are made by him or on his behalf;* and

(2) for reports relating to expenditures and contributions in connection with the campaign for nomination for election, or election, of a candidate to the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, the State in which he seeks election.

(b) It shall be the duty of the Secretary of State, or the equivalent State officer, under subsection (a)—

(1) to receive and maintain in an orderly manner all reports and statements required by this title to be filed with him;

(2) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(3) to make the reports and statements filed with him available for public inspection and copying during regular office hours, commencing as soon as practicable but not later than the end of the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, requested by any person, at the expense of such person; and

(4) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate.

(c) There is authorized to be appropriated to the Commission in each fiscal year the sum of $500,000, to be made available in such amounts as the Commission deems appropriate to the States for the purpose of assisting them in complying with their duties as set forth in this section.

PROHIBITION OF CONTRIBUTIONS IN NAME OF ANOTHER

SEC. [310.] *315.* No person shall make a contribution in the name of another person *or knowingly permit his name to be used to effect such a contribution*, and no person shall knowingly accept a contribution made by one person in the name of another person.

[PENALTY FOR VIOLATIONS

[SEC. 311. (a) Any person who violates any of the provisions of this title shall be fined not more than $1,000 or imprisoned not more than one year, or both.

[(b) In case of any conviction under this title, where the punishment inflicted does not include imprisonment, such conviction shall be deemed a misdemeanor conviction only.]

APPROVAL OF PRESIDENTIAL CAMPAIGN EXPENDITURES BY NATIONAL COMMITTEE

SEC. 316. (a) No expenditure in excess of $1,000 shall be made by or on behalf of any candidate who has received the nomination of his political party for President or Vice President unless such expenditure has been specifically approved by the chairman or treasurer of that political party's national committee or the designated representative of that national committee in the State where the funds are to be expended.

(b) Each national committee approving expenditures under subsection (a) shall register under section 303 as a political committee and report each expenditure it approves as if it had made that expenditure, together with the identification of the person seeking approval and making the expenditure.

(c) No political party shall have more than one national committee

USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

SEC. 317. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his campaign expenses (after the application of section 507(b)(1) of this Act), and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by that candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, or may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954. To the extent any such contribution, amount contributed, or expenditure thereof is not otherwise required to be disclosed under the provisions of this title, such contribution, amount contributed, or expenditure shall be fully disclosed in accordance with regulations promulgated by the Commission. The Commission is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 318. There are authorized to be appropriated to the Commission, for the purpose of carrying out its functions under this title, title V, and under chapter 29 of title 18, United States Code, not to exceed $5,000,000 for the fiscal year ending June 30, 1974, and not to exceed $5,000,000 for each fiscal year thereafter.

PENALTY FOR VIOLATIONS

SEC. 319. (a) Violation of any provision of this title is a misdemeanor punishable by a fine of not more than $10,000, imprisonment for not more than one year, or both.

(b) Violation of any provision of this title with knowledge or reason to know that the action committed or omitted is a violation of this title is punishable by a fine of not more than $100,000, imprisonment for not more than five years, or both.

TITLE IV—GENERAL PROVISIONS

* * * * * * *

[EFFECT ON STATE LAW

[SEC. 403. (a) Nothing in this Act shall be deemed to invalidate or make inapplicable any provision of any State law, except where compliance with such provision of law would result in a violation of a provision of this Act.

[(b) Notwithstanding subsection (a), no provision of State law shall be construed to prohibit any person from taking any action authorized by this Act or from making any expenditure (as such term is defined in section 301(f) of this Act) which he could lawfully make under this Act.]

EFFECT ON STATE LAW

SEC. 403. The provisions of this Act, and of regulations promulgated under this Act, preempt any provision of State law with re-

spect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301(c)).

* * * * * * *

SECTIONS 5314 AND 5315 OF TITLE 5, UNITED STATES CODE

§ 5314. Positions at level III

Level III of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is $40,000:

* * * * * * *

(60) Members (other than the Comptroller General), Federal Election Commission (7).

§ 5315. Positions at level IV

Level IV of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is $38,000:

* * * * * * *

(98) General Counsel, Federal Election Commission.
(99) Executive Director, Federal Election Commission.

CHAPTER 29 OF TITLE 18, UNITED STATES CODE

Sec.
591. Definitions.

* * * * * * *

608. Limitations on contributions and expenditures *out of candidates' personal and family funds.*

* * * * * * *

614. Limitation on expenditures generally.
615. Limitation on contributions.
616. Form of contributions.
617. Embezzlement or conversion of political contributions.

§ 591. Definitions

When used in sections 597, 599, 600, 602, 608, 610, [and 611] *611, 614, 615, 616, and 617* of this title—

(a) "election" means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, or (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, [and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States];

(b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, and individual shall be deemed to seek nomination for election, or election, to Federal office,

if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(c) "Federal office" means the office of President or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

[(d) "political committee" means any individual, committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;]

(d) "political committee" means—

(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

(2) any national committee, association, or organization of a political party, and State affiliate or subsidiary of a national political party, and any State central committee of a political party; and

(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610;

(e) "contribution" means—

(1) a gift, subscription (*including any assessment, fee, or membership dues*), loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election of any person to Federal office, for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, [or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States] *or for the purpose of financing any operations of a political committee, or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office;*

[(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

[(3) a transfer of funds between political committees;]

(2) funds received by a political committee which are transferred to that committee from another political;

[(4)](*3*) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; and

[(5)](4) notwithstanding the foregoing meanings of "contribution", the word shall not be construed to include services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee;

[(f) "expenditure" means—

[(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

[(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; and

[(3) a transfer of funds between political committees;]

(f) "expenditure" means—

(1) a purchase, payment, distribution, loan (except a loan of money by a National or State bank made in accordance with the applicable banking laws and regulations, and in the ordinary course of business), advance, deposit, or gift of money or anything of value, made for the purpose of—

(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector;

(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

(C) financing any operations of a political committee; or

(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office; and

(2) the transfer of funds by a political committee to another political committee; but

(3) does not include the value of service rendered by individuals who volunteer to work without compensation on behalf of a candidate.

(g) "person" and "whoever" mean an individual, partnership, committee, association, corporation, or any other organization or group of persons; [and]

(h) "State" means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United [States.] *States;*

(i) 'political party' means any association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of that association, committee, or organization; and

(j) 'national committee' means the organization which, by virtue of the bylaws of the political party, is responsible for the day-to-day operation of that political party at the national level as determined by the Federal Election Commission under section 301(k) of the Federal Election Campaign Act of 1971.

* * * * * * *

§ 608. Limitations on contributions and expenditures *out of candidates' personal and family funds*

[(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of—

[(A) $50,000, in the case of a candidate for the office of President or Vice President;

[(B) $35,000, in the case of a candidate for the office of Senator; or

[(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.]

(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaigns for nominations for election, and for election, to Federal office in excess, in the aggregate of—

(A) $50,000 in the case of a candidate for the office of President or Vice President;

(B) $35,000 in the case of a candidate for the office of Senator; or

(C) $25,000 in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.

(2) For purposes of this subsection, "immediate family" means a candidate's spouse, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.

(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid.

(b) No candidate or political committee shall knowingly accept any contribution or authorize any expenditure in violation of the provisions of this section.

(c) Violation of the provisions of this section is punishable by a fine not to exceed [$1,000] *$25,000*, imprisonment for not to exceed [one year] *five years*, or both.

* * * * * * *

§ 611. Contributions by Government contractors

Whoever—

(a) entering into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (1) the completion of performance under, or (2) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land or buildings, directly or indirectly makes any contribution of money or other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

(b) knowingly solicits any such contribution from any such person for any such purpose during any such period;

shall be fined not more than $5,000 or imprisoned not more than five years, or both.

It shall not constitute a violation of the provisions of this section for a corporation or a labor organization to establish, administer, or solicit contributions to a separate segregated fund to be utilized for political purposes by that corporation or labor organization if the establishment and administration of, and solicitation of contributions to, such fund do not constitute a violation of section 610.

* * * * * * *

§ 614. Limitation on expenditures generally

(a) (1) No candidate may make expenditures in connection with his campaign for nomination for election, or for election, to Federal office in excess of the amount to which he would be limited under section 504 of the Federal Election Campaign Act of 1971 if he were receiving payments under title V of that Act.

(2) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

(3) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

(4) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure, or

(B) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate to make the expenditure.

(5) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for Presidential nomina-

tion for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

(b) The national committee of a political party may not make any expenditure during any calendar year in connection with the general election campaign of any candidate for Federal office who is affiliated with that party which, when added to the sum of all other expenditures made by that national committee during that year in connection with the general election campaigns of all candidates affiliated with that party, exceeds an amount equal to 2 cents multiplied by the voting age population of the United States. The State committee of a political party, including any subordinate committees of the State committee, may not make any expenditure during the calendar year in connection with the general election campaign of a candidate for Federal office in such State who is affiliated with that party which, when added to all other expenditures made by that State committee during that year in connection with the general election campaigns of candidates affiliated with that party, exceeds an amount equal to 2 cents multiplied by the voting age population of that State. For purposes of this subsection—

(1) the term "voting age population" means voting age population certified for the year under section 504(g) of the Federal Election Campaign Act of 1971; and

(2) the approval by the national committee of a political party of an expenditure by or on behalf of the presidential candidate of that party as required by section 316 of that Act is not considered an expenditure by that national committee.

(c)(1) No person may make any expenditure (other than an expenditure made on behalf of a candidate under the provisions of subsection (a)(4)) advocating the election or defeat of a clearly identified candidate during a calendar year which, when added to all other expenditures made by that person during the year advocating the election or defeat of that candidate, exceeds $1,000.

(2) For purposes of paragraph (1)—

(A) "clearly identified" means—

(i) the candidate's name appears;

(ii) a photograph or drawing of the candidate appears; or

(iii) the identity of the candidate is apparent by unambiguous reference;

(B) "person" does not include the National or State committee of a political party; and

(C) "expenditure" does not include any payment made or incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by that corporation or labor organization.

(D) Any person who knowingly or willfully violates the provisions of this section, other than subsection (a)(5), shall be punishable by a fine of $25,000, imprisonment for a period of not more than five years, or both. If any candidate is convicted of violating the provisions of this section because of any expenditure made on his behalf (as deter-

mined under subsection (a)(4)) by a political committee, the treasurer of that committee, or any other person authorizing such expenditure, shall be punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both, if such person knew, or had reason to know, that such expenditure was in excess of the limitation applicable to such candidate under this section.

§ 615. Limitations on contributions

(a) No person may make a contribution to, or for the benefit of, a candidate for that candidate's campaign for nomination for election, or election, which, when added to the sum of all other contributions made by that person for that campaign, exceeds $3,000.

(b)(1) No candidate may knowingly accept a contribution for his campaign from any person which, when added to the sum of all other contributions received from that person for that campaign, exceeds $3,000.

(2) No officer or employee of a political committee or of a political party may knowingly accept any contribution made for the benefit or use of a candidate which that candidate could not accept under paragraph (1).

(c)(1) For purposes of the limitations contained in this section all contributions made by any person directly or indirectly to or for the benefit of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

(2) Contributions made to, or for the benefit of, a candidate nominated by a political party for election to the office of Vice President shall be considered, for purposes of this section, to be made to, or for the benefit of, a candidate nominated by that party for election to the office of President.

(3) The limitations imposed by subsections (a) and (b) shall apply separately to each primary, primary runoff, general, and special election in which a candidate participates.

(d)(1) No individual may make a contribution during any calendar year which, when added to the sum of all other contributions made by that individual during that year, exceeds $25,000.

(2) Any contribution made for a campaign in a year, other than the calendar year in which the election is held to which that campaign relates, is, for purposes of this section, considered to be made during that calendar year in which that election is held.

(e) Violation of the provisions of this section is punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both.

§ 616. Form of contributions

"No person may make a contribution to, or for the benefit of, any candidate or political committee in excess, in the aggregate during any calendar year, of $100 unless such contributions is made by a written instrument identifying the person making the contribution. Violation of the provisions of this section is punishable by a fine of not to exceed $1,000, imprisonment for not to exceed one year, or both.

§ 617. *Embezzlement or conversion of political contributions*

(a) No candidate, officer, employee, or agent of a political committee, or person acting on behalf of any candidate or political committee, shall embezzle, knowingly convert to his own use or the use of another, or deposit in any place or in any manner except as authorized by law, any contributions or campaign funds entrusted to him or under his possession, custody, or control, or use any campaign funds to pay or defray the costs of attorney fees for the defense of any person or persons charged with the commission of a crime; or receive, conceal, or retain the same with intent to convert it to this personal use or gain, knowing it to have been embezzled or converted.

(b) Violation of the provisions of the section is punishable by a fine of not more than $25,000, imprisonment for not more than ten years, or both; but if the value of such property does not exceed the sum of $100, the fine shall not exceed $1,000 and the imprisonment shall not exceed one year. Notwithstanding the provisions of this section, any surplus or unexpended campaign funds may be contributed to a national or State political party for political purposes, or to educational or charitable organizations, or may be preserved for use in future campaigns for elective office, or for any other lawful purpose.

INTERNAL REVENUE CODE OF 1954

Sec. 41. Contributions to candidates for public office.

(a) GENERAL RULE.—In the case of an individual, there shall be allowed, subject to the limitations of subsection (b), as a credit against the tax imposed by this chapter for the taxable year, an amount equal to one-half of all political contributions, payment of which is made by the taxpayer within the taxable year.

(b) LIMITATIONS.—

[(1) MAXIMUM CREDIT.—The credit allowed by subsection (a) for a taxable year shall be limited to $12.50 ($25 in the case of a joint return under section 6013).]

(1) MAXIMUM CREDIT.—The credit allowed by subsection (a) for a taxable year shall not exceed $25 ($50 in the case of a joint return under section 6013).

(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 relating to retirement income), and section 38 (relating to investment in certain depreciable property).

(3) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any political contribution, only if such political contribution is verified in such manner as the Secretary or his delegate shall prescribe by regulations.

* * * * * * *

Sec. 218. Contributions to candidates for public office.

(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction any political contribution (as defined

in section 41(c)(1)) payment of which is made by such individual within the taxable year.

(b) LIMITATIONS.—

[(1) AMOUNT.—The deduction under subsection (a) shall not exceed $50 ($100 in the case of a joint return under section 6013).]

(1) AMOUNT.—The deduction under subsection (a) shall not exceed $100 ($200 in the case of a joint return under section 6013).

(2) VERIFICATION.—The deduction under subsection (a) shall be allowed, with respect to any political contribution, only if such political contribution is verified in such manner as the Secretary or his delegate shall prescribe by regulations.

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CHAPTER 61—INFORMATION AND RETURNS

SUBCHAPTER A—RETURNS AND RECORDS

Part VIII. Designation of income tax payments to Federal Election Campaign Fund

* * * * * * *

[Part VIII—Designation of Income Tax Payments to Presidential Election Campaign Fund]

Part VIII.—Designation of income tax payments to Federal election campaign fund

Sec. 6096. Designation by individuals

[(a) In General.—Every individual (other than a nonresident alien) whose income tax liability for the taxable year is $1 or more may designate that $1 shall be paid over to the Presidential Election Campaign Fund in accordance with the provisions of section 9006(a). In the case of a joint return of husband and wife having an income tax liability of $2 or more, each spouse may designate that $1 shall be paid to the fund.]

(a) IN GENERAL.—Every individual whose income tax liability for the taxable year is $2 or more is considered to have designated that $2 shall be paid over to the Federal Election Campaign Fund established under section 506 of the Federal Election Campaign Act of 1971 unless he elects not to make that designation. In the case of a joint return of a husband and wife having an income tax liability of $4 or more, each spouse shall be considered to have designated that $2 shall be paid over to such fund unless he elects not to make such designation.

(b) Income Tax Liability.—For purposes of subsection (a), the income tax liability of any individual for any taxable year is the amount

of the tax imposed by chapter 1 on such individual for such taxable year (as shown on his return), reduced by the sum of the credits (as shown in his return) allowable under sections 33, 37, 38, 40, and 41.

(c) Manner and Time of [Designation.—A designation] *Election.—An election* under subsection (a) may be made with respect to any taxable year—

(1) at the time of filing the return of the tax imposed by chapter 1 for such taxable year, or

(2) at any other time (after the time of filing the return of the tax imposed by chapter 1 for such taxable year) specified in regulations prescribed by the Secretary or his delegate.

Such [designation] *election* shall be made in such manner as the Secretary or his delegate prescribes by regulations except that, if such [designation] *election* is made at the time of filing the return of the tax imposed by chapter 1 for such taxable year, such [designation] *election* shall be made either on the first page of the return or on the page bearing the taxpayer's signature.

* * * * * * *

[SUBTITLE H—FINANCING OF A PRESIDENTIAL ELECTION [CAMPAIGNS

[CHAPTER 95—PRESIDENTIAL ELECTION CAMPAIGN FUND

[Sec. 9001. Short title.

[This chapter may be cited as the "Presidential Election Campaign Fund Act".

[Sec. 9002. Definitions.

[For purposes of this chapter—

[(1) The term "authorized committee" means, with respect to the candidates of a political party for President and Vice President of the United States, any political committee which is authorized in writing by such candidates to incur expenses to further the election of such candidates. Such authorization shall be addressed to the chairman of such political committee, and a copy of such authorization shall be filed by such candidates with the Comptroller General. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization.

[(2) The term "candidate" means, with respect to any presidential election, an individual who (A) has been nominated for election to the office of President of the United States or the office of Vice President of the United States by a major party, or (B) has qualified to have his name on the election ballot (or to have the names of electors pledged to him on the election ballot) as the candidate of a political party for election to either such office in 10 or more States. For purposes of paragraphs (6) and (7) of this section and purposes of section 9004(a)(2), the term "candidate" means, with respect to any preceding presidential election, an individual who received popular votes for the office of President in such election.

[(3) The term "Comptroller General" means the Comptroller General of the United States.

[(4) The term "eligible candidates" means the candidates of a political party for President and Vice President of the United States who have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003.

[(5) The term "fund" means the Presidential Election Campaign Fund established by section 9006(a).

[(6) The term "major party" means, with respect to any presidential election, a polictial party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office.

[(7) The term "minor party" means, with respect to any presidential election, a political party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office.

[(8) The term "new party" means, with respect to any presidential election, a political party which is neither a major party nor a minor party.

[(9) The term "political committee" means any committee, association, or organization (whether or not incorporated) which accepts contributions or makes expenditures for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals to Federal, State, or local elective public office.

[(10) The term "presidential election" means the election of presidential and vice-presidential electors.

[(11) The term "qualified campaign expense" means an expense—

[(A) incurred (i) by the candidate of a political party for the office of President to further his election to such office or to further the election of the candidate of such political party for the office of Vice President, or both (ii) by the candidate of a political party for the office of Vice President to further his election to such office or to further the election of the candidate of such political party for the office of President, or both, or (iii) by an authorized committee of the candidates of a political party for the offices of President and Vice President to further the election of either or both of such candidates to such offices,

[(B) incurred within the expenditure report period (as defined in paragraph (12)), or incurred before the beginning of

such period to the extent such expense is for property, services, or facilities used during such period, and

[(C) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which such expense is incurred or paid.

[An expense shall be considered as incurred by a candidate or an authorized committee if it is incurred by a person authorized by such candidate or such committee, as the case may be, to incur such expense on behalf of such candidate or such committee. If an authorized committee of the candidates of a political party for President and Vice President of the United States also incurs expenses to further the election of one or more other individuals to Federal, State, or local elective public office, expenses incurred by such committee which are not specifically to further the election of such other individual or individuals shall be considered as incurred to further the election of such candidates for President and Vice President in such proportion as the Comptroller General prescribes by rules or regulations.

[(12) The term "expenditure report period" with respect to any presidential election means—

[(A) in the case of a major party, the period beginning with the first day of September before the election, or, if earlier, with the date on which such major party at its national convention nominated its candidate for election to the office of President of the United States, and ending 30 days after the date of the presidential election; and

[(B) in the case of a party which is not a major party, the same period as the expenditure report period of the major party which has the shortest expediture report period for such presidential election under subpargarph (A).]

[Sec. 9003. Condition for eligibility for payments.

[(a) IN GENERAL.—In order to be eligible to receive any payments under section 9006, the candidates of a political party in a presidential election shall, in writing—

[(1) agree to obtain and furnish to the Comptroller General such evidence as he may request of the qualified campaign expenses with respect to which payment is sought,

[(2) agree to keep and furnish to the Comptroller General such records, books, and other information as he may request,

[(3) agree to an audit and examination by the Comptroller General under section 9007 and to pay any amounts required to be paid under such section, and

[(4) agree to furnish statements of qualified campaign expenses and proposed qualified campaign expenses required under section 9008.

[(b) *Major Parties.*—In order to be eligible to receive any payments under section 9006, the candidates of a major party in a presidential election shall certify to the Comptroller General, under penalty of perjury, that—

[(1) such candidates and their authorized committees will not incur qualified campaign expenses in excess of the aggregate payments to which they will be entitled under section 9004, and

[(2) no contributions to defray qualified campaign expenses have been or will be accepted by such candidates or any of their authorized committees except to the extent necessary to make up any deficiency in payments received out of the fund on account of the application of section 9006(d), and no contributions to defray expenses which would be qualified campaign expenses out for subparagraph (C) of section 9002(11) have been or will be accepted by such candidates or any of their authorized committees.

[Such certification shall be made within such time prior to the day of the presidential election as the Comptroller General shall prescribe by rules or regulations.

[(c) Minor and New Parties.—In order to be eligible to receive any payments under section 9006, the candidates of a minor or new party in a presidential election shall certify to the Comptroller General, under penalty of perjury, that—

[(1) such candidates and their authorized committees will not incur qualified campaign expenses in excess of the aggregate payments to which the eligible candidates of a major party are entitled under section 9004, and

[(2) such candidates and their authorized committees will accept and expend or retain contributions to defray qualified campaign expenses only to the extent that the qualified campaign expenses incurred by such candidates and their authorized committees certified to under paragraph (1) exceed the aggregate payments received by such candidates out of the fund pursuant to section 9006.

[Such certification shall be made within such time prior to the day of the presidential election as the Comptroller General shall prescribe by rules or regulations.]

[Sec. 9004. Entitlement of eligible candidates to payments.

[(a) IN GENERAL.—Subject to the provisions of this chapter—

[(1) The eligible candidates of a major party in a presidential election shall be entitled to payments under section 9006 equal in the aggregate to 15 cents multiplied by the total number of residents within the United States who have attained the age of 18, as determined by the Bureau of the Census, as of the first day of June of the year preceding the year of the presidential election.

[(2)(A) The eligible candidates of a minor party in a presidential election shall be entitled to payments under section 9006 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the major parties in the preceding presidential election.

[(B) If the candidate of one or more political parties (not including a major party) for the office of President was a candidate for such office in the preceding presidential election and received 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office, such candidate and his running mate for the office of Vice Presi-

dent, upon compliance with the provisions of section 9003(a) and (c), shall be treated as eligible candidates entitled to payments under section 9006 in an amount computed as provided in subparagraph (A) by taking into account all the popular votes received by such candidate for the office of President in the preceding presidential election. If eligible candidates of a minor party are entitled to payments under this subparagraph, such entitlement shall be reduced by the amount of the entitlement allowed under subparagraph (A).

[(3) The eligible candidates of a minor party or a new party in a presidential election whose candidate for President in such election receives, as such candidate, 5 percent or more of the total number of popular votes cast for the office of President in such election shall be entitled to payments under section 9006 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of popular votes received by such candidate in such election bears to the average number of popular votes received in such election by the candidates for President of the major parties. In the case of eligible candidates entitled to payments under paragraph (2), the amount allowable under this paragraph shall be limited to the amount, if any, by which the entitlement under the preceding sentence exceeds the amount of the entitlement under paragraph (2).

[(b) LIMITATIONS.—The aggregate payments to which the eligible candidates of a political party shall be entitled under subsections (a) (2) and (3) with respect to a presidential election shall not exceed an amount equal to the lower of—

[(1) the amount of qualified campaign expenses incurred by such eligible candidates and their authorized committees, reduced by the amount of contributions to defray qualified campaign expenses received and expended or retained by such eligible candidates and such committees, or

[(2) the aggregate payments to which the eligible candidates of a major party are entitled under subsection (a)(1), reduced by the amount of contributions described in paragraph (1) of this subsection.

[(c) RESTRICTIONS.—The eligible candidates of a political party shall be entitled to payments under subsection (a) only—

[(1) to defray qualified campaign expenses incurred by such eligible candidates or their authorized committees, or

[(2) to repay loans the proceeds of which were used to defray such qualified campaign expenses, or otherwise to restore funds (other than contributions to defray qualified campaign expenses received and expended by such candidates or such committees) used to defray such qualified campaign expenses.]

[Sec. 9005. Certification by Comptroller General.

[(a) Initial Certification.—On the basis of the evidence, books, records, and information furnished by the eligible candidates of a political party and prior to examination and audit under section 9007, the Comptroller General shall certify from time to time to the Secretary for payment to such candidates under section 9006 the payments to which such candidates are entitled under section 9004.

[(b) Finality of Certifications and Determinations.—Initial certifications by the Comptroller General under subsection (a), and all determinations made by him under this chapter, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Comptroller General under section 9007 and judicial review under section 9011.]

[Sec. 9006. Payments to eligible candidates.

[(a) Establishment of Campaign Fund.—There is hereby established on the books of the Treasury of the United States a special fund to be known as the "Presidential Election Campaign Fund". The Secretary shall, as provided by appropriation Acts, transfer to the fund an amount not in excess of the sum of the amounts designated (subsequent to the previous Presidential election) to the fund by individuals under section 6096.

[(b) Transfer to the General Fund.—If, after a Presidential election and after all eligible candidates have been paid the amount which they are entitled to receive under this chapter, there are moneys remaining in the fund, the Secretary shall transfer the moneys so remaining to the general fund of the Treasury.

[(c) Payments From the Fund.—Upon receipt of a certification from the Comptroller General under section 9005 for payment to the eligible candidates of a political party, the Secretary shall pay to such candidates out of the fund the amount certified by the Comptroller General. Amounts paid to any such candidates shall be under the control of such candidates.

[(d) Insufficient amounts in Funds.—If at the time of a certification by the Comptroller General under section 9005 for payment to the eligible candidates of a political party, the Secretary or his delegate determines that the moneys in the fund are not, or may not be, sufficient to satisfy the full entitlements of the eligible candidates of all political parties, he shall withhold from such payment such amount as he determines to be necessary to assure that the eligible candidates of each political party will receive their pro rata share of their full entitlement. Amounts withheld by reason of the preceding sentence shall be paid when the Secretary or his delegate determines that there are sufficient moneys in the fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient moneys in the fund to satisfy the full entitlement of the eligible candidates of all political parties, the amounts so withheld shall be paid in such manner that the eligible candidates of each political party receive their pro rata share of their full entitlement.]

[Sec. 9007. Examinations and audits; repayments.

[(a) Examinations and Audits.—After each presidential election the Comptroller General shall conduct a thorough examination and audit of the qualified campaign expenses of the candidates of each political party for President and Vice President.

[(b) Repayments.—

[(1) If the Comptroller General determines that any portion of the payments made to the eligible candidates of a political party under section 9006 was in excess of the aggregate payments to

which candidates were entitled under section 9004, he shall so notify such candidates, and such candidates shall pay to the Secretary an amount equal to such portion.

[(2) If the Comptroller General determines that the eligible candidates of a political party and their authorized committees incurred qualified campaign expenses in excess of the aggregate payments to which the eligible candidates of a major party were entitled under section 9004, he shall notify such candidates of the amount of such excess and such candidates shall pay to the Secretary an amount equal to such amount.

[(3) If the Comptroller General determines that the eligible candidates of a major party or any authorized committee of such candidates accepted contributions (other than contributions to make up deficiencies in payments out of the fund on account of the application of section 9006(d)) to defray qualified campaign expenses (other than qualified campaign expenses with respect to which payment is required under paragraph (2)), he shall notify such candidates of the amount of the contributions so accepted, and such candidates shall pay to the Secretary an amount equal such amount.

[(4) If the Comptroller General determines that any amount of any payment made to the eligible candidates of a political party under section 9006 was used for any purpose other than—

[(A) to defray the qualified campaign expenses with respect to which such payment was made, or

[(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray such qualified campaign expenses.

he shall notify such candidates of the amount so used, and such candidates shall pay to the Secretary an amount equal to such amount.

[(5) No payment shall be required from the eligible candidates of a political party under this subsection to the extent that such payment, when added to other payments required from such candidates under this subsection, exceeds the amount of payments received by such candidates under section 9006.

[(c) Notification.—No notification shall be made by the Comptroller General under subsection (b) with respect to a presidential election more than 3 years after the day of such election.

[(d) Deposit or Repayments.—All payments received by the Secretary under subsection (b) shall be deposited by him in the general fund of the Treasury.

[(d) Deposit of Repayments.—All payments received by the Secretary under subsection (b) shall be deposited by him in the general fund of the Treasury.]

[Sec. 9008. Information on proposed expenses.

[(a) Reports by Candidates.—The candidates of a political party for President and Vice President in a presidential election shall, from time to time as the Comptroller General may require, furnish to the

Comptroller General a detailed statement, in such form as the Comptroller General may prescribe, of—

[(1) the qualified campaign expenses incurred by them and their authorized committees prior to the date of such statement (whether or not evidence of such expenses has been furnished for purposes of section 9005), and

[(2) the qualified campaign expenses which they and their authorized committees propose to incur on or after the date of such statement.

[The Comptroller General shall require a statement under this subsection from such candidates of each political party at least once each week during the second, third, and fourth weeks preceding the day of the presidential election and at least twice during the week preceding such day.

[(b) PUBLICATION.—The Comptroller General shall, as soon as possible after he receives each statement under subsection (a), prepare and publish a summary of such statement, together with any other data or information which he deems advisable, in the Federal Register. Such summary shall not include any information which identifies any individual who made a designation under section 6096.]

[Sec. 9009. Reports to Congress; regulations.

[(a) REPORTS.—The Comptroller General shall, as soon as practicable after each presidential election, submit a full report to the Senate and House of Representatives setting forth—

[(1) the qualified campaign expenses (shown in such detail as the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees;

[(2) the amounts certified by him under section 9005 for payment to the eligible candidates of each political party; and

[(3) the amount of payments, if any, required from such candidates under section 9007, and the reasons for each payment required.

[Each report submitted pursuant to this section shall be printed as a Senate document.

[(b) REGULATIONS, ETC.—The Comptroller General is authorized to prescribe such rules and regulations, to conduct such examinations and audits (in addition to the examinations and audits required by section 9007(a)), to conduct such investigations, and to require the keeping and submission of such books, records, and information, as he deems necessary to carry out the functions and duties imposed on him by this chapter.]

[Sec. 9010. Participation by Comptroller General in judicial proceedings.

[(a) APPEARANCE BY COUNSEL.—The Comptroller General is authorized to appear in and defend against any action filed under section 9011, either by attorneys employed in his office or by counsel whom he may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation he may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

[(b) RECOVERY OF CERTAIN PAYMENTS.—The Comptroller General is authorized through attorneys and counsel described in subsection (a) to appear in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary as a result of examination and audit made pursuant to section 9007.

[(c) DECLARATORY AND INJUNCTIVE RELIEF.—The Comptroller General is authorized through attorneys and counsel described in subsection (a) to petition the courts of the United States for declaratory or injunctive relief concerning any civil matter covered by the provisions of this subtitle or section 6096. Upon application of the Comptroller General, an action brought pursuant to this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

[(d) APPEAL.—The Comptroller General is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which he appears pursuant to the authority provided in this section.]

[Sec. 9011. Judicial review.

[(a) REVIEW OF CERTIFICATION, DETERMINATION, OR OTHER ACTION BY THE COMPTROLLER GENERAL.—Any certification, determination, or other action by the Comptroller General made or taken pursuant to the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition filed in such Court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the certification, determination, or other action by the Comptroller General for which review is sought.

[(b) SUITS TO IMPLEMENT CHAPTER.—

[(1) The Comptroller General, the national committee of any political party, and individuals eligible to vote for President are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this chapter.

[(2) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this subsection and shall exercise the same without regard to whether a person asserting rights under provisions of this subsection shall have exhausted any administrative or other remedies that may be provided at law. Such proceedings shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.]

[**Sec. 9012. Criminal penalties.**

[(a) EXCESS CAMPAIGN EXPENSES.—

[(1) It shall be unlawful for an eligible candidate of a political party for President and Vice President in a presidential election or any of his authorized committees knowingly and willfully to incur qualified campaign expenses in excess of the aggregate payments to which the eligible candidates of a major party are entitled under section 9004 with respect to such election.

[(2) Any person who violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than one year or both. In the case of a violation by an authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

[(b) CONTRIBUTIONS.—

[(1) It shall be unlawful for an eligible candidate of a major party in a presidential election or any of his authorized committees knowingly and willfully to accept any contribution to defray qualified campaign expenses, except to the extent necessary to make up any deficiency in payments received out of the fund on account of the application of section 9006(d), or to defray expenses which would be qualified campaign expenses but for subparagraph (C) of section 9002(11).

[(2) It shall be unlawful for an eligible candidate of a political party (other than a major party) in a presidential election or any of his authorized committees knowingly and willfully to accept and expend or retain contributions to defray qualified campaign expenses in an amount which exceeds the qualified campaign expenses incurred with respect to such election by such eligible candidate and his authorized committees.

[(3) Any person who violates paragraph (1) or (2) shall be fined not more than $5,000, or imprisoned not more than one year, or both. In the case of a violation by an authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

[(c) UNLAWFUL USE OF PAYMENTS.—

[(1) It shall be unlawful for any person who receives any payment under section 9006, or to whom any portion of any payment received under such section is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

[(A) to defray the qualified campaign expenses with respect to which such payment was made, or

[(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray such qualified campaign expenses.

[(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

[(d) FALSE STATEMENTS, ETC.—

[(1) It shall be unlawful for any person knowingly and willfully—

[(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Comptroller General under this subtitle, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Comptroller General or an examination and audit by the Comptroller General under this chapter; or

[(B) to fail to furnish to the Comptroller General any records, books, or information requested by him for purposes of this chapter.

[(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

[(e) KICKBACKS AND ILLEGAL PAYMENTS.—

[(1) It shall be unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of eligible candidates or their authorized committees.

[(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

[(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of eligible candidates or their authorized committees shall pay to the Secretary, for deposit in the general fund of the Treasury, an amount equal to 125 percent of the kickback or payment received.

[(f) UNAUTHORIZED EXPENDITURES AND CONTRIBUTIONS.—

[(1) Except as provided in paragraph (2), it shall be unlawful for any political committee which is not an authorized committee with respect to the eligible candidates of a political party for President and Vice President in a presidential election knowingly and willfully to incur expenditures to further the election of such candidates, which would constitute qualified campaign expenses if incurred by an authorized committee of such candidates, in an aggregate amount exceeding $1,000.

[(2) This subsection shall not apply to (A) expenditures by a broadcaster regulated by the Federal Communications Commission, or by a periodical publication, in reporting the news or in taking editorial positions, or (B) expenditures by any organization described in section 501(c) which is exempt from tax under section 501(a) in communicating to its members the views of that organization.

[(3) Any political committee which violates paragraph (1) shall be fined not more than $5,000, and any officer or member of such committee who knowingly and willfully consents to such violation and any other individual who knowingly and willfully violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than one year, or both.

[(g) UNAUTHORIZED DISCLOSURE OF INFORMATION.—

[(1) It shall be unlawful for any individual to disclose any information obtained under the provisions of this chapter except as may be required by law.

[(2) Any person who violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than one year, or both.]

[Sec. 9013. Effective date of chapter.

[The provisions of this chapter shall take effect on January 1, 1973.]

[CHAPTER 96. PRESIDENTIAL ELECTION CAMPAIGN FUND ADVISORY BOARD

[Sec. 9021. Establishment of Advisory Board.

[(a) ESTABLISHMENT OF BOARD.—There is hereby established an advisory board to be known as the Presidential Election Campaign Fund Advisory Board (hereinafter in this section referred to as the "Board"). It shall be the duty and function of the Board to counsel and assist the Comptroller General of the United States in the performance of the duties and functions imposed on him under the Presidential Election Campaign Fund Act.

[(b) COMPOSITION OF BOARD.—The Board shall be composed of the following members:

[(1) the majority leader and minority leader of the Senate and the Speaker and minority leader of the House of Representatives, who shall serve ex officio;

[(2) two members representing each political party which is a major party (as defined in section 9002(6)), which members shall be appointed by the Comptroller General from recommendations submitted by such political party; and

[(3) three members representing the general public, which members shall be selected by the members described in paragraphs (1) and (2).

[The terms of the first members of the Board described in paragraphs (2) and (3) shall expire on the sixtieth day after the date of the first presidential election following January 1, 1973, and the terms of subsequent members described in paragraphs (2) and (3) shall begin on the sixty-first day after the date of a presidential election and expire on the sixtieth day following the date of the subsequent presidential election. The Board shall elect a Chairman from its members.

[(c) COMPENSATION.—Members of the Board (other than members described in subsection (b)(1) shall receive compensation at the rate of $75 a day for each day they are engaged in performing duties and functions as such members, including traveltime, and, while away from their homes or regular places of business, shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in the Government service employed intermittently.

[(d) STATUS.—Service by an individual as a member of the Board shall not, for purposes of any other law of the United States be considered as service as an officer or employee of the United States.]

In compliance with sections 133 (b) and (d) of the Legislative Reorganization Act of 1946, as amended, the record of rollcall votes in the Committee on Rules and Administration during its consideration of the original bill (subsequently S. 3044) is as follows:

1. Motion by Senator Griffin to delete Title I and substitute therefor a proposal to provide candidates for Federal office in general elections with certain amounts of television time to be paid for from funds in the United States Treasury, and to prohibit such candidates from purchasing additional television time. Rejected: 3 yeas; 6 nays.

Yeas—3	Nays—6
Mr. Allen	Mr. Cannon
Mr. Griffin	Mr. Pell
Mr. Hatfield [1]	Mr. Robert C. Byrd [1]
	Mr. Williams
	Mr. Cook
	Mr. Hugh Scott [1]

2. Question posed by the Chairman: Shall the Committee approve Title I as contained in the draft bill (Committee Print No. 3)? Adopted: 7 yeas; 2 nays.

Yeas—7	Nays—2
Mr. Cannon	Mr. Allen
Mr. Pell	Mr. Griffin
Mr. Robert C. Byrd [1]	
Mr. Williams	
Mr. Cook	
Mr. Hugh Scott [1]	
Mr. Hatfield [1]	

3. Motion by Senator Griffin that the bill be reported to the Senate without recommendation (offered as a substitute for Senator Pell's motion, which follows). Rejected: 3 yeas; 6 nays.

Yeas—3	Nays—6
Mr. Allen	Mr. Cannon
Mr. Griffin	Mr. Pell
Mr. Hatfield [1]	Mr. Robert C. Byrd [1]
	Mr. Williams
	Mr. Cook
	Mr. Hugh Scott [1]

[1] Proxy.

4. Motion by Senator Pell that the draft bill be favorably reported to the Senate. Adopted: 8 yeas; 1 nay.

Yeas—8	Nays—1
Mr. Cannon	Mr. Allen
Mr. Pell	
Mr. Robert C. Byrd [1]	
Mr. Williams	
Mr. Cook	
Mr. Hugh Scott [1]	
Mr. Griffin	
Mr. Hatfield [1]	

[1] Proxy.

ADDITIONAL VIEWS OF MR. PELL

It is particularly gratifying to me as Chairman of the Subcommittee on Privileges and Elections that the Committee is reporting legislation in which public financing of elections is such a strong component.

The public financing features of the Federal Election Campaign Act Amendments of 1974 stem from comprehensive hearings before the subcommittee which I conducted on September 18, 19, 20 and 21, 1973. Many constructive recommendations emerged from these hearings. They were distilled into my own bill, S. 2718, which I introduced on November 16, which was reported to the Committee for consideration, and which formed the basis for our deliberations.

I am pleased that the legislation contains principles which I had advanced. Among these are: coverage of *all* Federal elections, primary and general; a threshold amount to be raised in small contributions by candidates in primary elections to ensure each candidate's seriousness of intent; and the concept of matching these small contributions with federal dollars.

I am also pleased that the legislation contains provisions which I recommended in Committee. Among these are: an accelerated reporting procedure by the Federal Election Commission to permit completion of examinations and audits of campaign expenditures at the earliest practicable time; a greater limitation on the amounts which an individual candidate may contribute to his or her own campaign; and a new method of implementing the dollar check-off, whereby this check-off becomes automatic unless the taxpayer indicates an objection.

The Committee is reporting to the Senate legislation of historic significance, in accord with those Jeffersonian principles which place abiding confidence in the wisdom of the individual and in the individual's fundamental role in the development of an enlightened democracy.

We have witnessed the tragic perversion of these principles—in terms of a misuse and corruption of power and a misguided dependence on the influence of large political contributors.

This legislation is deeply concerned with the ending of such abuses. It removes the temptation of seeking or of accepting the large compromising gift. It returns to our people, to our individual voters a rightful share and a rightful responsibility in the choosing of their candidates. And it can serve to establish that climate of public trust in elected officials which this country so earnestly desires.

CLAIBORNE PELL.

ADDITIONAL VIEWS OF MR. GRIFFIN

The astute political observer, David S. Broder, mixed a dash of homely wisdom with a reporter's cynicism when he wrote: "The only

thing more dangerous to democracy than corrupt politicians may be politicians hell-bent on reform."

In many minds, the idea of "public financing" has somehow become synonymous with "campaign reform." I am concerned that the reality may be very different.

Even though I have serious doubts about the public financing aspects of this bill, I joined in voting to report it because I believe the Senate as a whole should have an opportunity to debate and decide the issues raised by Title I. Furthermore, except for Title I, the bill contains many campaign financing reforms which are clearly meritorious.

For example, I strongly support such provisions as those in other titles of the bill to create an independent Federal Election Commission, to place strict dollar limits on the amount an individual can contribute to a candidate or to campaigns in any year, to limit the amount a candidate can contribute to his own campaign, to restrict the size of cash contributions; to impose ceilings on overall campaign expenditures; and to require each candidate to use a central campaign committee and depository.

Such provisions truly represent campaign financing reforms, and they should be enacted on their own merit.

Unfortunately, public understanding has not fully penetrated a facade of attractive slogans that has surrounded the promise of public financing for campaigns. As more and more light is focused on the approach of Title I in this bill, the more realization there will be that it does not really represent "reform" at all. That will be particularly true as the people learn that "public financing" means "taxpayer financing;" and when they see that Title I would actually *increase*, not decrease, the levels of campaign spending, particularly in races for the House of Representatives.

It should be noted also that a number of needed, real reforms have not been included in this bill. For example, I believe everyone—candidates and voters alike—would welcome steps to shorten the duration of campaigns.

ROBERT P. GRIFFIN.

SENATE
FLOOR DEBATES
ON
S.3044

attract big companies with large capital and sophisticated equipment.

Like the tall timber that once covered the mountains, most of the more profitable mines here were depleted by the end of World War II, and the big corporations moved their equipment elsewhere.

Since that time, the economy of Buchanan County has depended largely on the independent truck miners—so-called because their mines were too small to rate individual railroad spurs. There is light industry in Grundy and in nearby Richlands, but most of it is devoted to mining equipment manufacture.

The waning of the independent truck mines and attacks on strip mining are such critical issues that the local newspapers print editorials almost daily criticizing the Interior Department. It is difficult to find anyone who does not agree.

The Rev. Murphy D. Miller of the First Presbyterian Church of Buchanan County, was at work last week on a Sunday sermon entitled "Coal and Christianity." He said the sermon was an attack on outside forces that seemed bent on destroying the coal industry.

"Coal is a religious issue because it is the light of life and a natural resource, just like Christianity is," said Miller. "The equipment problem is one more example of outsiders trying to muscle in our our way of life, destroying the will of men to earn their daily bread.

The small miners still are trying to appeal the March 30 deadline through their trade association, the National Independent Coal Operators Association, but MESA officials say there is little chance appeals will succeed except in cases where operators can show they already have the new equipment on order.

MESA said last week that any small mine which did not have the new equipment could apply for a Small Business Administration loan, and use the loan as the basis for an extension to remain in operation.

For the first time in the lives of many miners, the future is becoming an unavoidable topic of conversation, and when they speak of it, they speak like Eugene Hughes, 42, a youthful-looking man with a fifth-grade education, seven children, and 22 years of coal mining behind him.

"I'm gonna let the government feed me, buddy. It's the only thing I know to do, and when they get tired of feeding me and a lot of others who will be on welfare with me, maybe they'll let us go back to work," Hughes said.

Were he a younger man, Hughes might consider working in a large, union mine, for higher wages, but those jobs are scarce, and with 22 years' worth of rock dust accumulated in his lungs, Hughes could never pass the physical examination for employment in a big mine.

For the first time in his life, Hughes now thinks that he would consider some job other than coal mining if he were starting out again, but that would involve moving from here.

"In Buchanan County," he says, "coal mining's about all you have to look forward to."

[From the Washington Post, Mar. 25, 1974]

SBA To Make Equipment Loans—Appalachia Mine Closure Stayed

(By Kenneth Bredemeier)

About 400 small Appalachian coal mines, which for four years have been on notice that they will be shut down at the end of this month unless they install explosion-proof machinery, have been given more time to acquire the equipment.

With a considerable assist from Sen. Marlow W. Cook (R-Ky.), a longtime friend of the small mine owners, the Small Business Administration has agreed to grant long-term, low-interest loans to the mine operators to buy equipment that would put them in compliance with the 1969 Federal Coal Mine Health and Safety Act.

A safety compliance panel within the Interior Department has agreed to postpone closure if a mine operator applies for and wins approval of an SBA loan. The law called for the installation of the equipment by March 30, but the small mine operators have virtually ignored the four-year-old deadline.

As a result of the recent agreement, James M. Day, administrator of the Interior's Mine Enforcement and Safety Administration, predicted that no more than 150 of the mines will be ordered shut by federal mine inspectors. Originally as many as 500 small mountainside mines faced an April 1 shutdown.

But as the deadline approached, the Federal Energy Office objected to the closures of the mines, which annually produce about 3 per cent—16 to 20 million tons—of the nation's coal supply, FEO said the coal is needed to ease the energy shortage and the mines should not be closed needlessly if there is no danger to miners working in them.

Moreover, Sen. Cook, according to an aide, worked with Interior officials to delay the deadline and with the SBA to assure the availability of the loans, which SBA said will be granted for up to 30 years at the current SBA interest of 6⅛ per cent.

The Cook aide said that in 1969 the senator unsuccessfully attempted to have the small mines located above the water table declared "non-gassy" and thus exempt from the mine safety law's provision for sparkproof equipment.

The 500 mines, scattered over a 12-state area but concentrated in the Appalachian hills of southwestern Virginia and eastern Kentucky, employ 5,500 to 6,000 workers.

The key section of the 1969 law prohibits use of "nonpermissible" electric drilling, digging and hauling equipment after March 30. This essentially is equipment that is not enclosed to prevent electrical sparks from igniting methane gas in the mine.

The small-mine owners, however, claim that cost of the spark-containing equipment is greater—some estimates range as high as $500,000 per mine—than the value of the coal in the mines.

These operators say that their mines, often with small seams of coal that bigger companies found unprofitable to dig, are usually high on mountainsides above the water table. Gaseous conditions are usually found below the water table, where most large mines are located, they claim.

Thus, the operators say there is little danger of a gas explosion in the small mines, which usually employ from 5 to 30 minutes and often are family enterprises.

"Since the law was passed there has been only one fatality from a methane explosion above the water level," said Louis Hunter, executive vice president of the National Independent Coal Operators Association. "It's all very foolish anyway. They'll let these people take a burning torch into the mines to repair equipment, but then they say all equipment has got to be sparkproof and watertight."

The number of mines that actually will be forced to close is difficult to ascertain. The mine safety act set up an independent interim compliance panel to review applications from mine owners to stay open past March 30 without the required equipment.

The panel has heard 256 cases, denying 168 bids to stay open and granting 88. The only criterion for permission to stay open, according to an Interior spokesman, has been whether the mine has proof that it has ordered the necessary equipment to comply with the new safety standards.

In lieu of buying the new equipment, the coal operators have asked that they be permitted to install methane monitors on mining equipment that would automatically shut off the equipment when there is 0.25 per cent methane in the air near the mining area. However, no decision has been made on the owners' request.

The law requires that mines be shut down when there is 2 per cent methane in the air. Explosions occur when there is 5 to 15 per cent of the odorless gas.

The United Mine Workers, which represents about 10 per cent of the affected workers, said it supports the mine closures. A union spokesman said: "The law is very clear. We're not going to tolerate endangering miners' lives."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. ALLEN). Time for transaction of routine morning business has now expired. Morning business is closed.

NATIONAL CANCER ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. ALLEN). At this time, in accordance with the previous order, the Chair lays before the Senate Calendar No. 710, S. 2893, which the clerk will state.

The second assistant legislative clerk read as follows:

S. 2893, to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "National Cancer Act Amendments of 1974".

SEC. 2. Section 301(f) of the Public Health Service Act (42 U.S.C. 201) is amended by striking the words "during the fiscal year ending June 30, 1966, and each of the eight succeeding fiscal years".

SEC. 3. Section 402(b) of the Public Health Service Act is amended—

(1) by striking out "in amounts not to exceed $35,000" in paragraph (1) and inserting in lieu thereof "if the direct costs of such research and training do not exceed $35,000, but only"; and

(2) by striking out "in amounts exceeding $35,000" in paragraph (2) and inserting in lieu thereof "if the direct costs of such research and training exceed $35,000, but only".

SEC. 4. (a) Section 407(b)(7) of the Public Health Service Act is amended by striking out "where appropriate".

(b) Section 407(b)(4) of such Act is amended by inserting after the word "data" the following: "(including where appropriate nutritional programs for persons under treatment for cancer)".

(c) Section 407(b)(9)(A) of such Act is amended by inserting after the words "National Cancer Program," the words "including the number and types of personnel necessary to carry out such program,".

(d) Section 407(b)(9)(B) of such Act is amended by inserting immediately before the period at the end thereof the following: ", and the allocation of personnel requested to carry out the National Cancer Program".

(e) Section 407(b) of such Act is amended by adding the following new paragraph:

"(10) The Director of the National Cancer Institute shall conduct or contract for programs to disseminate and interpret on a cur-

rent basis for practitioners and other health professionals, scientists, and the general public, scientific and other information respecting the cause, prevention, diagnosis, and treatment of the disease or other health problem to which the activities of the Institute are directed. The Director of the National Cancer Institute shall issue such regulations as are necessary to carry out this activity.".

SEC. 5. Section 408(a) of the Public Health Service Act is amended by striking out "fifteen".

SEC. 6. Section 409(b) of the Public Health Service Act is amended by striking out "and" before "$40,000,000" and by inserting before the period at the end thereof a comma and the following: "$50,000,000 for the fiscal year ending June 30, 1975, $65,000,000 for the fiscal year ending June 30, 1976, and $85,000,000 for the fiscal year ending June 30, 1977".

SEC. 7. Section 410 of the Public Health Service Act is amended—

(1) by striking out "fifty" in paragraph (1) and inserting in lieu thereof "one hundred";

(2) by striking out "and" at the end of paragraph (7);

(3) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(4) by adding after paragraph (8) the following new paragraph:

"(9) to award grants for new construction as well as alterations and renovations for improvement of basic research laboratory facilities, including those related to biohazard control, as deemed necessary for the National Cancer Program."

SEC. 8. Section 410A(a) of the Public Health Service Act is amended by inserting the word ", contracts," after the word "grants"

SEC. 9. Section 410C of the Public Health Service Act is amended by striking out "and" before "$600,000,000" and by inserting before the period at the end thereof a semicolon and the following: "$750,000,000 for the fiscal year ending June 30, 1975; $830,000,000 for the fiscal year ending June 30, 1976; and $985,000,000 for the fiscal year ending June 30, 1977".

SEC. 10. Part A of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"AVAILABILITY OF APPROPRIATIONS

"SEC. 410D. Notwithstanding any other provision of law, unless enacted after the date of enactment of this section expressly in limitation of the provisions of this section, funds appropriated for any fiscal year to carry out any program for which appropriations are authorized by the Public Health Service Act (42 U.S.C. 201) or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2661) shall remain available for obligation and expenditure until the end of such fiscal year."

SEC. 11. Section 454 of the Public Health Service Act is amended to read as follows:

"DIRECTORS OF INSTITUTES

"SEC. 454. (a) The Director of the National Institutes of Health shall be appointed by the President by and with the advice and consent of the Senate. Appointees shall be eligible for reappointment.

"(b) The Director of the National Cancer Institute shall be appointed by the President. Except as provided in section 407(b)(9), the Director of the National Cancer Institute shall report directly to the Director of the National Institutes of Health.

TITLE II—BIOMEDICAL RESEARCH

SEC. 201. Title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"SEC. 455. (a) There is established the President's Biomedical Research Panel (hereinafter in this section referred to as the 'Panel') which shall be composed of (1) the Chairman of the President's Cancer Panel; and (2) four members appointed by the President, who by virtue of their training, experience, and background are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health (including the research program of the National Institute of Mental Health). At least three of the members of the Panel shall be distinguished scientists or physicians.

"(b)(1) Appointed members of the Panel who are appointed pursuant to clause (2) of subsection (a), shall be appointed for three-year terms, except that (i) in the case of the four members first appointed after the date on which this section becomes effective, two shall be appointed for a term of one year and two shall be appointed for a term of two years, as designated by the President at the time of appointment, and (ii) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(2) The President shall designate one of the appointed members to serve as Chairman of the Panel for a term of one year.

"(c) Appointed members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel, and shall be allowed travel expenses (including a per diem allowance) under section 5703(b) of title 5, United States Code.

"(d) The Panel shall meet at the call of the Chairman, but not less often than twelve times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the Chairman shall make such transcript available to the public.

"(e) The Panel shall monitor the development and execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) under this section, and shall report directly to the President. Any delays or blockages in rapid execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) shall immediately be brought to the attention of the President and the Senate Committee on Labor and Public Welfare, the House Committee on Interstate and Foreign Commerce, the Senate Committe on Appropriations and the House Committee on Appropriations. The Panel shall submit to the President periodic progress reports on the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and annually an evaluation of the efficacy of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and suggestions for improvements, and shall submit such other reports as the President shall direct. At the request of the President, it shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health."

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. CLARK). Without objection, it is so ordered.

EXTENSION OF TIME FOR COMMITTEE TO FILE ITS REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs have until midnight of March 28 of file its report on S. 1017, the Indian Self-Determination and Educational Reform Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed at this time to the consideration of the unfinished business.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. PELL. Mr. President, as chairman of the Senate Subcommittee on Privileges and Elections, I wish to emphasize the importance of S. 3044 to the future of our democracy. In particular, I wish to stress the importance of title I of this legislation, dealing with the public financing of elections.

This is historic legislation. Let me place it briefly into a framework of recent history. In mid-September last year our subcommittee conducted 4 days of public hearings on this most important subject area. Members of Congres deeply concerned with election reform were among the more than 40 witnesses who testified and presented their thoughtful views and recommendations. My bill, S.2718, resulting from these comprehensive hearings, was reported forward to the Committee on Rules and Administration, and its fundamentals formed the basis of our committee deliberations on public financing.

We have thus worked with careful and detailed consideration on the development of this legislation. We have weighed a variety of alternatives, as set forth in the very thorough and informative report our chairman has submitted.

Mr. President, it was just over 2 months ago, on December 3, 1973, that the able and distinguished chairman of the Committee on Rules and Administration (Mr. CANNON) gave assurances to the Senate in this chamber that every effort would be made, so that this report

could be submitted within 30 days after the beginning of the second session of the 93d Congress.

I wish to commend the chairman for the successful meeting of this target date.

In submitting this report we have taken full cognizance of historic precedents and historic forerunners to public financing concepts. Let me praise, especially in this connection, my senior colleague from Rhode Island (Mr. PASTORE) for his pioneering work in this area.

In essence, I believe we have prepared legislation which goes to the very heart of our democratic process, and which will enable that heart to beat once again with confidence.

It can be argued that we cannot legislate morality, cannot mandate an end to dishonesty, an end to venality, cannot by public law eliminate all the shocking abuses which have so plagued us as a nation and, in particular, this administration.

But we can, through enlightened legislative action, create a climate which minimizes the cause of abuse, and we can return to our voters their rights to choose candidates who are not beholden to the large, and so often compromising, political contribution.

As the committee report points out, the amount to be contributed by each individual taxpayer in the public financing of elections is modest—$2 per year for one individual, $4 on a joint return. That is an investment which I believe will benefit each individual, in terms of more responsible government and in terms of a government responsive to human needs rather than to special interests.

There are those who will say that this bill goes too far, and others who maintain it does not go far enough. I believe it goes the right distance. It provides the advantages of public financing and yet leaves them optional. It limits the contribution any individual can make to a campaign to a meaningful yet moderate sum. It covers all Federal elections, including primaries. In those primaries, it establishes the basis for serious, not frivilous participants. It provides incentives for minor party candidates to enter the mainstream of political life. It preserves the constructive role of the political party in our Nation.

We will debate the details of this legislation, but I set them here within a framework of the goals which I believe this bill can enable us to attain.

We may not eradicate all future Watergates, but certainly we will discourage the perpetuation of a climate in which power is abused by the clever at the expense of the unwary, where power is perverted by a calculated deception which—in Richard Sheridan's words—we might call a "school for scandal."

Mr. President, I urge passage of this legislation. As I have stated in our committee report, I believe it is in accord with historic Jeffersonian principles which place abiding confidence in the wisdom of the individual and in the individual's fundamental role in the development of an enlightened democracy.

At this time, let me comment on the proposals recently offered by President Nixon under the heading of "Campaign reform." I would point out that a number of them are scarcely original. One authorized political committee per candidate, contributions openly identified as to individual donors, a limit of $3,000 for individual contributions to candidates, no loans as possible contributions, a bipartisan Federal elections commission—these are examples of provisions already in our Senate legislation today and in S. 372, passed by the Senate months ago.

The President takes strong exemption to the concept of public financing. He talks about "diverting hundreds of millions of tax dollars away from pressing national needs" in order to underwrite campaigns. I submit that the individual taxpayer's investment is very modest, that the return is to be measured in terms of honesty in government, that this is a most pressing national need, and that American taxpayers are paying far more out of their own pockets now to finance campaigns and an administration which has achieved the dubious reputation of being the most purchasable of any since Hardin's Teapot Dome one.

I would also point out that when I conducted the public hearings on this legislation last September, I expressly asked the administration well in advance to provide us with an appropriate witness who could educate us on the administration's position on election reform.

I inquired of the witness, an assistant attorney general whom the administration selected for this purpose, as to whether he spoke for the White House, for the Justice Department or for the whole administration.

His reply was:

> I am trying to speak for our best understanding of what may be the Administration's position on a matter we frankly have no final position on in detail.

This was about the extent of our Senate education in this regard.

It seems a bit surprising under these circumstances that we should now receive Presidential recommendations, this long after the hearings, this long after Senate adoption of S. 372, this long after requests for elucidation, this long after committee action and deliberations.

We may not always be noted for celerity of action in this body, but this time, compared to the White House, we have been like a veritable greyhound compared to a snail.

Perhaps we should be pleased and say, "Better late than never, Mr. President," but I for one believe that if these administration proposals were to have received serious consideration—as were the recommendations of more than 40 witnesses at those comprehensive September hearings—they should have been transmitted to us at the appropriate time, and certainly long before this.

Let us, therefore, not be diverted in our deliberations. Let us give our approval to the soundness and wisdom contained in the bill we have before us, which is truly in the best interests of all our citizens.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. PELL. I am glad to yield.

Mr. ALLEN. First, I commend the distinguished Senator from Rhode Island for his dedicated and diligent efforts in the direction of campaign reform legislation.

I should like to inquire of the distinguished Senator if he feels that public financing is a necessary feature or element of campaign reform. Could it not be reformed and still leave the campaign expenditures in the private sector, rather than calling for public support?

Mr. PELL. There are two separate approaches. Two separate parts of the same cloth, like the warp and the woof. I am not sure they can be separated. If we were people of complete morality and complete conscientiousness they could be. But being, as we are, frail people, and human people, there is an intertwining here of the two, just as there is in the warp and the woof.

Mr. ALLEN. I noticed a provision in the Kennedy-Scott rider offered last year that does not seem to be carried forward in the Senate committee bill, S. 3044, the pending bill, and that was that the matchable contributions had to have been made within a certain time limit before the general election. I wonder why that provision was not carried forward in the Senate bill.

Mr. PELL. The Senator has pointed out—I will not say a flaw, but an area not covered in our legislation intentionally. We considered many problems and did not believe we should approach the question of the time limit in this legislation.

Mr. ALLEN. As far as it appears, then contributions may have been made 4, 5 6, 7, or 8 years prior to the convention and I speak now of Presidential preference primaries leading up to the convention; contributions made many years before the convention would be subject to being matched by the Federal Treasury. Is that not correct?

Mr. PELL. That is correct in the bill as presently drafted.

Mr. ALLEN. Then, as quick as the bill becomes law, the various candidates who send up trial balloons in the Presidentia race could come in and present a statement to the public treasury, assuming they reached the $250,000 threshold amount authorizing the matching o their contributions, and they could say "I have been running now for Presiden for 5 or 6 years and collected these amounts of money and I want these sum matched." Is that permissible under the Senate bill?

Mr. PELL. My understanding is that i is permissible under the Senate bill.

Mr. ALLEN. So that there would b quite a nice little payment by the Federa Treasury to catch up with the politica campaigns of various candidates fo President just to bring them up to date

Mr. PELL. In other words, a Harol Stassen could reap a windfall.

Mr. ALLEN. But anyone who collected $250,000 would be eligible, not only t have that matched, but up to the time o the convention he would have his contri butions matched dollar for dollar out o the Federal treasury provided they wer $250 or less.

Mr. PELL. He could raise the sum, a the Senator has pointed out, but it woul

mean he is a serious candidate and carrying his argument to the American people. It may be from the point of view of the public interest and the national interest, a man like Harold Stassen over the years running for President served an important role and purpose.

Mr. ALLEN. I have an amendment I expect to offer later providing that no contribution could be matched unless it was made not more than 14 months prior to the general election. Would the Senator feel inclined to go along with that amendment?

Mr. PELL. Not as floor manager of the bill, but speaking for myself as an individual I think that particular amendment of the Senator from Alabama makes good sense to me and I would accept it.

Mr. ALLEN. I thank the distinguished Senator.

Mr. PELL. But I hasten to add that I am speaking only for myself.

Mr. ALLEN. I understand the Senator's statement but I do know his influence would go much further than that and I feel that with his support, we will get that amendment agreed to, at least.

So under the bill there is no starting point beyond which contributions would be ruled out. Then, looking prospectively, would it be possible for a candidate for the Presidential nomination to say, "Well, I do not believe I can run in 1976, but I will be able to run by 1980 or 1984." Under this bill would it be possible for a candidate for the Presidential nomination to start collecting matching funds from the Federal Government for a nomination far on down the line in terms of years?

Mr. PELL. It would be.

Mr. ALLEN. I see. So we get a set of candidates, then, running for the Presidential nomination in 1976, and the Government footing one-half of the bill, and then another set of candidates running for President in 1980, and the Government footing one-half of those bills, and then another set of candidates running for the nomination in 1984 and the Government footing one-half of these bills. Would that be possible under this bill?

Mr. PELL. It would be possible under this bill, but it would be hard to find many people interested in contributing to the potential candidates of 1988 or 1992 at the present time. I cannot imagine many private citizens doing so.

Mr. ALLEN. But still it would be possible for a college student to say, "I always have had an ambition to be President. I want to run in 1990."

Mr. PELL. 1992.

Mr. ALLEN. 1992, then. He could say, "I have raised this $250,000 among my fellows, and now I want the Government to start matching my contributions to my campaign." That is possible under the bill, is it not?

Mr. PELL. It is, And if he is successful in raising that amount of money from his fellows, he might be President long before 1992.

Mr. ALLEN. Another thing that disturbs me is the fact that every candidate for the Presidential nomination can receive up to $7.5 million from the public Treasury to further his candidacy. And it is not required that a candidate participate in a single Presidential preference primary in order to start getting this money from the Federal Government, is it?

Mr. PELL. That would be correct, but just thinking back, we have had Presidents elected who have not competed in Presidential primaries under our present system.

Mr. ALLEN. That is the very point the Senator from Alabama is getting to. We are speaking of reform legislation. We want to reform the election process and make it less susceptible to improper influences. Yet under the bill it would be possible for a candidate for the Presidency, for one, two, three, or four, or more, for that matter, to collect $7.5 million in matchable contributions from the public and then $7.5 million each from the Federal Government, and then go to the convention, each one armed with a $15 million campaign fund, competing for the votes of the various delegates to the convention. Is that possible under the bill?

Mr. PELL. It is possible, if the candidates were serious enough and were successful in raising private money. The idea here is that if they raised private money, they would raise public money, but they would not receive public money without first receiving private money.

Mr. ALLEN. Would it not be possible to go to the convention with a campaign fund of $15 million?

Mr. PELL. It would be possible, just as it is possible now for a candidate to do the same thing, only he would have to raise it out of the private sector.

Mr. ALLEN. The candidate would have to raise $7.5 million from private money in order to get $7.5 million from the Federal Government?

Mr. PELL. Yes. Today he has to raise $15 million from the private sector.

Mr. ALLEN. Is not $7.5 million enough to run for a Presidential nomination?

Mr. PELL. According to the witnesses who came before us, it is not enough to run a serious campaign.

Mr. ALLEN. $7.5 million is not enough?

Mr. PELL. That is right.

Mr. ALLEN. So the bill, instead of cutting down campaign expenses, is going to make it possible to have more expensive campaigns in the nomination drive for the President?

Mr. PELL. It could. It could result in that. It would depend on the individual and his appeal how much he would raise in the private sector. In my own small State, in my last campaign, I regret to say I had to spend more than half a million dollars in a State that has less than 1.5 percent of the vote. In the other States—I believe the Senator from Alabama is in one of the more fortunate States—such sums go a much longer way. I would hope that would apply more generally.

Mr. ALLEN. I notice from Senate Resolution 60, setting up the Watergate Committee, this provision:

> The select committee shall have authority to recommend the enactment—

This is on page 13, section 4—

> of any new congressional legislation which its investigation considers it is necessary or desirable to safeguard the electoral process by which the President of the United States is chosen.

The Watergate Committee is on the verge of winding up its affairs and making its report. Would it not be of interest to the Members of the Senate and the Members of the House and the public generally to find out what the Watergate Committee is going to recommend with regard to election reform?

Mr. PELL. But, as the Senator has suggested, the language there is permissive. It has the authority to do it; it is not mandatory that it must make a recommendation. I would think the first responsibility for such legislation should come from our own Rules and Administration Committee, which is the standing committee where this authority has been vested as a matter of course through the years.

Mr. ALLEN. Yet the Senate adopted this resolution setting up the Watergate Committee.

Mr. PELL. And giving it the permissive authority to recommend legislation. So far I see no signs of such permissive authority being exercised.

Mr. ALLEN. Would the Senator be interested in knowing that five out of the seven Watergate Committee members are opposed to public financing of elections?

Mr. PELL. What was that again, may I ask the Senator?

Mr. ALLEN. Five out of the seven members of the Watergate Committee are opposed to public financing of elections.

Mr. PELL. That could be. I simply do not know what the results of a poll in the Watergate Committee would be, but I do know that under rule XXV the Senate Committee on Rules and Administration is given jurisdiction and whatever legislation the Watergate Committee recommended would have to come before it for action. I believe I am correct in that.

Mr. ALLEN. I believe Senate bill 3044 goes one step further than did the Kennedy-Scott-Mansfield-Mondale-Pell-Cranston rider last time, in that that rider did not provide for public financing in House and Senate primary races. Did it?

Mr. PELL. It did not apply, and our attention was called to that omission, just as the Senator from Alabama called to my mind the possible omission that we did not have a cutoff date for past contributions. As we discussed it in committee, it seemed that we should include primaries for all Federal elections.

Mr. ALLEN. I believe the Washington Post is for campaign reform and even for some assistance of public financing of elections. I notice that that publication this morning, in referring to the rider which failed of adoption last year, said in its editorial:

> Today the Senate begins debate on a very ambitious bill to extend public financing to

all federal primary and general-election campaigns.

If the goal of reforms is to make federal campaigns more open in every respect—above-board, broadly based and genuinely competitive—then some degree of public financing is an important complement to limitations on private funds. Outlawing large private contributions will reduce, or at least make more perilous, the domination of the political marketplace by well-heeled individuals and special interests. Public financing, direct or indirect, will broaden public participation in campaigns and enable challengers to combat the large advantages which incumbents now enjoy. That principle lies behind the existing dollar check-off and provisions for tax credits or deductions for small private contributions. It is an approach worth expanding in a sensible and incremental way.

The problem with the latest Senate bill is that it tries to do too much, too soon, and goes beyond what is either feasible or workable. For one thing, the bill provides for full public financing of congressional general-election campaigns, and that is clearly indigestible in the House this year, since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill. The more serious defects in the Senate bill involve the inclusion of primaries. No aspect of the federal elections process is more motley and capricious than the present steeplechase of presidential primaries. Injecting even partial public funding into this process, without rationalizing it in any other way, makes little sense. As for congressional primaries, they are so varied in size, cost and significance among the states that no single system of public support seems justifiable without much more careful thought.

I am just wondering if there is now a wide difference of opinion among those who support public financing of elections. Apparently the Washington Post does not think too much of this bill, and certainly does not think anything of the presidential preference primary subsidy or the congressional subsidy. I am just wondering if there is now a kind of break-up in the group that has been pushing for public financing of elections. Is this editorial indicative of that?

Mr. PELL. I think there are certainly differences of view among those who believe in public financing, differences of gradation, differences of emphasis. Although I usually find myself in agreement with the Washington Post, sometimes it has an idea with which I am in disagreement. Basically, the Washington Post, or the liberal establishment, or the middle-of-the-road establishment, who I think are tired of the role that money has played in election decisions and campaign contributions for elections, inclines to some kind of public financing. What kind of public financing, is open to argument, just as we are doing now.

As far as being "indigestible" with the House, the Washington Post may be accurate. That is what the purpose of conferences is—to see how much they will accept and what is not palatable.

Mr. ALLEN. I thank the distinguished Senator for the information he has given me with respect to this bill.

Mr. CRANSTON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. PELL. I yield to the Senator from California.

Mr. CRANSTON. Mr. President, I ask unanimous consent that two members of my staff, Roy Greenaway and Jan Mueller, may be accorded the privileges of the floor during consideration of this measure, including rollcalls.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

RECESS UNTIL 1:15 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 1:15 this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 12:45 p.m. the Senate took a recess until 1:15 p.m., when it was called to order by the Presiding Officer (Mr. HATHAWAY).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO 2 P.M.

Mr. GRIFFIN. Mr. President, with the approval of the distinguished majority leader, I move that the Senate stand in recess until the hour of 2 p.m.

The motion was agreed to; and at 1:31 p.m. the Senate took a recess until 2 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. DOMENICI).

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over impoundment of funds by the executive branch, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BOLLING, Mr. SISK, Mr. YOUNG of Texas, Mr. LONG of Louisiana, Mr. MARTIN of Nebraska, Mr. LATTA, and Mr. DEL CLAWSON were appointed managers on the part of the House at the conference.

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DOMENICI). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. S. 3004.

NATIONAL CANCER ACT AMENDMENTS OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 3044, the unfinished business, be laid aside temporarily and that the Senate proceed to the consideration of Calendar No. 710, S. 2893.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 2893, to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years.

The Senate resumed consideration of the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, it is a special pleasure for me to present for action here this afternoon S. 2893, the National Cancer Act of 1974, on behalf of the Subcommittee on Health and the Committee on Labor and Public Welfare. We come to the Senate this afternoon with the unanimous support of the committee. It will continue what I think has been one of the really dynamic and effective health programs that have been developed by the Senate in recent years.

To trace the legislation very briefly for the benefit of the Senate, the cancer legislation initially was developed after a special panel of consultants had been established by the chairman of the Subcommittee on Health in the Senate, former Senator Ralph Yarborough, of Texas. This cancer panel of consultants brought together some of the finest minds in the biomedical community, those who had worked in cancer research, as well as dedicated laymen. They made recommendations to the committee, and to the Senate. Their report was the basis of the 1971 cancer legislation, which we are extending and improving today.

I want to pay a special tribute to the chairman of that panel and the chairman of the President's Cancer Panel, Mr. Benno C. Schmidt. His willingness to work ceaselessly in this public interest program is an example which is unparalleled.

The legislation we are recommending today is a result of hearings we have had before the Subcommittee on Health, in which we took testimony from the administration, the President's panel, the Candle Lighters, one of the most effective consumer groups in the cancer area, the Association of American Medical Colleges, as well as the American Cancer Society.

Mr. President, today I would like to comment on the National Cancer Act of 1974, which I introduced in the Senate, January 24, 1974.

Many of you know at first hand the enormity of the cancer problem. Many of you have already experienced the fear and helplessness unleashed by this family of more than 100 clinically distinct diseases.

But for those of you who have been fortunate enough not to confront this second major killer of Americans I would like to present some facts in support of the new National Cancer Act. I hope that these facts will persuade you—as they have me—that as Members of the U.S. Senate we all have a compelling mandate to hasten the conquest of cancer, and that in S. 2893 we have the proper legislative instrument with which to help forge this humanitarian accomplishment.

Cancer is a term for more than 100 clinically distinct diseases which kill someone in this country every 1½ minutes. This year it is estimated that 655,000 Americans will become new cancer cases and 355,000 will die; that is about 975 persons a day. Two out of every three American families will be stricken with cancer over the years.

The annual cost of these diseases is more than $15 billion. The cost in human suffering of the victims, their friends and families, is incalculable.

If cancer was one disease we might expect a single cure or dramatic breakthrough. But it is not. Unfortunately cancer is far more complex than all of the infectious diseases conquered in the long march of medical progress.

Cancer is a widespread biological phenomenon with different incidences, appearances, and functioning. It is induced by widely different chemical, physical, and biological agents, most of which are unknown.

To find the causes and cures of cancer may indeed require unlocking the innermost biologic secrets of life itself.

Let me give you one example of the scope of the scientific challenge to which we must address ourselves. Scientists have long had reason to believe that many, if not the majority, of human cancers are caused by chemical or other environmental agents. About 1,000 chemicals are now known to induce cancer in animals and 22 chemical agents have been implicated as causes of human cancer.

But roughly 200,000 new chemicals are introduced into the environment each year—costly in industrial countries—and about 10,000 of these are produced in quantities capable of contaminating the environment—about one ton or more.

To counter this chemical onslaught, in the United States we are now testing about 500 compounds a year. Just to test one chemical requires roughly 2 years, 400 animals of various species, and costs about $70,000. Obviously, at this level we cannot catch up with testing the older chemicals or even make a dent in the yearly inundation of the new.

Therefore, the national cancer program is continuing a sustained effort to develop what might be called a "mini-screen" to bioassay compounds in a matter of months, at a fraction of the present cost and, hopefully, with better predictability as to whether the chemicals might cause cancer in man.

One of the most critical aspects of National Cancer Institute activities under the national cancer program is delivering research results to the people. If we are to be accountable to the mandate of our people, we must insure that the latest advances in cancer prevention, detection, treatment, and rehabilitation are made available to all of the people.

The cancer program has moved forward in this area with the establishment of nine comprehensive cancer centers and the initiation of numerous cancer control projects. These efforts must be continued.

Simply stated, we must bring the best in cancer medicine to the people wherever they are, and assure that centers of excellence are available throughout the country.

Although significant progress against cancer has been achieved under the National Cancer Act of 1971, changes have been recommended in the proposed new law to enable the Director, National Cancer Institute, to carry out his mission more effectively and to provide National Cancer Institute with the tools which we believe are necessary for successful accomplishment of the objectives of the national cancer program.

The major features are as follows:

First, need for additional cancer centers. The National Cancer Act of 1971 limits the number of new comprehensive cancer centers to 15. This limitation severely restricts the goals of the cancer program to get the latest methods of prevention, detection, treatment, and rehabilitation out to practitioners and the people. I believe the Nation requires 30 to 35 such centers to bring high-quality comprehensive cancer care within the reach of everyone. I can see no reason why any family should be denied the best possible diagnosis and treatment for some forms of cancer simply because of where they live.

Second, need to assure the continued education of biomedical researchers.

It is an obvious and absolute essential that training and fellowship programs must be provided by the national cancer program at levels adequate to insure attracting the brightest young scientists and clinicians. A continuing influx of new scientific talent is necessary to insure progress both in cancer and in medical research in general. The cost of these programs is minimal compared with the value of lives that will ultimately be saved.

Third, funding levels.

Funding for the national cancer program has more than doubled since enactment of the National Cancer Act of 1971. the authorizations in the new bill provide for further increases at levels recommended by both the President's Cancer panel and the National Cancer Advisory Board.

The committee feels these authorization levels are satisfactory to assure continued maximum progress of the national cancer program.

Fourth, cancer control program.

The cancer control program, through its efforts to insure rapid and effective dissemination of the latest research advances and knowledge of cancer, strengthens the general practice of medicine in this country. The program should develop into a major demonstration once for the rapid application of improved diagnostic, treatment and rehabilitation methods. For this reason, S. 2893 increases funding authorizations for the cancer control program for the next 3 years.

Fifth, need to submit personnel requirements with budget requests.

The National Cancer Institute has been severely limited in its efforts to secure the numbers and kinds of personnel necessary to administer expanded programs because of inadequate super grade positions, personnel ceilings and reductions imposed on the institute by the administration. Recognizing that adequate personnel are essential for an effective program, S. 2893 provides a mechanism for the national cancer program to make these personnel needs known to Congress. By requiring National Cancer Institute to submit personnel needs along with the yearly budget request, it is intended that Congress will be informed of and able to act upon these personnel needs.

AVAILABILITY OF FUNDS

The medical facilities construction and modernization amendment of 1970—the Hill-Burton amendment—contained a provision designed to assure the availability and expenditure of appropriated health funds.

This provision, unless amended, would expire on July 1, 1974. S. 2893 would permanently extend it. The committee has felt it appropriate to do this in view of the recent administration record of impoundment of funds and the administration's express desire to terminate many health programs prior to congressional review of them.

The provision which requires obligation and expenditure of the appropriated funds is section 601 of the medical facilities construction and modernization amendments of 1970 (Public Law 91-296) 42 U.S.C.A. sections 201 note and 2661 note—section 601. Section 601 reads as follows:

Notwithstanding any other provision of law, unless enacted after the enact-

this area was again manifested on January 29, 1974, when he re-stated his commitment to our cancer research program at the National Cancer Institute. Certainly, Congressional interest remains high and our support steadfast. Let me therefore join with the many Senators who have worked long and hard on this vital legislation in urging immediate passage of S. 2893, to insure the continuation and intensification of our national commitment against cancer.

Mr. KENNEDY. Mr. President, unless there are other speakers on this bill, I will ask for a short quorum call, and then we can vote on the bill.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the committee amendment as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, "Shall the bill (S. 2893) pass?"

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MONDALE), the Senator from Missouri (Mr. SYMINGTON), the Senator from Missouri (Mr. EAGLETON), the Senator from Michigan (Mr. HART), and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri (Mr. EAGLETON) and the Senator from Michigan (Mr. HART) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. PACKWOOD) and the Senator from Nebraska (Mr. HRUSKA) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 89, nays 0, as follows:

[No. 88 Leg.]

YEAS—89

Abourezk	Biden	Chiles
Allen	Brock	Church
Baker	Brooke	Clark
Bartlett	Buckley	Cook
Bayh	Burdick	Cotton
Beall	Byrd, Harry F., Jr.	Cranston
Bellmon	Byrd, Robert C.	Curtis
Bennett	Cannon	Dole
Bentsen	Case	Domenici
Bible	Eastland	Dominick
Ervin	Long	Ribicoff
Fannin	Magnuson	Roth
Fong	Mansfield	Schweiker
Goldwater	Mathias	Scott, Hugh
Griffin	McClellan	Scott, William L.
Gurney	McClure	Sparkman
Hansen	McGee	Stafford
Hartke	McGovern	Stennis
Haskell	McIntyre	Stevens
Hathaway	Metcalf	Stevenson
Helms	Metzenbaum	Taft
Hollings	Montoya	Talmadge
Huddleston	Muskie	Thurmond
Hughes	Nelson	Tower
Humphrey	Nunn	Tunney
Inouye	Pastore	Weicker
Jackson	Pearson	Williams
Javits	Pell	Young
Johnston	Percy	
Kennedy	Proxmire	
	Randolph	

NAYS—0

NOT VOTING—11

Aiken	Hart	Moss
Eagleton	Hatfield	Packwood
Fulbright	Hruska	Symington
Gravel	Mondale	

So the bill (S. 2893) was passed, as follows:

S. 2893

Be it enacted by the Senate and House of Representatives of the United States to America in Congress assembled, That this Act may be cited as the "National Cancer Act Amendments of 1974".

SEC. 2. Section 301(h) of the Public Health Service Act (42 U.S.C. 201) is amended by striking the words "during the fiscal year ending June 30, 1966, and each of the eight succeeding fiscal years,".

SEC. 3. Section 402(b) of the Public Health Service Act is amended—

(1) by striking out "in amounts not to exceed $35,000" in paragraph (1) and inserting in lieu thereof "if the direct costs of such research and training do not exceed $35,000, but only"; and

(2) by striking out "in amounts exceeding $35,000" in pargraph (2) and inserting in lieu thereof "if the direct costs of such research and training exceed $35,000, but only".

SEC. 4. (a) Section 407(b)(7) of the Public Health Service Act is amended by striking out "where appropriate".

(b) Section 407(b)(7) of such Act is amended by inserting after the word "data" the following: "(including where appropriate nutritional programs for persons under treatment for cancer)".

(c) Section 407(b)(9)(A) of such Act is amended by inserting after the words "National Cancer Program," the words "including the number and types of personnel necessary to carry out such program,".

(d) Section 407(b)(9)(B) of such Act is amended by inserting immediately before the period at the end thereof the following: ", and the allocation of personnel requested to carry out the National Cancer Program".

(e) Section 407(b) of such Act is amended by adding the following new paragraph:

"(10) The Director of the National Cancer Institute shall conduct or contract for programs to disseminate and interpret on a current basis for practitioners and other health professionals, scientists, and the general public, scientific and other information respecting the cause, prevention, diagnosis, and treatment of the disease or other health problem to which the activities of the Institute are directed. The Director of the National Cancer Institute shall issue such regulations as are necessary to carry out this activity.".

SEC. 5. Section 408(a) of the Public Health Service Act is amended by striking out "fifteen".

SEC. 6. (a) Section 409(a) of the Public Health Service Act is amended by inserting before the period at the end thereof a comma and the following: "including programs to provide routine exfoliative cytology tests conducted for the diagnosis of uterine cancer".

(b) Section 409(b) of the Public Health Service Act is amended by striking out "and" before "$40,000,000" and by inserting before the period at the end thereof a comma and the following: "$57,000,000 for the fiscal year ending June 30, 1975, $72,000,000 for the fiscal year ending June 30, 1976, and $92,000,000 for the fiscal year ending June 30, 1977".

SEC. 7. Section 410 of the Public Health Service Act is amended—

(1) by striking out "fifty" in paragraph (1) and inserting in lieu thereof "one hundred";

(2) by striking out "and" at the end of paragraph (7);

(3) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(4) by adding after paragraph (8) the following new paragraph:

"(9) to award grants for new construction as well as alterations and renovations for improvement of basic research laboratory facilities, including those related to biohazard control, as deemed necessary for the National Cancer Program."

SEC. 8. Section 410A(a) of the Public Health Service Act is amended by inserting the word ", contracts," after the word "grants".

SEC. 9. Section 410C of the Public Health Service Act is amended by striking out "and" before "$600,000,000" and by inserting before the period at the end thereof a semicolon and the following: "$750,000,000 for the fiscal year ending June 30, 1975; $830,000,000 for the fiscal year ending June 30, 1976; and $985,000,000 for the fiscal year ending June 30, 1977".

SEC. 10. Part A of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"AVAILABILITY OF APPROPRIATIONS

"SEC. 410D. Notwithstanding any other provision of law, unless enatced after the date of enactment of this section expressly in limitation of the provisions of this section, funds appropriated for any fiscal year to carry out any program for which appropriations are authorized by the Public Health Service Act (42 U.S.C. 201) or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2661) shall remain available for obligation and expenditure until the end of such fiscal year."

SEC. 11. Section 454 of the Public Health Service Act is amended to read as follows:

"DIRECTORS OF INSTITUTES

"SEC. 454. (a) The Director of the National Institutes of Health shall be appointed by the President by and with the advice and consent of the Senate. Appointees shall be eligible for reappointment.

"(b) The Director of the National Cancer Institute shall be appointed by the President. Except as provided in section 407(b)(9), the Director of the National Cancer Institute shall report directly to the Director of the National Institutes of Health.

TITLE II—BIOMEDICAL RESEARCH

SEC. 201. Title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"SEC. 455. (a) There is established the President's Biomedical Research Panel (hereinafter in this section referred to as the 'Panel') which shall be composed of (1) the Chairman of the President's Cancer Panel and (2) four members appointed by the President, who by virtue of their training, experience, and background are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health (including the research program

of the National Institute of Mental Health). At least three of the members of the Panel shall be distinguished scientists or physicians.

"(b) (1) Appointed members of the Panel who are appointed pursuant to clause (2) of subsection (a), shall be appointed for three-year terms, except that (i) in the case of the four members first appointed after the date on which this section becomes effective, two shall be appointed for a term of one year and two shall be appointed for a term of two years, as designated by the President at the time of appointment, and (ii) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(2) The President shall designate one of the appointed members to serve as Chairman of the Panel for a term of one year.

"(c) Appointed members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel, and shall be allowed travel expenses (including a per diem allowance) under section 5703(b) of title 5, United States Code.

"(d) The Panel shall meet at the call of the Chairman, but not less often than twelve times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the Chairman shall make such transcript available to the public.

"(e) The Panel shall monitor the development and execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) under this section, and shall report directly to the President. Any delays or blockages in rapid execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) shall immediately be brought to the attention of the President and the Senate Committee on Labor and Public Welfare, the House Committee on Interstate and Foreign Commerce, the Senate Committee on Appropriations and the House Committee on Appropriations. The Panel shall submit to the President periodic progress reports on the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and annually an evaluation of the efficacy of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and suggestions for improvements, and shall submit such other reports as the President shall direct. At the request of the President, it shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health."

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate resumed the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which is Senate 3044, and which the clerk will read by title.

The legislative clerk read the bill by title.

Mr. CANNON. Mr. President, I ask unanimous consent that during consideration of the public financing bill, S. 3044, James H. Duffy, of the staff of the Committee on Rules and Administration, and Jeffrey Doranz, assistant to the Senator from New Jersey (Mr. WILLIAMS), be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I yield to the Senator from Connecticut (Mr. WEICKER).

Mr. WEICKER obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. MANSFIELD. Mr. President, for the information of the Senate, I wish to announce, on behalf of the joint leadership, that there will be no further votes today. We are getting started on the campaign financing bill. I anticipate that there will be a number of speeches. I am sure there will be an amendment laid before the Senate tonight by the distinguished Senator from Alabama. It is my intention at this time to see if it would not be possible to have a rollcall vote on this amendment at the hour of 3:30 tomorrow. However, I have to touch some bases, and later today will make an announcement.

I thank the Senator from Connecticut for yielding to me at this time.

Mr. WEICKER. Mr. President, the current debate over the Government financing of Federal elections has come to resemble a replay of "Beauty and the Beast."

On the one hand we have the supporters of S. 3044 who view Government financing as a sparkling alternative which promises to clean up electoral abuses with a speed and thoroughness previously attributed only to the most expensive solutions.

On the other hand, we have the stanch opponents of Government financing, who view it as an incorrigible "beast," an intolerable raid on the Public Treasury, and a prescription for the end of the two-party system.

Both these views are simplistic, exaggerated, and unrealistic.

I do not think there is a Member in this Chamber who does not realize the necessity—indeed, the urgency—for campaign reform, not in a cosmetic sense, but reform that will get to the practical abuses within our election system. Because I disagree with advocates of public financing does not mean we are not striving for a similar goal: A political system that is clean, that can involve anybody, any man, any woman, in this country, regardless of his or her means. These are the matters of overriding importance on which we all agree.

The truth about Government financing of elections is that it would have some advantages. Nevertheless it would have many more serious and inevitable problems. Government financing is not a magical Clorox guaranteed to end forever the dirty laundry of Watergate. It does not cut the cost of campaigns; it just shifts the cost.

So the gut question about the Government financing of elections is not, "Is it plague or panacea?" For we know it is neither, but rather, "Do the advantages outweigh the disadvantages?" And more important, "Are the alternatives insufficient to do the same job?"

My answer to both questions must be "No."

Federal financing only acknowledges the size of the problem; it does not reform it. There are several ways to effectively reform campaign spending without resorting to Government financing. One is to reduce the length of campaigns. Another is to require full disclosure before the election, rather than after. Another is to limit campaign financing to one committee per candidate, to end the juggled books and "laundered" contributions. And yet another is to eliminate the use of cash in campaigns.

The substitute bill I am introducing today includes not just one or two of these ideas, but all of them. My amendment would provide for:

Election campaigns beginning no earlier than the first Tuesday in September, with no collections or expenditures before that period of time.

Let us take a closer look at that proposal. The Federal election process would commence with each of the candidates filing a statement of candidacy on the first Tuesday in September.

The next step in the campaign would be a single primary on the first Tuesday in October, and then the election itself on the first Tuesday in November. So we are talking about a period of 60 days, a period before which there can be no expenditures or collections. In other words, we are using "time" to cut down the cost of campaigns.

My own State of Connecticut is typical of what is now going on in the United States. In the last election there were about 14,000 registered Democrats, about 14,000 registered Republicans, and about 45,000 registered independents. We have seen, from the most recent Gallup polls, the decline of both parties and the growth of independents. On the one hand, we have a traditionally strong two-party system that has served us well. On the other hand, we have people who are not willing to commit themselves to one party or the other, who want to judge persons, without expressing party labels.

We should be able to reconcile those two. One way is a selection process open to all the people. In the case of the President of the United States, it means a nationwide primary on the first Tuesday on October, to let the people speak as to whom they want.

So the calendar, I repeat, sets a filing deadline, by the first Tuesday in September, in order for a candidate to be

eligible for election. Then there would be a single primary the first Tuesday in October. Then the regular election on the first Tuesday in November.

It is clear that this will result in a saving of money and a reduction of costs. At the minimum, it would cut campaigning expenses in half, and perhaps there could be even greater savings.

In addition, and I emphasize this, there would be only one report, 2 weeks before the election, reporting every campaign expenditure and collection. When people went to the polls they would know what role money played for the particular candidate for whom they vote.

This proposal provides for no collections or expenditures after the report is submitted, except expenses "budgeted for" and duly reported.

Today a good portion of the campaign funds come in after the election; in other words, not as a tribute to the individual, but to the power that resides in the office. That cannot be justified. A candidate should be backed before the result is in.

Campaign deficits would be a violation of law, to be paid off only under the supervision of the Comptroller General.

That may sound harsh, but, again, it will only make campaigns more honest, both for candidates and constituents.

No cash contributions of more than $50.

No more than $10,000 of an individual candidate's personal funds.

No more than one campaign committee.

The real problem in campaign reform is not that campaigns cost money, but that campaigns cost big money. President Eisenhower's campaign cost $8 million, while President Nixon's campaign cost, as far as I know, was $82 million. No one complained when a campaign cost $8 million. That is not a difficult sum for a political party to raise over 4 years.

Last year alone, a difficult year for the Republican fundraisers by any yardstick, the Republican National Committee raised $5 million, of which 85 percent was from contributions of $100 or less. Both parties can raise that kind of money from small contributions. The real problem was the advent of long campaigns with heavy media expenditures.

Consequently, the best way to cut down on the influence of big money in a campaign is not to dump the bills in the Government's lap, but to shorten the campaign itself. And that is precisely the cornerstone of this campaign reform legislation.

My legislation could mean giving up one of our most cherished rituals, the national political conventions. These circuses have become the political dinosaurs of the modern age, and it is time we let them go the way of the big city political machine and the smoke-filled room. Instead, every candidate for Federal office will have to appeal directly to the voters in order to get their party's nomination. This is the kind of reform which will be meaningful and effective without turning to a program of Government financing.

To those who are not convinced about the dangers of a Government-run system of campaign financing, I would like to refer to a passage from S. 3044 which reads:

> If the Secretary of the Treasury determines that monies in the fund are not, or may not be, sufficient to pay the full entitlement to all candidates eligible to receive payments, he shall reduce the amount to which each candidate is entitled. . . .

Now if that does not scare other Senators, it certainly scares me. I think that one of the principal lessons of Watergate is not only that Government can commit illegal acts to suppress dissent but that Government has enormous legal powers to suppress dissent and to play politics with the system.

So it is not the fact that money is involved. It is the amount of money. All we have done is shift the cost to the Federal Government; we have dropped it into the laps of the taxpayers of the United States. I do not think I have ever seen anything involving the Federal Government that cost less and less as time passed. In addition, everybody will pay, whether they want to or not.

I believe that whether it is politics, business, or unionism in this country, we have to earn our way. We have to earn respect and support.

Everyone is complaining about how power in Government is used to perpetuate itself. Here we have a bill to give Government even more of that power.

Let us have something that will stand the test of time. I hope Senators and their staffs will take the time to read the amendment I am presenting. It will shock some. But if we looked at it with an open mind, I think it will respond to some of the criticism that has been made with respect to incumbents. Any legislation that passes will not get rid of the incumbent advantage. Maybe it should be that every incumbent automatically becomes a candidate as of the first of the year in which the election is held. That would mean cutting down his exposure, and maybe that is good. There are many steps that can be taken if we really try to balance out the advantage an incumbent has over a challenger. But we will never get rid of the problem in its entirety. We can legislate on the subject, but the real problem will still confront us.

We can drive out the bad money without resorting to tax money. We can cut down the length of the campaign. We can replace political conventions with direct primaries. We can require full disclosure before, rather than after, the election.

The result of these reforms will be responsible and reasonable elections, conducted in full view of the people.

I honestly believe that in these proposals, we have a chance to reform the system in two important ways; First, by reducing the role of money in campaigns, and second, by involving the American people in the selection process.

That is the greatest guarantee against corruption. Our system is 50 percent selection and 50 percent election. It is the selection process which is now being denied to a majority of Americans. If we resolve these two issues, we will have tuned our political machinery to the times.

Mr. President, I ask unanimous consent that my amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 2, line 1, strike all through page 86, line 17, and insert in lieu thereof the following:

TIME PERIOD FOR FEDERAL ELECTIONS

SEC. 2. The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—TIME PERIOD FOR FEDERAL ELECTIONS

"FILING DATE

"SEC. 501. (a) No later than the first Tuesday of September preceding a regularly scheduled election, or 60 days preceding a special election, each candidate must file a registration statement with the State Secretary of State or the equivalent State official, in order to be eligible to appear on the primary or election ballot in such state or states. The registration statement shall include—

"(1) the identification of the candidate, and any individual, political committee, or other person authorized to receive contributions or make expenditures on behalf of the candidate in connection with the campaign;

"(2) the identification of any campaign depositories to be used in connection with the campaign;

"(3) an affidavit stating that no collections or expenditures have or will be undertaken in connection with the campaign prior to the filing deadline;

"(4) the identification of the party whose nomination the candidate will seek, or a statement that the candidate will seek to appear on the primary and election ballot as a candidate independent of any party affiliation.

"PRIMARY ELECTION

"SEC. 502. (a) All candidates for Federal elective office shall be nominated by means of a primary election to be held on the first Tuesday of October preceding the election, or thirty days preceding a special election. There shall be only one primary ballot or list of possible nominees for each party and one primary ballot or list for all nonpartisan candidates, and no candidate may appear on more than one such ballot or list. Each voter shall be entitled to vote for candidates from only one ballot or list.

"(b) Qualification of voters, determination of eligible parties, as well as rules and procedures for conducting the primary election shall be the responsibility of the States. Presidential electors and alternates shall be nominated by State political parties.

"PRIMARY ELECTION RESULT

"SEC. 503. The person receiving the greatest number of votes at the primary as a candidate of a party for an office shall be the candidate of the party at the following election: *Provided*, That any candidate who is the sole candidate for that office at the primary election, or who is only opposed by a candidate or candidates running on the same ballot or list of nominees and is nominated at the primary shall be deemed and declared to be duly and legally elected to the office for which such person is a candidate. Any independent candidate receiving at least 10 per centum of the total votes cast for the office for which he is a candidate at the primary, or a vote equal to the lowest vote received by a candidate seeking a party nomination who was nominated in the primary shall also be a candidate at the following election."

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 3. Section 608 of Title 18, United States Code, is amended to read as follows:

"§ 608. Limitations on contributions and expenditures

"(a) No person who is or becomes a candidate, or political committee for such candidate, in a campaign for nomination or in a campaign for election to Federal elective office may, directly or indirectly, in any way whatsoever—

"(1) accept or arrange for any contribution, or expend or contract for any obligation, prior to the filing deadline for the election; or

"(2) accept any cash contribution in excess of $50; or

"(3) accept any contribution, contract for any obligation, or make expenditures not budgeted and reported as provided by Section 434 of Title 2, United States Code, after a date two weeks prior to the scheduled election date; or

"(4) make expenditures or contributions in excess of $10,000 from his personal funds, or the personal funds of his immediate family, or from such funds being contributed or expended through the use of a third party.

"(b) Any deficit incurred in connection with a campaign for nomination or election to Federal elective office shall constitute a violation of this section, and such deficit shall be paid only by means of contributions received under the supervision of and according to a procedure which shall have the prior approval of the Comptroller General.

"(c) Violation of the provisions of this section is punishable by a fine not to exceed $1,000, imprisonment not to exceed one year, or both."

SEC. 4. Title 18, United States Code, is amended by adding the following sections:

"§ 614. Contributions by political committees

"Political committees shall not make any contribution to any candidate, political committee, or other campaign for Federal elective office: *Provided*, That such committees may administer or solicit contributions, so long as such contributions are given directly by the initial contributor to a candidate or political committee.

"§ 615. No more than one political committee

"A candidate may establish no more than one political committee, which shall be in such candidate's own name; *Provided*, That the name of the committee, as well as the name of its chairman and treasurer, shall be filed with the Comptroller General immediately upon its formation; and should such a committee be established, all contributions received or expenditures made in connection with the campaign for nomination or election to Federal elective office shall be received or made by such committee and not by the candidate."

REPORTS

SEC. 5. Section 434 of title 2, United States Code, is amended to read as follows:

"§ 434. One report by political committees or candidates

"(a) Each treasurer of a political committee supporting a candidate or candidates for Federal elective office—or each candidate, should such candidate not establish a political committee—shall file a report with the Comptroller General two weeks prior to a scheduled election date for such candidate or candidates.

"Contents of Reports

"(b) The report shall be cumulative, shall report with respect to any activity in connection with the candidacy, and shall disclose—

"(1) the full name and social security number of each person who has contributed to the campaign, together with the amount of such contributions;

"(2) the full name and mailing address of each person to whom a debt or obligation is owed;

"(3) the full name and mailing address of each person to whom expenditures have been made, together with the amount of such expenditures;

"(4) the total sum of all contributions received;

"(5) the total sum of all expenditures;

"(6) the total sum of all debts and obligations."

PENALTIES

SEC. 6. (a) Section 441 of title 2, United States Code, is amended to read as follows:

"§ 441. Penalties for violations

"Any person who violates any of the provisions of this subchapter shall be fined in an amount at least equal to three times the amount of any monetary violation, or, in the case of nonmonetary violations, such amount as will satisfy the provisions of this subsection. The moneys collected from the fine shall be spent by the violator for general publication or transmission, to the widest possible extent in the geographical area in which the campaign or election was held, of at least the content of the Comptroller General's findings. The means of such transmission or publication shall be determined by the Comptroller General, and shall require the complete expenditure of the fine, unless the Comptroller General determines that a lesser amount, determined by him, will achieve complete publication and transmission of the nature of the violation. An additional fine may be levied if the Comptroller General shall determine that, due to the nature of the violation, an additional amount is needed to properly publish the violation."

(b) Title 18, United States Code, is amended by adding the following section:

"§ 616. Penalties for violations

"Any person who violates any of the provisions of this subchapter shall be fined, in an amount at least equal to three times the amount of any monetary violation, or, in the case of nonmonetary violations, such amount as will satisfy the provisions of this subsection. The moneys collected from the fine shall be spent by the violator for general publication or transmission, to the widest possible extent in the geographical area in which the campaign or election was held, of at least the content of the Comptroller General's findings. The means of such transmission or publication shall be determined by the Comptroller General, and shall require the complete expenditure of the fine, unless the Comptroller General determines that a lesser amount, determined by him, will achieve complete publication and transmission of the nature of the violation. An additional fine may be levied if the Comptroller General shall determine that, due to the nature of the violation, an additional amount is needed to properly publish the violation."

COMPTROLLER GENERAL

SEC. 7. The Federal Election Campaign Act of 1971 is amended by inserting the words "Comptroller General" wherever the words "supervisory officer" appear. The Comptroller General shall make such rules or regulations as may be necessary or advisable for carrying out the provisions of this Act: *Provided*, That any rules or regulations so promulgated shall be published in the Federal Register not later than December 31, 1975.

EFFECT ON STATE LAW

SEC. 9. The provisions of this Act, and of rules or regulations promulgated under this Act, preempt any provision of State law with respect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301(c)).

PARTIAL INVALIDITY

SEC. 10. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 11. The provisions of this Act shall become effective on December 31, 1975.

AMENDMENT NO. 1081

Mr. BUCKLEY. Mr. President, the distinguished Senator from Connecticut (Mr. WEICKER) has just spoken of the indisputable advantages of incumbency. I would like at this time to focus on just one aspect of the truly michievous campaign financing proposal now under debate. I believe that S. 3044 might well be termed the Incumbent Protection Act of 1974. While I do not believe that those who drafted the bill intended to do so, they have nevertheless come up with a scheme whose practical effect will be to help us insulate ourselves from effective challenge.

I do not make this statement lightly, but only after a serious examination of the potential impact of the provisions of S. 3044. The evidence available suggests rather strongly that the spending limits included in this bill would help incumbents who might otherwise be targets of serious challengers.

This is most readily observed in relation to House races where figures can be fairly easily quantified because of the similarity of the districts in terms of population.

In this regard I would direct your attention to a Common Cause study of the 1972 elections entitled "The 1972 Congressional Campaign Finance—A Study by Common Cause."

The authors of the study are numbered among the principal supporters of public financing and use its results to bolster their case. But I am convinced that they misread their own data; that in fact it argues against public financing generally and the provisions of S. 3044 specifically.

In 1972 more than three-quarters of all House races were decided by pluralities of 60 percent or more. In these races the average winning candidate spent $55,000 or less and the average loser spent even less.

These races all took place in what political analysts like to call "safe" districts. The districts involved were either so totally dominated by one party that a serious fight for the seat impressed almost everyone as futile, or the seat was occupied by a personally popular incumbent who just was not about to be beaten.

The authors of the study apparently believe that real races might be run in these districts if enough dollars are poured into the campaigns of those challenging now firmly entrenched incumbents. I am not persuaded that this would happen.

For reasons outlined above the incumbents holding these seats are probably impervious to real challenge. Those running against them have not failed, because they have lacked funds; they have lacked funds because their campaigns were doomed to failure. Common Cause has simply confused cause with effect in a way that has led Mr. Gardner and his friends to precisely the wrong conclusions.

Supporters of incumbents and challengers alike in these districts were apparently reluctant to give to campaigns

unlikely to be affected one way or the other by their contributions. Thus, as we shall see in a moment, the spending on both sides in these districts was significantly below the spending levels that prevailed in hotly contested races.

I must conclude, therefore, that in such districts the $90,000 per candidate allowed under S. 3044 will merely increase the level of spending without having any real impact on the final outcome.

The races in which the Federal subsidy and the limits associated with it will have an impact will take place in the 60-odd districts that might be considered marginal.

According to the same Common Cause study, only 66 House races were decided by less than 55 percent of the vote in 1972. These districts could be considered marginal by most standards and the victor in each of them had to fend off an extremely tough challenger.

Winners and losers alike spent more money in these races than was spent in the districts I have described as "safe." The cost to winners and losers alike in these districts averaged somewhat more than $100,000 each. As both the winners and losers spent about the same amount in these races, it suggests that the raising of funds needed for such campaigns is not too different. I will also admit that the limits imposed by S. 3044 might not have much of an effect in the average close race.

The real impact of the limits imposed by this legislation will occur in those races in which an incumbent finds himself in trouble and stands a chance of being defeated. Only 10 House incumbents were defeated in 1972 and in all but two cases the challenger had to spend significantly more than his opponent to overcome the advantages of incumbency.

The average spent by candidates who unseated incumbents in 1972 was $125,000 as opposed to the average of $86,000 those incumbents spent. Thus, it can be argued on the basis of these figures that a challenger must be able to outspend an incumbent opponent by a significant margin if he expects to beat him and that he will have to spend in excess of $100,000 to stand a realistic chance.

But what effect will the $90,000 limit imposed by S. 3044 have in these races? It is not at all unrealistic to assume that it will prevent challengers in marginal districts from overcoming the advantages inherent in incumbency. It is not at all unreasonable, in other words, to assume that those limits, had they been in effect in 1972, might have saved most, if not all, of those 10 incumbents.

If we are to enact legislation of this kind I believe we must either eliminate unrealistically low limits such as those incorporated in S. 3044 or eliminate the advantages of incumbency.

To help eliminate or at least minimize the advantages of incumbency I have decided to cosponsor legislation being introduced by the Senator from Delaware (Mr. ROTH) that would allow candidates to send free mailings to all voters during the course of their campaign and at the same time deny incumbents use of the franking privilege for additional mass mailings after Labor Day in an election year.

But I would go even further. At an appropriate time, I will offer an amendment to S. 3044 that will allow nonincumbents to operate under a spending limit 30 percent higher than that applicable to incumbents.

I firmly believe that such an amendment is essential if we are to avoid the charge that we are "stacking the deck" in favor of our own candidacies as incumbents, as in fact we would be if we do not seek to affect our inherent advantages.

Mr. President, I send my proposed amendment to the desk and ask unanimous consent that if be printed of this point in the RECORD.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table, and, without objection, will be printed in the RECORD in accordance with the Senator's request.

Mr. BUCKLEY's amendment (No. 1081) is as follows:

AMENDMENT NO. 1081

On page 13, line 16, insert the following after "504.", and renumber the succeeding paragraphs accordingly: "(a)(1) The expenditure limitations under this section shall be applicable to incumbent candidates only (unless otherwise specified). Nonincumbent candidates shall be subject to an expenditure limitation equal to 130 per cent of the limitation applicable to an incumbent for each of the offices specified under this section.

2. For the purposes of this section, an incumbent is defined as one who

(A) is presently holding the office for which he is a candidate; or

(B) is currently holding or has within five years held an office, the voting constituency of which is the same as, or includes the voting constituency of the office for which the individual is a candidate.

Mr. BAKER. Mr. President, for the third time in less than 9 months, we find ourselves debating fundamental, and some say radical, reform of our electoral process. In the wake of Watergate and the events of the past year, it is not surprising that considerable support has developed within the Congress for new concepts such as public financing of campaigns for Federal office. In fact, having listened to months of testimony about abuse and circumvention of existing statutes, I can sympathize with the temptation to abandon that system altogether in favor of some other approach. Public financing is definitely new, and it appears pure and absolute; but is it right?

Just over a year ago, the Senate voted unanimously to create the Select Committee on Presidential Campaign Activities. That committee was charged with the responsibility of investigating any and all potential wrongdoing associated with the 1972 campaign for President of the United States. It was also mandated to report its findings and recommendations to the Senate no later than February 28, 1974. That date has passed, but the committee has yet to submit its report. The reason, as most know, is because of the possibility that our findings might prejudice the trials of individuals allegedly involved in the crimes collectively known as Watergate.

Last summer, I implored my colleagues to withhold final consideration of any significant campaign reform until the duly mandated select committee had had an opportunity to fulfill the obligations required of it in Senate Resolution 60. However, in view of the delays which may continue for several months, I no longer feel it is reasonable to expect or request this of the Senate. Instead, I am now prepared to express my personal views on what reforms of our electoral process seem necessary.

Let me begin by stating my adamant opposition to the public financing of campaigns for Federal office. I think there is something politically incestuous about the Government financing and, I believe, inevitably then regulating, the day-to-day procedures by which the Government is selected. Obviously, it is neither reasonable nor desirable to expect a laissez-faire approach to the conduct of political campaigns. The Government has been involved in one way or another in the electoral process since we undertook our present form of government; and I have no doubt that the Government will increase its involvement in the future. However, if we continue to delegate responsibility for regulating campaigns to the bureaucracy, as we would do by enacting public finance, then I fear that a situation could arise in which the executive branch had the power to manipulate political campaigns in a manner which would make Watergate pale in comparison.

I think it is extraordinarily important that the Government not control the machinery by which the public expresses the range of its desires, demands, and dissent. And finally, I genuinely believe that a statutory prohibition against political contributions, whether it applies to primaries, general election campaigns, or both, may abridge the individual's first amendment right of freedom of political expression. It is one thing to impose a limit on the total amount of an individual contribution, for it can be argued that you are, in effect, equalizing everyone's opportunity for expression. However, when that opportunity is completely eliminated, then I believe that the Congress has exceeded its responsibility to protect the integrity of the electoral process. In rural jargon, we are burning down the barn to get rid of the rats; and in so doing, we are also eliminating an important form of public participation in our political process—participation which is already at an all-time low.

I realize that a Gallup poll published last September showed that 65 percent of the people interviewed thought public financing was a "good idea." But I also realize that a recent poll showed a majority of Americans had more confidence in their trash collectors than they did in the ability of Congress to effectively deal with the problems confronting this country. So, at a time when people are becoming increasingly skeptical about the use of their tax dollars, we are considering bankrolling political candidates to the tune of several hundred million

dollars each election. I admit that in a Federal budget of over $300 billion, $300 million for political candidates is not that much. However, at the first indication that an individual who is supposedly running for public office is using tax dollars for anything other than that campaign, that is, assuaging his or her ego or generating customers for their business, I submit that a great many Americans will justifiably lower their estimation of the Congress even further.

But, having expressed my views on the evils of public financing, as I see them, it is fair to ask, "What do you plan to offer as an alternative, or how do you intend to reform our ailing electoral process?" I propose that we continue a system of private financing of campaigns for Federal office, but that we amend that system so as to broaden the base of participation and prevent the abuse of earlier campaigns. We could do this, in my judgment, by adhering to the $3,000 limitation on individual contributions included in S. 372 and S. 3044 and applying it separately to each primary, runoff, special, or general election campaign as provided for in both bills. Although many will contend that this would make it virtually impossible to raise enough money to run an effective campaign, especially for the relatively unknown challenger, we should look briefly at the facts.

Let us assume hypothetically that an expenditure limitation of 15 cents times the voting-age population of the country was imposed on each nominee for President during the general election campaign. According to my calculations, that comes out to around $24,000,000 per candidate. If $3,000 was the maximum an individual could contribute to a Presidential nominee, that candidate would have to find 8,000 people to contribute $3,000 each in order to meet the expenditure ceiling. There are over 210,000,000 citizens of this country; and obviously not all of them are old enough to vote, nor can afford to contribute $3,000 to a political candidate. However, I submit that there are far more than 8,000 people out there who would be willing to contribute $3,000 to a nominee for President; and it should not be that difficult to find them. I suspect that many believe it is difficult because we have normally aimed our fund-raising efforts at the people most capable of giving large amounts—the so-called fat-cats. But is that the proper approach? I do not believe so, for I am sure we could reap far better results by developing an effective method of broad, low-level solicitation.

I referred earlier to the terribly small amount of confidence a majority of Americans seem to have in their major governmental institutions. This is a problem which, though Watergate did not cause, it certainly has exacerbated. Moreover, it is a problem which could prevent even the most involved citizen from responding to the needs of a combination of Federal, State, and local candidates for public office. Consequently, I would propose that a clear and effective incentive be provided for those who are hesitant to contribute, and those who are not. I propose that the present tax credit of 50 percent of all political contributions made during a calendar year, up to $12.50 for an individual return, or $25 for a joint return, be increased to $50 for an individual return and $100 for a joint return, and that the figure of 50 percent be increased to 100 percent. That means that an individual can credit each dollar contributed to a political campaign in a calendar year, up to $50 for an individual return and $100 for a joint return. In this way, the contributor can control who receives the money and for what campaign it is used. Moreover, the Treasury Department is removed from any direct involvement in financing campaigns, thereby reducing the potential for bureaucratic manipulation or abuse. Obviously, the key to the success of this new tax credit proposal is education. The American people must be made fully aware that such an incentive for political contributions exists, as well as how that incentive works when they file their individual or joint tax returns. And if, in the near future, it appears that a 100-percent tax credit is no longer necessary to prompt adequate private financing, then we should consider reducing that credit back to the 50-percent level. However, for now, I would only urge that this proposal be given the most serious consideration as a viable, and in my judgment preferable, alternative to public financing.

I would also propose that the present dollar checkoff system be repealed entirely. Whereas an effective tax credit system would remove the U.S. Treasury from direct involvement in financing political campaigns, and would permit individual contributors to designate the recipient of their money, the dollar checkoff system does just the opposite. In fact, in S. 3044, unless an individual taxpayer specifies otherwise, $2 is automatically paid over to the Federal election campaign fund for use in campaigns in accordance with the provisions of the bill. The American taxpayer is not even allowed to designate the party that should receive the contribution, much less the specific candidate; and it is for this reason that I shall propose that this system be abandoned altogether.

I shall also propose that only individuals be permitted to make contributions to political campaigns. Only individuals can vote, and only individuals can decide who is on the ballot in the first place; so why should not only individuals be allowed to make political contributions? I do not think a corporation or a union should be allowed to contribute, they cannot now; but they do through AMPAC, BIPAC, COPE, and a half dozen other devices. Moreover, I do not think associations, committees, caucuses, or any other organization which aggregates funds from its members and gives those funds in the name of a cause or interest should be permitted to do so. After a full year of service on the Senate Select Committee on Presidential Campaign Activities, I am convinced that this would do more to eliminate the distortive effects of special-interest groups than any other proposal I have seen which permits private financing. This is not meant to imply that I oppose or in any way wish to diminish the persuasive capacity of lobbyists, whether they represent corporations, unions, or public interest groups. On the contrary, I have always felt that the most convincing argument available to the lobbyist, besides the individual merits of the particular issue, was not the lure of substantial financial support for sympathetic candidates, but rather the strength of a large bloc of voters which might be influenced by a stand taken on a particular issue. It should, instead, be totally incumbent upon the candidate to solicit the support of the individual voters and not specific groups; and it is for these reasons that I believe that only individuals should be permitted to contribute to political campaigns.

Essential to the success of any system of private campaign financing is complete public disclosure. S. 3044 deals very effectively, in my opinion, with the problems of disclosure and multiple campaign committees, treasurers, and depositories, cash contributions and expenditures, and an effective enforcement mechanism for prosecuting alleged violations of campaign statutes. However, there is one additional step which I consider important to the fulfillment of the public's right to examine the source and amount of individual contributions. That step is to establish a time certain before the election, say 10 days to 2 weeks after which no further contributions can be received. And then 3 to 5 days before the election, require that each candidate report completely the sources of his or her contributions. In this way, the public is given the full benefit of examining the candidate's sources of funds and drawing their own conclusions regarding the breadth of the candidates' appeal prior to the election rather than after the election has taken place. As it is now, candidates can withhold potentially damaging information on contributions until after the election has taken place, thereby hindering the public's ability to judge support until after it is too late. However, under my amendment, contributions received after the time certain would have to be returned, and no further funds could be solicited or received until after the election had taken place, and then, only if it were necessary to defray campaign debts.

I shall also propose that the lowest unit rate provisions of the Communications Act of 1934, as amended, be repealed completely. I find something inherently unfair and inequitable about requiring local radio and TV stations, and the major broadcasting networks to offer advertising time, particularly prime time or "driving time," at the same rate that it is offered to their top commercial buyers—buyers that advertise 365 days a year and legitimately earn the lower rates. I do not question the right or authority of the Congress to regulate broadcast rates, for the history and record of Federal regulation is well established. What I do question, however, is the fairness to the broadcaster and to the other advertisers. If it is absolutely necessary to attempt to offset the extraordinary cost of broadcast advertising, then I

propose that we do so at the prevailing rates and not at the lowest unit costs. In this regard, I would propose that a minimum amount of broadcast time be provided each legally qualified candidate for Federal office. Any candidate who wishes to purchase beyond the guaranteed amount would do so at the prevailing rate. In this way, the challenger would be afforded an opportunity to gain a moderate amount of public exposure without having to allocate an inordinate share of what are likely to be scarce resources just to approach the recognition factor of the incumbent.

Moreover, while guaranteeing a moderate amount of TV and radio time to qualified candidates, it would discourage the purchase of additional time by requiring the respective candidates to pay the prevailing advertising rates. In order for a candidate to qualify for this "guaranteed time," I would plagiarize the formula used in S. 3044 for major and minor party candidate eligibility. That formula requires that House, Senate, and Presidential candidates reach specific thresholds before public funds are made available on a dollar-for-dollar basis. I would require that the respective threshold be met before any advertising time was made available; and even then, I might require that an additional threshold be met later in order to insure the true intentions of the particular candidate. However, the thrust of such an amendment would be to help overcome many of the obstacles, primarily that of recognition, confronting the candidate who challenges an incumbent. In general, I oppose any form of public finance; and I realize that such a proposal might create some of the problems which I alluded to earlier. But, I am also aware of the inherent disadvantages facing a challenger in relation to an incumbent; and if anything is to be done in the realm of public financing to reduce those disadvantages, then I would prefer to see it done in the manner I have just described—at the prevailing rates and not at the lowest unit costs.

I shall also propose that overall expenditure limitations be eliminated if a system of private financing is retained with individual contributions strictly limited and fully disclosed. The reason, very simply, is that as long as the size and source of contributions are adequately controlled, particularly at the $3,000 level, then overall expenditure limitations, in effect, penalize the candidate for attracting a broad base of support. I do feel that we spend too much on campaigns and that something should be done to prevent the unnecessary expenditure of funds in political races which are not even close. However, in most cases, it seems that limits favor the incumbent, are arbitrary, and do not accurately reflect the changing costs of campaigning from year to year or from State to State. Thus, if we retain significant private financing, with the aforementioned conditions, then I shall propose that we eliminate the overall expenditure limitations.

I referred earlier to my concern that public participation in our electoral process appears to be at an all-time low. I should like to elaborate on that concern. It stems from the fact that in 1972, only 55.6 percent of the eligible voters in this country actually turned out to cast their ballots for President and Vice President of the United States. Obviously, different Presidential campaigns generate varying degrees of interest and enthusiasm among the voters; and races that are not even close, seldom attract a large turnout. However, a turnout of 55.6 percent, particularly at a time when the Federal Government is increasingly involved in our daily lives, is, in my mind, tragic. It is the clearest indication of all that a substantial number of Americans have grown disenchanted with politics and the electoral process; and it is one of the primary reasons why broad reform of that process seems warranted.

Such reform, in my judgment, should include not only campaign finance and so-called dirty tricks, but also the selection process itself. I believe we should examine voter registration requirements, the present primary system, national party conventions, the official length of political campaigns, election-day procedures, and even, perhaps, the electoral college—not all necessarily in conjunction with S. 3044, but rather as part of the overall debate on campaign reform.

As part of that debate, I would urge that serious consideration be given automatic registration of voters in Federal elections at age 18. The history of the United States has been a history of the extension of the voting franchise. Yet, even today, a significant number of our citizens are effectively prevented from participating in elections by complex and often archaic registration and residency requirements. The postcard voter registration bill passed by the Senate last year was an effort to deal with this problem, but I opposed it because of my concern for the potential for mail fraud and abuse of such a system.

Several Western nations, however, have already successfully implemented a form of automatic voter registration. In the Scandinavian countries, for example, and in Switzerland, every eligible citizen is registered ex officio in a voting register. Lists of voters are published by the elections authorities in advance of the election date. Any citizen whose name has not been included in the list then has until approximately a week before the election to correct the situation.

In the United States, however, citizens still must contend with what amounts to a perpetual registration process. I fully realize that some difficulties will arise in translating automatic registration to the realities of the American experience and attempting to reconcile it with State registration procedures. Perhaps social security numbers could be utilized to standardize this procedure, since more than 95 percent of eligible voters are already registered with social security. In any event, the concept deserves consideration, in my view; and, if workable, it could provide a valuable incentive to increase citizen participation.

I would also urge major reform of our present spasmodic system of Presidential primaries. There are essentially three alternatives in this regard: a refinement of the present system requiring the 25 States who hold Presidential primaries to do so on four or five specific dates at 2- or 3-week intervals; a single national primary for each party with a subsequent runoff unless one candidate polls more than 40 percent; and a system of regional primaries also held at specific intervals, but encompassing all of the country.

Of these three proposals, I am most inclined to support the one for a system of regional primaries in which every eligible voter who desires to participate in the selection of a party nominee can do so by voting in the regional primary which includes his State. This would permit the millions of Americans who support candidates who never get the party nomination to express that support in a meaningful way. It would also give them a personal stake in the election and increase the likelihood of their participation in the subsequent general election campaign. Specifically, I would propose dividing the country into four geographic regions, largely along the lines of time zones so as to avoid holding a "Southern" or a "New England" primary with a distinct ideological slant. I would make those regions of roughly equal population and would hold the four primaries at 3-week intervals beginning in early June and ending in early August.

The respective primary candidates would compete for State delegates who would be won according to the proportion of vote received in each State, rather than on a winner-take-all basis. Although I am aware of the high cost involved in running in regional primaries, the basic idea is to vastly expand the public participation in the nominating process and to significantly reduce the official length of Presidential campaigns.

As it is now, the first Presidential primary normally takes place in early March with the general election 8 months later, in November. But as I see it, there is absolutely no reason why that process must take that long. It exhausts the candidates, costs exorbitant sums of money, and eventually bores a great many people. The British do it all in less than 6 weeks, so why cannot we do it in less than 8 months? In this regard, I plan to offer an amendment to require that all primaries for Federal office be held no earlier than the first of June and no later than the 15th of August. This would significantly shorten the official length of campaigns for Federal office and permit the Congress to work at relatively full strength for a good 4 months before most Members are forced to return to their States or districts to campaign full time for the nomination.

I recall that before Senator Margaret Chase Smith left this body, she proposed that Senators be required to maintain a voting attendance record of 65 percent or better. Her argument was that once Presidential primaries began, the Senate found it difficult to obtain a quorum. I am not necessarily proposing that. I am proposing that we shorten the official length of campaigns and enable the Congress to accomplish as much as possible in the first few months of the year while attendance is still high.

With regard to the actual election day,

I recommend that we open and close polls all across the country at a uniform time and that they be opened a full 24 hours. The arguments for this are simple and well known; but briefly stated, this is the best way I know of to prevent the harmful effects of broadcast networks projecting the outcome of elections, based on very early returns, when polls in the Western States are still open. Moreover, 24 hours would maximize the individual's opportunity to vote before, after, or during work.

I would also recommend that the debate on the electoral college, that 18th century vestigial remnant, be reopened. Although I have no strong views one way or the other, I have long felt that in a democracy such as ours, there should be no alternative to the expressed will of a majority of the people; and the electoral college, as conceived and utilized for the past 200 years, constitutes just such an alternative. How can we ask for greater confidence and participation in our political process when we are not willing to entrust the American people with the ultimate decision? It is a difficult question to answer, but one which we should consider nevertheless.

In conclusion, Mr. President, seldom, if ever, has the need for a thorough reexamination of our electoral process been as great. Seldom, if ever, has the opportunity for reform been as ripe. We should seize that opportunity to greatly expand the suffrage and to encourage unprecedented participation in our political process.

Forty years ago, Al Smith said:

All the ills of democracy can be cured by more democracy.

I share that view and hope that we will apply that principle as we consider the pending legislation.

ORDER FOR TIME TO VOTE ON AMENDMENT NO. 1064

Mr. MANSFIELD. Mr. President, it is my understanding that the distinguished Senator from Alabama (Mr. ALLEN) will call up an amendment today. With his approval and that of the manager of the bill, after consultation with the distinguished Republican leader, I ask unanimous consent that the vote on the Allen amendment (No. 1064) occur precisely at the hour of 3:30 p.m. tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON TREATY AND MINIMUM WAGE CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, some time tomorrow the Senate will take up Executive U, 93d Congress, first session, a Treaty on Extradition with Denmark, which has been favorably reported unanimously by the Committee on Foreign Relations.

I ask unanimous consent that on Thursday at the hour of 12 o'clock, there be a vote on the extradition treaty with Denmark and that following that vote the conference report on the minimum wage bill be taken up.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 12 O'CLOCK TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 12 o'clock tomorrow.

The PRESIDING OFFICER (Mr. TOWER). Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM WEDNESDAY TO 11 A.M. ON THURSDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business tomorrow, it stand in adjournment until 11 a.m. on Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. CLARK. Mr. President, I ask unanimous consent that two of my staff members, Andrew Loewi and Brady Williamson, be allowed to the privilege of the floor during the consideration of S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I ask unanimous consent that amendments Nos. 1013 and 1014 be considered as having met the reading requirements of rule XXII under the standing rules of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, the bill before us today—the Federal Election Campaign Act Amendments of 1974—is without question one of the most significant pieces of legislation the Senate has considered in the last 2 years. From Theodore Roosevelt to Henry Cabot Lodge to John F. Kennedy, the effort to establish public financing of Federal elections has continued throughout much of this century. Under the leadership of Senators LONG and PASTORE, the Congress has enacted public financing for Presidential general elections beginning in 1976. But now, through the considerable efforts of Chairman HOWARD CANNON and the Rules Committee, we have the opportunity to provide public financing for congressional campaigns as well.

This legislation (S. 3044) will provide for matching payments to primary candidates, for optional full funding for candidates in the general election, for strict contribution and expenditure limitations, for fair treatment of minor party and independent candidates. The bill incorporates the many sound provisions of S. 372, the campaign reform bill passed by the Senate last summer. These include the establishment of an independent Federal Election Commission, strengthened reporting requirements, full financial disclosure for Federal officials and candidates, tough penalties for violators, and repeal of the equal time provision of the Communications Act.

This legislation is sound, the need for it is obvious, and I certainly will support it. My only concern is that it does not go far enough, and I do plan to offer amendments to the bill.

No one contends that passage of this legislation—with or without strengthening amendments—will somehow automatically bring an end to all of the abuses that have come to light in the past 2 years. But surely this bill will help change a political process that in many ways has become the private preserve of the wealthy and special interests, and it will help us return to a Government responsive to all of the people.

Mr. President, at a time when public confidence both in the Congress and the Chief Executive are below 30 percent, at a time when a substantial majority of the American people favor public financing of elections, the failure to enact this legislation would be wholly irresponsible.

In one sense, President Nixon was right when he said that "1 year of Watergate is enough." We must never again subject this country to the kind of conduct that characterized election year 1972. It is time to bring a halt to the tyranny of the private dollar in the public's business, and the passage of S. 3044 will be a very significant step in that direction.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that two members of my staff, Ms. Francie Sheehan-Brady, and Mr. Angus King, be given the privilege of the floor during debate on S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I call up my amendment which is at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 75, line 19, redesignate subsection "(a)" as subsection "(a)(1)".

On page 75, line 19, strike the word "person" and substitute the word "individual".

On page 75, line 22, strike the word "person" and substitute the word "individual".

On page 75, following line 23, add the following new subsection:

"(2) No person (other than an individual) may make a contribution to, or for the benefit of, a candidate for nomination for election, or election, which, when added to the sum of all other contributions made by that person for that campaign, exceeds $6,000."

On page 75, line 25, strike the word "person" and substitute the word "individual".

On page 76, line 2, strike the word "person" and substitute the word "individual".

On page 76, line 2, strike the period and add the following:

"; or from any person (other than an individual) which, when added to the sum of all other contributions received from that person for that campaign, exceeds $6,000."

Mr. HATHAWAY. Mr. President, the purpose of my amendment is to correct an inequity in S. 3044 by distinguishing between individuals and organizations with regard to contribution limitations.

As reported, the bill places a $3,000 limitation on what a person—defined as an individual or an organization—may contribute to a candidate for the House or Senate in any election. Only a candidate's own campaign organization and the national and State party committees are exempt from this provision.

Obviously, the intent of the limitation is to eliminate the specter of bought elections and to lessen the role of big money in politics.

In effect, though, the limitation equates one wealthy contributor with an organization of hundreds or thousands. Thus it discriminates against the modest contributors who choose to give through an organization that reflects his philosophy or views.

The role of broad-based citizen interest groups—whether conservative—such as the Americans for Constitutional Action or the American Conservative Union—liberal—such as the National Committee for an Effective Congress or the Council for a Liveable World—or single issue—such as the League of Conservation Voters—is to help elect persons who support the group's views or ideology. The citizens who contribute to such organizations often do not have the time or expertise themselves to find out which candidates most nearly share their views, are most qualified, have real chances of winning, and so on. By giving through such committees, they participate in the most intelligent way in the election process.

It is important to point out, too, that the limitation of the Senate bill does not greatly restrict large business interests or labor union participation. Individuals within a corporation or company may each give "voluntarily" as they do now, or they may establish committees in several cities or States, as many as they wish, and each may contribute the full amount to any single candidate. Since most labor organizations, many trade associations and business groups already have State, local, and regional affiliates, they have an existing network to support candidates, and each of these committees may contribute the maximum to each candidate.

In contrast, large citizens' groups usually raise funds by mailings to the general public. They are known by their name and their reputation, and cannot suddenly split into many different committees with different names.

A legitimate political committee should be allowed to contribute at least twice as much as an individual. Some, including the New York Times in an editorial comment, have suggested that such organizations be allowed to contribute three or four times the amount a single individual can contribute. It has been pointed out that, under the present proposal, Mr. and Mrs. Clement Stone could legally contribute twice as much to a House or Senate candidate as could the National Committee for an Effective Congress, an organization of 80,000 persons.

My amendment would partially remedy this inequity by distinguishing between an "individual" and a "person," and by allowing an organization to contribute twice as much as an individual.

In effect, my amendment would allow that an organization could contribute the same amount that a married couple can now contribute under the pending bill.

Mr. President, I urge the adoption of my amendment.

Mr. CANNON. Mr. President, I have gone through this amendment and I would ask the Senator from Maine, do I correctly understand that his amendment would not change in any way the limit now imposed on an individual, which says that an individual can contribute not to exceed $3,000 to a political candidate?

Mr. HATHAWAY. The Senator is correct.

Mr. CANNON. That means that a husband and wife, therefore, could contribute $6,000, because each, as an individual, could contribute $3,000?

Mr. HATHAWAY. That is correct.

Mr. CANNON. The Senator's amendment, then, would simply be that an organization, being defined as a person, would be in the same contribution category as a husband and wife would be, insofar as the limits were concerned.

Mr. HATHAWAY. The Senator is absolutely correct.

Mr. CANNON. So that an organization that has many members which may be contributing small amounts could, then, instead of being limited to $3,000, the proposal now in the bill, would be limited to $6,000, the same amount a husband and wife together could give to a candidate.

Mr. HATHAWAY. The Senator is correct.

Mr. CANNON. This makes no other changes in the bill, then, is that correct?

Mr. HATHAWAY. It does not make any other changes in the bill.

Mr. CANNON. I thank the Senator.

Mr. GRIFFIN. Mr. President, will the Senator from Maine yield?

Mr. HATHAWAY. I yield.

Mr. GRIFFIN. Obviously, if the Senator's amendment were to be adopted, the situation would be better than what we have today where organizations such as those having milk funds can make unlimited contributions. But I suggest that even with the Senator's amendment, it is disturbing that we would be delegating to some organization the decision as to who is to be supported to the extent of $6,000,

If we really want clean elections and clean campaigns, we would strictly insist that all contributions be made by individuals to the candidate of their choice. To me, that is the way it should be.

So I am opposed to the Senator's amendment. I believe he moves in the wrong direction. I think we should be moving away completely from elections that are supported and financed by special interest groups. This amendment would allow the special interest groups to be able to pick and choose in supporting the candidates rather than individual citizens.

Am I wrong in that assessment?

Mr. HATHAWAY. The Senator is partially right, and I hope to see the day when all individuals in this country take so much interest in our political process that we can have a system in which only individuals will be allowed to make contributions.

However, in the meantime we are faced with the reality that most individuals do not have that much interest or do not take the time to find out about the qualifications of all the candidates who are running for public office. With some exceptions, the organizations to which many of these same people belong are idealistic, legitimate organizations. They are not necessarily out to get somebody or have an ax to grind. They do operate conscientiously to further the interests of their members, and they provide a good vehicle for contributions which probably would not otherwise be made to political campaigns.

Certainly, the limitation of $6,000 is not a very large one to be placed upon such organizations. I mentioned in my earlier remarks organizations such as the Committee for an Effective Congress, which has 80,000 members. A $6,000 limitation for such an organization does not seem to be out of line.

Mr. GRIFFIN. I might agree with the Senator in terms of a Presidential election or a Senate election in a big State. But when we are talking about a congressional election in which the total amount of the funds is much smaller, I would suggest that two or three of these organizations which are essentially in league with one another could have a great impact on a congressional election.

With this amendment, it seems to me that we are right back again to the special interest control of elections. I thought that is what we are trying to move away from with this legislation.

While I regret to do it, I think we should have a rollcall vote on this amendment. Since the majority leader has announced that we will not have any rollcall votes today, I suggest for the consideration of the manager of the bill and the sponsor of the amendment that perhaps we could agree to have a rollcall vote on this amendment tomorrow, either before or after the 3:30 vote that is already scheduled.

Mr. HATHAWAY. Yes; I would be happy to agree to that.

Mr. CANNON. Would the Senator desire to withhold his amendment at this time? The agreement that is in effect permits Senator ALLEN to offer an amendment, to call it up this evening, and it will be voted on at 3:30 tomorrow. Would the Senator be willing to withdraw his amendment?

Mr. HATHAWAY. I would be happy to withdraw the amendment until the amendment of the Senator from Alabama is voted on at 3:30 tomorrow.

The PRESIDING OFFICER. The amendment of the Senator from Maine is withdrawn.

ORDER FOR RECOGNITION OF SENATOR HUGHES TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their des-

ignees have been recognized under the standing order, the Senator from Iowa (Mr. HUGHES) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of Mr. HUGHES on tomorrow, there be a period for the transaction of routine morning business, of not to exceed 30 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the transaction of routine morning business on tomorrow, the Senate resume consideration of the unfinished business, S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRIFFIN). Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ALLEN. Mr. President, I ask that the clerk please report amendment No. 1064, and that it be made the pending business.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

Amend S. 3044, as follows:

Strike TITLE I—FINANCING OF FEDERAL CAMPAIGNS in its entirety.

Mr. ALLEN. Mr. President, the title which the amendment would strike is title I of S. 3044, which is the first 24 pages and the first 4 lines on page 25 of the bill.

The amendment would strike from the bill all those portions thereof having to do with public financing of Federal elections. There is much good in the bill and if we can prune this public financing provision from the bill then there would be no objection to rapid consideration of the features of the bill and an early vote on the bill.

Mr. President, S. 3044 is an original bill coming from the Committee on Rules and Administration, coming as the result of and in compliance with an agreement reached on the floor of the Senate back in December of last year when the public finance rider to the debt limit authorization bill was under discussion. The distinguished Senator from Nevada (Mr. CANNON) and other members of the committee agreed that if that rider were dropped or if further insistence on its acceptance not be made that the Rules Committee would report a bill in some fashion to provide a vehicle for the Senate acting on the public financing of Federal elections idea.

The bill was reported to the floor of the Senate, considered in committee, passed by a vote of some 8 to 1, although some Members who voted for the bill stated that they were doing so only because commitments had been made that a bill would proceed from the Rules Committee to the floor of the Senate.

The Senator from Alabama voted against the reporting of the bill. He made no commitment on the floor of the Senate agreeing to a bill to be reported from the Rules Committee to the Senate.

Mr. President, this bill goes one step further than does the Kennedy-Scott-Mansfield-Mondale-Cranston, and others rider. The rider did not provide for the financing in whole or in part of House and Senate primaries. The Senate bill goes one step further than does the Kennedy bill.

Mr. President, why public financing? Why should we have public financing of Federal elections? Why not leave it in the private sector? Well, they say the lessons of Watergate indicate that the only answer to the abuses pointed out by Watergate is to turn the bill for campaign expenses over to the taxpayer, pay for Federal elections out of the public Treasury, rather than through contributions from individual citizens.

Mr. President, that magic is left to the public money. Why should that be less susceptible to abuses than private contributions? I submit that stricter regulation of Federal elections has not yet been tried; it has not yet been given a fair trial. The 1971 Federal Elections Campaign Act is deficient in many regards: Not only did it have a fatal flaw in it providing that contributions made up to April 7 of 1972 did not have to be reported, but also it makes no limitation on any campaign expenditures except for media advertising. That is the only thing that the limit is placed upon; no overall limit whatsoever on other types of advertising.

Newspaper advertising, radio, television, magazines, billboards—those are limited, I believe to 10 cents per person of voting age. The sky is the limit, though, on expenditures in all other fields. I submit that the other fields of campaign expenditures would be just as large or possibly much larger than in the field of media advertising. What about travel expenses; what about cars; what about brochures; what about campaign office staff, mass mailing, stationery, and postage? All these types of advertising have no limit under the present law, under the 1971 law.

But, Mr. President, the Senate was mindful of that deficiency and on July 30 of last year passed S. 372. That bill would place an overall limitation on campaign expenditures of all types, and whereas the present law makes no effective limitation on the amount that can be contributed by one contributor, as we witnessed, contributions in the hundreds of thousands of dollars were made in the 1972 campaign; S. 372 significantly leaves the campaign expense field in the private sector, and would place a limit of $3,000 per person per election. S. 3044 carries that same $3,000 limitation.

So if S. 372 places a limit on all types of expenditures, not just the media, if it puts an effective limit on that, if it limits campaign contributions to $3,000—and it does—and if it sets up an independent election commission—and it does—and if it limits cash campaign contributions to $50—and it does—it has gone a long way toward effective campaign reform.

There are many atrocities committed in the name of campaign reform, and I submit that public financing is one such atrocity. Every change does not necessarily mean it is a reform, and paying the bill out of the public Treasury is not reform—it is just shifting the burden to the taxpayer.

Mr. President, the Senate set up the Watergate Committee somewhat over a year ago, and one of its responsibilities was to make recommendations on the conclusion of its investigation, about improving the election process in Presidential races.

Well, the Watergate Committee is just about to wind up its work. I assume its report will be forthcoming shortly.

What does the Watergate resolution provide? Section 4, page 13, reads:

> The select committee shall have authority to recommend the enactment of any new congressional legislation which its investigation considers is necessary or desirable to safeguard the electoral process by which the President of the United States is chosen.

Mr. President, based on the votes taken in November and December, and the introduction by an absent Senator of amendments to this bill, my understanding is that 5 out of the 7 members of the Watergate Committee oppose public financing. And the distinguished Senator from Connecticut, just a few minutes ago, was speaking on the subject. I am confident other members of that committee will be on the Senate floor in the coming days, if not weeks, discussing this very same issue and speaking against public financing.

What is the big hurry? We have already passed a bill, S. 372, that does not provide for any public financing—not a dime. Well, that bill passed here on July 30 by a vote of 82 to 8, Mr. President, and the Kennedy-Scott-Mansfield-Cranston-Mondale-Pell rider was de-

feated by a vote of about 52 to 40 when it was offered as an amendment to that bill. That bill is over in the House, and we understand Chairman HAYS has agreed to act in the matter of campaign reform in the very near future.

Before they act on the bill in the House, an effort is made to change the entire thrust of the bill, change the entire position of the Senate, with regard to that legislation. What are our brethren in the House going to think about the Senate sending a bill, providing for private financing with strict regulation, and before they even act on it, the Senate changes its mind and sends an entirely new bill with an entirely different thrust? I believe the Senate should be a little more consistent than that. If we wanted public financing, it looks like it would have been a part of that bill.

What does this bill provide? It keeps that same provision in there about candidates who seek the presidential nomination of the major parties—and there are quite a number of those. When we have a full Senate here, we have quite a number who are seeking the nomination.

I might say, Mr. President, I have an amendment I expect to call up, before the bill is acted on finally, that would forbid any Member of the 93d Congress from receiving any public funds in aid of a Presidential nomination contest for the Presidency for the term starting January 20, 1977, which would be the start of the next term. We have a number here in the Senate who seek the Presidency or would accept the nomination if it came their way. The bill still provides that a Member of the Senate or a Member of the House could seek the Presidential nomination of one of the major parties, and if he were successful in getting $250,000 in contributions of $250 or less, then the Federal Treasury would write him a check for $250,000. It would match that $250,000, and then subsequent contributions of up to $250 that he received would be matched by the Federal Treasury. He could come in every 2 or 3 days and pick up his check or his matching funds. That keeps going until he has collected from the Federal Government some $7.5 million to aid him in his election campaign.

If Governor Rockefeller had contributions of that size and that amount, he could get $7.5 million out of the taxpayer's pockets.

Governor Connally in the same way. Governor Reagan in the same way. Senator PERCY in the same way. Senator KENNEDY in the same way. Their contributions up to $250 would be matched by the Federal Government up to $7,500,000.

In a colloquy this morning or early this afternoon with the distinguished Senator from Rhode Island (Mr. PELL), I asked him if there is in the bill anything that sets a time beyond which or back of which contributions would not be matchable or could not be received. I asked how far back it went. He said that there was no limitation.

I asked,

Does that mean that a man who has been running for the Presidency for some while could come in and say, "In the last five years I have collected so many thousands of dollars in my race for the Presidency, and I want the Government to match that?"

I asked if that were possible under the bill.

The Senator from Rhode Island replied,

Oh, yes; that is possible under the bill.

Then I asked,

Looking prospectively, now—looking at future races—suppose a man says, "I do not believe I am ready to run for President in 1976. I want to wait and run in 1980, or perhaps I want to run in 1984."

I asked if it were possible for a candidate to seek the nomination in 1980 and participate in the Federal subsidy?

The Senator from Rhode Island replied,

Oh, yes, that is all right.

I asked,

Is it possible, then, to have one class of candidates seeking the 1976 nomination, another class seeking the 1980 nomination, another group seeking the 1984 nomination, and then another group seeking the 1988 nomination?

The Senator from Rhode Island replied,

Oh, yes. That is permissible.

Mr. President, I do not believe that the Senate wants to approve a measure of that sort.

I have thought that the Washington Post would be in favor of almost any sort of bill that was said to provide for public financing or that was said to be for election reform. But I have found, to my surpise, that in this morning's Washington Post, the lead editorial said this about S. 3044. The editorial did not call the bill by name.

Thus the Senate last summer sent the House a very solid bill to curb private giving and spending and to strengthen the enforcement of the election laws. And today the Senate begins debate on a very ambitious bill to extend public financing to all federal primary and general-election campaigns.

I have always felt that the Post had a strong interest in public financing.

That bill was passed by the Senate and is in the House today. We do not know that it is not going to be acted on. Either that bill or a similar bill will be acted upon.

Let me read further from the Washington Post editorial:

The problem with the latest Senate bill——

That is, S. 3044, the bill before the Senate——

is that it tries to do too much, too soon, and goes beyond what is either feasible or workable.

Mr. President, this is the Washington Post making sound suggestions, such as I have just read.

For one thing, the bill provides for full public financing of congressional general-election campaigns, and that is clearly indigestible in the House this year, since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill. The more serious defects in the Senate bill involve the inclusion of primaries.

That is something the Senate committee, in its wisdom, added to the Kennedy-Scott-Mansfield-Mondale-Cranston-Pell rider approach. I continue to read:

No aspect of the federal elections process is more motley and capricious than the present steeplechase of presidential primaries.

That is a field which the committee bill is seeking to clarify.

Injecting even partial public funding into this process, without rationalizing it in any other way, makes little sense.

As for Congressional primaries, they are so varied in size, cost and significance among the States that no single system of public support seems justifiable without much more careful thought.

I commend a reading of this editorial in the Washington Post to Senators, particularly Senators who advocate the public financing aspect of the bill.

What the Senate bill seeks to do is similar to a rider that failed of adoption last year. It is a worse bill in some respects, as I have pointed out, in that it seems to include the primary campaigns of Members of the House and the Senate. It goes even further than the Kennedy-Scott rider of last year. The pending amendment, the amendment on which agreement has been made to vote tomorrow afternoon, is to strike out title I, but to leave the remaining title, "Title II—Changes in Campaign Communications Law and in Reporting and Disclosure Provisions of the Federal Election Campaign Act of 1971," title III, crimes relating to elections and political activities—that would be preserved—title IV, disclosure of financial interests by certain Federal officers and employees, and title V, related Internal Revenue Code amendments. Those four remaining titles would still stay in the bill.

The distinguished majority leader this morning sought to obtain unanimous consent to strike title V in order that it might be considered on legislation which had originated in the House of Representatives, that it might be attached to the legislation originating in the House and referred to the Ways and Means Committee over there.

Mr. President, what title V does in the bill before us—and we do not know whether it will stay in the bill or not; I rather believe when we come to a vote on the majority leader's motion it will be stricken—is as follows: Title V is divided into two parts. One deals with the checkoff. And speaking of the checkoff, this checkoff system that we have really provides the vehicle and the method and system by which the 1976 general election Presidential campaign can be financed.

It is estimated by the fiscal authorities that by 1976 there will be over $50 million in this checkoff fund. It is provided that the candidate of each major party shall get 15 cents per person of voting age throughout the country, which will run about $21 million; so the Democrats and Republicans can be financed under the present check-off laws. We do not need this S. 3044 to provide for the public financing of national Presidential elections. We do not need that at all.

The only catch in it—catch 22, so to speak—is that in order to come under the provisions of the present check-off, the political party has to agree that it will make do in the campaign with this $21

million, and that the candidates will not accept any private contributions. I rather believe we are going to see some legislation later on increasing this amount of 15 cents per person of voting age through the check-off to a larger amount, so that the parties can run more expensive campaigns than a $21 million campaign. But $21 million, Mr. President, will be available to the Democrats in 1976 and to the Republicans in 1976, so it is really not necessary to have this measure if what we are talking about is Presidential elections. If we want to finance the Presidential election of 1976, it is already provided for. It already comes under the provisions of existing law.

Now, this check-off provision provides for double that amount. They do not think it is enough, so they want to double it. That would be $2 for a single person, $4 for a couple, and there is a nice little gimmick there, Mr. President, that if they do not check it off, it is assumed they did check it off. So, if they do not say they do not want it, it is assume that they do want it.

Mr. President, I do not believe we need these changes in the check-off law, and I will be glad to see the majority leader's motion carry when it comes up for consideration.

Of course, under the present deductions of credits allowed, in addition to the check-off, there is something entirely different; on the income tax, you are allowed either credits or deductions for contributions you make to political campaigns. So under this public financing on a mixed type deal, mixing public funds and private funds, the Government would be paying, through those deduction and credit provisions of the income tax law, what the individual put in, and then the Government will match what it has already given the taxpayers to put in.

So, actually, the taxpayer would not be putting in anything on small contributions up to $50 that it provides, I believe, for a credit on the tax, and $200 for a couple on a deduction. So the Government, under this mixed plan of the bill before us, would be matching private funds with public funds when it has already given the taxpayers the money to put in on the private fund basis up to a certain amount. It would be the Government paying both ends of it.

Mr. President, I understand that one of the distinguished sponsors of this legislation would like to address the Senate, and I shall yield the floor at this time and continue with the remainder of my remarks at a later time.

I yield the floor.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Carey Parker of my staff may be present on the floor during the consideration of S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I am pleased to give my support to S. 3044, the election reform bill now before the Senate. No bill in this Congress is more important.

In large measure, how we deal with the pending legislation will determine the long-run health of our democratic system of government in the years to come.

For that reason, I am especially pleased to commend Senator HOWARD CANNON, the chairman of the Rules Committee, and Senator CLAIBORNE PELL, the chairman of the Elections Subcommittee, for the far-reaching bill they have guided to the Senate floor, especially title I, which deals with public financing of elections. Since most of the debate on the bill is likely to concern the bill's approach to public financing, I would like to address my remarks today to that issue.

A detailed summary of the public financing provisions of S. 3044 is attached as an appendix to my remarks. In essence, these provisions do two things:

First, the bill takes Senator RUSSELL LONG's dollar checkoff, the imaginative device enacted by Congress in 1971 for public financing of Presidential general elections, and extends it to Senate and House general elections. Under the checkoff, full public funding will be available for the general election campaigns of candidates of the major political parties, and proportional public funds will be available for candidates of minor parties.

Second, in a genuine breakthrough, the Rules Committee bill does not stop with public financing of general elections. It also offers public financing for all primaries for Federal office—President, Senate and House—through a system of matching public grants for small private contributions.

Thus, S. 3044 proposes a system of comprehensive public financing for all Federal elections.

Taken together, these provisions of the bill can spark a renaissance in American political life, because public financing of elections is the answer to many of the deepest problems facing the Nation, especially the lack of responsiveness of government to the people. Only when all the people pay for elections will all the people be truly represented in their government.

At a single stroke, we can drive the money lenders out of the temple of politics. We can end the corrosive and corrupting influence of private money in public life. Once and for all, we can take elections off the auction block, and make elected officials what they ought to be—servants of all the people instead of slaves to a special few.

Amid so much that is negative today—the paralysis of our Nation's highest leadership, the increasing probability that the President will be impeached, the resignation of a Vice President, the indictments of many former highest White House aides, the sick economy soaring upward into inflation and driving downward into recession—amid all these issues, reform of campaign financing stands out like a shining beacon, as the most positive contribution Congress can make to end the crisis over Watergate, and restore the people's shattered confidence in the integrity of their Government.

Most, and probably all, of the things that are wrong with politics and public office in this country today have their roots in the way we finance the campaigns in which the Nation's highest officials are elected.

We get what we pay for. As a result, we have the best political system that money can buy, a system that has now become the worst national scandal in our history, a disgrace to every basic principle on which the Nation stands.

Who really owns America Who owns Congress? Who owns the administration? Is it the people, or is it a little group of big campaign contributors? Take seven examples that are obviously current today:

Does anyone doubt the connection between America's energy crisis and the campaign contributions of the oil industry?

Does anyone doubt the connection between America's reluctance to enforce effective price controls and the campaign contributions of the Nation's richest corporations, especially the $100,000 corporate capitation tax imposed by the managers of President Nixon's reelection campaign in 1972?

Does anyone doubt the connection between America's health crisis and the campaign contributions of the American Medical Association and the private health insurance industry?

Does anyone doubt the connection between the massive tax loopholes in the Internal Revenue Code and the campaign contributions of those who enjoy the benefits of such loopholes?

Does anyone doubt the connection between the crisis over gun control and the campaign contributions of the National Rifle Association?

Does anyone doubt the connection between the transportation crisis and the campaign contributions of the highway lobby?

Does anyone doubt the connection between the demoralization of the foreign service and the sale of ambassadorships for private campaign contributions?

These areas are only the beginning of the list. The problem is especially urgent and pervasive today, because of Watergate and the soaring cost of running for public office. But if 1972 was unique at all in campaign financing, it was unique only in the unscrupulous intensity and efficiency with which large private contributions were so successfully solicited.

Corruption or the appearance of corruption in campaign financing is not a new phenomenon. It affects both the White House and the Congress. In fact, I would venture that for at least a generation, few major pieces of legislation have moved through the House or Senate, few major administrative agency actions have been taken, that do not bear the brand of large campaign contributors with an interest in the outcome.

Watergate did not cause the problem, but it may well offer the last clear chance to solve it. Through public financing, we can guarantee that the political influence of any citizen is measured only by his voice and vote, not by the thickness of his pocketbook.

To the man in the street, as the recent polls make clear, politics in American life has now sunk to the depths of public service in the heyday of the notorious just as the spoils system finally sank of

spoils system of the 19th century. And its own scandals, incompetence and corruption, and gave way to the appointed civil service based on merit we know today, so the spoils system of private campaign financing is sinking under the scandal of Watergate, giving way to a new era of elected public service, based on public financing of elections to public office.

It is clear, however, that public financing is not a panacea for America's every social ill. It is not a cure for all corruption in public life. It is not a guarantee that those who enter public service will be any wiser in solving America's current problems. What it does mean is that public decisions will be taken in the future by persons beholden only to the public as a whole, free of the abuses that have landed America in the dock in the eyes of democratic nations throughout the world, free of the appearance of special influence and corruption that have done so much in recent years to bring all government to its present low estate.

There are a number of issues which are being raised in connection with public financing, and which we will discuss in detail in the present debate.

PAST ACTION BY THE SENATE ON PUBLIC FINANCING

First, the bill is not being rushed through Congress prematurely. The principle of public financing has received extensive analysis by Congress over many years, especially by the Senate. In fact, the present debate marks the fifth year in the past decade in which the Senate is engaging in major floor debate on public financing legislation:

1966 saw the birth of the original dollar checkoff legislation, sponsored by Senator LONG and signed into law by President Lyndon Johnson.

1967 saw that law delayed, caught in the crossfire of the then emerging passions over the 1968 Presidential election.

1971 saw the act revived, and again signed into law, this time by President Richard Nixon.

And, in the wake of Watergate, 1973 saw the first attempted extension of the checkoff to other Federal elections, in a measure passed initially by the Senate, but later killed by a Senate filibuster mounted by those unwilling to let the majority work its will.

There is a Rip Van Winkle tone to arguments of those opposed to public financing. We already have public financing for Presidential elections. It is already a Federal law. It is already printed on the statute books.

Surely, Congress is not about to roll back the clock on the dollar checkoff by repealing its provisions. The issue now is whether to extend the dollar checkoff, by applying its provisions to Presidential primaries and to Senate and House elections.

I say, if public financing is the answer to the problems of private money and political corruption in Presidential elections, then it is also the answer to the problems of private money and political corruption in other Federal elections, too. If public financing is good enough for President, it is good enough for the House and Senate, too.

PUBLIC FINANCING IS NOT TAXATION WITHOUT REPRESENTATION

Second, to those who say that public financing of elections is taxation without representation, I reply that taxation without representation is what we have today, with a system of campaign financing that turns elected officials into vassals of their big contributors.

If we want a President and Congress who represent all the people, then all the people have to pay the cost of their campaigns for public office.

Similarly, to those who say that public financing is a raid on the Federal Treasury by candidates for public office, I reply that the real raid on the Treasury is the raid that is going on today, the raid that is costing taxpayers tens of billions of tax dollars a year in undeserved privileges and benefits, bought by the private campaign contributions of wealthy donors and special interest groups.

Moreover, under the dollar checkoff method of public financing now being widely used on this year's tax returns, it is clear that no one's tax dollars are being taken for public financing against his will. No tax dollars go into the election fund at all unless a taxpayer checks the box on his return.

If the dollar checkoff works, it means that every dollar in funds for public financing is coming from an individual taxpayer who has given his consent. That is a complete answer to those who say that taxpayers should not be forced to pay for political campaigns, and that public officials should not be spending public money on themselves.

True, the new Senate bill would enable any deficits in the checkoff fund to be made up by congressional appropriations. But the allocation of tax dollars for financing elections is no different in principle from the allocation of tax dollars for any other purpose.

Not every citizen approves the way every tax dollar is spent. The most obvious example is Vietnam—over a period of more than a decade, America poured more than a hundred billion tax dollars into the Vietnam war, over the continuing opposition of what began as a small segment of the population, but finally became a majority of Congress and the Nation.

To some, public financing of elections may not be the most desirable use of public dollars. But it is a vast improvement over private financing.

We do not let wealthy private citizens pay the salaries of the President and Senators and Congressmen. Why should we let wealthy private citizens pay the cost of their campaigns?

As with many other Federal spending programs, some citizens may oppose the way Congress decides that particular tax dollars shall be spent. But to call such spending "taxation without representation" is a distortion of one of democracy's greatest principles and a travesty on one of America's proudest slogans.

THE CONSTITUTIONALITY OF PUBLIC FINANCING

The third important issue concerns the questions that have been raised about the constitutionality of public financing. I believe that the language of the Constitution and a long line of precedents in the Supreme Court, going back to the 19th century, establish ample authority for Congress to enact this legislation.

In each of the major areas where first amendment and other constitutional overtones are present, especially in the treatment of minor parties and the generous role carved out for independent private spending, the Senate bill proceeds with clear regard for basic legal rights.

No one—no candidate or contributor—has a constitutional right to buy an election. To suggest that Congress cannot enact this measure is to deny democracy the right of self-survival.

Surely, with 535 experts preeminent in the field, Congress has the constitutional power to correct a clear and present evil it recognizes in the arena of elections.

To paraphrase the famous words of Justice Oliver Wendell Holmes, challenging Supreme Court decisions thwarting progressive social legislation at the turn of the century, the Constitution does not enact Mr. Herbert Kalmach's political ethics.

And so, I am confident the Supreme Court will uphold the pending legislation if it passes Congress and a challenge is ever brought.

THE ROLE OF POLITICAL PARTIES UNDER PUBLIC FINANCING

Fourth, contrary to the premature obituaries being offered, public financing is not a nail in the coffin of the two-party system in America. It will not diminish in any substantial way the role of political parties in the Nation.

To the extent that public funds go to candidates themselves instead of to the parties, the Senate bill simply reflects the existing reality of campaign spending, in which the role of the candidate is and must be paramount. Congress settled this issue in 1967 and ratified it again in 1971, and that is where it rests today.

In two of its provisions, moreover, the Senate bill specifically enhances the parties' role:

By conferring independent spending authority on party committees at the national and State level, over and above the candidates' own spending limits, the bill establishes a specific role for the parties in their own right, free of the candidates' control.

And, by prohibiting expenditures over $1,000 by a candidate for President unless the expenditure has the approval of the party's national committee, the bill guarantees a substantial supporting role for the parties in the national campaigns.

On balance, therefore, far from damaging the parties, the prospects are good that public financing will in fact be a useful counterbalance to the forces driving the two-party system apart and splintering modern politics.

Realistically, public financing by itself is not a lever strong enough to rejuvenate the political parties in America. But if that is the direction in which the larger political and social forces now at work are moving, then public financing will contribute significantly to the goal.

THE INADEQUACY OF FULL DISCLOSURE

Fifth, to those who say go slow, that limits on total campaign spending and limits on private contributions are enough for now, that all we need is full reporting and disclosure. I reply that sunlight is too weak a disinfectant, that we should not be satisfied with timed steps today, when Watergate and the experience of 1972 prove that bolder ones are needed.

The Nation had an ample full disclosure law on the statute books for most of the 1972 campaign. True, as we now know, there was a scramble by some of the largest donors to make their contributions before April 7, 1972, the date the disclosure law became effective.

But, as the recent report of the General Accounting Office makes clear, vast amounts of private contributions were made and duly reported after April 7 as well. Wealthy contributors with special interest money barely missed a stride under the full disclosure law.

No one is inhibited by full disclosure from making a sizable contribution, if that is the investment he thinks is needed to protect his special interest. And, as Watergate makes clear, if the pressure is great enough, the money will be found and the contribution will be made in secret, in flagrant violation not only of the disclosure law but also of other criminal provisions in the election laws, such as the prohibition on corporate contributions.

When some of the most distinguished corporations in the Nation—familiar names like American Airlines, Goodyear Tire, Gulf Oil, and Minnesota Mining and Manufacturing—confess to blatant crimes involving hundreds of thousands of dollars in illegal corporate contributions, and then compound their crimes by using foreign agents and laundered foreign bank accounts to cover up the trail, we begin to understand the irresistible financial pressures that are corrupting our national life and destroying our democracy.

The basic defeat of a full disclosure law is that disclosure, by its nature, will not work. Too often, the requirement of disclosure is easily evaded. And even where disclosure is made, it will never be full enough, because a donor will never disclose the things he wants in return for the contribution he is making.

A separate problem in relying on the disclosure-contribution-spending-limit approach, without public financing, is that Congress would be aiming in the dark. Therefore, the danger exists that the limits would be set so high that they would be meaningless as real reform, or so low that they will break the back of private financing, without leaving any realistic alternative in its place.

The pending Senate bill steers a middle course, avoiding both extremes. It sets the contribution limit at $3,000 per individual per campaign—low enough to prohibit clearly excessive private contributions, but high enough to allow a candidate to run his campaign entirely on private funds, if that is the route he chooses.

In addition, the bill offers candidates the alternative of public funds for both their primary campaigns and their general election campaigns, at realistic levels that not only are high enough to avoid any reliance at all on large private contributions, but also are high enough to enable any serious challenger to get his message to the people. No one can fairly say that in S. 3044, the Senate is writing a dream bill for incumbents.

The application of S. 3044 to primary elections illustrates the cautious approach of the bill to the issue of public financing:

Any candidate may choose to finance his campaign entirely through private contributions, at $3,000 per donor.

Or, he may obtain matching grants of public funds for each $100 contribution in congressional primaries, or each $250 contribution in Presidential primaries.

For example, for each $3,000 a Senate candidate needs to finance his campaign, he must decide whether it is easier to raise the full amount from a single donor, or to raise it from 15 donors of $100 each, whose contributions will be matched by $1,500 in public funds to reach the $3,000 level. In effect, the $3,000 contribution ceiling will function as a safety valve in the event that the novel concept of matching grants fails to work in practice.

Equally important, to qualify for any public funds at all for his primary campaign, the candidate must meet the bill's substantial test of raising a high threshold of $100 contributions—20 percent of his spending limit in the case of a Senate primary. As the threshold provisions make clear, the bill offers no easy access to the Treasury for political candidates seeking a joyride at the taxpayers' expense. No one will be entitled to public funds until he satisfies the threshold, and thereby meets the bill's stiff test of the seriousness of his candidacy.

THE ROLE OF PRIVATE FINANCING

Sixth, contrary to some reports, the public financing provisions of the bill are in no sense mandatory. The bill does not prohibit private financing, and it certainly does not prohibit small private contributions.

In fact, it provides strong incentives for small contributions in primaries, since it offers matching public funds only for the first $250 in private contributions for Presidential primaries and the first $100 in primaries for the Senate and House.

Private contributions also have a role to play in general elections, since major party candidates will have the option of relying entirely on private funds, entirely on public funds, or on any combination in between.

And in both primaries and general elections, the bill provides new incentives for small private contributions by doubling the existing tax credit and tax deduction available for such contributions.

In those respects, the bill recognizes the vigorous differences of opinion on the proper role of small private contributions. Some feel that such contributions are an essential method for bringing citizens into the system and encouraging popular participation in politics.

Others, like myself, feel that there are better ways to bring a person into the system than by reaching for his pocketbook, and that the best way to a voter's heart is through his opinions on the issues not through the dollars in his wallet.

As it should, the bill accommodates both views, letting each candidate "do his own thing," without forcing any candidate into a rigid formula for financing his campaign.

In this respect, S. 3044 is an improvement over the 1971 dollar checkoff law, which prohibits a person who accepts public funds from accepting private contributions. Under S. 3044, there is greater flexibility—a candidate can select the mix of private and public funds he wants for his campaign, such as 50–50 or 80–20, and is not obliged to accept public funds on an all-or-nothing basis.

For that reason, I am opposed to alternative proposals that would turn public financing for general elections into a compulsory mixed system of partial public funds and partial private contributions, with or without matching grants.

Last November, in the floor debate on the public financing amendment to the Debt Ceiling Act, the Senate voted 52–40 against a proposal to cut the amount of public funds in half and to require the remainder to be raised in private contributions. As Senator JOHN PASTORE succinctly put it in the floor debate, in opposing such a mandatory mixture of public and private financing:

> Either we are going to have or not going to have public financing. If we are going for public financing, let us go for public financing. If we are not going to have it, let us not have it. What we have here [in the proposal for a mixed system] is a hermaphrodite.

If participation in politics through small private contributions is the goal, then the dollar checkoff is already achieving it. More than 4 million taxpayers have used the checkoff so far in 1974. At the current rate, 12 million taxpayers will have used it by the time all returns are filed on April 15. That is a world record for public participation in campaign financing, a tribute to the workability on the "one voter-one dollar" approach to public financing enacted in 1971.

Further, it is by no means clear that it is feasible for a large number of general election campaigns across the country to be run on small private contributions.

The Goldwater campaign in 1964, the McGovern campaign in 1972, and the Democratic National Committee's telethon in 1973 are good examples of successful fundraising through small private contributions, but they prove only that such fundraising may work in the unique circumstances involved in those campaigns.

They do not prove that the method will work when every Senate, House and Presidential candidate is tapping the pool of small contributors.

The net result of such a system applied to all elections may simply be to put a premium on the best-known candidate, or the candidate who starts the earliest or who hires the best direct-mail expert as his fundraiser.

Nor would it be desirable, in my view,

to adopt a program of matching grants for small private contributions as the form of public financing for general elections.

In the case of primaries, a system of matching grants is appropriate and is the method adopted by S. 3044. In fact, matching is the only realistic method of public financing in primaries, since it is the only realistic way to identify those who are serious candidates. The candidates who deserve public funds are those who have demonstrated broad appeal by raising a substantial amount of private funds from small contributions. Thus, if we are to have any public financing of primary elections, it must be accomplished through matching grants.

In the general election, however, the nomination process has already identified the major party candidates who deserve public funds. It is appropriate, therefore, as S. 3044 provides, to give them the full amount of public funds necessary to finance their campaigns, with the option for every candidate to forgo all or part of the public funds if he prefers to run on private contributions.

Thus, full public funding in the general election gives a candidate maximum discretion in running his campaign. If an extra layer of private spending is allowed, all candidates would be obliged to raise the extra amount as a guarantee that they would not be outspent by their opponents.

As a result, all candidates would be forced into the mandatory straitjacket of spending time and money to raise small private contributions, even though many candidates would prefer to spend that time and money in more productive ways in their campaigns.

A system of matching grants in general elections would be especially dangerous to the existing two-party system, since it might encourage splinter candidates—for example, a candidate narrowly defeated in a primary would be encouraged to take his case to the people in the general election as an independent candidate or as a third party candidate. Under S. 3044, by contrast, a third party candidate with no track record from a past election would still be able to obtain public funds, but only retroactively, on the basis of his showing in the current election.

Thus, in its provisions offering full public funds on an optional basis for general elections, S. 3044 avoids the waste, pitfalls, and obvious dangers to the election process of a mixed system of public-private financing or a system of matching grants, and I urge the Senate to approve it.

THE EFFECT ON BUSINESS AND LABOR

Seventh, we must lay to rest the specter that public financing will fracture some presumed election compact between business money and labor manpower in American public life.

That view contains a basic fallacy, because it paints a picture of political life that no candidate would recognize. The impact of public financing will be approximately equal on both business and labor, because both business and labor depend primarily on money and large campaign contributions to support the candidates they favor.

Under public financing, neither business, nor labor, nor any other interest group will be able to purchase influence or any other special benefit. But neither will they have a monopoly on the manpower or on the energy and ability of those who are willing and eager to participate in political campaigns.

THE COST OF PUBLIC FINANCING

Eighth, to those who say we cannot afford the $90 million annual price tag on the public financing provisions of S. 3044, I say we cannot afford not to pay the price. Dollars for public financing are a bargain at any standard, because they are dollars invested now that promise rich dividends in public service for America in the future.

Think what that price tag really means. For about the cost of a single week of the Vietnam war, for less than a tenth of a cent a gallon on the price of gasoline each year, for less than 50 cents a person each year, we can take the step best calculated to clean the stables of our Government and to bring integrity back to politics.

We trust candidates for Federal office, once elected to the White House and to Congress, to spend over $300 billion in public funds in the annual Federal budget. Why should we hesitate to trust candidates with $90 million a year in public funds for their election?

Through the democracy of the dollar checkoff, we can spread the cost of campaign financing broadly among all taxpayers. Thanks to the good faith efforts of the Internal Revenue Service to publicize the checkoff on this year's tax returns, the procedure is working reasonably well today—15 percent of the returns filed so far in 1974 are using the checkoff now, already a fivefold increase over 1973.

My hope is that the use of the checkoff will increase between now and April 15, as taxpayers become increasingly familiar with the plan. At the present rate, the checkoff will be ample to finance the 1976 Presidential election, but more is needed. To pay for public financing of other elections, the rate of use of the dollar checkoff will have to double once again, which means that one out of every three taxpayers must use the checkoff if supplemental appropriations are to be avoided.

Eighty million taxpayers are voting on their tax return this year. The votes they cast with the Internal Revenue Service between now and April 15 will be some of the most important votes they ever cast, because they are votes for honest, fair and clean elections.

A totally new experiment in American democracy is underway, an experiment as significant in its way as the school desegregation and reapportionment decisions by the Supreme Court in the 1960's, or the civil rights and 18-year-old vote legislation passed by Congress in recent years.

In sum, public financing of elections means no more Watergates. It is the wisest possible investment the American taxpayer can make in the future of his country. If it works, our elections will once again belong to all the people of the Nation. The stage is set for Congress to seize this historic opportunity to bring democracy back to health. May future generations say that we were equal to the challenge.

Mr. President, I ask unanimous consent that a table showing the current results under the dollar checkoff, and an outline of S. 3044, may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WEEKLY AND CUMULATIVE RESULTS OF THE DOLLAR CHECKOFF

	1973 returns using checkoff for 1973			Total returns processed [1]
	November	Percent	Amount	
Weekly Results:				
Through Jan. 18	43,198	10.7	$60,066	
Week of:				
Jan. 25	120,202	14.0	171,984	
Feb. 1	251,312	14.7	365,777	
Feb. 8	396,287	14.3	585,519	
Feb. 15	553,806	14.1	820,986	
Feb. 22	629,823	15.1	930,641	
Mar. 1	766,586	14.6	1,136,250	
Mar. 8	770,729	14.4	1,145,293	
Mar. 15	775,262	13.9	1,150,872	
Cumulative results:				
Jan. 25	163,400	13.0	232,050	
Feb. 1	414,712	14.0	597,827	
Feb. 8	810,999	14.1	1,183,346	
Feb. 15	1,364,805	14.1	2,004,332	
Feb. 22	1,994,628	14.4	2,934,973	13,963,000
Mar. 1	2,761,214	14.5	4,071,223	19,141,000
Mar. 8	3,531,943	14.5	5,216,516	24,472,000
Mar. 15	4,307,205	14.4	6,367,388	30,005,000

	1973 returns using checkoff for 1973			Total returns processed [1]
	November	Percent	Amount	
	1973 returns using checkoff for 1972			
Weekly results:				
Through Jan. 18	21,580	5.3	30,461	
Week of:				
Jan. 25	59,360	6.9	85,998	
Feb. 1	120,088	7.0	177,418	
Feb. 8	186,534	6.7	280,093	
Feb. 15	258,172	6.6	390,459	
Feb. 22	294,289	7.1	443,390	
Mar. 1	359,590	6.9	544,809	
Mar. 8	361,825	6.8	550,796	
Mar. 15	364,592	6.5	555,120	
Cumulative results:				
Jan. 25	80,940	6.4	116,459	
Feb. 1	201,028	6.8	293,877	
Feb. 8	387,562	6.8	573,970	
Feb. 15	645,734	6.7	964,429	
Feb. 22	940,023	6.8	1,407,819	
Mar. 1	1,299,713	6.8	1,952,628	
Mar. 8	1,661,538	6.8	2,503,424	
Mar. 15	2,026,230	6.8	3,058,544	

[1] 81,000,000 returns expected by Apr. 15, 1974: as of Mar. 15, 43,611,000 returns had been received, or about 54 percent of the returns expected to be filed. The figures in the table are based on the number of returns processed.

OUTLINE OF S. 3044—PUBLIC FINANCING FOR FEDERAL ELECTIONS

PURPOSE

1. S. 3044 builds on existing law, which provides public financing for Presidential general elections, by extending its provisions to include public financing for Presidential primaries and for Senate and House general elections and primaries.

EXISTING LAW

2. The existing law is Senator Russell Long's "Presidential Election Campaign Fund Act."[1] known as the dollar checkoff. The Act, as passed by Congress in 1971 and amended in 1973, established a program of public financing for Presidential general elections, to go into effect for the 1976 election. Under the Act, taxpayers are authorized to designate that $1 of their taxes ($2 on joint returns), shall be available for a "Presidential Election Campaign Fund," established on the books of the Treasury. Under the law, the designated amounts must be transferred into the Fund under a specific appropriation enacted by Congress. Once transferred to the Fund, the amounts will be apportioned among eligible major and minor party candidates in the Presidential general election. The 1973 amendments eliminated the so-called "Special Accounts" in the Fund, and left only a "General Account," to be allocated by formula among Presidential candidates. The program is administered by the Comptroller General.

GENERAL PROVISIONS ON PUBLIC FINANCING

3. S. 3044 establishes a Federal Election Campaign Fund in the Treasury as an expanded version of the existing Presidential Election Campaign Fund, to be funded through the dollar checkoff and general appropriations acts of Congress. Payments from the Fund will be made to eligible major and minor party candidates in primaries and general elections for all Federal offices—President, Senate, and House.

4. The bill increases the amount of the dollar checkoff from the existing level of $1 ($2 on a joint return) to $2 ($4 on a joint return).

5. The bill modifies the checkoff to provide an automatic designation of tax dollars into the Federal Election Campaign Fund, unless taxpayers indicate on their returns that they do not want the designation made.

6. The bill authorizes Congress to appropriate funds to make up deficits left in the fund after the operation of the dollar checkoff.

7. The program will be administered by a new Federal Election Commission. The Commission will certify a candidate's eligibility for payments, and be responsible for conducting detailed post-election audits and obtaining repayments when necessary. The Commission will also administer the reporting and disclosure provisions and the contribution and expenditure ceilings of the Federal election laws.

8. There are heavy criminal penalties for exceeding the spending limits, and for unlawful use of payments, false statements to the Commission and kickbacks and illegal payments.

9. The provisions of the bill will go into effect for the 1976 Presidential and Congressional general elections and primaries.

10. The cost of the public financing provisions of the bill is estimated at $223 million in a Presidential election year, and $134 million in the off-year Congressional elections. Thus, the total cost of the program over the four year election cycle is $358 million, or an average cost of about $90 million a year. The cost estimates for each election are as follows:

	President	Senate (33 seats)	House
Primaries	$12,000,000	$1),800,000	$31,000,000
General elections	47,000,000	21,000,000	69,000,000
Total	39,000,000	31,000,000	100,000,000

PRESIDENTIAL, SENATE AND HOUSE GENERAL ELECTIONS

11. Except as indicated, the provisions of S. 3044 applicable to general elections for Federal office are essentially identical to those now applicable to Presidential general elections under existing law. In effect, S. 3044 extends the Presidential Election Campaign Fund Act of 1971 to Senate and House elections.

12. Under existing law, public financing is available as an alternative to private financing for Presidential elections. Candidates have the option of public or private financing, but candidates electing public finnacing may not also use private financing, except in cases where the available public funds are insufficient to meet the candidate's full entitlement.

Under S. 3044, an eligible candidate has the option of accepting full public financing, or full private financing, or any combination of the two. Thus, a candidate eligible for full public financing may choose to accept only half the public funds to which he is entitled, and may finance the other half of his campaign through private contributions. Such private contributions will be subject, however, to the $3,000 contribution limit and other provisions of the bill applicable to private financing.

13. The bill follows the basic formula in the existing dollar checkoff for allocating public funds among candidates of major and minor parties and independent candidates.

A "major" party is a party that received 25% or more of the total number of popular votes received by all candidates for the office in the preceding election, or the party with the next highest percentage of the votes, in an election where only one party qualifies as a major party on the basis of the preceding election.

A "minor" party is a party that received more than 5% but less than 25% of the popular vote in the preecding election.

14. In Presidential elections, a candidate of a major party is entitled to public funds in the amount of 15 cents per voter based on the current estimate of the voting age population in the United States (about $21 million at 1973 levels).

In Senate elections and Statewide Congressional elections a candidate of a major party is entitled to public funds in the amount of 15¢ per voter or $175,000, whichever is greater.

In House elections in States with more than one Representative, the entitlement of a major party candidate is $90,000.

The 15¢ a voter figure and other entitlements will be adjusted for future increases in the cost of living. The figures coincide both with the entitlment of Presidential candidates in the existing dollar checkoff law, and with the campaign spending ceilings in S. 372, which passed the Senate in July 1973.

15. A candidate of a minor party is entitled to receive public funds in proportion to his party's share of the vote in the preceding election. A candidate of a minor party may increase his entitlement on the basis of his performance in the current election, and may obtain retroactive reimbursement for the increase after the election.

16. A candidate of a party which is not a major or minor party is entitled to receive public funds in proportion to his share of the popular vote in the current election, on a retroactive reimbursement basis, if he receives more than 5% of the vote in the election.

17. An independent candidate is entitled to public funds on the same basis as if he were the candidate of a party.

PRIMARY ELECTIONS

18. To qualify for public funds, candidates must accumulate the following threshold amounts of private funds, raised by small private contributions:

President—$250,000, in contributions of $250 or less.

Senate—20% of the spending ceiling or $125,000 (whichever is less), in contributions of $100 or less.

House—$10,000, in contributions of $100 or less.

19. Once the threshold is reached, a candidate is eligible for public funds matching the threshold amount, and to additional public funds matching each additional private contribution of $250 or less in the case of Presidential candidates, and $100 or less in the case of Senate or House candidates. All matching is on a 50–50 (dollar for dollar) basis.

ROLE OF POLITICAL PARTIES

20. In order to assure the continuity of normal functions of political parties, to provide an independent role for the parties in general elections, and to offer an additional opportunity for private contributions, the national committee of a political party is entitled to spend a total of 2¢ per voter of its own funds, collected from private contributions, on behalf of candidates for Federal office in general elections; and a State committee of a political party is entitled to spend a total of 2¢ per voter of its own funds on behalf of such candidates within the State.

21. No expenditure over $1,000 may be made by the Presidential candidate of a party in a general election unless the expenditure has been approved by the Party's national committee.

RELATED PROVISIONS

22. Tax Credit and Tax Deduction.—As an incentive to small private contributions, the bill doubles the existing tax credit and tax deduction for such contributions. The tax credit is increased to one-half of any contribution up to $50 ($100 on a joint return) and the tax deduction is increased to $100 ($200 on a joint return). The cost of his provision is estimated at $26 million ($11 million from doubling the maximum credit, and $15 million from doubling the maximum deduction).

23. Spending Ceilings for General Elections:

President: 15¢ a voter ($21 million).

Senate: 15¢ a voter or $175,000, whichever is greater.

House: $90,000 ($175,000 in a single district state).

24. Spending Ceilings for Primaries:

President: 20¢ a voter per State; 10¢ a voter nationwide ($14.2 million).

Senate: 10¢ a voter or $125,000, whichever is greater.

House: $90,000 ($125,000 in a single district State).

25. Contribution Limits on Individuals:

$3,000 to any candidate or committee. The limit applies separately to each primary and general election. An individual may contribute $3,000 to a Presidential candidate in each primary he enters, and $3,000 in the general election.

Limit on use of personal funds by a candidate: President, $50,000; Senate, $35,000; and House, $25,000.

26. Independent Spending.—Individuals or committees not authorized by a candidate may spend up to $1,000 during the campaign

[1] Presidential Election Campaign Fund Act, P.L. 92–178, 35 Stat. 497, 562–575 (December 10, 1971), as amended by the Debt Ceiling Act, P.L. 93–53, 87 Stat. 134, 138–139 (July 1, 1973).

on behalf of the candidate, independent of the candidate's own spending ceiling.

27. Reporting and Disclosure.—Re-enacts the provisions of S. 372, which passed the Senate in July 1973, and which requires full reporting and disclosure of campaign contributions and expenditures.

28. Full Disclosure of Financial Interests.—An annual statement of income over $1,000, assets and liabilities over $1,000, and transactions over $1,000 must be filed with the Federal Election Commission by Members of Congress, candidates for Congress, and Federal employees earning more than $25,000 a year.

PUBLIC FINANCING FOR GENERAL ELECTIONS—STATE-BY-STATE SPENDING

State	Voting age population (18 yrs. and over)[1]	Public funds 15¢/voter, $175,000 floor	National and State party committees 2¢/voter[2]
Alabama	2,338,000	$350,700	46,760
Alaska	200,000	175,000	4,000
Arizona	1,345,000	201,750	26,900
Arkansas	1,374,000	206,100	27,480
California	14,143,000	2,121,450	282,860
Colorado	1,631,000	244,650	32,620
Connecticut	2,101,000	315,000	42,020
Delaware	382,000	175,000	7,640
District of Columbia	529,000	175,000	10,580
Florida	5,427,000	814,050	108,540
Georgia	3,140,000	471,000	62,800
Hawaii	549,000	175,000	10,980
Idaho	501,000	175,000	10,200
Illinois	7,568,000	1,135,200	151,360
Indiana	3,530,000	529,500	70,600
Iowa	1,957,000	293,550	39,410
Kansas	1,570,000	235,500	31,400
Kentucky	2,235,000	335,250	44,700
Louisiana	2,399,000	359,850	47,980
Maine	689,000	175,000	13,780
Maryland	2,720,000	408,000	54,400
Massachusetts	4,006,000	600,900	80,120
Michigan	5,922,000	888,300	118,400
Minnesota	2,575,000	386,250	51,500
Mississippi	1,453,000	217,950	29,060
Missouri	3,251,000	487,650	65,020
Montana	474,000	175,000	9,480
Nebraska	1,042,000	175,000	20,840
Nevada	365,000	175,000	7,300
New Hampshire	531,000	175,000	10,620
New Jersey	5,030,000	754,000	100,600
New Mexico	691,000	175,000	13,820
New York	12,665,000	1,899,750	253,300
North Carolina	3,541,000	531,150	70,820
North Dakota	421,000	175,000	8,420
Ohio	7,175,000	1,076,250	143,500
Oklahoma	1,832,060	274,800	36,640
Oregon	1,532,000	229,800	30,640
Pennsylvania	8,240,000	1,236,000	161,800
Rhode Island	677,000	175,000	13,540
South Carolina	1,775,000	266,250	35,500
South Dakota	454,000	175,000	9,080
Tennessee	2,799,000	419,850	55,980
Texas	7,785,000	1,167,750	115,700
Utah	715,000	175,000	14,300
Vermont	309,000	175,000	6,180
Virginia	3,243,000	486,450	64,860
Washington	2,329,000	349,350	46,580
West Virginia	1,228,000	184,200	24,560
Wisconsin	3,033,000	454,950	60,660
Wyoming	234,000	175,000	4,680
	141,656,000	21,248,400	2,833,120

[1] Department of Census estimate, 1973 voting age population.
[2] The national committee of a political party may spend up to 2 cents per voter on general elections for Federal office. A State committee of a political party may also spend up to 2 cents per voter on general elections for Federal office in the State.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, the Senator from Alabama was talking about the public financing aspects of the pending bill, and I know that he is very familiar with its provisions and how it would work.

Am I correct in my understanding that if this bill were passed, each candidate in the general elections for the House of Representatives would receive $90,000 out of the public treasury to spend in his campaign?

Mr. ALLEN. I believe that is correct; yes.

Mr. GRIFFIN. And that would not involve any matching funds or private contributions. Each candidate nominated in the primary would be financed to the extent of $90,000.

Mr. ALLEN. Yes; that is correct.

Mr. GRIFFIN. Perhaps I should be addressing my question to the sponsor of the measure.

That is my understanding—and I am sure that he will correct this if I am wrong.

Mr. ALLEN. It would provide a permissible mix of public and private funds.

Mr. GRIFFIN. In the general campaign?

Mr. ALLEN. Mix, not match. In other words, if he did receive, say, $5,000 in private funds, that could be received and would come off the other.

Mr. GRIFFIN. But he would not have to raise anything?

Mr. ALLEN. No, he would not.

Mr. GRIFFIN. He would not have to raise anything?

Mr. ALLEN. That is correct.

Mr. GRIFFIN. He would be entitled to $90,000?

Mr. ALLEN. The full amount, yes.

Mr. GRIFFIN. I wonder whether the Senator from Alabama has had an opportunity—or perhaps the sponsor of this amendment has had—to check to see how much candidates running for the House of Representatives are spending now in their campaigns.

Mr. ALLEN. I do not believe it would approach that, in my judgment. Many are spending practically nothing.

Mr. GRIFFIN. It seems to me that that would be a very interesting bit of information that we should have.

I will tell the Senator from Alabama that I have done some primary checking, and it is awfully hard to get figures, for some reason or other. I understand that about the only place one can get them is Common Cause. I do not understand why that should be. I am trying my best to find out how much House members and their opponents are spending now in House races.

One statistic I have been able to obtain is that more than two-thirds of those who ran in the last election spent less than $50,000. I do not know how much less than $50,000 was spent. I am sure that in some cases it was down to figures such as $10,000 and $15,000.

The junior Senator from Michigan ran for the House 5 times. I do not believe that any race for the House of Representatives in which I was involved cost in excess of $20,000, and some were in the neighborhood of $12,000 and $14,000.

I would have to do some double checking, but I think it would be a very unusual situation if any race in history for the House of Representatives, in the State of Michigan, has cost more than $90,000. There might have been one or two, but most of them would not be anywhere near that.

I wonder whether the Senator from Alabama would agree with me, as a matter of commonsense judgment, that this would greatly increase the level of spending in campaigns for the House of Representatives.

Mr. ALLEN. Yes, I think it would—not only for the House but also for the Senate. I think it would have the same effect for the Presidential nomination contest, because $7.5 million would be available to each candidate who could raise that amount in contributions for up to $250.

I do not believe that any of the sponsors of the measure seriously contend that this is going to cut overall campaign expenses. I do not believe the candidates for the Presidential nomination are spending $15 million apiece on campaign expenditures in seeking the nomination. I do not believe they are.

Mr. GRIFFIN. A candidate today might run in a race in which he would expect to raise $25,000 to $30,000 and could get elected for that under normal circumstances. But if his opponent is going to be given $90,000 out of the Treasury with which to wage a campaign, he is put in a position in which he does not have much choice but to go out and spend his $90,000. Does the Senator agree?

Mr. ALLEN. It would be sort of like an arms race.

Mr. GRIFFIN. Yes—a political arms race, with taxpayers' money.

Mr. ALLEN. That is right.

Mr. GRIFFIN. If we are interested in trying to eliminate corruption and to do away with sleazy practices, I wonder whether this is a good way to go about it.

If one is going to spend $90,000, would it not be mighty tempting to a candidate to have his brother-in-law go into the advertising business and his cousin go into the business of printing bumper stickers and his relatives and friends to do other things they might use to spend that $90,000? That is what disturbs me. It seems to me that this is an invitation to corruption of public funds.

Mr. ALLEN. I agree with the distinguished Senator from Michigan.

As I pointed out on the floor, there is no requirement that there be prudent management or expenditure of these public funds.

Mr. GRIFFIN. I wonder whether the story will get out to the American people. I wonder whether they will understand that we are talking about greatly escalating the expenditures in campaigns—not cutting them down. I believe most people think that too much money is being spent in campaigns. They are slick, they are expensive, and the people think too much money is being spent.

We ought to do something about it. That is the reason they talk about putting a ceiling on it. But I fear this bill would greatly increase the spending in campaigns. The major difference will be taxpayers' money coming out of the Pub-

lic Treasury. I wonder if the public will get the story through the media.

Mr. ALLEN. I think they will if we allow this matter to be discussed long enough. If the point is made again and again it might be picked up by the media.

Mr. GRIFFIN. Right now, as the Senator from Alabama said very eloquently, the idea of campaign reform is somehow translated into public financing. They are treated as though they are synonymous; that if one is not for public financing then he must not be for campaign reform. That is what a lot of stories I read in the newspapers indicate.

Mr. ALLEN. I agree with the distinguished Senator. I might point out to the distinguished Senator from Michigan that there has been filed an amendment that would provide for cutting down the amount of permissible contributions from the $3,000 allowed by the bill to $250 in Presidential races and $100 in House and Senate races on the theory that that is all the bill allows to be met; so there must be something sinister, something insidious about that portion of the contribution, more than $250 or more than $100, depending on the race. Therefore, they should be cut down to the amount that does allow them to be matched in full.

Mr. GRIFFIN. I focused on the House races primarily because there are approximately the same number of people and the same number of constituents in each House district, so there are some reasons to make comparisons. When we talk about Senate races I think we all realize there is a great deal of difference in the race from one State to another State, and each of those would have to be looked at as a separate situation. I hope it comes home to the people of this country and to the Senate that we are talking about $90,000 out of the Treasury for each candidate nominated to run for the House of Representatives, and that they will realize what we would be doing in this bill if we pass it.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am glad to yield to the distinguished Senator from Massachusetts, the coauthor of this legislation.

Mr. KENNEDY. It is interesting to me that on the opening day of the debate on this important legislation, the opponents are focusing on the House of Representatives. As the assistant minority leader understands full well, we will be glad to let the House set its own figure and write its own ticket for public financing. It may well be that the House will set a different figure than $90,000, or will adopt a different approach to public financing.

We hear this sanctimonious concern that the American people are going to worry about how the $90,000 in public funds is going to be spent, or that it will be used to set up brothers and cousins in the printing business, and so forth. Well, candidates can do that right now. All they have to do is go to the major contributors and collect that money now and put their brothers and cousins in business, if that is the way they choose to run their campaigns. The Senator is simply identifying the existing problem, not a problem peculiar to public financing.

The Senator from Michigan states that two-thirds of the House races were financed for $50,000 or less in 1972. That is largely because so many races in the House are uncontested. That is one of the evils of the present system, that it is very difficult in many cases for a challenger to raise any funds at all to run against an entrenched incumbent.

If the House of Representatives wants to set a different figure, a lower figure, that would be their prerogative.

What interests me this afternoon is that on the first day of debate on this measure, we hear it said how bad this provision is for the House. The opponents are not addressing the problem of where existing campaign contributions are coming from. They are not talking about public financing for the Senate, or what can be done to stop the corrupting power of contribution money. They are talking about the House.

I wish my good friend from Michigan would focus on that issue, and my friend the Senator from Alabama as well, because that is really the essential thrust of this whole effort.

Mr. GRIFFIN. Mr. President, I appreciate the response from the distinguished Senator from Massachusetts. I would say that we are looking at the bill as it comes from the Committee on Rules and Administration. I do not understand quite the point the Senator from Massachusetts makes when he said the House can set its own figure. This is a figure we set and it is only illustrative of the philosophy and the concept in the bill as a whole. I focused on the House because I think we can understand that. Now, I guess we will go back and I will focus on the Senate.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. KENNEDY. I would like to ask the Senator a question similar to the question he asked me the other day on the gun control measure. Would the distinguished assistant minority leader support this legislation if we altered the House provision and left it to the complete discretion of the House?

Mr. GRIFFIN. Only to the House? Absolutely not.

Mr. KENNEDY. I think the Senator was trying to make a similar point the other day. I think the point is made here today.

Mr. GRIFFIN. The situation with respect to the House is only illustrative of what is wrong with this bill throughout—with title I throughout, because I do strongly support the other titles of the bill.

Mr. ALLEN. Mr. President, the Senator from Massachusetts seems to indicate we should focus on some other race besides the House of Representatives. I notice here some of the figures submitted by the present administration. If this bill passes in California, after whoever ran for the Senate had been subsidized to the extent of $700,000 in the primary, each party would be subsidized $2.121 million.

Mr. GRIFFIN. That is each candidate?

Mr. ALLEN. Each candidate in the general election.

Mr. GRIFFIN. Running for the Senate in California would be subsidized how much?

Mr. ALLEN. $2.121 million.

I think also the Senator stated he had difficulty finding the cost of some of these races when we talk about a portion of $15 million for the financing of various candidates for President by the various parties—as to how that $15 million might compare with some races that have been run for the Presidential nomination. We have some experts in the Senate on those figures and how much they have spent on their campaigns for the Presidential nomination.

Mr. GRIFFIN. Would the Senator happen to have any figures on what candidates running for the Senate in California have spent in the past?

Mr. ALLEN. No; I do not have that, but I wondered how campaigns of some Senators who have run for President would compare with the $15 million this bill would allow them to spend. I wonder if the Senator has any thoughts along that line and whether we might get some expert testimony on that point.

Mr. GRIFFIN. I think it will come as a real shock to a lot of people who are interested in campaign reform when and if they get the true story, of what title I of this bill would do and how it would subsidize candidates running for the Senate in California to the tune of $2.5 million.

Mr. ALLEN. $2,121,000.

Mr. GRIFFIN. $2,121,000.

Mr ALLEN. But it would subsidize a candidate for the Presidential nomination, a candidate like Governor Rockefeller or Governor Reagan or Governor Connally, up to a limit of some $7.5 million. I do not think the country realizes that would be the case.

Mr. GRIFFIN. Of course, the tax funds are funds over which the people have no choice insofar as what happens to them is concerned. They are not being used to support their candidate or their cause or their party, and their money is going to go to support both candidates.

Mr. ALLEN. I think another interesting statistic might be how many thousands of taxpayer's returns on Federal taxes will be required to subsidize the Presidential campaign for every man who runs for President. It would take literally thousands of taxpayers' payments to do so.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. KENNEDY. Did the Senator from Michigan vote for S. 372, does he remember?

Mr. GRIFFIN. I believe I did, yes.

Mr. KENNEDY. Does the Senator from Michigan remember what the dollar ceilings were in terms of spending for primaries?

Mr. GRIFFIN. No.

Mr. KENNEDY. I remind the Senator that the dollar figure included in S. 372 was a $90,000 spending ceiling for primaries. That is the source of the $90,000

figure for public financing for House elections in S. 3044.

Mr. GRIFFIN. S. 372 was not a public financing bill was it?

Mr. KENNEDY. No. I was addressing myself to the source of $90,000 limitation. The Senator from Michigan was so pained at what a sizable amount was to be expended in a congressional election. He was talking about how the great majority of elections were financed for $50,000 or less. The Senator could have advocated an amendment to reduce the figures in S. 372. He did not, I understand; he supported S. 372, which established the basic $90,000 figure for House elections.

Once again let me point out that I think those who support public financing will be delighted to leave the exact figure to the House of Representatives. I think that is where it should be left. But the source of the $90,000 is not hard to find—it is S. 372, which was supported by both the Senator from Michigan and the Senator from Alabama.

I also notice that the Senator from Michigan was a member of the committee that actually reported S. 372 to the Senate. So evidently he was willing to set a ceiling at $90,000 for elections for the House in S. 372, but is unable to support that concept as it applies to public financing at this time.

Mr. GRIFFIN. I thank the Senator from Massachusetts for calling that background to my attention. I, frankly, fail to see any particular relevance to the fact that in a prior bill there was approval of a $90,000 ceiling for House races, in comparison with the fact that in this bill the legislation, as I understand it, would provide for $90,000 to be paid for every candidate running for the House. I can understand that there may be some races where a $90,000 ceiling might not be unreasonable, provided that there is a full disclosure and tight limits on private financing of campaigns. But to follow along from that and come to the argument that every candidate running for the House of Representatives should therefore be financed to the tune of $90,000 out of the Public Treasury seems a non sequitur, as far as I am concerned.

I yield to the Senator from Idaho (Mr. CHURCH).

EXTENSION OF TIME FOR FILING OF REPORT BY COMMITTEE ON FOREIGN RELATIONS ON SOUTHEAST ASIA COLLECTIVE DEFENSE TREATY AND THE TREATY ORGANIZATION

Mr. CHURCH. Mr. President, Senate Resolution 174, which was passed by the Senate last November 2, directs the Committee on Foreign Relations to conduct a full and complete review of the Southeast Asia Collective Defense Treaty and the treaty organization. The resolution specifies that the committee is to report its findings and recommendations to the Senate by March 31. As the committee has not been able to complete its review, I ask unanimous consent that the deadline for the committee's report of findings and recommendations be extended to June 30, 1974.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 26, 1974, he presented to the President of the United States the enrolled bill (S. 3228) to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 12 noon. After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Iowa (Mr. HUGHES) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 5 minutes each.

At the conclusion of routine morning business, the Senate will resume consideration of the unfinished business, S. 3044, the so-called Federal Election Campaign Act, and the pending question at that time will be on the adoption of Senator ALLEN's amendment No. 1064. A vote will occur on that amendment at the hour of 3:30 p.m., and that will be a rollcall vote.

Mr. President, there may be other yea-and-nay votes tomorrow, but Senators are assured of at least one rollcall vote.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:37 p.m., the Senate adjourned until tomorrow, Wednesday, March 27, 1974, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate on March 26, 1974:

DEPARTMENT OF STATE

Alfred L. Atherton, Jr., of Florida, a Foreign Service Officer of class 1, to be an Assistant Secretary of State.

Leonard F. Walentynowicz, of New York, to be Administrator, Bureau of Security and Consular Affairs, Department of State.

James D. Hodgson, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Japan.

U.S. PATENT OFFICE

Paul J. Henon, of Virginia, to be an Examiner-in-Chief, U.S. Patent Office, vice Philip E. Managan, resigned.

DEPARTMENT OF JUSTICE

Keith S. Snyder, of North Carolina, to be U.S. attorney for the western district of North Carolina for the term of 4 years, reappointment.

Richard A. Pyle, of Oklahoma, to be U.S. attorney for the eastern district of Oklahoma for the term of 4 years, reappointment.

C. Nelson Day, of Utah, to be U.S. attorney for the district of Utah for the term of 4 years, reappointment.

Carl H. Slayback, of Illinois, to be U.S. marshal for the southern district of Illinois for the term of 4 years, reappointment.

IN THE NAVY

The following-named officers of the Naval Reserve for temporary promotion to the grade of rear admiral subject to qualification therefor as provided by law:

LINE

Robert N. Colwell — Raymond B. Ackerman
Earl Forgy, Jr.
Arthur M. Wilcox — Stephen T. Quigley
Norman A. Coleman

MEDICAL CORPS

Victor P. Bond

SUPPLY CORPS

Robert G. James

CIVIL ENGINEER CORPS

Robert C. Esterbrooks

DENTAL CORPS

Albert G. Paulsen

IN THE MARINE CORPS

The following named officers of the Marine Corps for temporary appointment to the grade of major general:

Victor A. Armstrong — William R. Quinn
Wilbur F. Simlik — Francis W. Vaught
William G. Joslyn — Robert L. Nichols

IN THE ARMY

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294:

To be captain

Rose, Jerry D., 053-35-1591.

To be first lieutenant

Bain, Michael W., 539-48-0461.
Bode, Donald D., 215-42-9979.
Boyd, James F., 252-82-5678.
Byers, Norman T., 170-36-1041.
Davis, Richard C., 454-70-7741.
Doty, Richard D., 569-60-5359.
Duff, William P., 579-62-7106.
Freeman, Stephen R., 522-60-1989.
Garcia, Victor F., 134-38-3214.
Griffin, Robert F., 430-82-3760.
Hawkes, Thomas A., 528-58-4866.
Isenhower, Nelson N., 245-74-3762.
Jackson, Joseph P., Jr., 250-62-4763.
Markey, Keith L., 317-44-2782.
Parker, John S., 190-32-5626.
Piskun, Walter S., 058-34-0910.
Redmond, John III, 551-64-6731.
Roberts, Donald, 232-74-0275.
Romash, Michael M., 192-36-8034.
Vodermark, Jonathan S., II, 228-72-4910.
Weisman, Leonard E., 141-38-4234.
Wilson, Lynnford S., 223-60-7067.
Wilson, Torrence M., 252-62-9561.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be major

Carey, John C., 039-18-4013.
Murray, Jon L., 269-34-3954.

To be captain

Lieving, Bernard H., 236-58-7994.
McCormick, Joseph D., 084-26-0654.
Murtonen, Ruth E., 366-36-5674.
Reynolds, Jerry D., 462-62-8316.
Taddy, Jerome J., 390-28-7507.

To be first lieutenant

Curtis, Nancy A., 214-50-3057.
Rieker, Dennis D., 501-50-1555.
Thibodeau, Caroline M., 568-80-3817.

To be second lieutenant

Boyle, Kim A., 503-54-4622.
Weyhrich, Donald R., 346-40-1619.
Wojtecki, Karen M., 393-50-1929.

The following-named scholarship students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2107, 3283, 3284, 3286, 3287, 3288, and 3290:

Abiles, Jose C., 338-48-1763.
Adan, Richard J., 457-90-1212.
Ailport, John H., 535-56-4072.
Allen, Johnnie E., 236-84-7185.
Altherr, Robert F., Jr., 298-42-1679.
Alvarado, Esteban, 459-04-7282.
Alverson, Gary D., 511-58-5942.
Andersen, William H., 462-96-4058.
Anderson, Edgar, Jr., 252-82-4746.
Anderson, Samuel W., 263-02-7341.
Andriani, Michael R., Jr., 100-44-2087.
Astriab, Steven M., 187-44-2751.
Augustine, Frederick K., Jr., 261-04-0858.
Baccus, Rick, 378-60-5697.
Bachman, Robert D., 397-58-3029.
Bailey, Stephen L., 445-54-5040.
Bailey, Thomas R., 535-56-8486.
Baker, Richard S., 457-90-0217.
Baker, Timothy J., 225-80-6390.
Baldwin, Ronald E., 561-82-2822.
Baldwin, William L., 547-74-1203.
Ball, James W., Jr., 414-84-0590.
Ball, Ralph E., 431-96-5255.
Banks, Michael L., 256-88-8633.
Barnett, William E., Jr., 261-08-4707.
Barr, Charles J., 505-68-7265.
Bateman, Bruce K., 264-02-1194.
Batt, Norman A., 518-62-0912.
Bauer, Richard F., 228-78-5590.
Beatty, Jeffrey K., 158-44-0335.
Beauchamp, Randal T., 447-54-5764.
Benson, Ronnie F., 430-04-6971.
Berry, Kenneth L., 435-70-0536.
Bettinger, James R., 275-54-2479.
Beville, Stanley D., 267-94-9353.
Bidle, Douglas C., 357-46-6793.
Billheimer, Duane A., 563-86-6412.
Birdseye, James H., 228-78-4970.
Birely, John F., Jr., 524-76-5924.
Black, Scott C., 535-58-1918.
Bloxham, Garth T., 254-90-2148.
Bonglovanni, Charles M., 189-42-4155.
Boone, Henry L., 458-92-2226.
Borcheller, James R., 218-58-7662.
Borne, Gary P., 439-68-4332.
Bosley, Gary S., 536-56-7200.
Bosse, Timothy C., 219-58-7396.
Bouterie, Lawrence R., Jr., 437-84-3258.
Bowen, Dennis J., 221-36-5348.
Bowen, Thomas W., Jr., 557-92-6542.
Bowersox, Thomas A., Jr., 216-52-6129.
Boyd, James K., 369-58-2488.
Boyer, Mark W., 277-50-7403.
Bozeman, Gregory B., 265-02-5556.
Bradford, Philip E., 383-58-4453.
Branch, Joseph R., 245-88-0432.
Braye, Roderick D., 226-80-7395.
Brethour, Vernon R., 508-60-1469.
Brewer, Daniel R., 311-58-4174.
Brill, Neil A., 282-52-7943.
Brooks, David K., 517-62-0213.
Brookshire, Roy O., II, 587-54-0287.
Brown, Eric C., 473-58-5433.
Brown, Willis J., Jr., 424-68-3088.
Bruce, Kenneth R., 311-54-3509.
Bryant, Douglas M., 463-90-8343.
Bryant, Gary L., 417-70-3507.
Bryant, Philip G., 457-92-1170.
Buchholz, Ronald J., 387-58-6303.
Burgess, Ronald L., Jr., 237-90-2986.
Burkholder, Nicholas C., 140-44-2361.
Butler, Robert M., 441-50-3062.
Caldwell, Charles A., Jr., 408-36-4820.
Cambron, James D., 423-74-9520.
Canadeo, Harold M., Jr., 397-56-4931.
Carden, Randal B., 563-88-4018.
Carey, Scott A., 094-54-6140.
Carlsen, David D., 528-74-6347.
Carlson, Michael E., 506-62-4847.
Carpenter, Stanley C., 481-64-3403.
Carpenter, Ronald R., 524-78-7166.
Carr, Raymond H., Jr., 535-54-7065.
Carr, Robert G., 519-58-3252.
Cashman, Thomas J., Jr., 093-44-5625.
Cassi, Peter G., 064-46-0233.
Casso, Felipe, 463-92-8167.
Castillo, Jesse R., 467-82-6297.
Cavazos, Hector E., 458-86-0947.
Cellucci, Stephen D., 022-42-0162.
Chandler, Marvin A., Jr., 419-76-0860.
Chase, Randall D., 326-48-6694.
Chiapuzio, Jack M., 383-56-1419.
Chung, Donald B., 576-56-6011.
Clark, Raymond G., III, 224-76-7871.
Clark, Virgel L., Jr., 546-70-7384.
Clarke, John L., 082-48-1852.
Clements, Michael R., 489-62-9383.
Coats, Larry D., 459-94-5741.
Coit, Eugene W., Jr., 585-58-5925.
Coker, Larry W., Jr., 457-84-1410.
Coker, Marcus G., 228-76-2781.
Cole, Randall J., 453-82-3939.
Coleman, Eddie D., 431-92-9237.
Coleman, Michael L., 228-78-2818.
Conarro, Michael L., 212-56-7688.
Cook, James D., 043-46-1488.
Cooke, Kenneth C., 152-46-4455.
Corley, Michael W., 408-90-1022.
Corley, William M., 220-56-4038.
Cormier, David J., 020-42-0931.
Corona, Richard, 462-92-3857.
Crawford, Robert W., 575-60-6098.
Crawley, Charles G., 257-86-0902.
Cross, Alan W., 460-82-5980.
Crosslin, Joseph N., 412-83-3261.
Crumrine, Thomas E., Jr., 453-92-9960.
Cryzek, Robert C., 188-44-9069.
Cuff, Michael V., 528-78-8948.
Curran, John M., 263-04-0656.
Dadisman, Richard E., 566-74-3067.
Daniell, Robert C., 103-42-7088.
Darden, William E., 440-54-7719.
Davies, John R., 044-38-8518.
Davies, James R., 342-48-7298.
Davis, Charles L., 456-82-3541.
Davis, Glenn W., 466-58-0909.
Davis, Gregory W., 432-98-0567.
Davis, Michael P., 196-42-2070.
Davis, Robert L., 143-44-5604.
Day, Kevin J., 372-60-1063.
De La Rosa, Agustin, Jr., 454-72-0652.
Deitz, Stephen R., 422-72-3958.
Delapp, Cyril D., 262-19-8600.
Delk, Jack E., 215-60-6705.
Dezzutti, Jimmy J., 066-44-2381.
Dixon, Roy C., 429-04-6059.
Dodds, Charles P., 546-86-0139.
Donahue, Joseph C., 446-48-5687.
Doton, Lawrence C., 009-40-1517.
Douglas, Frederick A., 506-74-3330.
Drysdale, John W., 412-92-6470.
Duke, Frederick S., 245-73-1763.
Dunne, Robert E., 575-66-2568.
Durant, Donald C., 253-92-1243.
Durante, Kirk L., 576-58-5966.
Eaton, John H., 239-88-7302.
Eicher, William L., 458-96-6275.
Ellis, Bernard E., 504-54-5165.
Ellis, David M., 212-62-5905.
Ellis, Wayne A., 420-76-2319.
Ellison, Bruce W., 429-04-4553.
Emerick, Brian D., 293-48-2055.
Emery, Michael W., 585-44-3370.
Enderle, Wayne A., 291-52-0743.
Epperson, Larry D., 431-02-5992.
Ernzen, Michael E., 327-46-5326.
Evans, Martin L., 453-88-4846.
Ezzell, John D., 401-74-7967.
Fastuca, George P., 188-44-7741.
Faver, Dennis O., 456-96-4497.
Feero, Lance M., 213-62-6784.
Ferguson, James C., 254-76-4908.
Fericks, Russell C., 563-74-3255.
Fernandez, Carlos R., 584-50-0357.
Ferrell, Stephen J., 152-46-9691.
Fielding, Stephen M., 554-92-5098.
Finch, Stephen B., 086-38-2238.
Fitzgerald, Kevin M., 131-44-9160.
Flanagan, Robert W., 022-44-2385.
Flather, Herbert H., III, 223-82-2661.
Foland, James M., 298-50-7637.
Ford, Donnie R., 416-76-2202.
Ford, Richard A., 406-74-8762.
Fornadel, David J., 278-62-7631.
Fossett, Paul L., 511-60-3961.
Fox, James P., 142-48-0060.
Frandsen, Herbert L., Jr., 576-62-7283.
Frels, George A., 450-86-9681.
French, David J., 074-44-3732.
Friedli, David I., 453-96-7056.
Gaal, Gary E., 498-58-6914.
Garrett, Michael D., 400-78-0403.
Garrison, Walter S., Jr., 264-06-0677.
Gerrity, James F., 225-76-8505.
Gibson, Nathaniel J., 220-46-2905.
Gilbert, Daniel J., 050-44-5663.
Gillette, Paul E., 343-40-2428.
Gilman, James K., 309-50-8308.
Glasgo, Stephen C., 286-42-2109.
Glendening, Thomas M., 313-60-1189.
Goff, Clarence R., Jr., 441-54-7404.
Gooch, Gary L., 463-94-3870.
Gorski, Robert J., 221-38-6308.
Goss, William D., 410-92-5277.
Gotowicki, Stephen H., 256-82-6320.
Gransberg, Douglas D., 517-66-3393.
Greczmiel, Horst G., 157-42-0272.
Green, James E., 587-58-5575.
Genier, Rafael A., II, 260-92-8222.
Gribble, John R., 225-78-4005.
Griese, Herman J., 439-88-3327.
Guffey, Douglas O., 519-54-5155.
Gunning, Robert T., Jr., 275-52-3161.
Gwaltney, Larry R., 252-86-2720.
Hackworth, Kenneth W., 406-80-6319.
Haendel, Dan, 024-40-7812.
Hairston, James H., 228-74-1309.
Hale, David T., 408-88-8280.
Hankins, Steven B., 190-44-6984.
Hanson, David P., 400-74-2898.
Hardaway, Morton C., 332-48-8669.
Harden, Michael P., 275-52-8612.
Harrell, John C., 267-96-3641.
Harrison, Donnan R., III, 492-58-4250.
Hartmann, Daniel J., III, 143-46-4479.
Hartney, Richard E., Jr., 258-90-0404.
Harvell, Peter R., 018-40-4042.
Hausken, Richard D., 516-64-7605.
Havron, Raymond E., 421-74-0338.
Hawrylak, Egon F., 295-52-6896.
Hawrylak, Michael N., 295-52-6924.
Haynes, Michael Lynn, 465-88-9445.
Heath, David B., Jr., 530-46-7288.
Hefty, Mark D., 281-50-3059.
Heindselman, Verle J., Jr., 549-90-7083.
Helma, David C., 504-64-5105.
Hem, Paul M., 268-54-7676.
Henderson, Mark, 010-42-9535.
Hendrickx, David S., 107-44-0813.
Herbek, Charles M., 090-42-6316.
Herbst, Gregory A., 387-60-6835.
Heyward, Randy R., 247-02-6461.
Hilpert, Frederick M., 341-46-2970.
Hiral, James T., 576-60-5860.
Hoge, Gregg C., 205-40-5556.
Holladay, David w., 306-60-6025.
Holloway, Michael J., 587-62-1426.
Holman, Joe L., 457-92-1494.
Holmes, Charles M., 440-48-9427.
Holt, Thomas J., 417-76-7123.
Hopkins, Richard D., 511-58-7730.
Horris, James A., 139-46-9332.
Howard, Timothy N., 228-78-2522.
Howard, Jerry A., 516-66-2930.
Hubble, Howard F., Jr., 414-90-4066.
Humphreys, Edward M., 285-52-1243.
Hursey, Richard T., 250-96-6710.
Idiart, Philip L., 549-96-5060.
Imhoff, John P., 270-50-6537.
Imholte, Daniel D., 474-56-2720.
Ingram, Christopher A., 570-68-5053.
Jackson, Robert S., II, 264-06-1286.
James, David W., 349-40-8391.
Janesky, Edwin P., 418-66-3829.
Janda, James F., 465-78-3504.
Jensen, John R., 488-62-5029.
Johnson, John H., Jr., 261-92-6917.
Johnson, Michael W., 526-88-6620.
Johnson, Montie S., Jr., 411-90-1798.
Johnston, Martin A., Jr., 267-02-5282.
Jones, Duwayne W., 577-70-5785.
Jones, Kenneth, Jr., 574-24-0199.
Jones, Myron B., 224-80-8907.
Jones, Robert A., 201-44-7310.
Jones, William B., 267-02-7046.
Jordan, Terry J., 587-66-6262.
Justice, Robert A., 269-44-2339.

SENATE
FLOOR DEBATES
ON
S.3044
MARCH 27, 1974

MARCH 21, 1974.

U.S. DEPARTMENT OF AGRICULTURE ENERGY OFFICE-FARM FUEL, FERTILIZER, BALING WIRE, BALING TWINE, AND TRANSPORTATION REPORT

FUEL

1. *National Supply Situation for Biweekly Period Ended March 15, 1974.*

A. *U.S. Refinery Utilization.* Nearly 82 percent of capacity utilized, down from slightly over 83 percent March 1.

B. *Motor Gasoline.* Refinery production down 1.0 percent from March 1 and down nearly 4 percent from a year ago. Weekend stocks down more than 2 percent from March 1, but up 3.0 percent (6.5 million barrels) from a year ago.

C. *Distillate Fuel Oil.* Refinery production down 0.5 percent from March 1, and down nearly 17 percent from a year ago. Weekend stocks down 6.6 percent from March 1, but up over 24 percent (or 28.0 million barrels) from a year ago.

2. *General Farm Fuel Situation for Biweekly Period Ending March 21, 1974.*

A. *Gasoline and Diesel Fuel.* Situation about the same to slightly worse than two weeks ago. Total of 36 States reported gasoline supplies tight to very tight in varying numbers of counties compared with 26 on March 8. Eight of these States (Virginia, North Carolina, Mississippi, Tennessee, Ohio, Wisconsin, Minnesota, Kansas) reported some critical counties, an increase from four States two weeks ago.

Diesel fuel supplies reported tight to very tight in some areas in 16 States, up from 13 States two weeks ago. Four of these States (Mississippi, Tennessee, Ohio, Kansas) reported some critical counties, up from two States March 8.

Some States report improvement in the allocation system as distributors become better informed and State energy offices become more efficient. Following are major difficulties reported by problem States: Some distributors and suppliers requiring all farmers to file FEO Form 17's; long delays by distributor's suppliers (up to three weeks) in acting upon FEO Form 17 requests for addition fuel, thus putting farmers whose requests are refused in a precarious supply position; delays by regional and State energy offices in processing requests; inability of small farmers who purchase directly from retail outlets to get sufficient fuel.

A total of eight States (North Carolina, Tennessee, Kentucky, Indiana, Iowa, Kansas, Nebraska, Oregon) report wet weather has delayed field work. All indicate that if farmers had been able to get into the field, fuel supplies would have been inadequate to meet demand. One State (Georgia) reported land preparation was being delayed for short periods in some areas due to lack of gasoline.

First report of U.S. average farm fuel prices, supplied by States at the request of ERS, show that the farm price of gasoline increased about 29 percent, diesel fuel increased about 38 percent, and LP gas increased about 21 percent during the period November 1, 1973 to March 18, 1974.

FERTILIZER

Reports continue to show fertilizer in short supply, with nitrogen in tightest supply position. Overall, the number of States reporting supplies short to tight (usually short) is about the same as reported March 8. A total of 44 States report a nitrogen shortage, compared with 46 States two weeks ago. States reporting a phosphate shortage total 41 compared with 43 on March 8. A potash shortage was reported by 39 States compared with 38 States two weeks ago. Shortages of mixed fertilizer were reported by 42 States compared with 43 States two weeks ago. State ASCS reports show prices paid by farmers for fertilizer increased from February 18 to March 18.

Month-to-month percentage increases from October 25, 1973 (date of CLC decontrol action) to March 18 are as follows:

Kind of fertilizer	Percent price increase from Oct. 25 to Mar. 18					
	Nov. 2	Nov. 9	Dec. 10	Jan. 21	Feb. 18	Mar. 18
Nitrogen:						
Anhydrous ammonia	33	40	49	71	81	97
Ammonium nitrate	22	29	43	55	70	71
Urea	26	32	54	69	77	99
Nitrogen solution	23	34	40	57	73	80
Phosphate:						
Triple superphosphate	20	27	37	42	46	49
Diammonium phosphate	24	28	33	41	48	51
Potash:						
Potassium chloride	11	15	15	26	28	32
Mixed fertilizer	20	23	28	40	45	47

Railroads have been ordered by the ICC to deliver 1,100 covered hopper cars for fertilizer shipments out of Florida. Cars must be delivered by April and used for fertilizer service until ICC authorizes other use or until order expires May 1, 1974.

Canadian anhydrous ammonia plants. U.S. anhydrous ammonia supplies could eventually be increased by 1.6 million tons (about 9 percent) annually as result of tentative plans to build four 1,250-ton-per-day ammonia plants in Alberta, Canada. Under proposed agreement by U.S. and Canadian companies, most of the plants' output would be piped into U.S. to be distributed into 15 Midwest States. Some production will be available in 1976, with all plants operative by the end of 1978.

BALING WIRE

Baling wire supply expected to be short about 30 percent if imports and domestic production continue at present rates and requirements are similar to 1973.

Estimated requirements for 1974 hay crop range from 105,000 to 115,000 tons of baling wire. Current rate of domestic wire production estimated to be about 10 percent above 1973, with baling wire imports arriving at about one-third the rate for last year.

Following price relief granted by the CLC January 25, 1974, six of the seven firms that produced baling wire in 1973 resumed production, with five of these operating at or near capacity. As a result of additional price relief and increased cost pass-through granted by CLC on February 28, two additional plants resumed production.

Retail prices for domestically produced baling wire are expected to vary from $22 to $25 per 100-pound box.

Cost of imported wire is much higher, with reported prices varying from $30 to $50 per 100-pound box.

BALING TWINE

Baling twine deficit for 1974 is estimated to be about 15 percent. However, twine imports for the period October 1973 through January 1974 were up 15 percent from last year. If imports continue at this rate, the overall shortage would be less than 15 percent. Domestic twine production is near capacity and probably cannot be increased because of shortages of petroleum feedstocks for man-made twine.

The retail price for natural fiber twine is currently over $22 per bale, with synthetic twine prices over $25. These prices are 250 percent or more above a year ago.

Normally about 75 percent of the total hay crop is tied with twine, 15–18 percent with wire, and the remaining 7–10 percent is not baled.

TRANSPORTATION

1. *Motor Carriers.* Fewer owner-operators on the road due to inability to handle increased expenses and pay for equipment. High fuel costs, reduced speed limits are blamed. Some unconfirmed reports of another truck strike by end of March. Demand for trucks by beef and pork processors down as result of drop in consumer demand.

2. *Rail Carriers.* Slight increase in diesel fuel supply, but reserve inventories decreasing. Carriers concerned about getting increased allocation of fuel to reflect increase in freight volume from 1972 and 1973.

3. *Ocean Carriers.* Fuel availability stabilized; prices about 400 percent above year ago. Reducing number of U.S. ports of call and slower speeds to conserve fuel, plus use of normal cargo space for extra fuel supplies, are causing congestion at ports. Problem aggravated by carriers moving cargo subject to higher freight rates in preference to low-rate cargo.

4. *Barge Carriers.* No major fuel supply problems.

THE RISING COST OF COLLEGE EDUCATION

Mr. RIBICOFF. Mr. President, the College Entrance Examination Board recently released disturbing new figures on the rising cost of a college education.

According to the CEEB the cost of a college education will rise again next fall making it 9.4 percent more expensive than a year ago and 35.8 percent more costly than 4 years ago.

This means that a student at a private college can expect to pay an average of $4,039 next year.

Few families can afford such rates.

As a result I have introduced, and the Senate has passed three times, legislation to grant yearly tax credits of up to $325 for the cost of a higher education. Unfortunately, the House has failed to act each time and the bill has died.

This bill, S. 18, would greatly strengthen the ability of families to finance their son's or daughter's schooling. It must be passed as soon as possible.

I ask unanimous consent that the New York Times article of March 25 concerning the CEEB report be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COLLEGE COSTS WILL RISE BY 9.4 PERCENT IN FALL

(By Gene I. Maeroff)

The cost of a college education, which has been causing growing anxiety among American families, will rise again next fall, making it 9.4 per cent more expensive than this year and 35.8 per cent more than it was four years ago.

A report released yesterday by the College Entrance Examination Board, based on a survey of 2,200 institutions of higher education, shows that in the coming academic year a student living on campus at an average four-year private college will have to pay $4,039, which is $346 more than this year.

Beset by mounting costs in an economy squeezed by inflation, few colleges and universities seem to be winning the battle to hold down expenses. The effect of inflation is such, according to the report, that by next fall a family will find it almost as costly to maintain a commuting student living at

home as to send a student away to live at college.

"Meeting the costs of a college education is a problem more and more American families face every year," the college board says in its report. "Not only the lower-income family, but also middle-income and upper-income families are finding it increasingly difficult to meet these costs."

The report makes the following findings:

Community colleges, traditionally the least expensive type of higher educational institution, will have a larger percentage increase in tuition next year than private or public four-year colleges and universities.

Despite the fact that tuition is increasing at a faster rate at public four-year institutions than at private ones, it will still be far cheaper next fall for resident students at public colleges and universities—total cost: $2,400—than for those at private institutions—total cost: $4,039.

The cost of room and board for students living away at college, which requires the largest outlay after tuition, will be fairly similar next fall at public ($1,116) and private ($1,207) institutions.

While averages give a general indication of what the costs will be at colleges and universities, there is a wide range of individual differences.

Among the most expensive four-year private institutions, Harvard will cost $5,700 and Princeton $5,825, according to the college board report. By comparison, the State University of New York College at Brockport will cost $2,800 and Slippery Rock State College in Pennsylvania will cost $2,350.

All of the costs computed by the board, on the basis of figures it says it received from financial aid officers at the various institutions, include tuition, room and board, transportation and miscellaneous expenses including books and toiletries.

There is apparently little hope for financial relief for middle-income and upper-income families that have been complaining this year about soaring college costs and the scarcity of grants and loans. The state of Ohio has put a moratorium on tuition increases at its public institutions and the University of Michigan has reduced its tuition, but these actions do not seem to be harbingers of a trend.

The tuition-free City University of New York will remain one of the best bargains in higher education next year. Student fees at the various C.U.N.Y. units will average $100 a year. The university estimates the total annual costs of its average commuter student next fall will be $1,040.

Copies of the report, entitled "Student Expenses at Postsecondary Institutions 1974-75," are available for $2.50 each from Publications Order Office, College Entrance Examination Board, Box 592, Princeton, N.J. 08540.

The report was prepared under the auspices of the board's college scholarship service, which helps institutions of higher education analyze the financial needs of students applying for grants and loans.

Here is a sampling of the costs, subject to change between now and the fall, that resident students at institutions around the country can expect to pay during the 1974-75 academic year:

	Tuition and fees	Room and board	Total
California:			
Claremont	$3,044	$1,456	$5,100
University of California at Berkeley	640	1,830	3,290
Florida:			
Miami	2,640	1,320	4,920
Georgia:			
Georgia Tech	530	1,120	2,350
Illinois:			
Northwestern	3,480	1,400	5,280
Kansas:			
University of Kansas	$560	$1,290	$2,540
Maryland:			
Johns Hopkins	3,100	1,580	5,480
Massachusetts:			
Boston University	2,990	1,557	5,100
Brandeis	3,100	1,400	5,100
Mount Holyoke	2,950	1,550	5,100
Radcliffe	3,200	1,875	5,750
Smith	3,030	1,550	5,250
Wellesley	3,050	1,600	5,250
Minnesota:			
Macalester	2,550	1,110	4,200
New Hampshire:			
Dartmouth	3,570	1,545	5,900
New Jersey:			
Bloomfield	2,080	1,260	4,000
Fairleigh Dickinson	2,150	1,300	4,050
Stockton State	666	1,320	2,700
Rutgers	725	1,300	2,700
New York:			
Adelphi	2,650	1,337	4,537
Barnard	3,100	1,520	5,120
New Rochelle	2,300	1,400	4,440
Columbia	3,430	1,700	5,900
Hamilton	2,900	1,330	4,730
Hofstra	2,570	1,550	5,270
Post	2,460	1,300	4,610
Pace	2,200	1,775	4,395
Pratt Institute	2,600	1,600	5,500
Skidmore	3,390	1,510	5,550
S.U.N.Y. Fredonia	785	1,280	2,825
Vassar	3,165	1,350	5,065
Pennsylvania:			
Haverford	3,045	1,700	5,245
University of Pennsylvania	3,165	1,535	5,350
Tennessee:			
Fisk	1,950	1,285	3,835
Texas:			
University of Texas	366	1,300	2,403
Wisconsin:			
Marquette	2,250	1,300	4,020

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. JOHNSTON). The time for morning business having expired, the Senate will resume the consideration of the unfinished business (S. 3044), which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ALLEN. Mr. President, this afternoon at 3:30 the Senate will vote on amendment No. 1064, which would strike from the pending bill the public finance feature, which would remove any further or additional public subsidy of Federal election campaigns.

In the event that that amendment is not adopted, I plan to offer alternatively two additional amendments, one of which would eliminate the election campaigns and the primaries of Members of the House of Representatives and the Senate from the subsidy provisions of the bill, which would leave both primaries and general elections of House Members and Senate Members in the private sector, but still leave the limitations provided by the other titles of the bill as to overall campaign expenditures and maximum contributions to a campaign.

The other amendment, in the event that amendment No. 1064 fails of adoption, would be an amendment which would eliminate from the bill the subsidy of campaigns for the Presidential nomination of the various parties. This is a most important amendment, because it would prevent the going into effect of the bill's provisions which would provide up to $7.5 million for each candidate for the Presidential nomination of the major parties, and I do not believe that it is in the interest of the taxpayers or in the interest of our governmental processes to spread $7.5 million of the taxpayers' funds among each of the 15 or 20 candidates for the Presidency.

So the order in which the amendments would be offered would be first the one coming up this afternoon to strike all public financing of Federal elections, and the following amendment, in the event that is not adopted, would eliminate House and Senate Members from public subsidy, and following that would be the amendment striking presidential primary campaigns, though we would still have the Presidential campaign for the general election which is also funded by the checkoff provision, which will make $21 million available to each of the parties if they come under the provisions of that law.

I send the additional two amendments to the desk, and ask that they be printed and remain at the desk to be called up at a later date.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

The pending question is on agreeing to the amendment (No. 1064) of the Senator from Alabama.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call that roll.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, today, we have on the floor a very significant bill and one with far-reaching implications. S. 3044, the Federal Election Campaign Act of 1974, is a response designed to meet problems of campaign abuse that have plagued campaigns throughout American political history. In the process of reform, however, the members of the Rules Committee have decided to go one step further and significantly, perhaps dramatically, alter the basis by which we elect our political leaders.

I am firmly committed to the goal of campaign reform. For too long, both political parties, have been plagued by campaign pressures and abuses. Whether the abuses in the 1972 campaign were more far-reaching than abuses in other campaigns or whether such abuses were magnified in such a manner as to arouse unparalleled public attention and anger is not the issue.

The point is that campaign abuse has long been a blot on our political history. Breaking the law in order to win elections is wrong in every sense of the word, both legal and moral. As the primary lawmaking body of this Nation, the Congress

of the United States must do everything possible to write clear and concise laws so that candidates know exactly what they can and cannot do in a campaign.

Last year the Senate passed a campaign reform bill known as S. 372. It is a bill that had my support. This bill provided strict limitations on campaign contributions and expenditures as well as providing for other reforms in campaign practices. The House of Representatives has yet to act on a similar measure.

As the year progressed, public clamor increased and new cries were heard that further reform of campaign practices was needed. Because it appeared that many of the alleged wrongdoings associated with Watergate were tied to the raising of campaign funds, the idea occurred to alter the basis by which candidates receive funds to run their campaigns. Public financing became the banner for those who sought to reform the system.

The Senate was given an opportunity to debate this issue on the floor late last year when a group of Senators were successful in attaching a public financing amendment to the public debt limit bill. As we all know, my distinguished colleague, the junior Senator from Alabama, led an earnest and successful fight to have that amendment deleted. He was right in that effort, not because it would have been unwise and deceptive to attach such far-reaching legislation to a completely unrelated bill, but because the substance of the amendment was ill-advised and undesirable.

The Senate Rules Committee, therefore, agreed to return to the drawing boards and draft a new campaign reform bill. Now we will have an opportunity openly to debate the central question contained in that amendment: Is public financing the answer to our problems of campaign abuse, or is it a substantial part of such an answer?

In seeking to answer that question, we must first ask ourselves what kind of political system we want. I think my colleagues would agree that we want a dynamic system that is flexible to the demands of changing times, people, and attitudes. We want our electoral processes to encourage the best possible people to enter public life. We want a system that leaves room for the election of only those candidates who are qualified beyond doubt, who embrace the goals and attitudes of their constituents and who in short, consider public service to be the best way to make their contribution to life on this Earth.

Then we return again to the question: Is public financing of campaigns the only way, or indeed a wise way, in which to produce our leaders and on which to base a political system? I think not.

We can achieve campaign reform and improve our electoral processes without overturning our system of privately financed campaigns. I think S. 372 went a long way in that direction. More importantly, I have serious doubts about the efficacy of the public's being called upon to subsidize campaigns. My remarks at this time will, therefore, be devoted to title I of S. 3044.

First and foremost, I doubt whether public financing would do anything to solve problems of campaign abuse. There are several ways by which a candidate gains public exposure and indeed runs a campaign. Money is one. A candidate's ability to raise money is one measure of his viability. Public financing may remove money from categories of influence. In fact, it is the logical place to begin talk of reforming campaign practices. But, by removing money from influence, one simply focuses attention on other areas of influence, and of potential abuse and even corruption.

These other influences include manpower and publicity. A candidate needs people to help him run a campaign. In local elections, we talk of hundreds of workers. In national elections, we talk of thousands and even tens of thousands of workers.

Certainly, publicity is another factor which bears heavily on one's ability to campaign effectively. A candidate needs exposure and lots of it. There are other factors, however, which deserve mention. Organizational skill, durability, the right issues, and that winning personality—which all candidates either fancy they have or wish they have—are all subject to influence of one kind or another.

Transferring money to the public sector, instead of having it originate from private contributions, will only serve to bring greater pressure on these other important factors, including the two principal ones I have already mentioned—namely, manpower and publicity. The candidate who has immediate access to hundreds of workers will have a distinct advantage. Is the union boss who provides manpower really different from the president of the corporation who donates money? Would not a candidate who enjoys the favor of a television commentator have a distinct advantage? Public financing does not address any of these factors.

The goal of public financing is to remove the raising of campaign funds from political pressure. Under the bill, the money is collected and then doled out by the Federal Government. I need not go into a long dissertation about the dangers and problems this method could unleash.

It is common thinking that the best way to confuse a situation and snarl a program is to involve Uncle Sam. I do not see how public financing is going to be any different in this respect.

As I read the bill, if the $2 checkoff system on the income tax return does not provide sufficient moneys in the Federal Treasury to cover the demands of all eligible candidates, then Congress can appropriate additional sums. This is a most interesting proposition. We would have Members of Congress, political candidates themselves, and a President voting on appropriations or signing appropriation bills into law that can affect their campaigns and that of their opponents. I am sure that I do not have to remind my colleagues of the political pressures which could affect this procedure.

The issue against public financing can be made even more simple. The American taxpayer has been footing the bill for just about everything these days. A taxpayers' revolt is no idle joke, as all of us close to the political scene at home are painfully aware. Do we as political leaders and potential candidates have the right to ask the American taxpayer to pay for our campaigns? If I were a retired man living on a fixed income in rural America, I think I might be just a little upset if I heard my Senator or my Representative espousing the virtues of public financing. The same can be said as to any taxpayer living anywhere.

Thomas Jefferson, more than 150 years ago, put it well in these words:

> To compel a man (a taxpayer) to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical.

That statement is fully applicable today as it was in the time of Jefferson.

Public financing denies the individual his freedom of choice. A portion of his tax dollars would be financing the campaigns of candidates he may dislike, not even know, or, worse yet, completely abhor and despise.

A candidate should pay for his own campaign. He will need the help of many friends and contributors. This does not mean that he needs to be "bought off." Good laws with proper forms for limitation of funds from any one person and for disclosure, timely and completely made, can remedy this part of the situation. Other provisions in the pending bill contain explicit remedies of that kind.

An editorial recently appeared in one of the newspapers in my State. It referred to obvious "dirty tricks" that have occurred in past campaigns, and they are not a monopoly by any of the political parties, including the two major political parties. In referring to public financing as a cure, the editor said:

> Would reformers feel any better if those tricks had been paid for by taxpayers' money instead of private funds.

Yes, we should be in the business to reform our campaign laws and procedures. Let us not be so "hell bent on reform" to the point where we lose sight of the very strengths of our political system and to the point where we invite much worse in solutions we advance than is found in the situation we seek to remedy.

Public financing of political campaigns has additional disadvantages. They include:

First. Unfair advantage to incumbents. This comes about because of the necessity to impose ceilings on campaign spending, inasmuch as taxpayers will be putting up the funds. Challengers almost invariably must spend more money than those already in office. This is so because they have so much to do toward name identification, toward making their qualifications and views known, and in general to counterbalance the many advantages held by a person already in office. Yet, by public financing, both incumbent and challenger would have identical limits on their expenditures.

Second. Under title I of the bill, the level of campaign spending would be in-

creased particularly in House of Representatives races—435 of them every 2 years. That increase would be paid by taxpayers.

Third. Public financing would deprive many citizens of the only opportunity they have to participate in the campaign process. Many are not in a position to take part in it in any other fashion or by any other method.

This might be by reason of demands of their calling, profession, vocation, or it might be because of physical disability or health reasons. The way public financing would operate would tend to reduce or decrease citizen participation which is a valuable and vital component of a strong party system and a wholesome election process. That component would be sacrificed or heavily imperiled.

The Congress would do well to reject an untried, potentially dangerous, and objectionable feature of this bill, and should rather concentrate on those features dealing directly, effectively, and with preponderance of agreement toward correction of abuses which are so obvious and so much in need of remedy. The list is long. I enumerate some of the issues:

Public disclosure of all names and identification of contributors.

Complete and timely accounting for all campaign funds.

Limitation of contributions by an individual to any single campaign.

Limitation of expenditures by any candidate.

In this connection, it is well to note that the bill gives all candidates an option of soliciting all private contributions up to the prescribed limit contained in the bill. Therefore, it must be concluded that such sources are acceptable and in order because they can be monitored, policed, and in a disciplined way held within proper and legitimate bounds. The taxpayer should be spared the added drain on his funds and the new and more evil results which would ensue.

In referring to a comment I made earlier, it is not the source of money which results in a great many abuses and undesirable factors in campaigns and elections, it is the fact that money is used at all. At any rate, private funds, according to the committee report, are not evil in themselves as long as they are encased, modified, controlled, and supervised by public disclosure of all the names and identifications of the contributors, as long as there will be a complete and timely accounting for all campaign funds, and as long as there will be such limitations as Congress in its wisdom will seek to impose.

Other controls over contributions, such as use of checks not cash; single or central campaign treasury; prohibition of all loans to committees; prohibition of stocks, bonds, or similar assets from contributions.

Campaign activities such as distribution of false instructions to campaign workers, disruptive actions, rigging public opinion polls, misleading announcements or advertisement in the media, misrepresentation of a candidate's voting record; organized slander campaigns; legal recourse and redress against slanderous, libelous and unscrupulous attacks on public figures.

Election practices—fraudulent registration and voting, stuffing ballot boxes, rigging voting machines; forging, altering, or miscounting ballots.

There are many more items for the list. Every intent should be to make advances in each case as effective as possible. There should be an avoidance of questionable approaches, those possessing sufficient minus marks to detract from progress by unified, undivided support. Public financing is a divisive factor, a major one. It would not bear upon the solution to the long lists of ills and abuses which have plagued our system, and threaten to do so in the future unless legislation of this type will be fairly considered and enacted into law and applied.

Without it and with a concentration on those other aspects, our election process can be notably strengthened and improved.

It is my hope that as we proceed in the consideration of this measure, there will be such action taken as to delete from the bill the provisions with reference to public financing. This will remove an undesirable feature from the bill and at the same time enable the thorough consideration of other features of the election process.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered

LABOR DAY RECESS

Mr. MANSFIELD. Mr. President, after discussing the matter with the distinguished minority leader, the Senator from Pennsylvania (Mr. HUGH SCOTT)—and he in turn discussed it with the Republican conference on yesterday—I brought the matter of an August-Labor Day recess to the attention of the Democratic policy committee today. The Republican conference and the Democratic policy committee have agreed that the Senate, barring extraordinary circumstances like, for example, the possibility of a sine die adjournment, will, at the conclusion of business on Friday, August 23, stand in recess until noon, Wednesday, September 4.

This is an official announcement which has been agreed to, and we will see that a card is sent to each Member of the Senate; but I want to emphasize that, as far as this recess is concerned, and any others upcoming, like the Easter and the Fourth of July recesses, they will be undertaken only if nothing in the way of an extraordinary circumstance occurs.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ALLEN. Mr. President, the pending amendment, which is to be voted on at 3:30 o'clock this afternoon, strikes from this bill, which contains five titles, the first title, title I, in which title are contained all of the provisions having to do with public financing of Federal elections.

Mr. President, this title is not needed. It is not needed for two reasons. In the first place, we have public financing of Federal elections in a strict sense; and, in the second place, regulation of campaign expenditures and contributions in the private sector has never really been tried.

Now let us explore the first statement that I made, that we already have Federal subsidy of Federal elections. We have on the book the checkoff provision, which provides for a checkoff by taxpayers of $1 in the case of a single person or $2 in the case of a couple, which amount goes into a fund which would pay for the expenses of Presidential general election campaigns.

Mr. President, it has been estimated by fiscal authorities—the statement has been made here on the floor of the Senate—that by 1976, the next Presidential election, there will be in this fund $50 million of public money, because when the taxpayer checks off the $1 or $2, it does not come out of his pocket, except in the sense that it comes out of tax moneys he is paying on his income tax. It comes out of the Government portion. It comes out of the tax liability that the taxpayer owes to the Federal Government. So this is money from the Public Treasury.

The checkoff plan, which is the existing law—not what is provided by this bill; it is already the law—provides that each major party would get, for the conduct of a Presidential election, 15 cents per person of voting age throughout the country as a subsidy by the taxpayers to carry on a Presidential election. So that there would be $42 million available to the Democratic Party and the Republican Party under existing law.

There is one catch to that, under the existing law, for a party to come under the provisions of the checkoff and to get this $21 million—and I say that $21 million is derived by multiplying the number of people of voting age throughout the country by 15 cents. That ends up somewhere in the neighborhood of $21 million or $22 million. That is available

to each party. That would be a subsidy of anywhere from $42 million to $44 million for carrying on the 1976 Presidential election.

As I say, there is a catch to it in this: That in order to come under the provisions of the checkoff plan and have the Presidential election subsidized for a party, the party has to certify that they want to come under the provisions of the law, and that keeps them from accepting private contributions in any amount. There is no possible mix, as is provided in the Senate bill.

With the expense of Presidential elections that we have observed, it seems that if Presidential elections are going to be conducted on the scale that they have been conducted in the past, $21 million would not be sufficient. So it is entirely likely that neither of the parties would come under the provisions of the checkoff, because it is optional whether a man comes under it or not. He can come under the public sector or the private financing. But it seems to me that 100 percent public financing would be bad for the party, and that is one of the weaknesses of public financing. It seems to me that this would be a weakening of a political party.

How much better it would be to receive $5,400,000 in contributions than to receive $21 million or $22 million from the public treasury. I do not believe we are going to see money here authorized to the major parties come under the 1970 law on the checkoff. There is $42 million—$42 million to $44 million—by which Federal elections are already subsidized or for which money is available for subsidy.

By the way, I might add that under another title in the bill, that would not be stricken out by amendment No. 1064, is a doubling of the checkoff. So the checkoff then would be $2 for a single person and $4 for a couple. We are already taking in enough to run a political campaign. What is the use of doubling the amount? By specifying a doubling, we will have changed the whole concept of the checkoff from being a voluntary checkoff. This is Senate bill 3044 that is submitted to us to vote on. It provides for a doubling of the subsidy from $2 to $4. It provides that if a person does not check off the $2 or $4, he is then presumed to have checked it off. In other words, if he does not check it off, he is ruled to have checked it off, because he must have the checkoff to apply against him.

At my request, the Committee on Rules and Administration prepared or obtained some estimates of what these checkoffs are going to cost the Government. This is what it will cost the Government, according to estimates obtained by the Rules Committee, I assume, from the Internal Revenue Service, and appears on page 28 of the report:

> If all returns, individual and joint, should take full advantage of the one dollar checkoff, the total cost would be $117,370,000.

$117,370,000 is what would be brought into the public treasury for the political campaign or available for the political campaign.

But if the provisions of S. 3044 should get through the Senate and go through the House, and if all returns should take full advantage of the $2 checkoff, the cost would be $234,740,000. That is how much this little item of the checkoff would bring if everyone availed himself of it. But the proponents are not satisfied to leave the proposal on a voluntary basis. According to the bill—and that is all we have before us—if the taxpayer does not check it off, if he does not specify that it is not to be checked off, then the bill would make that decision for him, and that decision, naturally, would be that the money is considered to be checked off. It does not cost the taxpayer anything at that point, other than as a member of the taxpaying public. That amount is just a contribution to the public Treasury. It does not increase the taxpayer's income tax. It is simply taken from his tax liability. So there we see what is being done on the checkoff.

I am not a soothsayer, but I believe that it will not be too long before we will see an effort to raise the amount of 15 cents per person of voting age, that comes out of the checkoff, to 20 cents, or possibly 25 cents, because the candidates are not going to be satisfied with $21 million or $22 million for each party, which is already provided under existing law, without any further extension of the Federal subsidy to politicians. After all, why should the Federal Government take over the expenses—the campaign expenses—of the politicians of the country? That is what we would be doing.

Take the State of California, under this proposed law. California would be subsidized, according to the table prepared by the Committee on Rules. The candidates running in the primaries of the State would have half of their expenses—each candidate in the primary—up to $1,414,300, paid by the Government.

So $700 in the primary is what he would get out of the taxpayers' pocket, and maybe there would be seven, eight, nine, or ten candidates in some races.

I asked a Congressman from a Western State the other day how the Senate race looked in that area. He said, "Well, there is one candidate from 1 party, and 10 candidates from the other party." Every one of those 10 would be getting a subsidy from the Federal Government, according to this bill. The Government would match the contributions it received up to $100 each. That is not so terrible, out of $700,000, for a politican in a primary.

It does not take any matching then. As soon as he gets on the ballot as a major party candidate, the Government opens up its coffers and makes a contribution to the candidate for the Senate out of the taxpayers' pockets of $2,121,450. Each major party candidate would be given that subsidy—$2,121,000; why? Why subsidize our good friends who might run for the Senate from the State of California? I use that as an example, admittedly, because it is the largest State population-wise. In New York the amount paid to each candidate of a major party would be—this does not require any matching, Mr. President, it is an outright gift by the Government for use in the campaign; I assume if he did not spend it all it would have to be refunded to the Government, if it could be located—$1,899,750 to each major party candidate for the Senate, out of the Public Treasury.

I am going to get around to the second corollary I laid down a moment ago, that we have not tried strict regulation in the private sector—this other field is so broad it is just going to take a little time to get to it—on the methods we already have of public financing.

I have talked about the checkoff which makes $42 million available to candidates for President, and about the cost of the checkoff. The approximate cost now, if everybody takes advantage of it—suppose just half take advantage of it, under the committee's plan of making them certify they do not want it or it will be checked off. If everyone took advantage of it, it would be $117 million, or, if the committee's version goes through and it is doubled, $234 million.

That is a whole lot of public financing, right there. But that is not all. Look at the campaigns also financed by recent amendments of the income tax laws. Already, under the law—of course, this bill tries to double it—it is already the law, if I am not mistaken, according to my recollection, that an individual under the present law is entitled to a tax credit of $12.50 for contributions he makes to a political candidate.

That can be in a Federal election, a State election, or county or city, I assume. It may be just for Federal elections—$12.50 as a credit; and, of course, a credit is a deduction from the tax. The credit comes off the taxes payable. If the tax bill was $100 before he applied this credit, it would take $12.50 off that amount. Well, that is fine. Then a couple has a $25 credit off of taxes. And that is all right. I do not object to that, the reason being that this provision allows an individual to make a contribution to a candidate of his own choice, someone with his views, with whom he agrees, and not, as under the legislation that is before us, requiring a taxpayer to contribute to someone whose views he disagrees with.

All right. Say the taxpayer figures he could do better going the deduction route. They provide for everyone's convenience, so if he does not want to go the credit route on his contribution, he can go the deduction route, and under the deduction route, if I recall correctly, he can take a deduction from taxable income of $50, or a couple could take a deduction of $100 from taxable income.

The bill would double that, in addition to all of this other public subsidy, so that under the committee's bill the credit would be raised up to a $25 credit for an individual or a $50 credit for a couple filing a joint return, or a deduction of $100 for an individual and $200 for a couple filing a joint return.

So, Mr. President, they have several subsidies already for Presidential elections.

Now, to focus on the generosity of the

Treasury as required by the bill to some of the politicians in California and New York, that is just the work of a piker as compared to the subsidy for those seeking the Presidential nominations of the various parties. What do they get there? Well, they are allowed to get the contributions they receive up to $250 each matched by the Federal Government, after they have collected, in contributions of that size, the sum of $250,000, which is referred to as the threshold amount. So once they get the threshold amount, which is $250,000, then they go into the Treasury and pick up a check for that amount, $250,000, and then go on blithely seeking contributions, which the Government will match, up to the astounding sum of $7.5 million—$7.5 million for candidates. Then, if a candidate gets the nomination, $21 million or $22 million is available to him.

Is this campaign reform, Mr. President? It seems to me it is just campaing lunacy—campaign prodigality, I would say. Far from cutting down on the amount of campaign expenditures, this, in all likelihood, would double the amount of campaign expenditures.

Suppose one of the candidates in the Senate—and there are several candidate for the Presidency in the Senate—about or potential—I doubt whether many candidates could collect much over $7.5 million to run for the nomination of their various parties.

Well, that should be fair for one as it is for the other. If they are all limited by the amount they can receive, what is wrong about that, leaving it in the private sector?

It would seem to me that this Federal subsidy just compounds the advantage that a well-known candidate or an incumbent in an office would have over his lesser, well-known opposition because, Mr. President, he could get more of the campaign contributions than could his lesser known opponent and then the Government will match that increased amount.

Say a little-known candidate for the Presidential nomination can raise his $1 million on which to run for the Presidency, then all the Government will match him will be $1 million, but the well-known candidate, say he gets out and gets the whole $7.5 million, what is the Government going to do for him? Why, the Government will give him $7.5 million, so that he will end up with $15 million and the lesser well-known candidate will end up with only $2 million. So he is worse off than if the Government had not interceded to help him.

So if I were a lesser-known candidate—and certainly I would be that, if I became such a candidate—I would say, "Well, do not help me in that fashion by just compounding the advantage that my better-known opponent has, because without this intervention from the public Treasury the difference would be $7½ million to my $1 million. But after you get through me on this public subsidy, the difference would be $15 million as against $2 million."

So, Mr. President, it has not helped the lesser-well-known candidate. As a part of my arithmetic, it would help the better-known candidate.

The better-known candidates, Mr. President, are those who are pushing for this bill, to get right down to brass tacks about the matter. They are not looking out for the lesser well-known candidates. That is obvious from the provisions in the bill.

Who would qualify under this?

Well, Governor Rockefeller would qualify. He would get out and raise $7.5 million in eligible contributions and the Government would then make him a present of $7.5 million.

I remember when this thing was under discussion last year, the same provisions in the same bill, in a different form, of course, but it is there, nevertheless—and I remember Governor Rockefeller's visiting here on the Senate floor. The rules of the Senate permit a sitting Governor in office, the Governor of any of our 50 States, to come in on the Senate floor. He has an automatic privilege of the floor. The Governor of my State, Governor Wallace, was on the Senate floor under that provision as was former Governor Brewer He has been on the Senate floor under the automatic privilege of the floor that he has.

So Governor Rockefeller was here while that bill was under debate. Of course, it was only a coincidence that he was here. He probably did not know what bill was under consideration, but I remarked at that time that I noticed Governor Rockefeller was on the Senate floor and I supposed he had come down to pick up his $7.5 million check, thinking that this bill was about to pass. But it did not pass, and I doubt whether it will pass now. As a matter of fact, Mr. President, as I look about the Senate floor, I do not see anyone on the floor or in the Chair that is very strong for the bill, if at all.

I just wonder whether a whole lot of the push and drive behind this bill has not deteriorated.

Right at that point, Mr. President, I notice here that the Washington Post, which I thought was sort of the Bible for the public finance people. I thought they were in the forefront of the drive for public financing; but not so, Mr. President. I declare, I was very much pleased at the conservative approach of the Washington Post to this problem. It makes me want to reconsider my position. But I am not going to pursue that until after we have disposed of the bill before I start reassessing my position.

But the editorial, for Tuesday, March

But the editorial for Tuesday, March 26, 1974, the day before yesterday—that is their view right up to date—and we are talking about the bill that was passed here in the Senate back on July 30, by a vote of 82 to 8, which provided for campaign reform, but reform in the private sector. It did not provide for public financing. This is what the editorial said about that bill, S. 372. It is over there now in the House and I sort of believe, in the province of WAYNE HAYS, that he will get behind that bill or some approach to the campaign reform. But the editorial commented on that bill, as follows:

Thus the Senate last summer sent the House a very solid bill to curb private giving and spending and to strentghen the enforcement of the election laws.

Mr. President, that was not a public financing bill we passed and that the Washington Post is talking about here.

I think that statement is worthy of being repeated:

Thus the Senate last summer sent the House a very solid bill to curb private giving and spending and to strengthen the enforcement of the election laws.

That is just exactly what it did, Mr. President. It did curb spending. It did curb giving. It did strengthen enforcement of the election laws.

And why, before the House even acts on this bill, are we going to do a 180-degree turn and abandon the regulations in the private sector and get over into the public sector—an uncharted sea, Mr. President?

Why should we do that?

Continuing to read from the editorial:

Today—

This is last Tuesday—

Today, the Senate begins debate on a very ambitious bill to extend public financing to all Federal primary and general election campaigns.

Let us see, Mr. President, what the Washington Post thinks about this bill we have before us. One would think they would laud it to the skies. But, let us see what it says:

The problem with the latest Senate bill is that it tries to do too much, too soon, and goes beyond what is either feasible or workable.

Now, Mr. President, if this amendment that will be voted on in about an hour and a half is adopted, we still have a bill covering a wide territory, but it would be more feasible and more workable without title I.

Continuing to read from editorial:

For one thing, the bill provides for full public financing of congressional general-election campaigns, and that is clearly indigestible in the House this year, since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill. The more serious defects in the Senate bill involve the inclusion of primaries.

We can meet the objections, or solve the objections, of the Post if we adopt this amendment, although I am not saying they are for it, but I am sure they are not.

This is what they say about the campaign for the nomination of the two parties:

No aspect of the federal elections process is more motley and capricious than the present steeplechase of presidential primaries. Injecting even partial public funding into this process, without rationalizing it in any other way, makes little sense.

I certainly agree with that statement:

As for congressional primaries, they are so varied in size, cost and significance among the States that no single system of public

support seems justifiable without much more careful thought.

So, Mr. President, I commend this editorial to the thoughtful consideration of my colleagues.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. ALLEN. I am delighted to yield.

Mr. HARRY F. BYRD, JR. The Senator from Alabama mentioned the legislation which the Senate passed last year. As I recall, that was a very strong piece of legislation. It was, indeed, campaign reform as I visualize it.

Mr. ALLEN. Yes. It was so praised by many people who are now pushing this bill.

Mr. HARRY F. BYRD, JR. That is a point I cannot understand. When many of the same people felt that that was such a splendid bill, such an important contribution to reforming campaign spending, why is it now that we do not even permit that legislation to go into effect before we try to branch out into another area, in a different way, and begin to take money out of the pockets of the taxpayers to finance political campaigns?

Mr. ALLEN. That is a mystery to the Senator from Alabama, also.

Mr. HARRY F. BYRD, JR. Would it not be logical to enact the legislation which the Senate has already passed, which puts a tight ceiling on campaign expenditures? It seems to me that it is important to put a ceiling on the amount of money a candidate can spend and a tight ceiling on the amount that any individual can contribute to a campaign and to see how that works out, before we talk about digging into the pockets of wage earners, taking money out of their pockets and turning it over to politicians to spend in a political campaign.

Mr. ALLEN. I certainly agree with the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Another thought that occurs to me, as the able Senator from Alabama wages his fight against what I agree with him is a piece of legislation that Congress should not enact at this time, is this: The public these days does not seem to be too enamored of politicians. Do the proponents contend that the public is just demanding that money be taken out of the Federal Treasury, from any tax dollars that have been paid in after working by the sweat of their brow, and be turned over to politicians to spend as they wish in a political campaign? I can hardly believe that the working people of this Nation are very much inclined toward that.

Mr. ALLEN. Little word of any such demand has reached the ears of the Senator from Alabama. He has not heard of any such demand. Far from it. As a matter of fact, the Senator from Alabama can safely say that, based on communications he has received—and they have been in the modest thousands—the ratio has been at least 9 to 1 against any element of public financing.

Mr. HARRY F. BYRD, JR. This measure is being pushed by a certain group and by certain potential Presidential candidates, I suppose. As to the group that is pushing it, I know many of the members of that group, and the ones I have had acquaintance with are fine, conscientious people who feel that something needs to be done to get campaign spending under control; and I agree thoroughly with that view.

Mr. ALLEN. So do I.

Mr. HARRY F. BYRD, JR. I commend them for the interest they are taking in this matter. Where I differ with them is the vehicle they would use.

The Senate already has passed legislation which, while not perfect, will meet most of the objections we have had in the past about the abuse of campaign spending—namely, by putting a tight ceiling on the amount a candidate can spend and a tight ceiling on the amount any individual can contribute.

I commend and congratulate the able Senator from Alabama for the work he has done in exposing what I believe to be the fallacy of the proposal before the Senate.

Mr. ALLEN. I thank the distinguished Senator from Virginia for his contribution at this time and for his many contributions throughout the discussion and the consideration of this issue. I believe he has put his finger right on the point, that the answer to the matter of campaign reform is to have strict overall spending limits, as he suggests, and to limit the amount of individual contributions that can be made. S. 372, as passed by the Senate, does impose such a limitation of $3,000 per person, per campaign. If we had such a rule during the last Presidential election, during the last general election, we would not have had some of the abuses we did have.

So the answer is strict regulation and full disclosure of contributions and expenditures. That has not yet been tried. I feel that the proponents of this measure are trying to use the fallout from Watergate as an effort to push this type of legislation to a conclusion.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. GRIFFIN. I commend the Senator from Alabama (Mr. ALLEN) for the argument he has presented and for the valiant effort he has made in trying to bring some light to this issue of financing campaigns out of the public treasury.

Aside from the question of public financing, most reasonable people in and out of the Senate would agree, I believe, that a number of genuine reforms in campaign financing are needed: to bring such things as milk funds under control, for example; to require that contributions come from individual citizens rather than from special interest groups; to impose a ceiling on the amount that anyone can contribute to a candidate or a campaign; and to impose realistic ceilings on the overall expenditures in any campaign.

A fundamental question is: Are we going to get any reform out of this Congress if we try to load down the many needed, genuine reforms in this bill with this very controversial public financing proposal that could sink the whole ship?

If such a bill stands little or no chance of becoming law, the question is, Who is really for reform? Is it those who press for public financing? Or those who believe public financing should be considered separtely in another bill so that the genuine reforms in this bill can be pressed. It seems reasonable to appeal to those who are for public financing to handle it in separate legislation—to separate it out—as the Senator from Alabama seeks to do with his amendment, and to let it stand or fall on its own merits or lack of merit. But it should not be loaded on top of the other genuine reform measures now in this bill that should be passed and should become law.

As I was seeking to point out yesterday in colloquy with the distinguished Senator from Alabama, I do not think a lot of people realize that in the general election—if this bill were to become law as it is now drafted and presented to the Senate—all of the money for campaigns would come out of the public Treasury. I was pointing out yesterday the situation in the House of Representatives. Let us just take the House races again. I point to the House races because one can compare apples with apples in the House. Everyone represents about the same number of people, and although the expenses of campaigning did vary from district to district, there is a better comparison there than in the Senate, where there is a greater variance in the populations.

As I understand this bill, and the Senator from Massachusetts had to agree, this would happen: In the primary there is a matching arrangement; the candidate raises so much money from private contributors, and that is matched by the Treasury up to a limit of $90,000. Then, in the general election, there is no private contribution. There does not need to be any, and the whole $90,000 going into the general election campaign of each candidate nominated for a House seat would come out of the Treasury.

Mr. ALLEN. That is correct.

Mr. GRIFFIN. One of the important things, as we try to consider whether or not this is reform, is the level of expenditures that is going to be involved under this legislation. I put some figures in the RECORD yesterday. They were somewhat preliminary. I asked my staff to do some more work and they have come up with better figures and they are even more startling than the ones I had yesterday. These figures have come from three sources: The Clerk of the House, who has accumulated information about House races based on the 1972 reports; the Library of Congress, and their figures have come from Common Cause, as I understand it; and also from the GAO. It certainly should be in the RECORD and it should be of some interest, I would think, that in 1972 there were 1,010 candidates in the United States who ran in primary and general elections to seek election for the House of Representatives. The total amount spent by all of those candidates in all of those races was $39,959,276. That is what was spent in 1972 without public financing.

Now, what does the GAO estimate will be the cost for House races, out of the public treasury for the most part, if this bill is passed? Well, that information is on page 27 of the committee report. The

GAO estimates that the total cost for races in the House of Representatives, if this bill is passed and goes into effect, will be $100,307,988, or almost three times as much as the 1972 cost.

If the public understands this legislation I cannot believe they are going to think it is reform—campaign reform with this coming out of their tax dollars.

Mr. ALLEN. I think they understand it a lot better than some Members think they understand it. I think that may be the case.

Mr. GRIFFIN. I was pointing out yesterday that every candidate for the House who is nominated is then automatically entitled to receive $90,000 out of the public treasury to run his campaign. A lot of people will say, "Well, he doesn't need to spend it." I guess that is true, but if one's opponent is going to spend $90,000 out of the public Treasury, you do not have much choice other than to spend $90,000. It would greatly escalate the cost of camapigns.

To illustrate the point, I wish to put these figures in the RECORD, and they are based on information from the Clerk of the House of Representatives. In 1972, 8 percent of the candidates for the House of Representatives spent nothing—zero; 52 percent of the candidates spent less than $15,000 on their individual campaigns; and 64 percent spent less than $30,000. I am reading this slowly because I just want to make sure that this is understood. Seventy-four percent of all candidates who ran for the House in 1972 spent less than $50,000. Now, we are going to give all of them $90,000 out of the Treasury.

Mr. ALLEN. And that is to reform the election process.

Mr. GRIFFIN. That is to reform the election process. That will be great reform, will it not?

Mr. ALLEN. That is correct.

Mr. GRIFFIN. I just wish there were some of the proponents of the legislation here so we would not have to debate with ourselves these important points as time runs out and we get close to the vote. But I certainly hope our colleagues will realize what they are doing.

Mr. McGOVERN. Mr. President, will the Senator yield for a question?

Mr. GRIFFIN. I am glad to yield to the Senator from South Dakota.

Mr. McGOVERN. I am curious as to whether or not the figures the Senator is citing represent the filings of the individual candidates. Does that include what the various committees spent on behalf of the candidates? When the Senator said a high percentage of candidates running last year spent less than $50,000 is he talking about all expenditures or just those the candidates personally filed?

Mr. GRIFFIN. As the Senator knows, even though in my opinion it was not nearly strong enough, in 1972 we did have in effect a new law requiring the filing of reports in detail. For the first time Common Cause, the Clerk of the House, and others have been able to accumulate and put together the actual cost of what was involved in various campaigns.

It is my understanding that everything that was required to be filed under that law is reflected here, and that the GAO estimate is approximately on the same basis.

Mr. McGOVERN. As the Senator knows, it has been the practice over the years for candidates to file reports indicating that they spent nothing, because it was handled through committees on their behalf.

Mr. GRIFFIN. That was not true in the 1972 campaign.

The Senator from South Dakota was in the House of Representatives. The junior Senator from Michigan was in the House of Representatives. I do not know what is the cost of running for the House in South Dakota. Perhaps it is entirely different than in Michigan, but I will tell the Senator this: I ran for the House five times, and there was never a time when I or my opponent spent more than $20,000 in those House races. Usually it was less. There may have been one or two races in Michigan in which the candidates spent as much as $90,000, but that would be very rare.

Is that not true generally of the House races? The Senator is familiar with them. Of his own knowledge, would not $25,000 be a lot in those House races?

Mr. McGOVERN. It was double the amount I spent in my first race for the House of Representatives in 1956.

Mr. GRIFFIN. Just on that basis, does not $90,000 for every candidate running for the House of Representatives, coming out of the Federal Treasury, seem a little absurd?

Mr. McGOVERN. Let me say I am not an advocate of full public financing of campaigns. At some point, if it is not done by another Senator, I shall offer a modification of this bill that would make it impossible for anyone to get full public financing. What I would strongly prefer is a system where private citizens are allowed to make modest contributions to campaigns, and that would be matched by public contributions, up to a reasonable amount.

I am not going to debate with the Senator whether $90,000 is the right amount or not. It may be too high. I am not going to advocate the proposal for full public financing. I do not believe in it. I think in 1972 we demonstrated in the Democratic Presidential campaign that it was possible to raise a great deal of money from a large number of people, and do it in a very wholesome and honest way.

Mr. GRIFFIN. That certainly is true, and I think many people, of both parties, respect and admire that aspect, particularly, of the Senator's campaign for the presidency.

Mr. McGOVERN. There is a certain value in preserving at least part of this principle, because there is something to be said for providing an incentive for a candidate to take his case to the people at the grassroots. If he is offered full public financing, I do not think there is the incentive on the part of the candidate to make his appeal, particularly in taking it to the people and making his case there. On the other hand, I think we have to take steps to reduce the influence of special interest money in American politics.

So what I would like to see is a system that combines the best of both these principles—encourage the candidate to go out and raise what he can in limited, modest contributions, from as many people as possible, up to a certain agreed upon limit, and then match that with public contributions, so that we reduce the dependence of that candidate either on his own personal fortune or on special interests.

The reason I am not fully defending the bill before us now is that I intend, at some point, as I say, if some other Senator does not do it, to offer a modification to this bill which will make it more acceptable to the Senator from Michigan and others.

Mr. GRIFFIN. I certainly respect the views of the Senator from South Dakota.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. CANNON. I think there is getting to be a misunderstanding here as to what the bill actually does. The bill as it exists would not permit any candidate for Congress to get $90,000 Federal funds in a primary——

Mr. GRIFFIN. Not in a primary.

Mr. CANNON. He has to go out and demonstrate a public appeal, and there is a limit on the amount of those contributions he raises up to 50 percent and getting 50 percent matching funds. Once he wins the primary, it would be possible, under the bill, to get up to the $90,000, if that is the amount that is determined upon. The $90,000 is going to match the figure——

Mr. GRIFFIN. Will the Senator yield? Let us be clear that while matching is provided in the primary, once he is nominated, then all of the $90,000 would be public money out of the Treasury. I just want to be sure everybody understands that.

Mr. CANNON. Yes; it is not mandatory.

Mr. GRIFFIN. He does not have to get it.

Mr. CANNON. He can get it if he desires to. The Senator was complaining about the amount being extraordinarily high. Reduce the amount, then. If the Senator likes the principle, but does not like the amount, simply reduce it. I have no brief with the $90,000 figure. I thought it should more appropriately be left up to the House.

Mr. GRIFFIN. I do not think so. We are spending the taxpayers' money. I think the Senate should take a coequal responsibility in the determination of how the taxpayers' money should be spent.

Mr. CANNON. The Senator was indicating a little earlier that a participant could get $90,000 when that sum really was not needed.

Last year, in 1972, in the House, 66 of the winners spent an average of $107,378. So they really spent more than $90,000. That was in the general election. In those 66 races, the losers spent an average of $101,000, so obviously $90,000 was not overly excessive.

It is true that 97 Members who were elected—but I might point out that they got from 70 to 90 percent of the vote, so

it is obvious that they did not have a tough fight—spent an average of $38,729. In a case like that, had this bill been in effect, they could not have spent more than $38,729.

Mr. GRIFFIN. I disagree with the Senator.

Mr. CANNON. The Senator may disagree——

Mr. GRIFFIN. This bill would permit every candidate to get $90,000.

Mr. CANNON. Not if they spent an average of $38,729.

Mr. GRIFFIN. But if they spent it they could get it.

Mr. CANNON. If they spent it, they could get it, but I am pointing out that the average spent was $38,729. Obviously it was not a tough race in those cases, if they got from 70 to 90 percent of the vote, which is true of them.

Mr. GRIFFIN. I certainly respect the views of the Senator from South Dakota, and two of his points have merit. But it seems to me, with all due deference, he has made some very good arguments for voting for the amendment of the Senator from Alabama, who seeks to strike title I from the bill. It seems to me the Senator from South Dakota is saying that public financing should go back to the drawing board for some more work and some more study. He is not satisfied with it himself, so I hope he will vote for the amendment.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. McGOVERN. I would like to direct a question to the Senator from Nevada, if he would like to comment on this point, and perhaps the Senator from Michigan would comment on it, too.

Would it be feasible to consider modifying the bill, so that the same principle we have operating in the primary would also operate in the general election? In other words, could we eliminate the possibility of 100 percent public financing, and put the whole thing, both the primary and the general election, on a matching basis, so that 50 percent of the funds would be public and 50 percent would be private? It seems to me that that is a solid compromise, one that includes the very deserving principle of public financing and also preserves the private sector.

Mr. CANNON. To answer the question as to whether it would be feasible, it certainly would be feasible, just as in the bill we provide matching for the primary. But the rationale of those of us who supported this form was that we would try to get away from private financing, and this was a direct result of the Watergate abuses. We saw what had taken place, so many people thought we ought to get away from private financing and go to public financing. That means that if we do not do it in this bill, then it is something like being a little bit pregnant. If the private financing is bad, we have a lot of it in the public. We get away from it now in the general election. There is no reason why we could not carry it on a matching basis in the general election as well as having it in the primary.

I may say in good humor to my friend from Michigan, frankly, that he suggests we eliminate this and go ahead with reform measures. We went ahead with reform measures once before, in S. 372. It is still languishing in the House a year and a half later. If S. 372 had been passed and had become law, I do not think we would be back here arguing the private versus public financing features. I think S. 372 carried a lot of reform features, which made it less likely that we would have such abuses in the private sector.

Mr. GRIFFIN. Mr. President, much as I admire the chairman and his views, I do not follow his logic at all. If he is saying that if S. 372 had become law, we would not need public financing, I do not understand how the very controversial public financing title, in essentially the same legislation, is going to make it easier to pass. The likelihood is that we will end with no reform at all. But if we will keep our focus on the fuller disclosure, the elimination of the special interest contributions, and those things that really need to be done, I think we could enact legislation that would really be reform in this Congress.

I, for one, am not ready or willing to close the door indefinitely on the concept of public financing. Perhaps it has some merit, but I certainly am not for the public financing in title I, and I must oppose it.

If we wanted to venture into public financing or the Government might provide a set amount of broadcasting time for candidates in a general election, shortening the time of campaigns, and provide a fixed amount of time for each candidate to present his case, with the Government paying for it. Television, as we all know, costs are the biggest expense in a campaign.

Something like this has been done in Great Britain, and it has worked. If we took a modest step like this, it would be something that the people might accept. But they are not going to accept this.

Mr. CANNON. There are a number of reform features in the bill.

Mr. GRIFFIN. There are.

Mr. CANNON. The only importance I attach to public financing is that it gets rid of the undue influence of big contributors. A big contributor, under this bill, cannot have any undue influence and still come within the bill. That is where the reform issue comes up in public financing. It means that a candidate is not dependent upon big contributors.

Mr. GRIFFIN. The way to eliminate the big contributor is to put a definite ceiling, such as a thousand dollars, on any amount a person can contribute.

I call attention to the remarks made a few minutes ago by the distinguished Senator from South Dakota, who pointed out that in his race for the Presidency most of his support came from small contributors. I do not think we should make it impossible for people to run for the House or the Senate, or even the Presidency, by putting a limit on the amount of small contributions.

Mr. CANNON. The Senator will recall that when this matter was under discussion before, our committee was charged with reporting a bill in this session that contained a reporting feature. But at that time we did check with the Senator from South Dakota, and it developed that while he got most of his money from small contributors, still it was necessary to have seed money to operate the campaign—a Presidential campaign—and to go out and make these types of contact.

Mr. GRIFFIN. Where does the seed money come from in this bill? As I understand, in the primaries it is necessary to go out and raise the money.

Mr. CANNON. That is correct; or the candidate would have to raise it on a matching basis in the primary. But, as the Senator pointed out or provided for the RECORD, despite all the candidate's efforts to get a broad distribution, a broad base, he would still have to rely on some very large contributors to come in and provide the necessary seed money. But I do not know whether he is going to get it under this type of provision. I do not know whether this provision would be adequate in a Presidential race. At least, we put smaller limits in than we put in on S. 372, which passed the Senate overwhelmingly. The reason is that if S. 372 had been enacted, we would not have the very loopholes we are taking care of in this bill. As a result, if that bill had been passed last fall, I do not think we would have the pressure now for public financing and other reform measures. That is my personal view.

Mr. GRIFFIN. I thank the chairman for his statement and contributions to the debate. At the time of the earlier debate, in making a commitment to the Senate, it was thought that the Rules Committee would consider reporting a public financing bill, so that the Senate might have an opportunity to have this debate. I wrote the minority views against it in the report. I felt that it was an issue that should not be decided only within the Rules Committee; that it was an issue big enough and of such importance that the Senate itself should have an opportunity to debate it. After performing that funcion as a commitee member, I now am in the position of strongly opposing title I. I do not see it as a reform; I see it as a shocking way of raiding the Public Treasury.

I think one thing ought to be mentioned in this debate, and that is that there is a provision in the tax law for a deduction of up to one-half of small contributions on one's tax return. When you are allowed that deduction, or I think it is even a credit under some circumstances, that is taking money out of the Treasury. That is public financing.

There is an important difference, however: you are able, under that system, to make your contributions and provide support to the candidates and the party of your choice. It seems to me that is an important concept that is overlooked here when we talk about financing all races out of the Public Treasury. That is taxation without representation. It means that regardless of whether you favor a candidate or a party, your tax funds are going to go toward his campaign.

I do not think most people want that, or want this Congress to enact it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, having made reference, as I did during my remarks, to the views that I included in the committee report, I ask unanimous consent that my statement of additional views as it appears beginning on page 89 of the committee report be printed in the RECORD at this point.

There being no objection, the excerpt from the committee report (No. 93-689) was ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS OF MR. GRIFFIN

The astute political observer, David S. Broder, mixed a dash of homely wisdom with a reporter's cynicism when he wrote: "The only thing more dangerous to democracy than corrupt politicians may be politicians hell-bent on reform."

In many minds, the idea of "public financing" has somehow become synonymous with "campaign reform." I am concerned that the reality may be very different.

Even though I have serious doubts about the public financing aspects of this bill, I joined in voting to report it because I believe the Senate as a whole should have an opportunity to debate and decide the issues raised by Title I. Furthermore, except for Title I, the bill contains many campaign financing reforms which are clearly meritorious.

For example, I strongly support such provisions as those in other titles of the bill to create an independent Federal Election Commission, to place strict dollar limits on the amount an individual can contribute to a candidate or to campaigns in any year, to limit the amount a candidate can contribute to his own campaign, to restrict the size of cash contributions; to impose ceilings on overall campaign expenditures; and to require each candidate to use a central campaign committee and depository.

Such provisions truly represent campaign financing reforms, and they should be enacted on their own merit.

Unfortunately, public understanding has not fully penetrated a facade of attractive slogans that has surrounded the promise of public financing for campaigns. As more and more light is focused on the approach of Title I in this bill, the more realization there will be that it does not really represent "reform" at all. That will be particularly true as the people learn that "public financing" means "taxpayer financing"; and when they see that Title I would actually *increase*, not decrease, the levels of campaign spending, particularly in races for the House of Representatives.

It should be noted also that a number of needed, real reforms have not been included in this bill. For example, I believe everyone—candidates and voters alike—would welcome steps to shorten the duration of campaigns.

ROBERT P. GRIFFIN.

Mr. CANNON. Mr. President, I am opposed to the pending amendment and ask the Senate to reject it. The amendment is very brief but its effect upon the bill would be to destroy it, for title I provides for the financing of Federal elections from the public funds. Without title I we would be left with the existing law as amended by the bill, S. 372, which the Senate passed last July 30 by a vote of 32 to 8.

The Committee on Rules and Administration labored long and hard to prepare this bill and it reflects days of public hearings on the subject of public financing and the reasons for proposing a system of public financing.

There is no need to repeat in detail or at great length the many arguments in support of public financing. Those arguments and the rationale are set forth at length in the committee's report beginning on page 4 and copies are on the desks of all Members of the Senate.

Excesses in contributions and expenditures evidenced in the 1972 campaigns demonstrated clearly that some candidates have no difficulty in raising vast amounts of money while others cannot raise enough to carry out an effective campaign.

The unfortunate ones either drop out or must accept contributions from wealthy individuals or special interest groups. When limits are set for contributions it becomes even more difficult for the little known candidate to raise necessary funds for even a minimal campaign.

This bill, and especially title I of the bill, offers a fair and reasonable opportunity to any citizen to seek nomination or election to Federal office if he possesses the necessary qualifications and meets the standards set by title I for public funding.

Public financing cannot be applied only to general elections because the private financing of primary elections would leave us with a situation in which the potential for a repetition of the scandals of 1972 is obvious.

A candidate could raise money from any source for use in a primary, if he had access to those sources, and, if he won he could then demand public funds to finance his general election campaign.

As the committee report states on page 6:

Unless primary election candidates can be relieved of their excessive dependence on large amounts of public money, a system of public financing in general elections will only move the evils it seeks to remedy upstream to the primary phase of the electoral process.

The bill S. 3044 does not open the vaults of the Treasury to every candidate who enters a race. It requires him to demonstrate a genuine appeal to the electorate by raising a meaningful threshold amount in small private contributions. If he cannot meet the threshold he gets no public money.

The bill also furnishes full funding to major party nominees and only a proportionate amount to minor party candidates.

The thoroughness of the bill's provisions, the requirements which must be met prior to becoming eligible for public funds, the provision for private and public matching, and the option to go for either private or public funding careful auditing and accounting, are all evidence of the painstaking concern of the committee for the public and the use of public money.

Public financing is the only answer to corruption in the field of political finances and to restore confidence in the elective process.

I urge my colleagues to vote against the amendment.

Mr. President, on this subject, today's New York Times carries an editorial entitled "The Time Is Now" and it emphasizes the need for public financing of all Federal elections—primary and general.

Further, it stresses fairness of the pending legislation, S. 3044, in offering public financing as an optional alternative to private financing.

I ask unanimous consent to have the editorial printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE TIME IS NOW

Now is the time for a full and fundamental cleansing of the nation's outmoded, corrupt system of financing public elections with private money. Now is the time to break the stranglehold of wealthy individuals and of self-seeking interest groups over the nation's politics. Now is the time to bring into the open sunlight of public responsibility a system half-publicly regulated and half-secret. If Congress cannot reform the nation's politics in this sordid year of Watergate, when will there be a more opportune time?

The campaign reform bill awaiting action in the Senate is an admirable measure. It has bipartisan backing as well as support from ordinary citizens across the country. Senators Mike Mansfield, the majority leader; Robert Byrd, the majority whip, and John Pastore, the party's chief spokesman on this problem, have given the bill stalwart Democratic support. On the Republican side Senator Hugh Scott, the minority floor leader, has been out in front urging action on reform.

The heart of the bill is a sharp reduction in the size of private contributions and, as an alternative, an optional form of public financing. Opposition to this reform concept comes from diverse quarters. President Nixon is opposed. Senator James Allen, Alabama Democrat, who serves as Gov. George C. Wallace's agent in the Senate, is opposed. So are the right-wing conservative Republicans led by Senators Barry Goldwater and Strom Thurmond. The biggest danger to the bill is the threat of a filibuster by Senator Allen with the backing of the Goldwater-Thurmond group. But this bluff can be called if Senators Mansfield and Scott remain firm in support of the bill.

As with any innovation, the advocates of reform are vulnerable to the criticism that they are attempting too much. But primaries as well as general elections need drastic improvement; in many one-party states, the primary provides voters with their only effective choice. It would make no sense to reform the financing of political campaigns at the Presidential level and leave House and Senate unreformed.

Rightly or wrongly, Congress as well as the Presidency suffers from a loss of public confidence in this Watergate season. The members of Congress will be making a serious miscalculation about their own political futures as well as the fate of the institutions in which they serve if they revert to business-as-usual. The people sense the need for reform, and the people's sense needs heeding.

The principles underlying the reform bill are simple: Presidential and Congressional primaries would be financed by matching grants. Thus, Presidential aspirants would have to raise $250,000 in private contributions of $250 or less before they qualified to receive the matching sum of $250,000 from

the Federal Government. Like climbing steps in a flight of stairs, the candidate would qualify for another quarter-million dollars each time he raised the same amount privately. There would be an over-all limit of approximately $16 million, half public and half private, for each Presidential candidate in the primaries.

The same principle would apply to House and Senate primaries except that the limit on contributions would be lower—$100 or less—and each step in the staircase would be lower, $25,000 in Senate races and $10,000 in the House. In general elections, the matching principle would not apply. Candidates could finance their campaigns by public or private funds or any mix of the two as long as they stayed within an over-all ceiling.

The bill would not lock parties and candidates into a novel or rigid arrangement. Rather, it curbs the abuses of private financing and offers public financing as an alternate route to elected office. Since the old private route has become choked with scandal, it cannot—unreformed and unaided—serve democracy's need much longer. Now is the time to provide a public alternative.

Mr. BEALL. Mr. President, I wonder whether the distinguished chairman of the Committee on Rules and Administration, the Senator from Nevada (Mr. CANNON) would yield for a question for purposes of clarification.

Mr. CANNON. I yield.

Mr. BEALL. As I understand the provisions of this legislation with regard to public financing in the primaries, to be used in my State as an example, we are required to raise 20 percent of the primary spending limit in order to qualify for public financing, which means, as I read the chart, and Maryland would be permitted primary spending of $272,000, that in the primaries we would be required to raise 20 percent of that amount of money, which is $54,000 in order to qualify for the 50–50 participation; is that not correct?

Mr. CANNON. Yes, as I understand what the Senator stated. In other words, the voting age population of Maryland is 2,720,000. So, using the 10 cents per voting age population in the primary, the amount that could be spent in the primary election would be $272,000. The candidate would be required to raise 20 percent of that by private contributions in order to be eligible for the matching formula proposition.

Mr. BEALL. To pursue this matter further, in the State of Maryland we register by party. Assuming there are 1,600,000 voters registered, unfortunately, only 300,000 are registered as Republicans. This means that I have to raise $54,000 from 300,000 Republicans, with a limit of $100 per contribution. Is that correct?

Mr. CANNON. The Senator could raise it from all over the country, and he need not raise it just from Republicans. So he would have the opportunity to raise it from any source, but the limit would be $100.

Mr. BEALL. I would hope that my services would be so much in demand that I could attract attention from all over the country and that I could attract attention from Democrats.

As a practical matter, considering a first-time candidate, I am wondering how successful a candidate would be in raising funds from other than members of his own party if he were in a heated primary.

My next question is this: I cannot possibly see, quite frankly, if in the State of Maryland, for example, we were to have a heated primary in the Republican Party, which has only 300,000 members, how any candidate with a limit of $100 on a contribution could hope to raise $54,000 in order to qualify for the Federal participation, which would then double the amount of money he received.

I am saying that the bill as now written puts an intolerable burden—as a matter of fact, a penalty—on a candidate of what is a major party in a minor party status, so far as registration figures are concerned.

Mr. CANNON. In the first place, I cannot agree with the Senator that out of a voting-age population of 2,720,000 there are only 300,000 Republicans.

Mr. BEALL. I know that there are. I live in Maryland, and I happen to be Republican, and I know how many people are registered as Republicans. I am not only sorry but also a litle ashamed of the paucity of the people who register in that party.

Mr. CANNON. If the Senator is correct on his figures and if he feels that in the State of Maryland he could not go out and raise $54,000——

Mr. BEALL. In the primary.

Mr. CANNON. If he or some other candidate in a primary could not raise that amount, then I would say they had better not be in the race.

Mr. BEALL. I hope I will never have to spend $54,000 to be successful in a primary in the State of Maryland.

Mr. CANNON. The Senator does not have to go to the matching formula basis.

Mr. BEALL. What I am saying is that the public is financing the candidates in the Democratic Party but not the candidates in the Republican Party. So the Democratic Party continues to grow stronger while the Republican Party continues not able to take advantage of the public funds that might be available for the financing of elections. That may sound good to the Senator from Nevada, as a Democrat, but it does not sound good to me, as a Republican.

Mr. CANNON. The requirement is that a candidate demonstrate that he has some public appeal if he is going to get the Federal contribution. If he does not have that public appeal, he is not going to get the Federal contribution. If he says, "Somebody else is going to get it and I am not," the Senator from Maryland is correct. He could say, "Tax money is going to support some other candidate but not me," and that is true, if he cannot demonstrate the public support.

Mr. BEALL. But for a Democrat running in our State, the figure is not the same. He has 1,300,000 people to whom to appeal for contributions, whereas I have 300,000 people to whom to appeal, as a Republican.

Mr. CANNON. I cannot think of anyone on the Senate floor who could raise that question less legitimately than either of the Senators from Maryland, because they are both Republicans, and I think it is quite obvious that they are able to get private contributions adequate to compete in a campaign.

Mr. BEALL. But this is a nonincumbent's bill, I would hope. This bill is not to perpetuate incumbents in office, much as we would like it to be. I thought the purpose of this was to give anybody an opportunity to seek public office, in the U.S. Senate or the House of Representatives, regardless of whether he is in office at the present time.

Mr. CANNON. The Senator is not correct. This bill is not designed to give anybody the opportunity to seek public office. This is an election reform bill, to try to reform the electoral process by providing limits to reduce the influence of large contributions, and it is not directed toward either political party. So far as we can tell, it is not weighted toward either political party.

If the Senator does not like the formula, I would suggest that he offer an amendment to change it.

Mr. BEALL. I think that is a good suggestion. I accept the suggestion. But the reason why I engaged in this colloquy is that I wanted to point out that I think there are inequities. The bill as now written, keeps people from running for public office who might otherwise do so.

Mr. CANNON. May I point out, in response, that it does not keep anybody out, because nobody has to qualify and receive Federal funds. Obviously, when the Senator ran the first time, he received no Federal funds, and he was able to raise private contributions and to compete and to win. A candidate can do that at the present time, and he can do it under this bill. The bill would not change that one iota. But if one is going to compete for Federal funds under this bill, he has to demonstrate that he has some public appeal; otherwise, everybody who wanted to run would come in and say, "I want in on the pie."

Mr. BEALL. Suppose that in 1976, when I am up for reelection, we have a primary—perish the thought—and I, because I am the incumbent, might be able to go out and raise $54,000; and because I raised $54,000, I would then be entitled to another $54,000 from the Federal Treasury.

Mr. CANNON. If the Senator spends it. He is not entitled to it unless he spends it.

Mr. BEALL. It is not very difficult to spend money in an election campaign if you have it or if you know you are going to get it. Then I would be entitled to $108,000, on that basis. Is that correct?

Mr. CANNON. Oh, no. The Senator would be entitled to $54,000. If he raised $54,000, he would be entitled to a matching amount.

Mr. BEALL. So I would have $108,000.

Mr. CANNON. Yes, but $54,000 the Senator would raise from private contributions.

Mr. BEALL. The $54,000 I raised and the $54,000 that Uncle Sam would give me. I am the incumbent, and I can hope to raise $54,000 in the primary. How about the fellow challenging me in the primary? Suppose he can raise only $35,000? He is not going to get public funds. I would have a campaign financed half

by my supporters and half by Uncle Sam, and any challenger would have to depend on funds that are very difficult for him to collect. So I would have a double advantage. Is that correct?

Mr. CANNON. Not a double advantage; but the ultimate assumption is correct, that a man who cannot demonstrate the public support, cannot share in the public financing. That part of the Senator's statement is correct.

Mr. BEALL. Sometimes there is a difference between demonstrating public support and collecting money. Sometimes one can get the votes but not the dollars to back up the votes.

It seems to me that by using this formula, a terrible burden is placed upon those people who might want to challenge an incumbent in a primary, and I do not think that is in keeping with the purpose of the legislation.

Mr. CANNON. If the Senator is opposed to public financing, he should vote against it.

Mr. BEALL. I started out by saying that I am not opposed to public financing combined with private financing. But I am opposed to public financing that discriminates against people who want to challenge the incumbents.

I yield to the Senator from Tennessee.

Mr. BROCK. I think the Senator is saying that whether or not it was the intent of the bill, as it is written it is an incumbent protection act, particularly in the sense of the primary. Further, if a candidate is a viable candidate and all his supporters happen to be people of low economic standing, he just does not have an opportunity to demonstrate his voter appeal, because the dollars are not there.

Mr. BEALL. That is correct.

Mr. BROCK. So he is penalized, even though he may have enormous appeal for the majority of his constituency. That is the thing here: The incumbency is perpetuated. The process is damaged. It is made almost impossible for challengers to bring any freshness into the system. That is the terrible thing about this kind of approach, and it seems to me that we can do a better job on it.

Mr. GRIFFIN. I wonder if the Senator from Maryland would agree with this observation. It seems to me if the Senator is concerned, as he well might be, about the possibility of raising funds under the present circumstances from that number of Republicans in his State, I wonder how the climate and the attitude of potential givers might be because if we pass this bill, entitled "Public Financing," and the word goes out that the Government is going to finance campaigns from now on, I wonder if the people will be interested in making any contributions, and I wonder if they will understand that it would be necessary for us to raise $54,000—is it 5,400 contributors?

Mr. BEALL. 540 contributors.

Mr. GRIFFIN. I am just wondering if it would not be a great deal more difficult than under circumstances today.

Mr. BEALL. I think it would be.

Mr. GRIFFIN. I think so, too.

Mr. BROCK. Mr. President, I wish to point out that there is another flaw in this approach, and that it is we do try to strengthen the two-party system, but the Republican Party has not been around for 200 years. It was created about 110 years ago or 115 years ago. Had this law been in effect at that time, the grave of Abraham Lincoln would be just another burial plot in the cemetery. He could not have run under this bill and could not have gotten the support. There was no such thing then as a Republican Party. He would have been the candidate of a minor party, and since the bill states that there must be established a basis in a prior election and there is no prior election for a new party, he would have none.

I wonder what would happen in the case of the Bull Moose Party in 1912, when the Bull Moose candidate ran ahead of the Republican Party candidate on a splintered ticket. What opportunity do we have in that situation? This bill freezes the practice, it freezes the incumbent, and it has the possibility of reducing the vitality of our system.

Mr. BEALL. I am really more concerned about the advantages to the incumbent. I was not concerned about the party. But as Republicans we should be concerned about our Republican Party. But it seems to me as presently written the incumbent in the case of a party where there is an imbalance in registration in the State has a tremendous advantage and I think it is an advantage no one can hope to overcome because I cannot imagine a challenger in the State of Maryland in a primary situation being able to raise the required $54,000 that would be necessary to pursue a primary campaign against an incumbent.

Mr. MOSS. Mr. President, today this Congress has the opportunity and responsibility to implement a lasting and comprehensive means to prevent corruption in politics. The 'purchasing" of favors through private political contributions to campaigns has had a demeaning effect on all public officials. Acceptance of S. 3044 can go a long way toward alleviating this problem.

Last summer when the Federal Election Campaign Act of 1973 was being considered by the Senate, I indicated my support for an equitable form of public financing. Last September I testified before the Subcommittee on Privileges and Elections that emphasis in politics should be on people, not on money. I further indicated that the public would not be ill-served to have some of its tax money reserved for the assistance of political candidates to public office. Such use of our tax money would improve the representative process by enlarging its scope, and invigorating the workings of democracy.

Only last month I joined in a colloquy with several of my distinguished colleagues and pointed out that the traditional practice of campaign revenue raising is susceptible to much abuse and that an alternative to this abuse was the allowance for taxpayers to a checkoff on their Federal income tax for campaign purposes.

Last November, I was pleased that the Senate accepted an amendment to the debt ceiling bill to provide a means to publicly finance elections. However, following a compromise by the House, a filibuster in the Senate, and a historic Sunday session, opposition hardened and supporters of reform could not muster the two-thirds vote necessary to break the filibuster.

It must be emphasized that campaign financing is not a new issue. It is not being rushed through Congress. Extensive hearings have been held in the Senate. My distinguished colleagues on the Subcommittee on Privileges and Elections, and the Rules and Administration Committee have devoted many long hard hours to development of a bill that is comprehensive, but fair. S. 3044, the Federal Election Campaign Act Amendments of 1974 is such a bill. I commend my colleagues for their work in handling this delicate issue of public financing of campaigns expeditiously but with fairness to the exponents of all viewpoints.

Senator ALLEN is to be respected for his view on public financing of elections. Although I do not agree with his reasoning or conclusions regarding public financing, I certainly cannot dispute his sincerity.

I believe that Senator ALLEN is wrong in contending that title I of S. 3044 is a "raid on the Treasury." Rather, public financing as provided by this bill merely prevents special interests from buying favors and placing undue pressure on public servants. Americans now only end up paying more for campaigns than they would by having tax dollars used for campaigns. Large contributions by representatives of large corporations come from higher prices of commodities that are purchased by the consumer. The milk support price rise in early 1971 is proof of this. The only difference is that such increase in price is a subtle increase.

Certainly, I do not contend that public financing is a panacea to all of the ills of campaigns. But it is a step in the right direction. Until individuals realize that favors will not be purchased by political contributions, politics in the eyes of Americans will not be restored to a place of honor and respect. I think that public financing, although problems will occur in development of means to implement it, is one way in which this honor and respect can be returned to public service.

I ask that my colleagues join in defeating amendment No. 1064 to S. 3044. Only through this means can we indicate our commitment to prevention of corruption evident in recent campaigns.

CAMPAIGN FINANCE REFORM—A TIME FOR CLEANSING

Mr. HUMPHREY. Mr. President, the Senate has under consideration the most comprehensive campaign finance reform measure ever to come before the Congress. No single piece of legislation before the Senate in this session has the potential of the Federal Election Campaign Act of 1974 for cleaning up American politics and restoring confidence in the integrity of our political system and the individuals who work within it.

The most important feature in this legislation, which incorporates and builds on a number of recent campaign reform measures passed by the Sen-

ate, is the new provision for the public financing of Federal elections that it authorizes. I totally disagree with those who claim public financing of elections is a diversion of public funds from important public activities. If the tragic drama called Watergate, which has been unfolding for nearly 2 years in our newspapers and on our televisions, has made anything clear, it is that the public has no greater interest or priority than in assuring the integrity of those they choose as their public officials.

While I do not endorse every detail of this bill or feel it can be written on stone tablets for all posterity, I do agree completely with its basic objectives and believe its major provisions are reasonable. Obviously, any legislation of such significance will require very careful monitoring by Congress to be sure it is having the intended effects on our electoral process. This monitoring will lead naturally to the adjustments and fine tuning that always prove necessary as major new legislation is implemented.

Title I of the Federal Election Campaign Act Amendments of 1974, the public financing title, affords all candidates an opportunity to obtain a certain amount of public financing of their campaigns from the Treasury of the United States. However, to receive such assistance, they must be able to demonstrate a reasonable amount of support from the electorate in the geographic area in which they intend to run for Federal office.

To qualify for public financing assistance in the primaries, a candidate must raise a specific amount of "earnest money" from contributions of $250 or less in the case of Presidential candidates and $100 or less for Senate and House candidates.

After the required threshold level of "earnest money" has been reached, public matching funds would be available on a dollar-for-dollar basis for each contribution of $250 or less for a Presidential primary candidate and $100 or less for a Senate or House primary candidate.

In the general elections, candidates may choose to receive all private contributions and no public funding, a blend of private and public funding, or, in the case of major party candidates, exclusively public funding.

The nominee of a major party would be able to receive full public funding of his campaign for election, up to the specified campaign spending limits. Minor party nominees would be eligible for public funding up to an amount equal to the percentage of the vote their party's candidate received compared to the votes cast for the candidates of the major parties.

The bill would also increase the value of the dollar check-off to $2 for individual and $4 for joint returns and provide that the designation be automatic, unless the taxpayer elects not to make such a designation. If the amount of designated tax payments to the fund do not result in a sufficient total amount to fulfill the entitlement of all qualified candidates, then the Congress may appropriate the additional sums needed to make up the deficit.

The bill would limit individual contributions to a candidate, or committees operating on his behalf, to $3,000 for each election. It would limit the total contribution of an individual to all candidates in any calendar year to $25,000. And, it would limit to $3,000 the contribution of a political committee to any candidate. A limit of $100 is placed on all cash campaign contributions.

While the legislation before us includes a number of other significant reforms regarding campaign finance, I believe that the provisions relating to public financing of campaigns are of the utmost importance.

I have been a vocal advocate of expanded public financing of Federal elections for many years. As one who has been involved in almost all types of Federal elections, I can appreciate, perhaps more than some others, the importance of such a change in the financing of the electoral process. It was with this in mind that I supported the dollar check-off and authored the amendment which put it on the front of the income tax form where people could see it and use it. This was also my reason for speaking in behalf of the Kennedy-Scott public financing amendment when it came before the Senate last July.

Mr. President, if the faith of the American people in their Government is to be restored, this vital campaign finance reform legislation must be passed with its major public financing thrust intact.

There is no doubt that this reform measure is needed.

In politics, I have found that what is true is, regrettably, not always as important as what people perceive to be true. Those of us who run for office can profess that the campaign contributions we receive do not in any way control our votes, but I venture to say that not many believe it.

I have been in a number of campaigns, and I enjoy the campaigns, I like them. But the most demanding, disgusting, depressing and disenchanting part of politics is related to campaign financing. Furthermore, in national elections it is literally impossible for the Presidential and Vice Presidential candidate to have control over or knowledge of campaign finances. All too easily you can become the victim of sloppy reporting or carelessness on the part of your committee or committees. Yet, in the public's mind, it is the candidate that is guilty of wrongdoing.

In my years of public service I have seen the cost of campaigns skyrocket to unbelievable levels.

It is time we stopped making candidates for Federal office spend so much of their time, energy and ultimately their credibility, on the telephone calling friends or committees, meeting with people, and often times begging for money.

Scrounging for funds to bring your case to the electorate is a demeaning experience. The bill before us today gives us our best chance ever of cleaning up our politics.

Frankly, Mr. President, the election of public officials is too important to our Nation, and an electoral process that is above suspicion is too precious to our people, to permit elections to be decided on the auction bloc of private campaign funding. Big money, large private contributions, and the amount of money a politician can raise should not be permitted to continue as a key to election day success.

Mr. President, it is gratifying for one who has labored long in the vineyard of public campaign finance, and it should be very encouraging to all Americans, to see such a creative step toward cleansing our electoral process emerge with nearly unanimous bipartisan support from the Senate Committee on Rules and Administration. Chairman CANNON and his colleagues have done a laudable job and deserve our congratulations.

I hope that the Senate will support, in general, the committee's work, and provide the Nation with the leadership our people seek in restoring confidence in the integrity of their Government.

It is not enough to criticize corruption in politics. That is easy to do, we can all be against evil. But our constituents are demanding more than rhetoric from us, and rightly so. The American people will no longer tolerate lip-service to campaign finance reform. The time for us to act is now and the vehicle is before us. We must act positively on the Federal Election Campaign Act Amendments of 1974 and authorize the extension of public financing to all Federal elections.

Some may say, "All the politicians are doing is taking care of themselves." Others, who should know better, have called it "taxation without representation" and "a diversion of public funds from important purposes."

But, Mr. President, as one who has been to the "political wars" at the national level for 25 years, I say unequivocally that there is no more important use of public funds—no better insurance of effective representation that directly benefits our people—than to assure the integrity of our public officials and to tear away the veil of suspicion that shrouds every politician who must go to the marketplace to finance his candidacy.

Mr. BUCKLEY. Mr. President, S. 3044 includes a number of campaign reform proposals tied together in a package that we are told will satisfy the public demand for reform and at the same time solve many of the problems that face our society. Some of the proposals that have been woven into this bill have merit and deserve consideration, but those that dominate S. 3044 are so deficient as to render the bill virtually unsalvageable.

Title I of S. 3044 is, I am afraid, chief among these. It is title I, of course, which incorporates public financing of Federal elections with strict expenditure limitations. The concept of publicly financed election campaigns has been the subject of controversy in this body for some years now, but I am still far from convinced that it is an idea whose time has come or indeed, that it is an idea whose time should ever come.

The scheme incorporated into this portion of S. 3044 is quite intricate mechanically, but one that must be thoroughly understood both mechani-

cally and conceptially before we go so far as to vote it into law.

Therefore, before I move into a discussion of what I see as the basic objections to the entire concept of public financing I would like to go over the provisions of the specific plan incorporated into title I of S. 3044.

Under title I tax money amounting to approximately $360 million every 4 years would be made available to finance or help finance the primary and general election campaigns of legitimate major and minor party candidates for all Federal offices.

A candidate seeking the endorsement of his or her party via the primary route must demonstrate his "seriousness" by raising a specified amount through private contributions before qualifying for Federal money. Once this threshold amount has been raised, however, the candidate becomes eligible for public matching funds up to the limit applicable to his race.

Candidates running in the general election for any Federal office are treated differently depending on whether they are running as major party or minor party candidates. Of some interest is the fact at the Presidential level a major party is defined as one that garnered 25 percent of the vote in the previous election.

Major party candidates may receive full public funding up to the limit applicable to their races.

A minor party candidate, on the other hand, may receive public funding only up to an amount which is in the same ratio as the average number of popular votes cast for all the candidates of the major party bears to the total number of popular votes cast for the candidate of the minor party. However, the minor party candidate must receive at least 5 percent of the vote to qualify for any funding.

Minor party candidates are allowed to augment their public funds with private contributions up to the limits set in the act and may receive post election payments if they do better in the current election than they did in preceeding elections.

The indepedent candidate or the candidate of a new minor party isn't entitled to anything prior to the election, but can qualify for post election payments if he draws well at the polls.

This plan is expected, as I indicated a few moments ago, to cost about $360 million every 4 years. The sponsors of S. 3044 would have us believe that this money will be raised through an expanded tax check off provisions such as the one now on our tax forms that permits us to designate that $1 of our tax money shall go to a Presidential Election Campaign Fund.

This strikes me as one of the most objectionable features of this entire scheme. The check off as modified by the authors of S. 3044 is a fraud on the American taxpayer. It is an attempt to give people the feeling that they can participate in decisions that the authors of this bill have no intention of letting them participate in. This provision alone would force me to vote against S. 3044 and should be stricken along with the rest of title I.

As you may recall, the checkoff was originally established to give individual taxpayers a chance to direct $1 of their tax money to the political party of their choice for use in the next Presidential campaign.

When it was extended by the Congress last year, however, the groundrules were changed so that this year taxpayers are not able to select the party to which their dollar is to be directed. They are simply allowed to designate that the dollar should go into the Presidential election campaign fund to be divided up at a later date. Thus, while the taxpayer may still refrain from participating he may well be directing his dollar to the opposition party if he elects to participate.

A theoretical example will illustrate this. Let us assume that two candidates run in 1976 and that the money to be divided up amounts to $10 million. Half of this would go to each candidate, but let us further assume that 60 percent of this money or $6 million is contributed by Democrats. Under this set of circumstances a million Democrats would unwittingly be contributing to the campaign of a candidate they do not support and for whom they probably will not vote.

If S. 3044 passes things will get even worse. During the first year only 2.8 percent of the taxpaying public elected to contribute to the fund. This disappointing participation was generally attributed to the fact that it was difficult to elect to participate. Therefore this year the form was simplified and a great effort is being made to get people to participate.

As a result about 15 percent of those filing appear to be participating and while this increase seems to warm the hearts of those who have plans for this money it will not raise nearly enough money to finance the comprehensive plan the sponsors of S. 3044 have in mind.

Therefore they have found a way to increase participation. Under the terms of S. 3044 the checkoff would be doubled to allow $2 from each individual to go into the fund, but the individual taxpayer will no longer have to designate. Instead his $2 will be automatically designated for him unless he objects. This is a scheme designed to increase participation reminiscent of the way book clubs used to sell books by telling their members they would receive the month's selection unless they chose not to. As I recall, Ralph Nader and his friends did not like this practice when book clubs were engaged in it and one can only hope that they will be equally outraged at the proposal that Uncle Sam join in the act.

But S. 3044 goes further still. If enough people resist in spite of the Government's efforts to get them to participate, the Congress will be authorized to make up the difference out of general revenues. So, after all is said, it appears that the checkoff is little more than a fraud on the taxpayer.

Let us move from the question of the way the money needed to finance this plan will be raised to the question of the propriety of the spending limits that are an integral part of the plan.

Under section 504 of the title we are debating uniform limits are imposed on incumbent and nonincumbent candidates alike. These limits will necessarily favor incumbent Presidents, Senators, and Congressmen because any incumbent has advantages that must be overcome by a challenger trying to unseat him. To overcome these advantages a challenger must spend money.

I have already indicated that I will call up an amendment designed to overcome this problem by allowing nonincumbents to spend more than office holders. Something of this sort strikes me as absolutely necessary at a time when Americans are skeptical enough about Government in general and elected officials in particular.

Congressional and Senate incumbents have generally been fairly safe re-election bets for a variety of reasons. Incumbency itself has been estimated to be worth 5 percentage points on election day, and I just do not think we should do anything that might be fairly interpreted as giving us an even greater lock on our seats.

The $90,000.00 limit on House races imposed by this bill would have a similar effect. Indeed, my own analysis of a recent Common Cause study of expenditures in 1972 convinces me that this legislation is weighed heavily in favor of incumbents and might therefore weaken the ability of our citizens to influence governmental decisions.

I have been discusing the specifics of title I and they are, of course, both interesting, and important.

They represent an attempt on the part of the Rules Committee to answer some of the specific problems that arise when one gets into the business of publicly subsidizing election campaigns.

We could discuss these specifics for days and I fear that we might find ourselves doing just that if we do not accept the Senator from Alabama's amendment to strike the entire title. The problem is that a discussion of specific attempts to overcome problems that are merely symptomatic of a faulty approach to a much larger problem are a complete waste of time.

The scheme before us today like others that have been proposed in recent years seems to be based on the assumption that private financing is an evil to be avoided at all costs.

I am afraid I have to reject that basic assumption. A candidate for public office is currently forced to compete for money from thousands or—in the case of Presidential candidates—millions of potential contributors and voters.

Viable candidates rarely have trouble raising the funds needed to run a credible campaign and, in fact, their ability to raise money is one very good gage of their potential popular support.

As Congressman FRENZEL said during hearings on public financing last year:

> While the ballot box is an essential means of measuring popular support for a candidate, political contributions give individuals and groups an opportunity to register strong approval and disapproval of a particular candidate or party.

Under our present system potential candidates must essentially compete for private support, and to attract that sup-

port they have to address themselves to issues of major importance to the people who will be contributing to their campaigns and voting for them on election day. Public financing might allow candidates to ignore these issues, fuzz their stands, and run campaigns in which intelligent debate on important matters is subordinated to a "Madison Avenue" approach to the voters.

Consider a couple of examples. During the course of the 1972 campaign, it is reported that Senator McGOVERN was forced by the need for campaign money to place greater emphasis on his support of a Vietnam pullout than his political advisers thought wise. They felt that he should have downplayed the issue and concentrated on others that might be better received by the electorate.

I do not doubt for a minute that the Senator's emphasis on his Vietnam position hurt him, but I wonder if we really want to move toward a system that would allow a candidate to avoid such issues or gloss over positions of concern to millions of Americans.

The need to court the support of other groups creates similar problems. Those who believe that we should maintain a friendly stance toward Israel, for example, as well as those who think a candidate should support union positions on a whole spectrum of issues want to know where a candidate stands before they give him their vocal and financial support. The need to compete for campaign dollars forces candidates to address many issues and I consider this vital to the maintenance of a sound democratic system.

Second, to the extent that these plans bar the participation of individual citizens in financing political campaigns they deny those citizens an important means of political expression. Millions of Americans now contribute voluntarily to Federal, State, and local political campaigns. These people see their decision to contribute to one campaign or another as a means of political expression. Public financing of Federal general election campaigns would deprive people of an opportunity to participate and to express their strongly held opinions.

They would still be contributing, of course, since the Senate proposal will cost them hundreds of millions of dollars in tax money. But their participation would be compulsory and might well involve the use of their money to support candidates and positions they find morally and politically reprehensible.

Third, S. 3044 and similar proposals combine public financing with strict limits on expenditures. As I have already indicated, these limits must, on the whole, work to the benefit of incumbents since they are lower than the amount that a challenger might have to spend presently in a hotly contested race if he wants to overcome the advantages of his opponent's incumbency.

Fourth, the various schemes devised to distribute Federal dollars among various candidates and between the parties has to affect power relationships that now exist. Thus, if you give money directly to the candidate you further weaken the party system. If you give money to the national party, you strengthen the national party organization relative to the State parties. If you are not extremely careful you will freeze out or lock in minor parties. These are real problems with significant policy consequences that those who drew up the various public financing proposals tended to ignore. The authors of S. 3044 merely managed to make the consequences less clear. They did not solve the problems.

Fifth, public financing will have two significant effects on third parties, neither desirable. In the first place, it will discriminate against genuine new national third party movements—such as that of George Wallace in 1968—because such parties have not had the chance to establish a voting record of the kind required to qualify for preelection financing. On the other hand, once a third party qualifies for future Federal financing, a vested interest arises in keeping it alive—even if the George Wallace who gave it its sole reason for existence should move on. Thus we run the risk of financing a proliferation of parties that could destroy the stability we have historically enjoyed through our two party system.

In addition, S. 3044 and all similar plans raise first amendment questions since they all either ban, limit, or direct a citizen's right of free speech.

In this light it is interesting to note that a three-judge panel in the District of Columbia has already found portions of the law we passed in 1971 unconstitutional. As you will recall the 1971 act prohibited the media from charging for political advertising unless the candidate certified that the charge would not cause his spending to exceed the limits imposed by the law. This had the effect of restricting the freedom both of individuals wishing to buy ads and of newspapers and other media that might carry them and, in the opinion of the District of Columbia court, violated the first amendment.

I would like to state parenthetically, Mr. President, that I intend to vote against all amendments that might ameliorate some of the constitutional objections, so that whatever is enacted will be as vulnerable as possible to judicial attack. I will do so because of my profound convictions that the bill's principal features will do our political system substantial harm.

I have already indicated in references to the specifics of title I that I fear we are debating a bill that would aid incumbents over the candidates. This is so because of the uniform spending limits that are an inherent part of this and most other public financing plans.

In addition to incumbents such plans would aid another class of candidates and therefore artificially tilt the politics of this country.

Any candidate who is better known when the campaign begins or is in a position to mobilize nonmonetary resources must benefit from these kinds of plans as compared to less known candidates and those whose supporters are not in a position to give them such help.

This is necessarily true because the spending and contributions limits even out only one of the factors that determine the outcome of a given campaign. Other factors therefore become increasingly important and may well determine the winner on election day.

Consider, for example, the advantage that a candidate whose backers can donate time to his campaign will have over one whose backers just do not have the time to donate. In this context one can easily imagine a situation in which a liberal campus-oriented candidate might swamp a man whose support comes primarily from blue-collar middle-class workers who would contribute money to their man, but do not have time to work in his campaign.

Or consider the candidate running on an issue that attracts the vocal and "independent" support of groups that can provide indirect support without falling under the limitations imposed by law. The effectiveness of the antiwar movement and the way in which issue-oriented antiwar activists were able to mesh their efforts with those of friendly candidates illustrate the problem.

David Broder of the Washington Post noted in a very perceptive analysis of congressional maneuvering on this issue last year that most members seem to sense that these reforms will, in fact, help a certain kind of candidate. His comments on this are worth quoting at length:

> . . . the votes by which the public financing proposal was passed in the Senate had a marked partisan and ideological coloration. Most Democrats and most liberals in both parties supported public financing; most Republicans and most conservatives in both parties voted against it.
>
> The presumption that liberals and Democrats would benefit from the change is strengthened by the realization that money is just one of the sources of influence on a political contest. If access to large sums is eliminated as a potential advantage of one candidate or party by the provision of equal public subsidies for all, then the election outcome will likely be determined by the ability to mobilize other forces.
>
> The most important of these other factors are probably manpower and publicity. Legislation that eliminates the dollar influence on politics automatically enhances the influence of those who can provide manpower or publicity for the campaign.
>
> That immediately conjures up, for Republicans and conservatives, the union boss, the newspaper editor and the television anchorman—three individuals to whom they are rather reluctant to entrust their fate of electing the next President.

This legislation affects the way we select our representatives and our Presidents. It affects the relationship of our citizens to their elected representatives and to Government itself. It affects the party system that has developed in this country over nearly 200 years in ways that we cannot predict.

In other words, S. 3044 affects the very workings of our democratic system and could alter that system significantly.

Those in and out of Congress who advocate public financing are selling it as a cure-all for our national and political ills. For example, the Senator from Massachusetts, Mr. KENNEDY, recently went so far as to say that—

> Most, and probably all, of the serious problems facing this country today have their roots in the way we finance political campaigns . . .

This statement reminds one of the hyperbole associated with the selling of New Frontier and Great Society programs in the 1960's. The American people were asked then to accept expensive and untried programs as panaceas for all our ills.

Those programs did not work. They were oversold, vastly more expensive than anyone anticipated, and left us with more problems than they solved. Public financing is a Great Society approach to another problem of public concern and, like other solutions based on the theory that Federal dollars will solve everything, should be rejected.

I intend to support the Allen amendment to strike title I and I urge its adoption.

Mr. HUGH SCOTT. Mr. President, I rise in opposition to the Allen amendment which, if adopted, would strip public financing from the bill. As a member of the Rules Committee which held long hearings and markup sessions before favorably reporting the bill to the Senate floor, I support the entirely flexible and realistic approach it takes.

Supporters of the amendment claim that public financing, as proposed in title I, would place full Federal control over the election process. This is inaccurate. As a New York Times editorial said this morning:

The bill would not lock parties and candidates into a novel or rigid arrangement. Rather, it curbs the abuses of private financing and offers public financing as an alternate route to elected office.

I hope that the Allen amendment will be soundly defeated.

Mr. FANNIN. Mr. President, public campaign financing as envisoned in title I of S. 3044, the Federal Election Campaign Act Amendments of 1974 represents a major effort to restructure our political and electoral process, all in the name of "campaign reform."

Most certainly none of us are opposed to reforms of existing abuses since our political system needs constant monitoring and readjustment, and the Congress has acted to correct some of those abuses. But what is proposed in title I is not a single adjustment or correction. Instead we have a whole new approach to financing Federal elections.

Mr. President, I am aware, of course, that this issue has been considered for years in Congress. In fact, I would point out that in June 1967, Russell D. Hemenway, national director of the National Committee for an Effective Congress, made these remarks at a hearing before the Senate Finance Committee and they bear repeating here today:

The NCEC wishes to be on record as opposed to any proposal which provides direct Treasury financing of elections. We feel this would substitute the Treasury for the voluntary political contributor. To appropriate Federal funds to pay for campaigns is antidemocratic since it excludes the individual from a vital portion of the political process. It also tends to establish a political monopoly which would ultimately erode the process of free elections.

Even with limitations and safeguards—the practical effectiveness of which are open to serious question—the direct subsidy vests in the national party committees an undesirable concentration of power, control, and influence which would ultimately have serious impact on the entire party system and political process. The long-range results are predictable: A lessening of public influence over party platforms and policies, and central control over the decisions and actions of candidates and over State and local party organizations. By reducing the financial dependence of parties on the rank and file constituents, the party hierarchy is insulated against the public will. The inherent dangers of stifling conformity, rigid discipline, and a self-perpetuating power structure within the major parties are obvious.

It is in order here, to take a quick look at how direct Treasury financing of campaigns would operate. Suppose the two national parties were each allocated $10 million from the Treasury. Nominally, they could use this money only for certain specified costs of the presidential campaign. But would not the two national chairmen discover that their slightest whims were respected as orders by party officials, by everyone in the party from supervisors to coroner to candidates for the House and Senate?

Above all, the basic principle of voluntarism is destroyed, since the individual may not determine where his money is going. Nor would he participate in many of the meaningful campaign activities for which fundraising is merely a stimulus. Politically, for the candidate and public, it is far more important to receive a hundred $1 bills than one contribution for $100.

In the effort to cleanse the present system of abuses, we do not want to sterilize the political process. It will do no good to handcraft an unresponsive, bureaucratic mechanism which renders the public will speechless and impotent. The American people are now reacting against the overbureaucratic agencies of Government. At a time when every effort is being made to humanize and personalize the Government, we do not want to build the same difficulties into politics. We see in some of the election financing proposals this same pattern which has characterized much recent Federal legislation; full of good intentions, financed by Federal largess, but functionally incapable of proper administration because of rigid and uniform directives are imposed in situations requiring adjustment and flexibility.

Mr. President, we have had hearings over the years and each time we have found that the financing of election campaigns out of tax money creates many more problems than it could solve.

Mr. President, the place for campaign reform to begin is through the enforcement of the laws which we do have. As Arlen J. Large wrote in an article, "How Should We Finance Elections?" in the May 10, 1973, Wall Street Journal:

There's not yet an obvious need to go to the extreme of taxing people to pay for the antics of barnstorming politicians, or adding their expenses to the national debt. At least that step shouldn't be taken before trying sterner enforcement of existing law.

Mr. President, I believe that this goes right to the heart of the American political process. It would be a serious infringement on the rights of the individual. For some people it would mean taking their tax money for political purposes and processes which they oppose; for others it would mean denial of their right to fully participate in the political process in the manner of their choosing.

Direct subsidies would also raise serious problems of freedom of expression. They would be a form of compulsory political activity which limited the freedom of those who would refrain as well as of those who chose to participate. When an individual is forced, in effect, to make a contribution to a political movement to which he is indifferent or which he finds distasteful, it may be fairly said that a basic freedom is being infringed. When this forced payment is combined with limits on contributions to favored candidates, political freedom is drastically limited.

Mr. President, we also have a number of unanswered questions as to how this bill would be implemented. In the American Bar Association Journal of last October, Carleton W. Sterling wrote an article, "Control of Campaign Spending: The Reformer's Paradox," which observed:

Subsidization schemes raise a number of dilemmas. Every person desiring office cannot be subsidized, so subsidies must be awarded to those who already have demonstrated political power sufficient to warrant subsidization. Parties may gain subsidies for their candidates according to some formula linked to their support in the electorate, which must favor the established parties. Congress has considered subsidies geared to equalizing the campaign financing of the two major parties, but funds for minor parties at best would only approximate their strength among the voters.

Mr. President, this is a very real problem. It is somewhat frightening to envision a government of politicians allocating funds for the campaigns of politicians. Everyone must share the concern of A. James Reichley in the December 1973 issue of Fortune magazine, who in his article, "Financing—But Let's Do It Right," commented:

Total Government financing would also raise the danger that at some future time a dominant political faction or party might deny the opposition the resources needed to reach the public.

Finally, Mr. President, it has been argued that only through public campaign financing can we cure the disease we call Watergate. Yet nothing in S. 3044 will change the conditions for such acts to occur if it is the desire of some individuals to subvert the political and electoral process. Regardless of where the money comes from it can still happen. In this context, then, S. 3044 will accomplish very little. To avoid the "Watergates" of the future will require strict enforcement of existing laws and the prosecution and conviction of those found guilty of such criminal acts as is happening at this very moment.

What the supporters of S. 3044 really hope to achieve is not entirely clear, but what the provisions imply is the beginning of a Federal structure to manage political campaigns and perhaps even the political process itself. It does not take much imagination to conceive of future legislation being proposed to further restrict political operations. In essence, this is a dangerous bill contrary to our tradition of political freedoms. Those who have condemned Watergate because it represented an effort to control political power have only to read this bill to see the potential for achieving the same end only then it would have the cover of law as giving support to restricting political freedom.

If the Congress can choose a formula which favors the major parties over the

minor parties then it has effectively chosen to perpetuate existing political arrangements.

If Congress can manipulate funding it can do so in a way to make it impossible for groups to participate in the political process.

If the Congress can limit expenditures it can limit them to the point where the opportunity to express a view is severely restrained.

If the Congress can do all this in the name of "campaign reform" then surely we have taken a major step in eroding our political freedoms.

It is for these reasons that I oppose title I of S. 3044 and will support the amendment of the distinguished Senator from Alabama, Senator ALLEN.

Mr. TALMADGE. Mr. President, I defer to no one in acknowledging the need for election campaign reform in many areas. As a Member who has served on the Select Committee on Presidential Campaign Activities, the so-called Watergate committee, I can vouch for that firsthand.

I have supported legislation designed to achieve campaign reform, including limiting amounts of money that may be contributed and spent in political campaigns, reporting and disclosure of campaign contributions and expenditures, and provisions for enforcement of the law to insure that the election process in our free society is not subverted.

In fact, even before Watergate and campaign reform became highly charged household words, I sponsored legislation to allow tax credits or tax deductions for modest contributions to political campaigns in an effort to broaden the base of public political support.

However, I draw the line on public financing of Federal election campaigns. This is not campaign reform. It is another blatant attempt to poke the long arm of the Federal Government into an area where it has no business.

It is an effort to destroy the freedom of the American people to choose in the election process.

It is an effort to deny the American people freedom of expression in the support or nonsupport of candidates for public office.

It would constitute a raid on the Federal treasury, at a time when our country and hard-working taxpayers are caught in the grip of rampant inflation, when we are unable to even come anywhere near balancing the budget, and when we can not make both ends meet on programs that are needed in our society.

What we have before us today is a program that is neither needed, desirable, or in the best national interest.

The right to vote is as sacred a right that the American people have in our free society. Voting is an expression of support of a particular candidate for public office and an endorsement of his views at the ballot box.

A citizen's contribution to the election of a particular candidate is likewise an expression of support. To make such a choice and to give such a contribution is in my estimation also a sacred right.

How a free citizen casts his vote and how he supports a candidate of his own choosing is a decision only that citizen can make. No one has a right to make that decision for him.

A citizen can support this candidate or that candidate. Or, he can choose to support no candidate. That is his right in our system of free elections.

I know of no American taxpayer who fully understood the situation who would agree to having his tax money spent on the political candidacy of a person whose views were totally repugnant to him. I certainly do not want my tax money spent that way.

Yet, that is precisely what would result from public financing of Federal election campaigns.

It is unthinkable that the Federal Government would presume to tell voters and taxpayers how they ought to contribute to political campaigns. Yet, that would be the effect of this legislation.

It would cut both ways. If I were an arch conservative, I would not want my tax dollars going to the candidacy of an arch liberal. If I were an arch liberal, I would not want my taxes supporting the candidacy of an arch conservative. Such an idea as this flies in the face of everything I understand about freedom to choose in the electoral process.

Under this proposal, the Federal Government first forces the American taxpayer to fork over his money. Then, the Federal Government takes that money and turns it over to the election campaign of a candidate who perhaps could not get even his wife to vote for him. The only way this could be avoided, would be for the citizen to evade the tax collector.

Virtually anyone can file for public office these days. I do not think hard-working people want their taxes spent to finance the campaigns of every crank or crackpot that comes along.

I join efforts to improve the election campaign process and to bring about needed reform. But, the last thing we want is for politicians to put their hands in the public treasury to finance their election campaigns.

I hope the Senate will kill this legislation.

Mr. KENNEDY. Mr. President, with regret, I find it necessary to oppose the McGovern amendment. I believe would be an unfortunate backward step in our progress toward reform.

Contrary to some reports, the public financing provisions of S. 3044 are in no sense manlatory. The bill does not prohibit private financing, and it certainly does not prohibit small private contributions.

In fact, it provides strong incentives for small contributions in primaries, since it offers matching public funds only for the first $250 in private contributions for Presidential primaries and the first $100 in primaries for the Senate and House.

Private contributions also have a role to play in general elections, since major party candidates will have the option of relying entirely on private funds, entirely on public funds, or on any combination in between.

And in both primaries and general elections, the bill provides new incentives for small private contributions by doubling the existing tax credit and tax deduction available for such contributions.

In these respects, the bill recognizes the vigorous differences of opinion on the proper role of small private contributions. Some feel that such contributions are an essential method for bringing citizens into the system and encouraging popular participation in politics.

Others, like myself, feel that there are better ways to bring a person into the system than by reaching for his pocketbook, and that the best way to a voter's heart is through his opinions on the issues, not through the dollars in his wallet.

As it should be, the bill accommodates both views, letting each candidate "do his own thing," without forcing any candidate into a rigid formula for financing his campaign.

In this respect, S. 3044, is an improvement over the 1971 dollar checkoff law, which prohibits a person who accepts public funds from accepting private contributions Under S. 3044, there is greater flexibility—a candidate can select the mix of private and public funds he wants for his campaign, such as 50–50 or 80–20, and is not obliged to accept public funds on an all-or-nothing basis.

For that reason, I am opposed to alternative proposals such as the McGovern amendment, that would turn public financing for general elections into a compulsory "mixed" system of partial public funds and partial private contributions, with or without matching grants.

Last November, in the floor debate on the public financing amendment to the Debt Ceiling Act, the Senate voted 52 to 40 against a proposal to cut the amount of public funds in half and to require the remainder to be raised in private contributions. As Senator JOHN PASTORE succinctly put it in the floor debate, in opposing such a mandatory mixture of public and private financing:

"Either we are going to have or not going to have public financing. If we are going for public financing, let us go for public financing. If we are not going to have it, let us not have it. What we have here [in the proposal for a mixed system] is a hermaphrodite."

If participation in politics through small private contributions is the goal, then the dollar checkoff is already achieving it. More than 4 million taxpayers have used the checkoff so far in 1974. At the current rate, 12 million taxpayers will have used it by the time all returns are filed on April 15. That's a world record for public participation in campaign financing, a tribute to the workability of the "one voter-one dollar" approach to public financing enacted in 1971.

Further, it is by no means clear that it is feasible for a large number of general election campaigns across the country to be run on small private contributions.

The Goldwater campaign in 1964, the McGovern campaign in 1972, and the Democratic National Committee's telethon in 1973 are good examples of successful fund-raising through small pri-

vate contributions, but they prove only that such fund-raising may work in the unique circumstances involved in those campaigns.

They do not prove that the method will work when every Senate, House and Presidential candidate is tapping the pool of small contributors.

The net result of such a system applied to all elections may simply be to put a premium on the best-known candidate, or the candidate who starts the earliest or who hires the best direct-mail expert as his fund-raiser.

Nor would it be desirable, in my view, to adopt a program of matching grants for small private contributions as the form of public financing for general elections.

In the case of primaries, a system of matching grants is appropriate and is the method adopted by S. 3044. In fact, matching is the only realistic method of public financing in primaries, since it is the only realistic way to identify those who are serious candidates. The candidates who deserve public funds are those who have demonstrated broad appeal by raising a substantial amount of private funds from small contributions. Thus, if we are to have any public financing of primary elections, it must be accomplished through matching grants.

In the general election, however, the nomination process has already identified the major party candidates who deserve public funds. It is appropriate, therefore, as S. 3044 provides, to give them the full amount of public funds necessary to finance their campaigns, with the option for every candidate to forego all or part of the public funds if he prefers to run on private contributions.

Thus, full public funding in the general election gives a candidate maximum discretion in running his campaign. If an extra layer of private spending is allowed, all candidates would be obliged to raise the extra amount as a guarantee that they would not be outspent by their opponents.

As a result, all candidates would be forced into the mandatory straightjacket of spending time and money to raise small private contributions, even though many candidates would prefer to spend that time and money in more productive ways in their campaigns.

A system of matching grants in general elections would be especially dangerous to the existing two-party system, since it might encourage splinter candidates—for example, a candidate narrowly defeated in a primary would be encouraged to take his case to the people in the general election as an independent candidate or as a third party candidate. Under S. 3044, by contrast, a third party candidate with no track record from a past election would still be able to obtain public funds, but only retroactively, on the basis of his showing in the current election.

Thus, in its provisions offering full public funds on an optional basis for general elections, S. 3044 avoids the waste, pitfalls, and obvious dangers to the election process of a mixed system of public-private financing or a system of matching grants, and I urge the Senate to reject the McGovern amendment.

Mr. President, in closing, let me add one further note.

Mr. President, today's New York Times contains an excellent editorial supporting the public financing legislation now before the Senate.

The editorial gives particularly strong support to two of the most important aspects of the bill—the provisions extending public financing to Senate and House election, and the provisions making public financing available for primary elections as well.

In addition, the bill praises the leaders of the Senate who have done so much to make this reform legislation possible. Senator MANSFIELD, Senator ROBERT BYRD, Senator PASTORE, and Senator HUGH SCOTT, mentioned in the editorial, have played a vital role in bringing this issue to the front burner of national debate, and I am pleased that the editorial recognizes their important contribution.

In particular, I am pleased at the editorial's clear recognition of the central role played by Senator HUGH SCOTT, the distinguished minority leader of the Senate, who has done so much to lay the genuine bipartisan groundwork that will make this reform possible.

Over the years, Senator SCOTT has been an outstanding advocate of all aspects of election reform, and all of us in the Senate can join in taking pride in the effective contributions he has made to the cause of integrity in Government and to fair, honest, and clean elections.

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 27, 1974]

THE TIME IS NOW

Now is the time for a full and fundamental cleansing of the nation's outmoded, corrupt system of financing public elections with private money. Now is the time to break the stranglehold of wealthy individuals and of self-seeking interest groups over the nation's politics. Now is the time to bring into the open sunlight of public responsibility a system half-publicly regulated and half-secret. If Congress cannot reform the nation's politics in this sordid year of Watergate, when will there be a more opportune time?

The campaign reform bill awaiting action in the Senate is an admirable measure. It has bipartisan backing as well as support from ordinary citizens across the country. Senators Mike Mansfield, the majority leader, Robert Byrd, the majority whip, and John Pastore, the party's chief spokesman on this problem, have given the bill stalwart Democratic support. On the Republican side Senator Hugh Scott, the minority floor leader, has been out in front urging action on reform.

The heart of the bill is a sharp reduction in the size of private contributions and, as an alternative, an optional form of public financing. Opposition to this reform concept comes from diverse quarters. President Nixon is opposed, Senator James Allen, Alabama Democrat, who serves as Gov. George C. Wallace's agent in the Senate, is opposed. So are right-wing conservative Republicans led by Senator Barry Goldwater and Strom Thurmond. The biggest danger to the bill is the threat of a filibuster by Senator Allen with the backing of the Goldwater-Thurmond group. But this bluff can be called if Senators Mansfield and Scott remain firm in support of the bill.

As with any innovation, the advocates of reform are vulnerable to the criticism that they are attempting too much. But primaries as well as general elections need drastic improvement; in many one-party states, the primary provides voters with their only effective choice. It would make no sense to reform the financing of political campaigns at the Presidential level and leave House and Senate unreformed.

Rightly or wrongly, Congress as well as the Presidency suffers from a loss of public confidence in this Watergate season. The members of Congress will be making a serious miscalculation about their own political futures as well as the fate of the institutions in which they serve if they revert to business-as-usual. The people sense the need for reform, and the people's sense needs heeding.

The principles underlying the reform bill are simple: Presidential and Congressional primaries would be financed by matching grants. Thus, Presidential aspirants would have to raise $250,000 in private contributions of $250 or less before they qualified to receive the matching sum of $250,000 from the Federal Government. Like climbing steps in a flight of stairs, the candidate would qualify for another quarter-million dollars each time he raised the same amount privately. There would be an over-all limit of approximately $16 million, half public and half private, for each Presidential candidate in the primaries.

The same principle would apply to House and Senate primaries except that the limit on contributions would be lower—$100 or less—and each step in the staircase would be lower, $25,000 in Senate races and $10,000 in the House. In general elections, the matching principle would not apply. Candidates could finance their campaigns by public or private funds or any mix of the two as long as they stayed within an over-all ceiling.

The bill would not lock parties and candidates into a novel or rigid arrangement. Rather, it curbs the abuses of private financing and offers public financing as an alternate route to elected office. Since the old private route has become choked with scandal, it cannot—unreformed and unaided—serve democracy's need much longer. Now is the time to provide a public alternative.

Mr. McGOVERN. Mr. President, I have a perfecting amendment at the desk on the section the Senator from Alabama proposes to strike. I ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read, as follows:

On page 10, line 19, following the word "to", insert the word "one half".

Mr. McGOVERN. Mr. President, the thrust of this amendment was designed by the Senator from Illinois (Mr. STEVENSON). It embraces a principle which I very strongly endorse, which is to combine the concept of public financing with limited private financing. I think something will be lost in our political process if we go entirely to the public financing of campaigns. What this amendment does, in effect, is to say that the same concept that operates in the bill before us in the primaries should operate in the general election. In other words, under the terms of the perfecting amendment I am offering, once a candidate is estab-

lished as a nominee of his party, he is at that point authorized to receive one-half of the amount of expenditures that the bill permits, rather than the full amount. The remaining half he would have to go out and raise in private contributions under the restrictions that this bill implies. It would have the advantage of giving the candidate the incentive to take his case out to the people, and it would have the advantage of permitting an average citizen to make an investment in the candidate of his choice.

It would reward candidates with broad grass root support. It would strike a favorable balance between those who say, "No public financing at all," and those who want to go the whole distance with public financing. I hope very much the Senate will adopt the amendment. I hope the Senator from Alabama will see it as an improvement over the section of the bill he is proposing to strike and that he might abandon his idea on this portion of the bill.

Mr. ALLEN. The Senator understands, I am sure, that under the checkoff provision there is already available 100 percent financing up to the amount set in this bill in Presidential races. Would the Senator's amendment cut that figure in half? There already is a $21 million subsidy available to each party in 1976.

Mr. McGOVERN. It would have no bearing on that. It would relate only to the language of the present bill.

Mr. ALLEN. If all he could get is one-half under this provision, how could he then get all under the other since it is all coming out of the public Treasury? Is it not?

Mr. McGOVERN. Yes, but this bill provides for a different method to finance campaigns. It applies not only to the Presidency but all Federal offices.

I think the language would not have any impact other than to require the candidate to get one-half from private sources.

Mr. ALLEN. No, it does not say that. It says one-half from the public Treasury of his overall limit. It does not require a single dime to be paid in private contributions.

Mr. McGOVERN. That is correct; but if you wanted to spend the total amount under the bill he would have to raise one-half from private sources.

Mr. ALLEN. It looks like the candidate would have the option to proceed under the checkoff, which would give him $21 million without matching, or to proceed under this provision, which would give him $10.5 million with public funds.

Mr. McGOVERN. May I ask the Senator what would be the impact of his own amendment in terms of the checkoff system?

Mr. ALLEN. It would leave the checkoff system exactly where it is now. It would have no effect on it.

Mr. McGOVERN. I cannot see where this affects it, because it does not relate to that language.

Mr. ALLEN. The reason is that there would be no wording there at all for such provision.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from South Dakota have the floor after disposal of the amendment.

Mr. GRIFFIN. Mr. President, reserving the right to object, what was the request?

The PRESIDING OFFICER. That the Senator from South Dakota have the floor following the vote.

Is there objection to the request?

Mr. MANSFIELD. On the Allen amendment.

The PRESIDING OFFICER. The Chair assumed that the unanimous consent first was on the McGovern amendment.

Would the Senator from Montana restate his unanimous consent request?

Mr. MANSFIELD. I ask for the yeas and nays on the Allen amendment.

The PRESIDING OFFICER. The yeas and nays are requested.

The yeas and nays were ordered.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Michigan will state it.

Mr. GRIFFIN. What are we going to vote on first?

Mr. MANSFIELD. On the Allen amendment No. 1064.

Mr. GRIFFIN. Mr. President, will the Chair state what the vote will first be on?

The PRESIDING OFFICER. On the amendment offered by the Senator from South Dakota.

Mr. GRIFFIN. So the vote first will be not on the Allen amendment, but on the amendment of the Senator from South Dakota to the Allen amendment.

The PRESIDING OFFICER. The Senator from Michigan is correct. The vote on the amendment of the Senator from South Dakota takes precedence.

The hour of 3:30 having arrived, the Senate will proceed to vote on the McGovern amendment.

Mr. PASTORE. Mr. President——

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays

The PRESIDING OFFICER. The yeas and nays are requested.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, I move to lay the McGovern amendment on the table.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, in view of the fact that we are speeding things up a little, I would hope, in the interest of expediency, that we could agree on a 10-minute vote limitation.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. The vote now is on the motion to table the McGovern amendment. Is that correct?

The PRESIDING OFFICER. The Senator is correct. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. MONDALE), the Senator from Missouri (Mr. SYMINGTON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from South Carolina (Mr. THURMOND) is necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) and the Senator from Oregon (Mr. HATFIELD) would each vote "yea."

The result was announced—yeas 74, nays 19, as follows:

[No. 89 Leg.]

YEAS—74

Allen	Ervin	Montoya
Baker	Fannin	Moss
Bartlett	Goldwater	Muskie
Bayh	Gravel	Nelson
Bennett	Griffin	Nunn
Bentsen	Gurney	Pastore
Bible	Hansen	Pell
Brock	Hart	Proxmire
Brooke	Hartke	Randolph
Buckley	Haskell	Ribicoff
Burdick	Hathaway	Roth
Byrd, Harry F., Jr.	Helms	Schweiker
	Hollings	Scott, Hugh
Byrd, Robert C.	Hruska	Scott, William L.
Cannon	Huddleston	
Chiles	Humphrey	Sparkman
Church	Inouye	Stafford
Clark	Jackson	Stennis
Cook	Johnston	Stevens
Cotton	Kennedy	Talmadge
Cranston	Long	Tower
Curtis	Magnuson	Tunney
Dole	McClure	Weicker
Dominick	McGee	Young
Eagleton	McIntyre	
Eastland	Metzenbaum	

NAYS—19

Abourezk	Hughes	Packwood
Beall	Javits	Pearson
Bellmon	Mansfield	Percy
Biden	Mathias	Stevenson
Case	McClellan	Taft
Domenici	McGovern	
Fong	Metcalf	

NOT VOTING—7

Aiken	Mondale	Williams
Fulbright	Symington	
Hatfield	Thurmond	

So Mr. PASTORE's motion to lay on the table Mr. MCGOVERN's amendment to Mr. ALLEN's amendment was agreed to.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from Alabama (Mr. ALLEN), No. 1064. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. MONDALE), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri (Mr. SYMINGTON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from South Carolina (Mr. THURMOND) is necessarily absent.

On this vote, the Senator from Vermont (Mr. AIKEN) is paired with the Senator from Minnesota (Mr. MONDALE).

If present and voting, the Senator from Vermont would vote "aye" and the Senator from Minnesota would vote "nay."

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 33, nays 61, as follows:

[No. 90 Leg.]

YEAS—33

Allen	Dominick	McClellan
Baker	Eastland	McClure
Bartlett	Ervin	Nunn
Bellmon	Fannin	Roth
Bennett	Fong	Scott, William L.
Brock	Goldwater	Sparkman
Buckley	Griffin	Stennis
Byrd, Harry F., Jr.	Gurney	Talmadge
Cotton	Hansen	Tower
Curtis	Helms	Weicker
Dole	Hollings	
	Hruska	

NAYS—61

Abourezk	Haskell	Muskie
Bayh	Hathaway	Nelson
Beall	Huddleston	Packwood
Bentsen	Hughes	Pastore
Bible	Humphrey	Pearson
Biden	Inouye	Pell
Brooke	Jackson	Percy
Burdick	Javits	Proxmire
Byrd, Robert C.	Johnston	Randolph
Cannon	Kennedy	Ribicoff
Case	Long	Schweiker
Chiles	Magnuson	Scott, Hugh
Church	Mansfield	Stafford
Clark	Mathias	Stevens
Cook	McGee	Stevenson
Cranston	McGovern	Taft
Domenici	McIntyre	Tunney
Eagleton	Metcalf	Williams
Gravel	Metzenbaum	Young
Hart	Montoya	
Hartke	Moss	

NOT VOTING—6

Aiken	Hatfield	Symington
Fulbright	Mondale	Thurmond

So Mr. ALLEN's amendment (No. 1064) was rejected.

EXTENSION OF THE CHECK FORGERY INSURANCE FUND

Mr. HRUSKA. Mr. President, I ask unanimous consent that the pending bill be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 717, H.R. 6274.

The PRESIDING OFFICER (Mr. BARTLETT). The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6274) to grant relief to payees and special indorsees of fraudulently negotiated checks drawn on designated depositaries of the United States by extending the availability of the check forgery insurance fund, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska? The Chair hears none and the Senate will proceed to its consideration. The Senate will be in order.

Mr. HRUSKA. Mr. President, this is a bill to grant relief to payees and special indorsees of fraudulently negotiated checks drawn on designated depositaries of the United States by extending the availability of the check forgery insurance fund.

This measure would add new language to the Check Forgery Insurance Fund statue (55 Stat. 777; 31 U.S.C. §§ 561–64), which is a revolving fund established in the Treasury Department out of appropriated funds and which serves to reimburse payees and special indorsees whose names are forged on U.S. checks which were negotiated and paid on the forged instrument. Specifically, H.R. 6274 would add a new section 4 to permit similar payment to payees and special indorsees on forged checks drawn in U.S. dollars or foreign currencies on depositaries designated by the Secretary of the Treasury in the United States or abroad.

A deficiency exists in present law which does not allow for full relief for payees or indorsees of Government checks where forged checks are drawn on U.S. Treasury depositaries in foreign countries and paid on occasion in foreign currencies. The increased use of U.S. checks drawn on foreign depositaries and the increased incidence of forged instruments on such accounts necessitates the need for a fiscal resource from which prompt and certain relief can be made to innocent payees and special indorsees. The Check Forgery Insurance Fund currently provides relief for checks drawn in U.S. dollars, but does not now cover situations where the checks are paid in foreign currencies. The purpose of the proposed bill is to provide a recourse for claims arising under these latter circumstances.

Moreover, under present law, claimants in foreign countries must rely on the banking laws and regulations where the U.S. Treasury depositary is located. Since there are now no means for timely and efficient settlement of funds, delays as long as 2 years are frequently experienced by payees and special endorsees seeking settlement. H.R. 6274 would provide a logical and proven remedy for prompt settlement through funds retained in the check forgery fund.

Finally, it should be noted that use of the fund by the Treasurer does not relieve a forger, or transferee subsequent to the forgery, from any liability on the check, and all amounts recovered by the Treasurer as a result of such liability are credited to the fund as necessary to reimburse it.

Mr. President, this measure makes a simple revision of present law which broadens the authorized use of the check forgery insurance fund, and in certain instances by authorizing the use of foreign currencies to make proper settlement in a logical and timely fashion. I recommend its passage.

Mr. MANSFIELD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. HRUSKA. Mr. President, I yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN's amendment is as follows:

At the end of the bill, add the following:

"SEC. 2. (a) Section 203(j) of the Federal Property Administrative Services Act of 1949, as amended (40 U.S.C. 484(j)), is amended—

"(1) by striking out 'or civil defense' in the first sentence of paragraph (1) and inserting in lieu thereof 'civil defense, or law enforcement and criminal justice';

"(2) by striking out 'or (4)' in the first sentence of paragraph (1) and inserting in lieu thereof '(4), or (5)';

"(3) by striking out 'or paragraph (4)' in the last sentence of paragraph (2) and inserting in lieu thereof a comma and "(4), or (5)';

"(4) by inserting after paragraph (4) a new paragraph as follows:

"'(5) Determination whether such surplus property (except surplus property allocated in conformity with paragraph (2) of this subsection) is usable and necessary for purposes of law enforcement and criminal justice, including research, in any State shall be made by the Administrator, Law Enforcement Assistance Administration, who shall allocate such property on the basis of need and utilization for transfer by the Administrator of General Services to such State agency for distribution to such State or to any unit of general local government or combination, as defined in section 601 (d) or (e) of the Crime Control Act of 1973 (87 Stat. 197), designated pursuant to regulations issued by the Law Enforcement Assistance Administration. No such property shall be transferred to any State agency until the Administrator, Law Enforcement Assistance Administration, has received, from such State agency, a certification that such property is usable and needed for law enforcement and criminal justice purposes in the State, and such Administrator has determined that such State agency has conformed to minimum standards of operation prescribed by such Administrator for the disposal of surplus property.';

"(5) by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively;

"(6) by striking out 'and the Federal Civil Defense Administrator' in paragraph (6), as redesignated, and inserting in lieu thereof a comma and 'the Federal Civil Defense Administrator, and the Administrator, Law Enforcement Assistance Administration'; and

"(7) by striking out 'or paragraph (4)' in paragraph (6), as redesignated, and inserting in lieu thereof a comma and '(4), or (5)'.

"(b) Section 203(k)(4) of such Act, as amended (40 U.S.C. 484(k)(4)), is amended—

"(1) by striking out 'or' after the semicolon in clause (D);

"(2) by striking out the comma after 'law' in clause (E) and inserting in lieu thereof a semicolon and 'or'; and

"(3) by adding immediately after clause (E) the following new clause:

"'(F) the Administrator, Law Enforcement Assistance Administration, in the case of personal property transferred pursuant to subsection (j) for law enforcement and criminal justice purposes,'.

"(c) Section 203(n) of such Act, as amended (40 U.S.C. 484(n)), is amended—

"(1) by striking out in the first sentence 'and the head of any Federal agency desig-

the defense and maintenance of our economic strength by bringing to us the essential elements to the survival and prosperity of our country and our own daily lives.

The American Legion salutes the U.S. Merchant Marine in its dual role as an essential element of our national security and a vital arm of transport in providing the needs for our economic survival. The American Legion is in your corner, and we believe the American people generally are going to become more and more favorably inclined toward a strong U.S. Merchant Marine as your importance in the daily lives of all of us becomes more widely known and better understood.

Thank you very much.

Now, before I relinquish this podium, I would ask Mr. Jasper Baker, President of the Propeller Club of the United States to join me here for a moment.

Mr. Baker, The American Legion has long shared the concern of the Propeller Club of the United States in promoting and supporting an American merchant marine adequate to meet the requirements of the national security and the economic welfare of the United States.

We appreciate the forthright manner in which you have pursued your total objectives and we are proud of the cooperative relationship we have enjoyed with the Propeller Club as we have sought mutual objectives for the good of these great United States of America.

In recognition of this shared effort it is my personal privilege and pleasure to present to you on behalf of The American Legion this plaque which is inscribed as follows:

The American Legion commends the Propeller Club of the United States for its outstanding and continuing contribution toward a strong, modern American Merchant Marine capable of meeting our nation's economic and defense needs.

Presented this 19th day of March, 1974, Mayflower Hotel, Washington, D.C., and attested by our National Adjutant Bill Hauck and signed by me as National Commander.

Mr. Baker, please accept this with our best wishes for the continuing success of the Propeller Club of the United States as you strive to fill a vital national need.

ORDER FOR ADJOURNMENT TO 9:30 A.M. TOMORROW AND FOR VOTE ON MINIMUM WAGE BILL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, instead of coming in at 10 o'clock tomorrow, when the Senate adjourns tonight it stand in adjournment until 9:30 a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, that will allow us approximately 1 hour for the three special orders and morning business.

Mr. President, I ask unanimous consent that the time, at the conclusion of morning business, until 11:30 a.m., be equally divided between the Senator from New Jersey (Mr. WILLIAMS) and the Senator from Michigan (Mr. GRIFFIN) or whomever he may designate.

Mr. GRIFFIN. The minority leader, it should be.

Mr. MANSFIELD. Yes.

Or whomever he may designate; and that the vote on the conference report on the minimum wage occur at 11:30 a.m.

Mr. JAVITS. Mr. President, if the Senator will yield, there will be no objection, but I wondered whether, at that time, as I am for the report as I am the ranking member, it would be understood that the minority leader or I, or anyone designated could assign time to anyone in opposition out of that 1 hour?

Mr. MANSFIELD. Oh, yes.

Mr. GRIFFIN. I am sure that I can speak for the distinguished minority leader in giving the Senator that assurance.

Mr. JAVITS. I thank the Senator very much.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. JAVITS. Mr. President, I ask unanimous consent that on the campaign financing bill, Charles Warren of my office may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

CAMPAIGN REFORM NOW

Mr. MATHIAS. Mr. President, the Senate has an historic opportunity before it to restore confidence in our publib institutions and public leaders, to reform our political process, and to reinvigorate political life in America on the eve of our Nation's bicentennial commemorations. I earnestly hope that we seize this opportunity courageously and imaginatively by passing the type of comprehensive, broad-based, balanced reform of Federal elections campaigns that is embodied in the pending legislation, S. 3044, the Federal Election Campaign Act Amendments of 1974.

In some ways, it is a sad commentary that we must even confront the necessity of this legislation today. By this I refer not only to the sordid realities of the Watergate experience which has so shaken the confidence of Americans in their political institutions and leaders. I also refer to the fact that most of the provisions in this bill before us have already been passed by the Senate, only to languish and wither from callous neglect. Campaign legislation has been bottled up, corked and cast out to sea to drift until it sinks forever to an unmarked grave.

Yet these are the circumstances we face, and we must make the most of them. The bill before us attempts to do just that. It combines the basic features of S. 372, which passed the Senate last summer, and a public financing amendment which passed the Senate in December. S. 372 includes restrictions on both contributions to campaigns and expenditures by campaigns. S. 372 also establishes an independent Elections Commission to oversee and enforce these Federal election laws. This independent Commission is urgently needed to insure full, fair, and expert supervision of the provisions of this legislation.

The amendment on public financing which received majority approval by the Senate in December was later filibustered to death on this floor. I opposed that filibuster because of the urgent need for the reforms embodied in this bill. I am aware, however, of the sincerity of some of my colleagues who wanted more time to study and perfect this public financing legislation. I am hopeful that these colleagues will now come forth with constructive suggestions on how to improve the bill before us.

Proposals to finance at least some of the costs of Federal elections campaigns from public funds are not a recent development. Almost 70 years ago, President Theodore Roosevelt suggested such measures in his state of the Union address to the Congress. President Roosevelt stated:

> It is well to provide that corporations shall not contribute to presidential or national campaigns and furthermore to provide for the publication of both contributions and expenditures. There is, however, always danger in laws of this kind, which from their very nature are difficult to enforce of enforcement: The danger being lest they be obeyed only by the honest, and disobeyed by the unscrupulous, so as to act only as a penalty upon honest men. There is a very radical measure which would, I believe, work a substantial improvement in our system of conducting a campaign. . . .

This proposed "radical measure" which President Roosevelt endorsed, was public financing of major campaigns.

More recently, former Ambassador and Senator Henry Cabot Lodge, who was President Nixon's running mate in 1960, sponsored specific legislation to begin partial public financing. In his recent book, "The Storm Has Many Eyes," Ambassador Lodge explains his support for this legislation:

> The talk of an 'office market' and of putting high executive and diplomatic missions on the auction block—all this breeding of suspicion and cynicism—would disappear overnight if the primary cause of the evil were obliterated at its roots. If there are no bidders, there can be no auction.

Many other distinguished Americans and recent Presidents have echoed the sentiments expressed by President Roosevelt and Ambassador Lodge.

Of course, today, we already have partial public financing. Americans who make political contributions are entitled to a tax credit of up to $25 for their contributions, or a tax deduction of up to $100. This reimbursement is a form of public financing which passed the Congress overwhelmingly and which has been helpful in encouraging and rewarding small contributions.

In addition, there is in operation the "$1 tax checkoff." Under this provision of the 1971 Revenue Act, each taxpayer can earmark $1 of his tax money to go to a special fund within the Treasury which can be used to finance the general election campaigns of candidates for the Presidency. I am pleased that the response to this measure by the American taxpayer this year has been such that it appears that there will be a sufficient

amount in this special fund to cover the costs of the general election campaign of Presidential candidates in our bicentennial year. I believe that this response indicates that the American people are dedicated to ending the dominance of big money and secret contributions in political campaigns.

I do not maintain, of course, that the bill before us is perfect in every way. It provides, for example, for virtually 100-percent, public financing in general election campaigns for Congress. I believe that this degree of public support is unnecessary. The goals we seek could be reached by supplying a moderate amount of public funds, and permitting candidate to supplement this public contribution by small private contributions. I believe our goal should be to insure that all serious candidates have an adequate amount of funds, but this does not mean that all such candidates must receive all their funds from public sources.

Despite this weakness, and others more minor in nature, I believe that this bill would inaugerate such vast improvement over the current way in which political campaigns are financed and conducted that it deserves our support. This is not to say that changes cannot be made. In fact, I hope that some amendments will be adopted on the Senate floor, I am sure that further changes will be made by the House, if it ever acts, and by the House-Senate conference. I hope that these will be wise changes.

In any case, however, I believe the time has come for the Senate and the Congress to work its will. Every one of us knows the realities of American politics. Every one of us knows the fine line—a line so fine it is almost appears imaginary—which all candidates are forced to tread. And every one of us knows that we can enact legislation to reform campaigns.

Let us not, therefore, slash away at what little confidence and trust the public still has for public officials and the political system by playing games with this issue. Two great American traditions are at stake. Our traditional dedication to an honest, open political process responsive to the true values and beliefs of our citizens. And our traditional efforts to enlarge the political arena, and to make access to this arena more equal. The first of these traditions can be furthered by the type of provisions contained in S. 372 and this bill. But some modest, partial public financing is required to further both of these noble heritages.

For these reasons, Mr. President, I have long urged legislation of this sort. I supported the Campaign Reform Act of 1971 which made great progress in insuring full disclosure of political contributions and political contributors. I supported the Revenue Act of 1971 which included the tax checkoff and provisions for tax credits and deductions for small political contributions. I chaired, in December 1972, ad hoc congressional hearings on how we could improve our political campaign process. Partly as a result of information obtained at those public hearings, I sponsored, along with Senator ADLAI STEVENSON III, legislation last year which included many of the provisions in the bill before us. I testified in support of that legislation before the appropriate Senate committees. I have spoken on this subject throughout my State of Maryland and before many groups outside Maryland. I have become more and more convinced that the public wants this type of legislation, and that America needs it.

I shall, accordingly, support this bill, and I urge my colleagues to do likewise.

TO STRIKE TITLE V OF S. 3044, THE PENDING BUSINESS

Mr. MANSFIELD. Mr. President, first, I do not want to offer an amendment but I may be forced to do so.

I ask unanimous consent that title V of the pending bill be stricken. The chairman of the Finance Committee, the distinguished Senator from Louisiana (Mr. LONG), whose committee has jurisdiction of the subject matter of title V, intends to give the highest priority to this proposal on the first available vehicle that originates in the House Ways and Means Committee.

Senator LONG is the originator of the proposal on the tax checkoff for public financing. The action I am proposing now will assure proper treatment of this measure in the House.

Mr. GRIFFIN. Mr. President, reserving the right to object—and I do not believe I will object—but could we have a short quorum call?

Mr. MANSFIELD. Sure.y.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President under my reservation, I want to indicate that when the unanimous-consent request was made the other day by the distinguished majority leader, I objected not particularly because I personally opposed the request, because I certainly think that title V does appropriately belong in the jurisdiction of the Finance Committee, but because there had not been opportunity for those on this side of the aisle to know that that important step with respect to the legislation was going to be taken and that it would be taken by unanimous consent.

Now there has been notice, and those on our side who have or might have an interest have had the opportunity to register that interest. There has been no indication of opposition and, under those circumstances, I withdraw my reservation.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. I thank the distinguished acting Republican leader.

Mr. MANSFIELD subsequently said: Mr. President, just to make sure, in connection with the unanimous-consent request I made relative to striking title V, I ask unanimous consent that it be referred to the Committee on Finance, and all amendments thereto.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GRIFFIN. Mr. President, in connection therewith, I was going to ask that the amendments at the desk to title V also be referred.

Mr. MANSFIELD. All amendments thereto.

The PRESIDING OFFICER. The Chair observes that part of a bill cannot be referred, but it could be reduced to a separate bill and then referred.

Mr. MANSFIELD. I will undertake that responsibility, on behalf of the Senator from Louisiana (Mr. LONG), and introduce a bill, which will, therefore, negate a request that it be referred to the Committee on Finance at this time.

AUTHORIZATION FOR JUDICIARY COMMITTEE TO FILE ITS REPORT ON S. 354 BY MIDNIGHT TONIGHT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Judiciary Committee be authorized to have until midnight tonight to file its report on S. 354.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. BARTLETT). The Chair, on behalf of the Vice President, in accordance with Public Law 93-179, appoints the Senator from New Mexico (Mr. MONTOYA) and the Senator from Massachusetts (Mr. BROOKE) to the American Revolution Bicentennial Board.

SENATOR HARRY F. BYRD, JR. ON DÉTENTE

Mr. NUNN. Mr. President, my good friend and colleague, Senator HARRY F. BYRD, JR., recently made an excellent speech on the floor of the Senate concerning the policy of détente.

I invite the attention of my colleagues to four excellent editorials in newspapers regarding this speech. Senator BYRD is one of the outstanding Members of this body and his position as a Member of the Senate Armed Services Committee and the Finance Committee has given him an excellent perspective of both the national security and the financial dangers of détente.

Senator BYRD's warning to our Nation should be read by each of us in this body, and the well written editorials bring due attention to his well-made points.

Mr. President, I ask unanimous consent that the following editorials be printed in the RECORD:

Richmond Times-Dispatch, Friday, March 15, 1974; The News, Thursday, March 14, 1974; Staunton, Va., News-Leader, Sunday, March 17, 1974; and

New York Daily News, Monday, March 18, 1974.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

AGAINST GIVEAWAYS

The policy of detente—or relaxation of tensions—with the Soviet Union is generally regarded as a signal accomplishment of a Nixon administration whose forte is foreign affairs. Yet, as U.S. Sen. Harry F. Byrd Jr. noted in a major Senate speech Wednesday, detente is looking more and more like a give-and-take proposition: we give and the Soviets take.

In an astute and comprehensive analysis, Senator Byrd said that "while the Russian leaders have signed agreements with the United States, we must remember they have received far more than they have given. This is true both in trade and in arms."

As evidence that the Soviets operate on the principle that it is more blessed to receive than to give, the Virginia senator discussed three American-Soviet agreements signed in 1972 in which the United States now appears to have gotten the short end of the stick:

(1) The grain deal. Not only did Washington sell Moscow wheat at cheap prices to bail the Soviets out of a serious crop failure, but it provided a $300 million subsidy to sweeten the deal for the Communists. So the Russians bought our wheat with our money and now they have a comfortable surplus while Americans confront rising prices and a possible shortage of bakery products. American aid on the food front also made it easier for the Russians to spend more on the weapons front.

(2) The Lend-Lease settlement. The Nixon administration agreed to let Russia settle its remaining $2.6 billion world War II debt to this nation for $722 million—or 28 cents on the dollar. But the Soviets slyly secured a proviso that $674 million would not be repaid unless they were granted most-favored-nation trading status with this nation—in other words, if American taxpayers give the Soviets special trade privileges, the Soviets will pay their debt—or a small part of their debt—to American taxpayers. Since a majority of Congress now appears to be opposed to giving Moscow most-favored-nation treatment, the Soviets may be obligated to repay only $48 million of a $2.6 billion debt.

(3) The Strategic Arms Limitation Talks. SALT-I permitted the Russians numerical superiority in land-based intercontinental missiles, submarine-launched missiles, and missile-carrying submarines. The U.S. ace in the hole was supposed to be technological superiority. But the Soviets are now feverishly developing new sophisticated weapons, including long-range missiles capable of carrying multiple independently-targeted warheads. With its technological edge rapidly being whittled away, the U.S. could find itself in a clearly inferior strategic position vis-a-vis the Soviet Union, and such a result could greatly aid the unending Communist objective of gaining worldwide dominion.

The much-publicized plight of exiled Russian novelist Aleksandr Solzhenitsyn should have reminded Americans of the basic nature of the regime with which our government is dealing. But shameful though it was, the Solzhenitsyn affair is not in itself a logical point of departure for an up-or-down decision on detente. Agreements and commerce with Russia must be judged as to whether this nation's welfare is promoted at least as much as the Kremlin's. As Senator Byrd points out, there is good reason to doubt that at present there is such a two-sided flow of benefits from detente.

All of which is not to suggest that President Nixon and Secretary Kissinger ought here and now to declare an end to detente. But it is high time that some advantages for this country were obtained from deals with the Soviets. A good place for our negotiators to start and for the Soviets to demonstrate their sincerity would be for SALT-II, now underway, to eliminate Soviet numerical superiority in missiles in favor of equality between the two superpowers.

THE HEART OF HARRY BYRD

Senator Harry F. Byrd Jr. is one of the ablest and hardest working members of the United States Senate. He does his homework. He studies the issues, accumulates the information, weighs the evidence pro and con. As a result, when he addresses himself to an issue, he does not speak lightly and his colleagues know it. They have come to recognize him as one of the leading voices of moderation in the Senate.

On Wednesday, Senator Byrd took the floor to speak on the subject of "detente" and United States defense. He subtitled it "an analysis." It was exactly that, a thorough, documented study of this most vital subject. In solemn, measured words directed at the conscience and the reason of the Senate Mr. Byrd placed the subject in historical perspective and warned of the disastrous consequences to the American people if the nation, and the Congress do not face up to the grim truth about "detente" and the aspirations of the Communist rulers.

It was one of Senator Byrd's greatest contributions as a public servant and one of the great speeches of the Senate—reasoned, analytical, ringing with conviction but devoid of extremisms, a sober call to sense and duty in the defense of the United States and the spiritual and physical liberation which it alone can defend.

If the Senate does not pay heed to what this man said, the American people are going to pay a hell of a price in blood and destruction one of these grim days because war, nuclear or otherwise, is not unthinkable to the Communists.

We could not print all of the speech on this page—it was that thorough. But we have printed those excerpts which serve to convey its sense. We have done this because what Mr. Byrd had to say should be heard by all Americans. He was discussing what must be done to keep us alive and free. No more, no less.

Read what he had to say. It is worth your time. There is nothing you need to understand half so well for it is the foundation of your freedom.

A POWERFUL WARNING ON DÉTENTE

There have been warnings from various sources to beware of the supposed détente with Russia. Another one was sounded last Wednesday on the floor of the U.S. Senate. It was by Virginia's senior Sen. Harry F. Byrd, Jr. It was what is termed a "full dress" speech, and was a detailed analysis of the economic, technological, food, monetary, and indirect military assistance this country is providing the Communist nation, and the paucity of its reciprocity.

Sen. Byrd also covered the deterioration of our military strength under the influences of détente, isolationist attitudes in Congress, and U.S. efforts to promote peace in the world through international conferences and agreements.

These short paragraphs from Sen. Byrd's astute review constitute bases for his warning which cannot be pushed under the rug:

"Today the free world is beset by troubles with weakness and disorder apparent both between nations and within nations.

"Inflation is widespread and increasing with no end in sight.

"Militant forces within nations demand and get prerogatives at the expense of the nation and other groups within the nation.

"By contrast in the Soviet Union there are now powerful militant organizations; there is little inflation although productivity is low; there are no strikes or work shortages only inefficiencies; their shortages are not severe and a possible food shortage was averted, thanks to the willing co-operation of the United States.

"Russia, as I see it, is playing a shrewd game.

"The Soviets have come to realize that in order to reach their goals they must utilize all the fundamental elements of national power: political power, economic power, and military power."

Sen. Byrd quoted Russian Chairman Brezhnev to show the Soviet's hypocrisy as to détente. The goal of the Communist dictatorship is worldwide domination, he told the Senate. "If we forget that fact, we imperil ourselves . . . It is the fixed star in the Soviet firmament.

"Chairman Brezhnev made this clear in June, 1972, when he said, 'Détente in no way implies the possibility of relaxing the ideological struggle. On the contrary, we must be prepared for this struggle to be intensified and become an ever sharper form of the confrontation between the two systems.'

"The United States cannot afford to accept a 'détente' which leaves open the way for global domination by the Soviet Union.

"The danger of détente is that it tends to lull the United States into a false sense of security."

Because the United States has been suffering so many internal troubles, went through the trauma of the war in Southeast Asia and then the uplifting encouragement from President Nixon's opening of doors to both of the two great Communist powers, there has been almost national blindness to the fact that the perils of Communist deceit and aggressive designs continue to exist. Wide open eyes, understanding of those perils, and rebuilding of our military strength are vital concomitants of our participation in détente.

Sen. Byrd summed it up this way:

"Let there be détente.

"But let it be based on reality—on a recognition of Russian ambitions and might, and the need for American strength—and not on wishes and unilateral concessions.

"Weakness never has been a basis for peace.

"We must never lose sight of the fact that dollars spent for American defense are an investment in world peace and stability, in turn, are important to our own freedom and prosperity."

The Senator's address was a timely and brilliant one. It should not be blindly ignored by his colleagues, the House, the Executive Branch, or the people.

A TIMELY WARNING

The Soviet Union is playing the United States for a sucker, Sen. Harry F. Byrd Jr. (Ind-Va.) told the Senate last week. Soviet party boss Brezhnev, said Byrd, is using detente to get long-term credits, technology and sweet trade deals.

At the same time, he has been encouraging the Arab oil boycott, jamming our radio programs behind the Iron Curtain and speeding a massive arms buildup.

Byrd was joined by Sen. James Buckley (C-R-N.Y.) in noting that it is okay to bargain with the Soviets as long as we don't lose our shirts. Already we've been taken to the cleaners in the costly wheat sale, the tiny World War II debt settlement, and the arms limitation talks.

Brezhnev's 1974 tactics are identical to Nicolai Lenin's in the '20's. Facing national starvation, Lenin set the captive peasants free, temporarily, to produce the food needed to stave off rebellion. Brezh's U.S. wheat ploy is cut from the same cloth.

Lenin invented the book-burning censorship that is used today to send political dissidents to prison, asylum and exile. He used force (against Poland) just as ruthlessly as Brezhnev did in Czechoslovakia. Neither of them ever abandoned the main aim of world Communist domination.

Lenin once said that capitalists would sell the Communist the rope with which the Reds would hang them. That's just the kind of deal the Soviets are trying to pull off now. We would be fools to fall for it again.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. CANNON. Mr. President, for the information of the Senate, I understand that the Senator from Alabama has an amendment that he is ready to offer and on which he is willing to agree a very short time limit. If that is so, as soon as he returns to the Chamber, we will try to have the amendment laid before the Senate and try to get a 20-minute time limitation and have another vote this afternoon.

Mr. HARRY F. BYRD, JR. Mr. President, the able Senator from New York (Mr. BUCKLEY) gave an exclusive interview to the magazine Human Events in connection with the pending measure, S. 3044. Senator BUCKLEY has made an in-depth study of this measure, and the questions and answers in this article are very illuminating.

I ask unanimous consent that the text of the interview be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATOR JAMES BUCKLEY ON CAMPAIGN REFORM

(The Senate is scheduled to take up campaign reform legislation this week. The bill under consideraton—S 3044—includes, among many changes, a proposal for public financing of campaigns. Sen. Buckley (C.-R.-N.Y.) has made an in-depth study of the entire measure and in the following exclusive interview discusses the numerous practical and constitutional objections to the bill.)

Q. President Nixon recently made a rather lengthy statement on campaign reform. What was your reaction to his proposals?

A. There were too many proposals included in this package to allow me to give you anything even approaching a definitive answer here, but I will say that I find myself in general agreement with the thrust of his proposals—especially as compared with those included in S 3044, the bill recently reported out of the Senate Committee on Rules and Administration.

The President's proposals seem designed to deal with the problems in our present system, while the Senate bill we will have before us shortly would scrap that system. I would be among the first to admit that our present system of selecting candidates and financing campaigns needs reform, but I am not at all convinced that we should abandon it for a scheme that would diminish citizen participation in politics and, in all probability, would create more problems than it would solve.

Q. S. 3044 is the bill that includes public financing of presidential, Senate and House campaigns, isn't it?

A. That's right. The bill that we will soon debate includes provisions that would allow candidates for any federal office to draw on tax funds to finance their campaigns. This system would replace the essentially private system now in effect and would cost the American taxpayer some $368 million every four years.

More importantly, however, this scheme presents us with grave constitutional and practical questions that I hope will be fully debated on the floor of the Senate before we vote.

Q. Why do you object so strongly to public financing?

A. I object because I am convinced that such drastic measures are needed to clear up the problems we confront, because I suspect that the proposals as drawn are unconstitutional and because if implemented they would alter the political landscape of this country in a way that many don't even suspect and very few would support.

Those in and out of Congress who advocate public financing are selling it as a cure-all for our national and political ills. For example, Sen. Kennedy recently went so far as to say that "most, and probably all, of the serious problems facing this country today have their roots in the way we finance political campaigns. . . ."

This statement reminds one of the hyperbole associated with the selling of New Frontier and Great Society programs in the '60s. The American people were asked then to accept expensive and untried programs as panaceas for all our ills.

Those programs didn't work. They were oversold, vastly more expensive than anyone anticipated, and left us with more problems than they solved. Public financing is a Great Society approach to another problem of public concern and like other solutions based on the theory that federal dollars will solve everything should be rejected.

Q. In what ways should public financing "alter the political landscape"?

A. In several very important if not totally predictable ways.

First, under our present system potential candidates must essentially compete for private support, and to attract that support they have to address themselves to issues of major importance to the people who will be contributing to their campaigns and voting for them on election day. Public financing might allow candidates to ignore these issues, fuzz their stands and run campaigns in which intelligent debate on important matters is subordinated to a "Madison Avenue" approach to the voters.

Let me give you a couple of examples. During the course of the 1972 campaign, it is reported that Sen. McGovern was forced by the need for campaign money to place greater emphasis on his support of a Vietnam pullout than his political advisers thought wise. They felt that he should have downplayed the issue and concentrated on others that might be better received by the electorate.

I don't doubt for a minute that the senator's emphasis on his Vietnam position hurt him, but I wonder if we really want to move toward a system that would allow a candidate to avoid such issues or gloss over positions of concern to millions of Americans.

The need to court the support of other groups creates similar problems. Those who believe that we should maintain a friendly stance toward Israel, for example, as well as those who think a candidate should support union positions on a whole spectrum of issues want to know where a candidate stands before they give him their vocal and financial support. The need to compete for campaign dollars forces candidates to address many issues and I consider this vital to the maintenance of a sound democratic system.

Second, millions of Americans now contribute voluntarily to federal, state and local political campaigns. These people see their decision to contribute to one campaign or another as a means of political expression. Public financing of federal general election campaigns would deprive people of an opportunity to participate and to express their strongly held opinions.

They would still be contributing, of course, since the Senate proposal will cost them hundreds of millions of dollars in tax money. But their participation would be compulsory and would involve the use of their money to support candidates and positions they find morally and political reprehensible.

Third, the proposal reported out of the Senate Rules Committee, like similar proposals advanced in the past, combines public financing with strict limits on expenditures. These limits must, on the whole, work to the benefits of incumbents, since they are lower than the amount that a challenger might have to spend presently in a hotly contested race if he wants to overcome the advantages of his opponent's incumbency.

Fourth, the various schemes devised to distribute federal dollars among various candidates and between the parties has to affect power relationships that now exist. Thus, if you give money directly to the candidate you further weaken the party system. If you give the money to the national party, you strengthen the national party organization relative to the state parties. If you aren't extremely careful you will freeze out or lock in minor parties. These are real problems with significant policy consequences that those who drew up the various public financing proposals tended to ignore.

Public financing will have two significant effects on third parties, neither desirable. In the first place, it will discriminate against genuine national third-party movements (such as that of George Wallace in 1968) because such parties haven't had the chance to establish a voting record of the kind required to qualify for financing.

On the other hand, once a third party qualifies for future federal financing, a vested interest arises in keeping it alive—even if the George Wallace who gave it its sole reason for existence should move on. Thus we run the risk of financing a proliferation of parties that could destroy the stability we have historically enjoyed through our two-party system.

Q. You say public financing raises grave constitutional questions. Are you saying that these plans might be struck down in the courts?

A. It is obviously rather difficult to say in advance just how the courts might decide when we don't know how the case will be brought before them, but I do think there is a real possibility that subsidies, expenditure limitations and contribution ceilings could all be found unconstitutional.

All of these proposals raise 1st Amendment questions since they all either ban, limit or direct a citizen's right of free speech.

In this light it is interesting to note that a three-judge panel in the District of Columbia has already found portions of the 1971 act unconstitutional.

The 1971 Act prohibits the media from charging for political advertising unless the candidate certifies that the charge will not cause his spending to exceed the limits imposed by the law. This had the effect of restricting the freedom both of individuals wishing to buy ads and of newspapers and other media that might carry them and, in the opinion of the D.C. court, violated the 1st Amendment.

Q. But Senator, according to the report prepared by the Senate Rules Committee on S. 3044, it is claimed that these questions

were examined and that the committee was satisfied that objections involving the effect of the legislation on existing political arrangements were without real functions.

A. I can only say that I must respectfully disagree with my colleagues on the Rules Committee. The committee report discusses a number of compromises worked out in the process of drawing up S. 3044, but I don't think these compromises do very much to answer the objections I have raised.

The ethical, constitutional and practical questions remain.

The fact is that the ultimate impact of a proposal of this kind on our present party structure cannot be accurately predicted. S. 3044 may either strengthen parties because of the crucial control the party receives over what the committee calls the "marginal increment" of campaign contributions, or it may further weaken the parties because the government subsidy is almost assured to the candidate, thereby relieving him of substantial reliance on the "insurance" the party treasury provides. One can't be sure and that alone should lead one to doubt the wisdom of supporting the bill as drawn.

As for third parties, the effect of the bill is equally unclear. It does avoid basing support for third parties simply on performance in the last election and thus "perpetuating" parties that are no longer viable. But the proposal does not deal, for instance, with the possibility of a split in one of the two major parties—where two or more groups claim the mantle of the old party.

Q. Senator Buckley, advocates of public financing of federal election campaigns claim that political campaigning in America is such an expensive proposition that only the very wealthy and those beholden to special interests can really afford to run for office. Do you agree with this claim?

A. No, I do not.

First, it is erroneous to charge that we spend an exorbitant amount on political campaigns in this country. In relative terms we spend far less on our campaigns than is spent by other democracies and, frankly, I think we get more for our money.

Thus, while we spent approximately $1.12 per vote in all our 1968 campaigns, the last year for which we have comparative figures, Israel was spending more than $21 per vote. An index of comparative cost of 1968 reveals that political expenditures in democratic countries vary widely from 27 cents in Australia to the far greater amount spent in Israel. This index shows the U.S. near the bottom in per vote expenditures along with such countries as India and Japan.

Second, I think we should make it clear that the evidence suggests that most contributors—large as well as small—give money to candidates because they support the candidate's beliefs, not because they are out to buy themselves a congressman, a governor or a President. Many of those advocating federal financing forget this in their desire to condemn private campaign funding as an evil that must be abolished.

Anyone who has run for public office realizes that most of those who give to a campaign are honest public-spirited people who simply want to see a candidate they support elected because they believe the country will benefit from his point of view. To suggest otherwise impresses me as insulting to those who seek elective office and to the millions of Americans who contribute to their campaigns.

I don't mean to imply that there aren't exceptions to this rule. There are dishonest people in politics as there are in other professions, but they certainly don't dominate the profession.

Q. But doesn't the wealthy candidate have a real advantage under our current system?

A. Oh, he has an advantage all right, but I'm not sure it's as great as some people would have us believe.

I say this because I am convinced that given adequate time a viable candidate will be able to attract the financial support he needs to get his campaign off the ground and thereby overcome the initial advantage of a personally wealthy opponent. And I am also convinced that a candidate who doesn't appeal to the average voter won't get very far regardless of how much money he throws into his own campaign.

My own campaign for the Senate back in 1970 illustrates this point rather clearly. I was running that year as the candidate of a minor party against a man who was willing and able to invest more than $2 million of his family's money in a campaign in which he began as the favorite.

I couldn't possibly match him personally, but I was able to attract the support of more than 40,000 citizens who agreed with my positions on the issues. We still weren't able to match my opponent dollar for dollar—he spent twice as much as we did—but we raised enough to run a creditable campaign, and we did manage to beat him at the polls.

At the national level it is just as difficult to say that money is the determining factor and the evidence certainly suggests that personal wealth won't get a man to the White House. If it were the case that the richest man always comes out on top, Rockefeller would have triumphed over Goldwater in 1964, Taft over Eisenhower in 1952 and neither Nixon nor Stevenson would ever have received their parties' nominations.

What I'm saying, of course, is that while money is important it isn't everything.

Q. Wouldn't public financing assist challengers trying to unseat entrenched congressmen and senators who have lost touch with their constituents?

A. I don't like to think of myself as overly cynical, but neither am I naive enough to believe that majorities in the House and Senate are about to support legislation that won't at least give them a fair shake.

The fact is that most of the "reforms" we have been discussing work to the advantage of the incumbent—not the challenger. The incumbent has built-in advantages that are difficult to overcome under the best of circumstances and might well be impossible to offset if the challenger is forced, for example, to observe an unrealistically low spending limit.

Incumbents are constantly in the public eye. They legitimately command TV and radio news coverage that is exempt from the "equal time" provisions of current law. They can regularly communicate with constituents on legislative issues, using franking privileges. Over the years they will have helped tens of thousands of constituents with specific problems involving the federal government. These all add up to a massive advantage for the incumbent which may well require greater spending by a challenger to overcome.

Q. What kind of candidates will benefit from public financing?

A. Any candidate who is better known when the campaign begins or is in a position to mobilize non-monetary resources must benefit as compared to less-known candidates and those whose supporters aren't in a position to give them such help.

This is necessarily true because the spending and contributions limits that are an inegral part of all the public funding proposals I have seen even our only one of the factors that will determine the outcome of a given campaign. Other factors therefore become increasingly important and may well determine the winner on election day.

Thus, incumbents who are unusually better known that their challengers benefit because experience has shown that a challenger often has to spend significantly more than his incumbent opponent simply to achieve a minimum degree of recognition.

In addition, consider the advantage that a candidate whose backers can donate time to his campaign will have over one whose backers just don't have the time to donate. In this context one can easily imagine a situation in which a liberal campus-oriented candidate might swamp a man whose support comes primarily from blue collar, middle-class workers who would contribute money to their man, but don't have time to work in his campaign.

Or consider the candidate running on an issue that attracts the vocal and "independent" support of groups that can provide indirect support without falling under the limitations imposed by law. The effectiveness of the anti-war movement and the way in which issue-oriented anti-war activists were able to mesh their efforts with those of friendly candidates illustrates the problem.

David Broder of the Washington *Post* noted in a very perceptive analysis of congressional maneuvering on this issue that most members seem to sense that these reforms will, in fact, help a certain kind of candidate. His comments on this are worth quoting at length.

". . . [T]he votes by which the public financing proposal was passed in the Senate had a marked partisan and ideological coloration. Most Democrats and most liberals in both parties supported public financing; most Republicans and most conservatives in both parties voted against it.

'The presumption that liberals and Democrats would benefit from the change is strengthened by the realization that money is just one of the sources of influence on a political contest. If access to large sums is eliminated as a potential advantage of one candidate or party by the provision of equal public subsidies for all, then the election outcome will likely be determined by the ability to mobilize other forces.

"The most important of these other factors are probably manpower and publicity. Legislation that eliminates the dollar influence on politics automatically enhances the influence of those who can provide manpower or publicity for the campaign.

"That immediately conjures up, for Republicans and conservatives, the union boss, the newspaper editor and the television anchorman—three individuals to whom they are rather reluctant to entrust their fate of electing the next President."

Q. You indicated a few minutes ago that public financing will cost the American taxpayer hundreds of millions of dollars and that many Americans might be forced to give to candidates and campaigns they find repugnant.

A. That's right; it is estimated that the plan envisioned by the sponsors of S. 3044 would cost nearly $360 million every four years and other plans that have been discussed might cost even more.

Necessarily, this will involve spending tax dollars, extracted from individuals for the support of candidates and causes with which many of them will profoundly disagree. The fundamental objection to this sort of thing was perhaps best summed up nearly 200 years ago by Thomas Jefferson who wrote: "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical."

Q. But won't this money be voluntarily designated by taxpayers participating in the check-off plan that has been in effect now for more than two years?

A. Not exactly. As you may recall, the check-off was originally established to give individual taxpayers a chance to direct one dollar of their tax money to the political party of their choice for use in the next presidential campaign.

When it was extended by the Congress last year, however, the ground rules were changed so that this year taxpayers are not able to select the party to which their dollar is to be directed. They are simply allowed to designate that the dollar should

go into the Presidential Election Campaign Fund to be divided up at a later date. Thus, while the taxpayer may still refrain from participating he may well be directing his dollar to the opposition party if he elects to participate.

A theoretical example will illustrate this. Let us assume that two candidates run in 1976 and that the money to be divided up amounts to $10 million dollars. Half of this would go to each candidate, but let us further assume that 60 percent of this money or $6 million is contributed by Democrats. Under this set of circumstances a million Democrats would unwittingly be contributing to the campaign of a candidate they don't support and for whom they probably won't vote.

If S. 3044 passes things will get even worse. During the first year only 2.8 per cent of the tax-paying public elected to contribute to the fund. This disappointing participation was generally attributed to the fact that it was difficult to elect to participate. Therefore his year the form was simplified and a great effort is being made to get people to participate.

As a result about 15 percent of those filing appear to be participating and while this increase seems to warm the hearts of those who have plans for this money it will not raise nearly enough money to fnance the comprehensive plan the sponsors of S. 3044 have in mind.

Therefore they have found a way to increase participation. Under the terms of S 3044 the check-off would be doubled to allow $2 from each individual to go into the fund, but the individual taxpayer will no longer have to designate. Instead, his $2 will be automatically designated for him unless he objects. This is a scheme designed to increase participation reminiscent of the way book clubs used to sell books by telling their members they would receive the month's selection unless they chose not to. As I recall, Ralph Nader and his friends didn't like this practice when book clubs were engaged in it and one can only hope that they will be equally outraged now that Uncle Sam is in the act.

But S 3044 goes further still. If enough people resist in spite of the government's efforts to get them to participate, the Congress will be authorized to make up the difference out of general revenues. So, after all is said, it appears that the check-off is little more than a fraud on the taxpayer.

This to me is one of the most objectionable features of the whole scheme. It is an attempt to make people think they are participating and exercising free choice when in fact their choices are being made for them by the government.

Q. If there are problems and you can't support public financing, just what sort of reform do you favor?

A. I said earlier that I prefer the general thrust of the President's message on campaign reform as compared to the direction represented by S 3044. The President, unlike the sponsors of the Senate legislation we will soon be debating, seems to grasp the problems inherent in any overly rigid regulation of individual and group political activity in a free society.

We have to recognize that any regulation of political activity raises serious constitutional questions and involves limitations on the freedom of our citizens. This has to be kept in mind as we analyze and judge the various "reform" proposals now before us. Our job involves a balancing of competing and often contradictory interests that just isn't as easy as it might appear to the casual observer.

Thus, while we are called upon to do what we can to eliminate abuses, we must do so with an eye toward side effects that could render the cure worse than the disease.

I happen to believe rather strongly that this is the case with public financing and with proposals that would impose arbitrary limits on campaign spending and, thereby, on political activity.

The same problem must be faced if we decide to limit the size of individual political contributions. In this area, however, I would not oppose reasonable limits that would neither unduly discriminate against those who wish to support candidates they admire or give too great an advantage to other groups able to make substantial non-monetary contributions.

The least dangerous form of regulation and the one I suspect might prove most effective in the long run is the one which simply imposes disclosure requirements on candidates and political committees. The 1971 Act—which has never really been tested—was passed on the theory that major abuses could best be handled by full and open disclosure.

The theory was that if candidates want to accept sizable contributions from people associated with one interest or cause as opposed to another, they should be allowed to do so as long as they are willing to disclose receipt of the money. The voter might then decide if he wants to support the candidate in spite of—or because of—the financial support he has received.

The far-reaching disclosure requirements written into the 1971 Act went in effect in April 1972 after much of the money used to finance the 1972 campaigns had already been raised. This money—raised prior to April 7, 1972—did not have to be reported in detail and it was this unreported money that financed many of the activities that have been included in what has come to be known as the Watergate affair.

I feel that the 1971 Act, as amended last year, deserves a real test before we scrap it. It didn't get that test in 1972, but it will this fall. I would hope, therefore, that we will wait until 1975 before considering the truly radical changes under consideration.

On the other hand, there are a few loopholes that we can close right away. It seems to me, for example, that we might move immediately to ban cash contributions and expenditures of more than, say, $100.

Q. So you believe that "full disclosure" is the answer?

A. Essentially. But I don't want you to get the idea that disclosure laws will solve all our problems or that they themselves don't create new problems. I simply feel that they create fewer problems and are more likely to eliminate gross abuses than the other measures we have discussed

Q. You say that "full disclosure" laws also create new problems. What kind of new problems?

A. Well, you may recall that Sen. Muskie's 1972 primary campaign reportedly ran into trouble after April 1972 because a number of his larger contributors were Republicans who didn't want it publicly known that they were supporting a Democrat. The disclosure requirements included in the 1971 Act clearly inhibited their willingness to give and, therefore, at least arguably had what constitutional lawyers call a "chilling effect" on their right of self-expression.

These were large contributors with prominent names. Perhaps their decision to give should not be viewed as lamentable in the context of the purpose of the act.

But consider the smaller contributor who might want to give to a candidate viewed with hostility by his employer, his friends and others in a position to retaliate. How about the bank teller who wants to give $10 to a candidate who wants to nationalize banks? Or the City Hall employe who might want to give $5 to the man running against the incumbent mayor? What effect might the knowledge that one's employer could uncover the fact of the contribution have on the decision to give? The problem is obvious when we remember that the White House "enemies list" was drawn up in part from campaign disclosure reports.

Still, it is a problem that we may have to live with if we are to accomplish the minimal reform necessary to "clean up" our existing system.

Q. Senator, are there any other "reforms" that you think worthy of consideration?

A. Well, there are a good many proposals being circulated that we haven't had a real chance to discuss, but I'm afraid most of them raise more questions than they answer.

S. 3044 does contain one proposal that might be worth consideration and has, in fact, been raised separately by a number of senators. Under our current tax laws a taxpayer can claim either a tax credit or a deduction for political contributions to candidates, political committees or parties of his choice. The allowable tax credit that can now be claimed amounts to $12.50 per individual or $25 on a joint return and the deduction if limited to $50 or $100 on a joint return.

The authors of S 3044 would double the allowable credits and deductions. Sen. William V. Roth (R.-Del.) has proposed that we go even further by increasing the allowable credit to $150 per individual or $300 for those filing joint returns.

These proposals would presumably increase the incentive for private giving without limiting the freedom of choice of the individual contributor. If any proposal designed to broaden the base of campaign funding is worth consideration I would think this is it.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. HATHAWAY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. ALLEN. Mr. President, I call up the amendment I have at the desk having to do with Members of the House and Senate and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 3, line 6, strike out "FEDERAL" and insert in lieu thereof "PRESIDENTIAL".

On page 4, line 6, strike out the comma and insert in lieu thereof a semicolon.

On page 4, beginning with line 7, strike out through line 12.

On page 4, line 13, strike out "(5)" and insert in lieu thereof "(4)".

On page 4, line 17, strike out "(6)" and insert in lieu thereof "(5)".

On page 5, line 6, strike out "any".

On page 5, line 21, immediately before "Federal", strike out "a".

On page 7, line 3, strike out "(1)".

On page 7, beginning with "that—" on line 5, strike out through line 7 on page 8 and insert in lieu thereof "that he is seeking nomination for election to the office of President and he and his authorized committees have received contributions for his campaign throughout the United States in a total amount in excess of $250,000.".

On page 9, line 6, after the semicolon, insert "and".

On page 9, strike out lines 7 and 8 and insert in lieu thereof the following: "'(2) no contribution from'."

On page 9, beginning with "and" on line 13, strike out through line 19.

On page 10 beginning with "(1)—" on line 3, strike out through line 16 and insert in lieu thereof the following: "(1), no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election.".

On page 13, beginning with line 16, strike out through line 18 on page 14 and insert in lieu thereof the following:

"Sec. 504. (a) (1) Except to the extent that such amounts are changed under subsection (f) (2), no candidate may make expenditures in any State in which he is a candidate in a primary election in excess of the greater of—

"(A) 20 cents multiplied by the voting age population (as certified under subsection (g)) of the State in which such election is held, or

"(B) $250,000.".

On page 14, line 19, strike out "(B)" and insert in lieu thereof "(1)" and strike out "subparagraph" and insert in lieu thereof "paragraph".

One page 14, line 20, strike out "(A)" and insert in lieu thereof "(1)".

On page 15, line 8, beginning with "the greater of—," strike out through line 17 and insert in lieu thereof "15 cents multiplied by the voting age population (as certified under subsection (g)) of the United States.".

On page 18, beginning with line 10, strike out through line 20.

On page 26, lines 2 and 3, strike out "under section 504 of the Federal Election Campaign Act of 1971, or".

On page 71, beginning with line 20, strike out through line 2 on page 73 and insert in lieu thereof the following:

"(a) (1) Except to the extent that such amounts are changed under subsection (f) (2), no candidate (other than a candidate for nomination for election to the office of President) may make expenditures in connection with his primary election campaign in excess of the greater of—

"(A) 10 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election for such nomination is held, or

"(B) (i) $125,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2) (A) No candidate for nomination for election to the office of President may make expenditures in any State in which he is a candidate in a primary election in excess of two times the amount which a candidate for nomination for election to the office of Senator from that State (or for nomination for election to the office of Delegate in the case of the District of Columbia, the Virgin Islands, or Guam, or to the Office of Resident Commissioner in the case of Puerto Rico) may expend in that State in connection with his primary election campaign.

"(B) Notwithstanding the provisions of subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to ten cents multiplied by the voting age population of the United States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(b) Except to the extent that such amounts are changed under subsection (f) (2), no candidate may make expenditures in connection with his general election campaign in excess of the greater of—

"(1) 15 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election is held, or

"(2) (A) $175,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(B) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(c) No candidate who is unopposed in a primary or general election may make expenditures in connection with his primary or general election campaign in excess of 10 percent of the limitation in subsection (a) or (b).

"(d) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(e) (1) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure, or

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate or an agent of the candidate to make the expenditure.

"(4) For purposes of this section an expenditure made by the national committee of a political party, or by the State commission of a political party, in connection with the general election campaign of a candidate affiliated with that party which is not in excess of the limitations contained in subsection (i), is not considered to be an expenditure made on behalf of that candidate.

"(f) (1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1975), as necessary data becomes available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Federal Election Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsections (a) and (b) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(g) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Federal Election Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"(h) Upon receiving the certification of the Secretary of Commerce and of the Secretary of Labor, the Federal Election Commission shall publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, and for each State and congressional district under this section.

On page 73, line 3, strike out "(b)" and insert in lieu thereof "(i)".

On page 73, line 24, strike out "section 504" and insert in lieu thereof "subsection (g); and".

On page 74, strike out lines 1 and 2.

On page 74, line 6, strike out "that Act" and insert in lieu thereof "the Federal Election Campaign Act of 1971".

On page 74, line 8, strike out "(c)" and insert in lieu thereof "(j)".

Mr. ALLEN. Mr. President, the vote that was had on the amendment to strike title I from the bill was a most encouraging vote from the standpoint of those who are opposed to public financing of Federal elections because it indicated that more than one-third of the members of the Senate oppose public financing in any form because they were willing to vote to strike from the bill any reference whatsoever to public subsidies in Federal elections, indicating that it might be difficult to pass the bill in the final analysis, and indicating the possibility that some members of the Senate would be willing to strike certain races from the public subsidy provision while leaving others.

Mr. President, the bill, in effect, while the provisions are intermingled and intermixed, really provides for a subsidy on a matching basis for House and Senate members in primaries, and then full financing of campaigns for House and Senate members in general elections. That is one major division of the subsidy provision.

Then, the next major provision of the subsidy portion of the bill relates to subsidies with respect to the Presidential general election and the contests for the nominations for President of major parties.

So taking those subsidized races piecemeal, the amendment that has been reported, and which is the pending business of the Senate, would strike from the bill any subsidy of the U.S. House of Representatives primary races, any subsidy of U.S. Senate primary races, any subsidy of U.S. House of Representatives general campaign races, or any subsidies of U.S. Senate general campaign races. So it would leave the subsidies in the quest for the Presidential nomination, by any number of candidates, and then the Presidential election itself.

We already have the subsidy of the general Presidential election. That is already provided for in the checkoff. As I pointed out on the floor that is available to the parties in the sum of around $21 million or $22 million only if they forego private contributions.

I do not believe either party is going to come under that by certifying they will accept that in lieu of all private contributions.

Let us see, Mr. President, if the Members of the House and the Senate want to subsidize their own primary races and subsidize their own general election races. If they do, they will vote against this amendment when it comes up for a vote. If it is felt that the incumbents have advantage enough by reason of being incumbents, I do not know that that is altogether an advantage based on the polled results showing that 21 percent of the public approves of Congress. So I do not know that being an incumbent is such an advantage.

But I believe that this bill is an incumbent's bill. I believe that it is weighted heavily in favor of the incumbent in many particulars. Why is that? Well, in the first place, in the primary the Federal Treasury matches equally the contributions of up to $100 of the various candidates. It stands to reason that the incumbent, with the prestige of his office, the prestige of the many favors and accommodations he has given his constituents through the years, the fact he is so much better known than the challenger, would certainly give him the advantage in soliciting contributions of any size, contributions up to $100, or above the $100. So certainly, he is going to get contributions of more than the $100 to a greater extent than the challenger.

Now let us examine the maximum contributions; that is, those up to $100. In the first place, before the challenger in a congressional race or a senatorial race is able to get anything from the public Treasury, he has got to collect, in small contributions, 20 percent of the amount that he is able to spend in the primary. The amount he is able to spend in the primary is 10 cents per person of voting age in the political subdivision in which he is running. So, many of the challengers never would get up to that 20 percent.

Take the first State on this list, my own State of Alabama. Before a candidate could participate in public financing, he would have to collect, in small contributions of $100 or less, $46,760. It would be a very big job for a challenger, or an incumbent—either one—to collect $46,000 in contributions of $1 up to $100. Yet that is what he would have to do in order even to qualify for public funds. I think that is unfair.

But let us just assume, in round figures, that a Senator or a Congressman collected the following: Take the State of California. In the State of California it is permissible for a senatorial candidate to spend $1.417 million, half of which could be contributed.

Let us just assume that the Senator from California is opposed by a lesser known candidate, and this lesser known candidate is able to raise $100,000 in small contributions of $100 or less. Well, he can get $100,000 from the public Treasury. The incumbent, though, Mr. President, could raise the whole $700,000 in small contributions, and then the Government would give him another $700,000.

So the lesser known candidate, without the public financing, would have $100,000 to go up against the incumbent with $700,000. He would have a $600,000 spread there. But with public financing, he would get $100,000 to match the $100,000 that he had collected. However, the incumbent would get $700,000 matched.

An incumbent, then, would have $1,400,000, and the poor challenger, the lesser known challenger, would just have $200,000.

So the spread between the amount available to the challenger and the amount available to the incumbent ranges from a $600,000 differential under private financing to a differential of $1.2 million. It doubles the advantage that the incumbent already has.

Mr. CANNON. Will the Senator yield?

Mr. ALLEN. I yield.

Mr. CANNON. I think rather than for the Senator to say it doubles the advantage, it would be fairer to say it greatly reduces the advantage an incumbent would already have because of the fact that the nonincumbent is the person who would have the difficulty raising private financing.

Mr. ALLEN. That is correct.

Mr. CANNON. In this fashion, he would at least be able to get some assistance if he raises the threshold amount, but, on the other hand, if we do not put a limit on private financing, and let the person who is the incumbent raise money through whatever source or method he wished to do so, we are going to find that he will have not too great difficulty raising the campaign financing from private sources. Yet the nonincumbent challenger is going to have an extremely difficult problem of raising money from private sources to compete against an incumbent.

Mr. ALLEN. I agree with the Senator, but I believe he has the matter confused, in that where the challenger is permitted to do so on the overall limitation, we do not have to have the use of public funds to put a ceiling on the total amount, and I submit that the incumbent, being able to raise more funds, could receive the entire $700,000 for matching, and he would end up with $1.4 million; whereas the challenger, raising only $100,000, would have a differential, by reason of public financing, between him and the incumbent, from $600,000 up to $1,200,000.

Mr. CANNON. It is not quite that differential, though, because if there is no public financing, one simply places his limit. The incumbent is not going to have difficulty raising that amount, because the facts are that in the State of California, which the Senator uses as an example, the campaigns cost more than that and they have traditionally used more than that amount. So an incumbent is going to spend whatever that limit is, whether it be private or a combination of private and public; but the challenger, on the other hand, if he can only raise $100,000, if he has no public financing, will have only that $100,000 to put into the campaign.

Actually, it would be a little higher than that, because $125,000 is the triggering figure. So if he could raise $125,000, he would get matching funds of $125,000 to give him $250,000 to put into the campaign. On the other hand, if he is limited to what he can raise, and there is no public financing, he would get no money. So he would be competing with $125,000 of funds available in a campaign against an incumbent who could spend, and certainly could raise, as the facts show, $1.4 million.

Mr. ALLEN. Mr. President, I submit to the Senator that the amount by which the incumbent can outdraw, so to speak, the challenger is compounded and intensified and exactly doubled by reason of the campaign financing. So the more the incumbent receives in contributions, the more the Treasury is going to give him, up to the limit.

Mr. CANNON. Up to the matching amount

Mr. ALLEN. So the challenger would have been better off with $100,000 as against $700,000, rather than $200,000 against $1.4 million.

Mr. CANNON. I do not know whether he would or not, because that is in exactly the same proportion, but I shall simply say that is not the proportion he would be up against if there were no public financing.

If $100,000 is all a challenger could raise, it would be a proportion of $400,000, because the incumbent in any of the big States consistently spends more than that.

Let me refer to the State of Texas, for which I happen to have figures. In the last campaign in Texas, in the general election, for example, $23 million was spent. The limit we have now, that is covered in the bill, would permit an expenditure of $778,500 in a primary election. So it is obvious that this would be quite restrictive, and thereby, by the restrictive factor alone, would limit the cost of a campaign and make it less disproportionate between the challenger and an incumbent who has more access to private funds.

Mr. ALLEN. I do not think it would be inaccurate to say—and I believe the Senator would agree with me—that the extent to which an incumbent can obtain more contributions is going to be duplicated in the Federal matching. So the incumbent receiving much in contributions would have that amount doubled, whereas the challenger would have his lesser amount doubled. That would adjust downward the difference between the two, according to the arithmetic of the Senator from Alabama, from which he sees no escape.

I feel that it is somewhat presumptuous on the part of Members of Congress to say to the American people, "We want you to finance our campaign for us. We want you to pay half the expenses of our primaries and all of the expenses of our general election. This is necessary to keep out improper influences."

I do not like the suggestion to the people which would say that Members of Congress would be susceptible to improper influences by reason of having received a $3,000 contribution from an individual. The Senator from Alabama has not received any contributions of

that size. He has an amendment which seeks to cut the amount of contributions in Presidential races to $250, and in House and Senate races to $100, because that is all that the Government will match, and there must be something evil, something sinister, about that portion above that that the Government will match.

I do not believe, though, that Members of Congress and people who are of sufficient stature to run for the House and the Senate are going to allow themselves to be influenced by the receipt of a contribution of $3,000. I simply believe it is impunging the honor and integrity of Members of Congress to suggest that they would be so influenced.

Is there any law that makes a person accept a contribution that he does not want to accept? I do not know of any. Is there not some reason to believe that Members of Congress could be restrained in the amount and type of contributions they receive? It would seem to the Senator from Alabama that that might be the case.

Then, too, Mr. President, I think that there has developed among Members of the House and Senate a highly commendable restraint in the matter of the acceptance of campaign contributions.

I noticed, some weeks ago, that Representative VANIK of Ohio said that he would not accept a single contribution in his race for Congress. Not only was he not going to accept any contributions; he was not going to make any expenditures.

The distinguished senior Senator from Maryland (Mr. MATHIAS) has announced that his policy is going to be that subsequent to a certain time, which he will set, he will not accept any contribution for more than $100. So why do we have to escalate the cost of campaigning? That, I submit, is what we are doing by adding a public subsidy that is matched in primary races, and is paying 100 percent of the cost of general elections by the public treasury. It comes out of the pockets of the taxpayer, with the taxpayer not having any right to designate to whom the contribution will go.

The matter of tax credits and deductions is allowed under the present income tax laws. The reason I do not object to tax credits is that they can be spread by the taxpayer wherever he wants to spread them, and the amounts can be given to the candidates of his choice.

Having wiped out, in the matter of the checkoff, where the taxpayers can designate the party of their choice, the money all goes into a common pot and is then divided between the parties, if they come within the law.

I am glad we are going to have a test vote. I want to see how many Members want to see Uncle Sam pay the cost of their campaigns at a terrific amount, at 15 cents a person per vote in his State, in the case of a Senator, or in his congressional district, in the case of a Member of the House. How much would that be? In California, this is what would be paid to each of the Senate candidates.

I suppose the checks would be written out for them as soon as they became nominees. I hope I will be corrected if my statement is not correct. And the amounts are paid in advance; I do not believe it is on certification of expenses. If I am wrong, I should like to be corrected. I believe that the check is written first. For how much? For $221,450. Possibly there is some formula by which the candidates come by it. I am not advised as to that at the present time. I assume that as soon as the candidates are nominated, they will start to spend the money, and Uncle Sam will have to get there quickly with the money; or perhaps the senatorial candidate can be counted on to drop by the Treasury to pick up his $2 million. I expect that he will find a way to get there.

I expect he would find a way to get there. But the candidate of the Democratic Party would get a check for $2,121,000 and the candidate of the Republican Party would get a check for $2,121,000; we have already taken care of half of their primary costs, so they are getting along pretty good. The candidate for the Senate, sitting on $2 million in campaign funds—what incentive is there for him, as the Senator from South Dakota (Mr. MCGOVERN) said earlier this evening, to go to the grassroots for help, for a small contribution? There would be no incentive at all.

Mr. President, we have enough apathy and disinterest in our elections now, and in my judgment this public financing of our elections would only add to and increase manifold the apathy and disinterest on the part of the American people in their elections.

Mr. President, the Senate of the United States, just a few short weeks ago, took action here in the face of strong public opinion and refused to raise the salaries of the Members of the Senate and the House of Representatives—and I was one who voted against the raise—by around $2,500. I believe that every Member of the Senate feels that the strong force of public opinion influenced his vote on that issue.

We were talking about $2,500 to each Senator at that time. But what about giving one $2 million for his election campaign? What is the public going to think about that? That is what we would provide here.

Ido not believe that a public opinion that is opposed to a raise of $2,500 for Members of the House of Representatives and the Senate is going to look with a great deal of satisfaction and approval on subsidizing the election campaigns of of the Members of the House and Senate.

Let us look at some of the States, and see what the Senators would get. For the State of New York, the Senator would get a subsidy in the general election of $1,899,750 whenever he would run, and one of them will be up for reelection this November. I do not see anything to prevent this measure going into effect before the November election.

The Senator from Alabama would receive $350,000, and the Senator from Alabama does not even have opposition in the November election.

The Senator from Pennsylvania would get a subsidy of $1,236,000. The Senator from Missouri, who was here a few moments ago——

Mr. MANSFIELD. He is still here.

Mr. ALLEN. The Senator from Missouri (Mr. EAGLETON) would pick up a check for $487,650 at the start of his reelection campaign.

Mr. President, we are going to give the Senator from Missouri an opportunity tomorrow to vote against that subsidy for his race out there in Missouri. The Senator from Missouri does not believe he needs it. He thinks he will win without it overwhelmingly. I do not believe he needs that kind of a subsidy.

Mr. President, that is what the amendment would eliminate. It would leave the Members of the House of Representatives and the Senate subject to the wishes of their constituents, subject to letting the constituents have some little influence and input into their thinking, their campaigns, and their philosophy. They would be approachable by their constituents, and not just look to the public Treasury for payment of their campaign expenses.

Mr. President, put any limit you wish on overall expenditures and the Senator from Alabama can live with it. Wipe out contributions, for all the Senator from Alabama would care. Put any limit whatsoever on it. Limit contributions to $10 or $5, but leave it in the private sector. Do not turn it over to Uncle Sam. Do not have Members of Congress dipping into the public till to pay the costs of elections of Members of Congress.

Tomorrow the Members of the Senate and the House of Representatives will have the opportunity to take themselves out from under the provisions of this campaign subsidy bill.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, would the Senator consider the possibility of a time limitation on the pending amendment, after the vote on the conference report on the minimum wage bill tomorrow?

Mr. ALLEN. Before or after, it does not matter to the Senator from Alabama. I shall be glad to agree to any time the distinguished majority leader would say. I am ready to vote. Say 30 minutes?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the vote on the conference report on the minimum wage bill tomorrow, there be a time limitation of 1 hour on the pending Allen amendment, with the time to be equally divided between the distinguished Senator from Alabama, the sponsor of the amendment (Mr. ALLEN), and the chairman of the committee, the distinguished Senator from Nevada (Mr. CANNON).

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, with the approval of the Senator, I ask unani-

mous consent that, following the disposition of the Allen amendment, the distinguished Senator from Maine (Mr. HATHAWAY) be recognized for the purpose of offering his amendment.

Mr. HATHAWAY. No. 1082.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Then, with the approval of the distinguished Senator from Alabama, I ask unanimous consent that on the disposition of the Hathaway amendment, the second Allen amendment be brought up.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Would the Senator consider a limitation on that also?

Mr. ALLEN. Yes. The same order will be fine.

Mr. MANSFIELD. Mr. President, on the second Allen amendment, I ask unanimous consent that, as in the case of the first Allen amendment now pending, there be a time limitation of 1 hour, with the time to be equally divided under the same circumstances.

Mr. ALLEN. Mr. President, reserving the right to object, as I understood on the first one it would be 30 minutes to be equally divided.

Mr. MANSFIELD. Oh, I thought the Senator had suggested 30 minutes to a side. I will change the request to 30 minutes to be equally divided.

Mr. ALLEN. And 30 minutes on the other one also.

Mr. MANSFIELD. And 30 minutes on the second one as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Let me state that the second amendment that the majority leader refers to would take from under the bill the presidential nomination contests.

Mr. MANSFIELD. That is in the record now. I would like to ask the distinguished Senator from Maine if he would consider a time limitation on his amendment tomorrow, and if so, of how long.

Mr. HATHAWAY. Mr. President, let me say to the distinguished majority leader that the Senator from Michigan (Mr. GRIFFIN) and I debated this matter yesterday, and I think we said just about all that we wanted to say. There are some other Senators, as I understand, who would like to speak in favor of my amendment. There may also be some who want to speak in opposition to it. I hesitate to preclude them from talking if they wish to do so.

Mr. MANSFIELD. That is a good "hesitation waltz." I agree with the Senator completely that we should have Senator GRIFFIN and others here tomorrow so that we can, maybe, arrive at an agreement then.

I thank the distinguished Senator.

Mr. HATHAWAY. I thank the distinguished majority leader.

AMENDMENT NO. 1066

Mr. HATHAWAY. Mr. President, I have an amendment here which I understand is acceptable both to the floor manager and the ranking minority member of the committee. I do not think it will take much time and it can be accepted, I hope. It is amendment No. 1066. I ask that my amendment be read.

The PRESIDING OFFICER (Mr. BARTLETT). The Chair would advise the Senator from Maine that that would take unanimous consent.

Mr. HATHAWAY. I ask unanimous consent that my amendment No. 1066 may be considered at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

Mr. ALLEN. Mr. President, reserving the right to object, provided it does not replace the unanimous consent agreement given on the action on the other bill, I have no objection.

The PRESIDING OFFICER. The Chair would advise the Senator from Alabama that it will not do so.

Without objection it is so ordered, and the clerk will state the amendment.

The legislative clerk read as follows:

On page 73, beginning with line 3, strike out through line 22, and insert in lieu thereof the following:

"(b) (1) Notwithstanding any other provisions of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committees of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in subsections (2) and (3) hereof.

"(2) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President who is affiliated with that party which exceeds an amount equal to 2 cents multiplied by the voting age population of the United States.

"(3) The national committee of a political party, or a State committee of a political party, including any subordinate committees of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with that party which exceeds—

"(A) in the case of a candidate for election to the office of Senator, or of Representative from a State where a Representative is required to run statewide, the greater of—

"(i) 2 cents multiplied by the voting age population of that State, or

"(ii) $20,000; and

"(B) in the case of a candidate for election to the office of Representative in any other State, $10,000.

"(4) For purposes of this subsection—".

On page 73, line 23, strike out "(1)" and insert in lieu thereof "(A) ".

On page 74, line 3, strike out "(2)" and insert in lieu thereof "(B)".

Mr. HATHAWAY. Mr. President, this amendment would strike subsection (b) on page 73 and replace it with separate limitations with respect to what a national committee and a State committee may contribute to candidates running for Federal office. Under the bill as it now stands, there is a certain amount which may be used by both national and State committees for candidates in general, but it does not specify amounts with respect to individual candidates. Under the bill as presented, the national committee could funnel all the money it is entitled to under its limit into the race of one candidate. The State committee could do likewise.

My amendment would prevent that from happening. It would be a more equitable proviso for a distribution of funds to be spent by both the national committee and the State committee.

I understand that the distinguished Senator from Nevada (Mr. CANNON), the chairman of the committee, has no objection to this amendment. I also understand that it has been cleared with the minority side and that there is no objection on that side either.

Mr. CANNON. Mr. President, do I understand correctly now that, under the terms of the amendment, the national committee could spend 2 cents per voting age population in that State but not to exceed $20,000 or not to exceed $20,000 whichever is greater, but the population formula would depend on the State or the area in which it is to be spent?

Mr. HATHAWAY. That is correct.

Mr. CANNON. In the case of the House of Representatives, the ceiling figure would be $10,000 or the 2 cents per voting age population, whichever is higher in that particular area?

Mr. HATHAWAY. The fixed amount is $10,000.

Mr. CANNON. It is a fixed amount, then, without using the 2 cents formula?

Mr. HATHAWAY. Yes. That is the ceiling, of course.

Mr. CANNON. Very well. Yes, I do understand that now correctly, and so far as this Senator is concerned, I am ready to accept the amendment.

Mr. HATHAWAY. I thank the distinguished Senator from Nevada.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine, No. 1066.

The amendment was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The amendment of the Senator from Alabama (Mr. ALLEN) is the pending question.

PROGRAM

Mr. MANSFIELD. Mr. President, the Senate will adjourn shortly to come in at 9:30 a.m. tomorrow. There are three special orders which will take up to about 10:15 a.m. We have morning business for not to exceed 10 minutes, with statements therein limited to 3 minutes. At the hour of approximately 10:30 a.m., the Senate will start on the time limitation covering the conference report on the minimum wage bill, the vote on which will occur at 11:30 a.m.

After that vote, the pending Allen amendment will then be the order of business, with a time limitation of one half-hour, to be equally divided.

After the conclusion of that vote, the Senator from Maine (Mr. HATHAWAY) will offer his amendment. Hopefully, a time limitation can be agreed on tomorrow. I hope to discuss this matter with

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The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I am prepared to yield back the remainder of my time.

Mr. WILLIAMS. I yield back our time.

The PRESIDING OFFICER. The agreement provides for the vote to occur at 11:30 a.m. The unanimous-consent agreement could be changed by unanimous consent.

Mr. JAVITS. We yield back our time.

Mr. GRIFFIN. What is the change in the agreement?

Mr. JAVITS. No change. We merely want to yield back our time. We have no further speakers; unless we have a quorum call before the vote.

Mr. GRIFFIN. The Senator can suggest the absence of a quorum.

Mr. JAVITS. We have only 3 minutes.

Mr. GRIFFIN. We can call it off.

Mr. JAVITS. Mr. President, I do not yield back my time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the hour of 11:30 having arrived, the vote on the conference report is now in order. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), the Senator from Minnesota (Mr. MONDALE), the Senator from Alaska (Mr. GRAVEL), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Wyoming (Mr. MCGEE), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Maryland (Mr. MATHIAS), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Vermont (Mr. AIKEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Maryland (Mr. MATHIAS), and the Senator from Maryland (Mr. BEALL) would each vote "yea."

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

The result was announced—yeas 71, nays 19, as follows:

[No. 91 Leg.]

YEAS—71

Abourezk	Gurney	Nelson
Allen	Hart	Nunn
Baker	Hartke	Packwood
Bayh	Haskell	Pearson
Bellmon	Hathaway	Pell
Bentsen	Hollings	Percy
Bible	Huddleston	Proxmire
Biden	Hughes	Randolph
Brooke	Humphrey	Ribicoff
Burdick	Inouye	Roth
Byrd, Robert C.	Jackson	Schweiker
Cannon	Javits	Scott, Hugh
Case	Johnston	Sparkman
Chiles	Kennedy	Stafford
Church	Long	Stevens
Clark	Magnuson	Stevenson
Cook	Mansfield	Symington
Cranston	McGovern	Taft
Dole	McIntyre	Talmadge
Domenici	Metcalf	Tunney
Dominick	Metzenbaum	Weicker
Eagleton	Montoya	Williams
Fong	Moss	Young
Griffin	Muskie	

NAYS—19

Bartlett	Curtis	Hruska
Bennett	Eastland	McClellan
Brock	Ervin	McClure
Buckley	Fannin	Scott, William L.
Byrd, Harry F., Jr.	Goldwater	Stennis
Cotton	Hansen	Tower
	Helms	

NOT VOTING—10

Aiken	Hatfield	Mondale
Beall	Mathias	Pastore
Fulbright	McGee	Thurmond
Gravel		

So the conference report was agreed to.

Mr. JAVITS. Mr. President, I move that the Senate reconsider the vote by which the conference report was agreed to.

Mr. WILLIAMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I congratulate the Senate on approval of the conference report on S. 2747, the minimum wage bill. The minimum wage of $1.60 an hour has not been increased since 1968. Since that time inflation has pushed the cost of living up 32 percent.

Today's vote is the third time in less than 2 years that the Senate has approved an increase in the measure of economic dignity for those working Americans at the bottom of the economic ladder. On one occasin the other body refused to go to conference and on the other, our efforts were vetoed by the President.

I strongly urge the President to sign this bill into law.

S. 2747 fully reflects the will of Congress and the public. Its provisions have been thoroughly examined in committee in both Houses. It has been debated many hours. Every controversial point has been tested by a vote in the Senate. The differences between the two bodies have been fairly compromised. It is a fine bill and should become law.

I also want to thank our chairman, Senator WILLIAMS, for his outstanding leadership and perseverance in bringing this difficult piece of legislation safely through once again. It is my strongest hope that this time we will see our efforts rewarded by becoming law.

UNANIMOUS-CONSENT AGREEMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the vote on the first Allen amendment there be a limitation of 1 hour on the Hathaway amendment, to be equally divided between the distinguished Senator from Maine (Mr. HATHAWAY) and the minority leader or whomever he may designate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask unanimous consent that it be in order at this time to ask for the yeas and nays on that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the second Allen amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the disposition of the second Allen amendment, the amendment to be offered by the distinguished Senator from Texas (Mr BENTSEN) may follow, and that there be a time limitation of 30 minutes on that amendment, the time to be equally divided.

Mr. GRIFFIN. Mr. President, reserving the right to object, I am not familiar with the Bentsen amendment.

Mr. COOK. Mr. President, I am familiar with the Allen amendments, but I am not familiar with the Bentsen amendment, either. I wonder if the majority leader would consider holding that one in abeyance.

Mr. MANSFIELD. Yes; I withdraw the request.

Mr. ALLEN. Mr. President, the Senator from Texas, in conversation with me, said that his amendment provided that no foreigner could contribute to election campaigns It is a recommendation, I believe, that the President made.

Mr. COOK. May I say to the Senator from Alabama, I would think an amendment of that nature could be adopted unanimously by a voice vote, and that it would not be necessary to have a roll-call or to have time for debate.

Mr. MANSFIELD. I will discuss that later.

Then I understand that following the disposition of the Bentsen amendment, the third Allen amendment for today will be offered.

Mr. ALLEN. That suits me.

Mr. MANSFIELD. If I may have the attention of the minority leader and the ranking member of the Rules Committee, the Senator from Alabama has indicated that he would be willing to consider a 30-minute limitation on the third amendment on the same basis as the other two. I understand that the amendment has to do with the positions of the Members of the 93d Congress who will be running for office this year.

Mr. ALLEN. Running for the Presidency?

Mr. COOK. I have no objection to that.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, I remind the Senate that we have a vote on the extradition treaty with Denmark at 12 o'clock tomorrow. There is a rumor going around that that would be the only business tomorrow. However, it is the intention of the joint leadership to consider amendments to the pending business, and it is anticipated that there will be yea and nay votes in addition to the vote on the treaty of extradition.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HUDDLESTON) laid before the Senate, messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. ABOUREZK). Under the previous order, the Chair lays before the Senate the unfinished business, S. 3044, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment (No. 1109) of the Senator from Alabama (Mr. ALLEN), which the clerk will state.

The assistant legislative clerk proceeded to read the amendment.

Mr. ALLEN's amendment (No. 1109) is as follows:

On page 3, line 6, strike out "FEDERAL" and insert in lieu thereof "PRESIDENTIAL".

On page 4, line 6, strike out the comma and insert in lieu thereof a semicolon.

On page 4, beginning with line 7, strike out through line 12.

On page 4, line 13, strike out "(5)" and insert in lieu thereof "(4)".

On page 4, line 17, strike out "(6)" and insert in lieu thereof "(5)".

On page 5, line 6, strike out "any".

On page 5, line 21, immediately before "Federal", strike out "a".

On page 7, line 3, strike out "(1)".

On page 7, beginning with "that—" on line 5, strike out through 7 no page 8 and insert in lieu thereof "that he is seeking nomination for election to the office of President and he and his authorized committees have received contributions for his campaign throughout the United States in a total amount in excess of $250,000.".

On page 9, line 6, after the semicolon, insert "and".

On page 9, strike out lines 7 and 8 and insert in lieu thereof the following: "(2) no contribution from".

On page 9, beginning with "and" on line 13, strike out through line 19.

On page 10, beginning with "(1)—" on line 3, strike out through line 16 and insert in lieu thereof the following: "(1), no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election.".

On page 13, beginning with line 16, strike out through line 18 on page 14 and insert in lieu thereof the following:

"SEC. 504. (a) (1) Except to the extent that such amounts are changed under subsection (f) (2), no candidate may make expenditures in any State in which he is a candidate in a primary election in excess of the greater of—

"(A) 20 cents multiplied by the voting age population (as certified under subsection (g)) of the State in which such election is held, or

"(B) $250,000.".

On page 14, line 19, strike out "(B)" and insert in lieu thereof "(1)" and strike out "subparagraph" and insert in lieu thereof "paragraph".

On page 14, line 20, strike out "(A)" and insert in lieu thereof "(1)".

On page 15, line 8, beginning with "the greater of—", strike out through line 17 and insert in lieu thereof "15 cents multiplied by the voting age population (as certified under subsection (g)) of the United States.".

On page 18, beginning with line 10, strike out through line 20.

On page 26, lines 2 and 3, strike out "under section 504 of the Federal Election Campaign Act of 1971, or".

On page 71, beginning with line 20, strike out through line 2 on page 73 and insert in lieu thereof the following:

"(a) (1) Except to the extent that such amounts are changed under subsection (f) (2), no candidate (other than a candidate for nomination for election to the office of President) may make expenditures in connection with his primary election campaign in excess of the greater of—

"(A) 10 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election for such nomination is held, or

"(B) (i) $125,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2) (A) No candidate for nomination for election to the office of President may make expenditures in any State in which he is a candidate in a primary election in excess of two times the amount which a candidate for nomination for election to the office of Senator from that State (or for nomination for election to the office of Delegate in the case of the District of Columbia, the Virgin Islands, or Guam, or to the office of Resident Commissioner in the case of Puerto Rico) may expend in that State in connection with his primary election campaign.

"(B) Notwithstanding the provisions of subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to 10 cents multiplied by the voting age population of the United States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(b) Except to the extent that such amounts are changed under subsection (f) (2), no candidate may make expenditures in connection with his general election campaign in excess of the greater of—

"(1) 15 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election is held, or

"(2) (A) $175,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(B) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(c) No candidate who is unopposed in a primary or general election may make expenditures in connection with his primary or general election campaign in excess of 10 percent of the limitation in subsection (a) or (b).

"(d) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(e) (1) Expenditures made on behalf of any candidate are, for the purpose of this section, considered to be made by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure, or

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate or an agent of the candidate to make the expenditure.

"(4) For purposes of this section an expenditure made by the national committee of a political party, or by the State committee of a political party, in connection with the general election campaign of a candidate affiliated with that party which is not in excess of the limitations contained in subsection (i), is not considered to be an expenditure made on behalf of that candidate.

"(f) (1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1975), as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Federal Election Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under

subsections (a) and (b) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(g) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Federal Election Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"(h) Upon receiving the certification of the Secretary of Commerce and of the Secretary of Labor, the Federal Election Commission shall publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, and for each State and congressional district under this section."

On page 73, line 3, strike out "(b)" and insert in lieu thereof "(1)".

On page 73, line 24, strike out "section 504" and insert in lieu thereof "subsection (g); and".

On page 74, strike out lines 1 and 2.

On page 74, line 6, strike out "that Act" and insert in lieu thereof "the Federal Election Campaign Act of 1971".

On page 74, line 8, strike out "(c)" and insert in lieu thereof "(j)".

On page 74, line 10, strike out "(a)(4)" and insert in lieu thereof "(e)(3)".

On page 75, line 6, strike out "(a)(5)" and insert in lieu thereof "(d)".

On page 75, line 11, strike out "(a)(4)" and insert in lieu thereof "(e)(3)".

The PRESIDING OFFICER. The time for debate on this amendment is limited to 30 minutes, to be equally divided between and controlled by the Senator from Alabama (Mr. ALLEN) and the Senator from Nevada (Mr. CANNON). Who yields time?

Mr. ALLEN. Mr. President, I yield myself 3 minutes.

This amendment would merely take from under the bill the races for the House of Representatives and the Senate, both for the primary and the general elections.

Mr. President, I do not believe it is right for Members of Congress to provide that the taxpayers, through the public Treasury, should pay for their election campaigns. I do not believe it is right to present to a candidate for the Senate 15 cents per person of voting age in his State, to allow him to run for the Senate. This would involve astronomical amounts of money. In the State of California, the public subsidy to a candidate for the Senate in the general election would be $2,121,000. In the State of New York, it would be $1,900,000. I do not believe that the taxpayers of the country should be called on to finance elections of Senators and Representatives.

I might say also, Mr. President, that a strong public opinion in this country caused the Senate to vote against a recommendation of the President that the salaries of the Members of the House of Representatives and the Senate be increased by about $2,500. That was overwhelmingly vetoed here in the Senate.

What would public opinion be about presenting a check for more than $2 million to a candidate for the Senate in California, $1,900,000 in the State of New York, and lesser sums on down?

All this amendment would do would be strike the House and the Senate from the provisions of the bill. I do not believe that the House would accept the provision anyway, and I believe that the Senate should take the leadership and strike the primary and general elections of House and Senate Members from the bill.

For another thing, matching funds are provided in the primary for the House of Representatives and the Senate, and this would actually aid the incumbents, in that we would match the private collections of sums up to $100 of House and Senate Members. Naturally the House and Senate Members, being incumbents, and being better known, would be able to collect more funds from individual contributors, and then the Federal Government would match that amount, compounding the advantage that the incumbent would have.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLEN. I yield myself 1 more minute.

Mr. President, it is not in the public interest to require the taxpayers to pay for the primaries, or half of the primaries and all of the general election expense, of Senators and Representatives, and I hope that the Senate will approve the amendment.

Mr. President, I yield 3 minutes to the distinguished Senator from Tennessee (Mr. BAKER).

Mr. BAKER. Mr. President, I thank the Senator from Alabama for yielding so that I could speak in support of the amendment.

It is no secret here in the Senate that I do not look favorably upon public financing of any campaigns, including Presidential campaigns. I think it would result in the distortive effect of contributions of large sums of private money giving way to the distortive effect of large contributions of public money, with the inevitable effect of a proliferation of Treasury rules and regulations and bureaucratic redtape that ultimately will pervade a system of public financing, no matter how we try to avoid it.

The election of officials to office at the Presidential and congressional levels, in my judgment, is the most intimate of all democratic processes. It was intentionally not structured into the Constitution, so that we would be entirely on our own, free of the dictates of the Government in deciding how we select our officials.

But there is a very real distinction between a Presidential campaign, with two major party nominees who command the attention of the national press corps and the national media including television coverage, and the campaign of a typical candidate for the House of Representatives or the Senate, who does not have similar coverage, especially those who are challengers of established incumbents.

I am an incumbent. Now, by the grace of God and the good will of the people of Tennessee, I have been here a little more than 7 years. But 7 years is not long enough to eradicate from my mind a recollection of how hard it is to run from obscurity, and how hard it is to be a challenger.

I think, Mr. President, that particularly in the cases of candidates for the House of Representatives or the Senate, public financing creates a distinct advantage on behalf of the incumbents, and diminishes the chance for new and aggressive, intelligent and worthwhile challengers.

It tends to cement the status quo of congressional affairs and is far more susceptible to unfavorable results than even the financing of a Presidential campaign from the public treasury, which I also oppose. On the scale of things, I must say that I oppose this more than I oppose that.

So I very much hope that the Senate will support the amendment of the distinguished Senator from Alabama to exempt ourselves from public financing. If the matter of the setting of our own salaries is a patent conflict of interest, the matter of providing for our own war chests to campaign with is an even greater conflict of interest.

I thank the distinguished Senator from Alabama for yielding me this time.

Mr. KENNEDY. Mr. President, will the Senator from Tennessee yield for a question?

Mr. BAKER. I yield, if I have any more time.

Mr. CANNON. Mr. President, I yield the Senator from Massachusetts 5 minutes.

Mr. KENNEDY. Mr. President, I oppose the amendment offered by Senator ALLEN to strike the provisions of S. 3044 dealing with public financing of congressional general elections and congressional primaries, and I urge the Senate to reject the amendment.

At a very minimum, yesterday's overwhelming vote cements the existing law providing public financing for Presidential general elections. Obviously, Congress is not about to roll back the clock on the current dollar checkoff by repealing or deleting existing law.

By what logic, then, can Congress fail to see the need for public financing of its own elections?

The issue is the same under both amendments that Senator ALLEN plans to offer today—to strike public financing for all congressional elections, and to strike it for Presidential primaries.

The logic is compelling, and we escape it at our peril. If public financing is the answer to the problems of private money and political corruption is Presidential elections, then it is also the answer to the problems of private money and political corruption in other Federal elections, too. If public financing is good enough for the President, it is good enough for the House and Senate, too. If public financing is good enough for general elections, it is good enough for primaries, too.

For centuries, money and public service have been a corrosive combination in political life. And the more things change the more they remain the same. In "The Prince," Machiavelli put the problem clearly almost 500 years ago:

As a general rule those who wish to win favor with a prince offer him the things they most value and in which they see that he will take most pleasure; so it is often seen that rulers receive presents of horses, arms, piece of cloth of gold, precious stones, and similar ornaments worthy of their station.

The only real change today, when the favors available from the modern Congress and the modern Federal Government would boggle the mind of any medieval prince, is that the most valued presents are not horses and arms, but contributions to political campaigns.

Just as Watergate and private campaign contributions have mired the executive branch in its present quicksand of corruption, so, I am convinced, the present low estate of Congress is the result of the ingrained corruption and appearance of corruption that our system of private financing of congressional election has produced.

Today, in Congress, the problem has reached the epidemic level. For too long, we have tolerated a system of private financing that allows the wealthiest citizens and biggest special interest groups to infect our democracy by buying a preferred position in the deliberations of Congress.

It is no accident that Congress so often fails to act promptly or effectively on issues of absolutely vital importance to all the people of the Nation—issues like inflation, the energy crisis, tax reform, and national health insurance, to name but four subjects where the ineffective action of Congress, sometimes over many years, appears to bear a direct and obvious correlation to the massive campaign contributions by special interest groups. It is no secret to any citizen that such interest groups have a stake at least in the status quo, and often a stake in something worse, in flagrant disregard of where the public interest really lies.

Not until we root out all the corrosive aspects of the present system will we be able to cure this worsening infection of our Government, and bring our democracy back to health.

To make the case for public financing of congressional elections, we need look no farther than the figures released today by Common Cause. Beyond any reasonable doubt, these figures demonstrate that special interest groups have a stranglehold on Congress, and that the stranglehold can only be broken by public financing.

The figures tell a dismal story of how Congress is bought in each election year.

Special interest groups	Contributions to Congress, 1972	Cash on hand, 1974
Total	$14,000,000	$14,200,000
Business professional	3,400,000	5,900,000
All labor	3,800,000	5,000,000
AFL-CIO	847,000	309,000
BIPAC (NAM)	410,000	231,000
AMA	844,000	335,000
Dairy	$1,189,000	$2,018,000
Oil	37,000	NA

One of the most distressing aspects of these figures is the proof that Watergate has not even made a dent in the special interest war chests now being accumulated for the 1974 elections. Already, with the 1974 primary campaigns hardly even underway, the special interest groups have collected more cash on hand for political contributions in 1974 than they contributed in all of 1972.

An equally distressing aspect is that these figures vastly understate the real amount of special interest giving, since they are compiled only from reports filed by registered political committees. Because of limits on current capability for analyzing the published reports, the figures are forced to ignore contributions by individuals. Yet, we know that individuals with a special interest in legislation before Congress contributed immense amounts to 1972 campaigns, and they are obviously tooling up to do the same in 1974.

It is a hollow joke, a very hollow joke whose butt is the people of America, to read that oil committees gave only $37,000 for congressional elections in 1972, when we know from other estimates that oil executives contributed millions to both the Presidential and the congressional elections in 1972.

In sum, Congress owes America a better legislation record on the issues, and the way to start is by cleaning the stables of our own campaigns, by reforming the way we finance our own elections. Only when we have public financing of our elections will we in Congress truly represent the public.

Mr. President, I wonder whether the Senator from Alabama and the Senator from Tennessee are familiar with the figures released by Common Cause this morning, which show the sizable contributions made by the special interest groups to Members of Congress in the 1972 elections, and the sizable warchests they have accumulated for 1974. I wonder what kind of reaction the Senators have to these disclosures.

We already have public financing for Presidential elections. Why do we think in the House and the Senate that we are "holier than thou" and that it is not necessary to have public financing for Members of Congress? Most specifically, what is the reaction of the Senator from Tennessee to the analysis by Common Cause, which shows that over $14 million in special interest money has already been collected for the Senate and House elections this fall? How does he respond on that issue to the amendment before the Senate?

Mr. BAKER. I thank the Senator from Alabama for giving me, again, enough time so that we can have this colloquy with the Senator from Massachusetts.

My response is, I do not think we should have any contributions from anyone except qualified voters. I do not think the Treasury of the United States, or the treasury of the State of Tennessee, or that any corporation, or association or co-op, or whatever, should make contributions or give financial support to any campaign. Rather, I think that the support should come only from individual human beings who can vote. Corporations cannot vote. Common Cause cannot vote. Chambers of Commerce cannot vote. Why should they contribute? I proposed, and there is at the desk, an amendment to the bill which I will call up later, that says that no one except a qualified voter can contribute.

That is my reply.

Mr. KENNEDY. Mr. President, so long as we have private contributions, the special interests will find a way to give their money and make their influence felt.

As I indicated earlier, the Common Cause figures are only the tip of the iceberg because they reflect only the contributions reported or collected by organized political committees. They do not reflect contributions by individuals. Yet we know, as in the case of oil money, that vast amounts of special interest money come rolling in, each election year, in the form of individual contributions.

We know why these special interest groups are building up their warchests for 1974. To take but one example, it is clear that this Congress is now well into a major debate on national health insurance. Possibly, a comprehensive bill to establish a program of national health insurance may pass the Senate and the House before the end of the present session. Or, the debate may well carry over into the 94th Congress that convenes in January 1975, after the congressional elections this fall. Obviously, health reform and national health insurance are issues that are now coming into the forefront of the agenda of Congress.

And what do we see when we look at the Common Cause figures, published today, showing the warchests that special interest groups have already accumulated for the purpose of making contributions to the 1974 elections? We find that one of the special interest groups with the fattest warchests is none other than the American Medical Association and its affiliated political action committees in the various States.

Mr. President, I ask at this point that an excerpt from the Common Cause materials showing the breakdown by State of the AMA warchest, may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1974 CAMPAIGN WAR CHEST OF AMERICAN MEDICAL ASSOCIATION AND ITS AFFILIATED POLITICAL ACTION COMMITTEES

Closing date	Organization (branches of American Medical Association)	Committee name	Amount
Mar. 7, 1974	National	American Medical PAC	$60,520
Dec. 31, 1973	District of Columbia Executive.	Physcns Com For Good Govt—D.C	8,482
Feb. 28, 1974	Alabama	Alabama Medical PAC	15,029
Jan. 31, 1974	Alaska	Alaska Medical PAC	1,375
Mar. 10, 1974	Arizona	Arizona Medical PAC	13,392
Feb. 28, 1974	Arkansas	Arkansas PAC	4,411
Dec. 31, 1973	California	California Medical PAC	178,517
Mar. 10, 1974	do	Committee for Govt Improvement	168
Dec. 10, 1973	do	L.A. Cnty Physicians Comm	14,002
Mar. 7, 1974	do	Professional Comm for Good Govt	156
Feb. 28, 1974	Colorado	Colorado Medical PAC	1,670
Mar. 10, 1974	Connecticut	Connecticut Medical PAC	4,156
Feb. 28, 1974	District of Columbia	District of Columbia PAC	1,367
Feb. 31, 1973	Florida	Florida Medical PAC	22,943
Feb. 28, 1974	Georgia	Georgia Medical PAC	34,232
Feb. 28, 1974	Hawaii	Hawaii Medical PAC	2,629
Dec. 31, 1973	Idaho	Idaho Medical PAC	981
Mar. 7, 1974	Illinois	Illinois Medical PAC	18,594
Feb. 28, 1974	Indiana	Indiana Medical PAC	47,909
Do	Iowa	Iowa Medical PAC	22,652
Do	Kansas	Kansas Medical PAC	6,383
Feb. 31, 1973	Louisiana	Louisiana Medical PAC	16,986
Feb. 28, 1974	Maryland	Maryland Medical PAC	27,294
Dec. 31, 1973	Massachusetts	Bay State Physicians PAC	1,022
Feb. 28, 1974	Michigan	Michigan Doctors PAC	25,320
Do	Minnesota	Minnesota Med PAC	$17,584
Do	Mississippi	Mississippi PAC	15,886
Do	Missouri	Missouri Med PAC	26,380
Oct. 2, 1973	Montana	Montana PAC	2,372
Feb. 28, 1974	Nebraska	Nebraska Med PAC	7,999
Do	New Jersey	N.J. Med Political Action	8,899
Dec. 31, 1973	New Mexico	N.M. Med PAC	3,221
Mar. 10, 1974	North Carolina	North Carolina Med Pol Educ & Action Comm	20,699
Feb. 28, 1974	North Dakota	N.D. Comm on Med Pol Act	1,243
Do	Ohio	Ohio Med PAC	53,123
Dec. 31, 1973	Oklahoma	Oklahoma Med PAC	8,299
Feb. 28, 1974	New York	Empire Medical PAC	1,803
Do	Oregon	Oregon Med PAC	16,121
Do	Pennsylvania	Pennsylvania Med PAC	50,874
Do	Rhode Island	Rhode Island Med PAC	1,160
Do	South Carolina	South Carolina PAC	6,405
Dec. 31, 1973	South Dakota	South Dakota PAC	1,435
Feb. 28, 1974	Tennessee	Independent Medicine's PAC	19,673
Do	Texas	Texas Med PAC	59,160
Dec. 31, 1973	Utah	Utah Med PAC	1,661
Do	Virginia	Virginia Med PAC	6,840
Feb. 28, 1974	Washington	AMPAC—State of Washington	10,084
Do	Wisconsin	Wisc Physician's PAC	16,085
Do	Wyoming	Wyoming PAC	1,894
Total			889,088

Mr. KENNEDY. We see from these figures that the AMA and its affiliates have already collected the massive sum of $889,000 in available contributions for the fall congressional elections. We also know the position of the AMA on health reform, which is a position of total opposition to the sort of national health insurance program that many of us believe is essential if the Nation is to have decent health care.

Clearly, the AMA position will be well represented in the next Congress. Money speaks, and $889,000 in campaign contributions speaks with a very loud voice indeed.

But who speaks for the average citizen? Who speaks for the mother trying to get a doctor because her child is sick. Who speaks for the family driven into financial ruin because of the high cost of serious illness? Who speaks for all the people fed up with a health care system that suits the doctors and the insurance companies very well, but that fails to meet the people's basic need for decent health care at a price they can afford to pay?

That is the nature of the problem we face. There are probably only a handful of Members of this body who have not received at least some contribution from one or another of these various interest groups. I think that public financing is the only realistic answer to eliminate the corrupting influence of the special interest contributions on our Senate and House elections.

We see the picture. The special interest groups are waiting with their checkbooks to make their influence felt. If this amendment passes, the effect will be to say that we in Congress are glad to get that money, that we welcome their campaign contributions in 1974 and on into the future.

I oppose the amendment, and I hope that the Senate will reject it.

Mr. BAKER. Mr. President, I do not know what the parliamentary situation is at the moment. The Senator from Massachusetts asked me to yield, but on whose time, I do not know. We have been having this colloquy. If I still have the floor, I should like to have 1 minute more to speak.

Mr. ALLEN. I yield the Senator from Tennessee 1 more minute.

Mr. KENNEDY. Whatever time remains to me I will gladly yield to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 1 minute.

Mr. BAKER. Mr. President, I am really most distressed by the concept embodied in the remarks just made by the Senator from Massachusetts, which I read to mean that we can trust ourselves so little to cure the ills spotlighted by the Watergate case that we have got to throw the baby out with the bath water. I really am concerned that we do not consider ourselves to be good enough legal draftsmen or legislative scholars to be able to draft a way to prevent the special interests from having an effect on the elective process.

I know half a dozen ways to do that without tearing down the destiny and the political system of this country.

We could hand out $2 million in California or $365,000 in Nevada, or whatever, and pretty soon we will have a little booklet coming out that says "Federal Rules and Guidelines for Qualifying for the Expenditure of Funds"—and pretty soon the Federal Government will be supervising how campaigns are going to be run. Thus, we will have created political incest.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. KENNEDY. If I have any time remaining, I should like to have 2 minutes——

Mr. CANNON. I yield 2 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 2 minutes.

Mr. KENNEDY. Mr. President, the thing the American public should understand is that they are paying for the system now. We hear the statements about the raid on the Federal Treasury. The Senator from Tennessee understands who is paying for what now.

And one of the most obvious the people are forced to pay is through tax loopholes. The Internal Revenue Code is riddled with tax loopholes. The American public is paying for those loopholes. Vast amounts of tax welfare are being paid through the tax laws to big contributors and special interest groups. And we know who makes up the difference. The working man and woman, the middle income and the lower income groups are the ones who pay higher taxes to make up for the various tax loopholes.

We know how those various tax loopholes have been obtained. As the Senator from Tennessee and every other Member of the Senate knows, it is through the work of the highly paid lobbyists and the special interest groups down here in the conference rooms and in the committee rooms and in the halls of Congress. They make sure that the loopholes are written in and stay in and they are always around when campaign contributions are to be made.

So, make no mistake about it, Mr. and Mrs. Public, you are paying for the system, and you are paying for it in hidden billions of dollars every year.

All it takes to change the system and put it on an honest footing is to make sure that the public pays the bill for elections to public office. We are talking about a cost of $360 million over a 4-year period, to make Members of Congress and the Senate, and the President of the United States accountable to the people and not to the special interests. That is a bargain by any standard, a price we cannot afford not to pay.

Several Senators addressed the Chair.

Mr. ALLEN. Mr. President, I yield 2 minutes to the Senator from Colorado (Mr. DOMINICK).

The PRESIDING OFFICER. The Senator from Colorado is recognized for 2 minutes.

Mr. DOMINICK. Mr. President, I thank the Senator from Alabama.

Mr. President, I have not participated very much in this debate so far and I do not serve on the Committee on Rules and

Administration, but I think I have just heard the most illogical argument from the Senator from Massachusetts that I have heard in my whole life in the 12 years I have served in this body, and my 2 years of service in the House.

Every single tax thing, including what he calls the tax loopholes, were originally put in for a social reason of one kind or another, like the tax loophole which gives an extra deduction, for example, to one who is blind or over the age of 65. There is a whole group of things like that, which he lumps into so-called tax loopholes. It does not have a single thing to do with the bill which is designed to put Members of the Senate and Members of the House in the public trough.

Mr. KENNEDY. Mr. President, will the Senator from Colorado yield for a question?

Mr. DOMINICK. I yield.

Mr. KENNEDY. Would the Senator support a bill to eliminate all the tax loopholes, say, by the end of this year, over a 2- or 3-year period, then rebuild them back into the Revenue Code, if they really serve a social purpose? I believe that many of those loopholes are directly related to campaign contributions by the people who enjoy the benefits of the loopholes. Would the Senator be willing to test the social purpose of the loopholes by re-enacting them or is he simply prepared to continue——

Mr. DOMINICK. Is the Senator asking me a question?

I wonder whether the Senator from Alabama would yield me another minute to answer the Senator from Massachusetts.

Mr. ALLEN. Yes.

Mr. DOMINICK. I thank the Senator.

The answer to the Senator from Massachusetts is, "no," I would not support such a bill.

A great many social projects are of extraordinary impact in this country. One of the things I hope to do is to get a tax credit for higher education. We have passed it in the Senate twice, and I have no intention of saying that the Senator from Colorado would simply eliminate these social practices which we try to accomplish in a tax bill. Besides, that comes out of the Ways and Means Committee, not out of the Rules Committee, and has nothing to do with the public trough bill that is before the Senate now.

I have been adamantly against public financing from the very beginning. I am against it for any kind of race—Presidential, Republican, senatorial, or anything else—because all I can see is a continuing effort to get more and more money as expenses go on, increasing the amount of money we are going to be spending on public campaigns for election one way or another. As one who is running this year, it would be helpful to me, of course, if we had public financing. But I cannot think of anything worse for the taxpayers of my State, for the taxpayers of the country, and for the country's government as a whole—its welfare, its honor, and its integrity. To have campaigns run on public financing is the worst thing I can think of.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I yield 2 minutes to the distinguished Senator from Mississippi (Mr. STENNIS).

Mr. STENNIS. I thank the Senator from Alabama.

Mr. President, last year the Senate passed a good bill. I could not be here to participate in that bill but I have been so concerned about elections, about what has been happening, that I have gone into this matter rather thoroughly; and I cannot support the principle of using taxpayers' dollars to pay for the campaigns, especially our own elections, especially for the election of Members of the House of Representatives, who have only 2-year terms.

As a practical matter, I know of no scandal connected with senatorial races or with races of Members of the House, either—the actual races for election or reelection. I have been here a good while. We have had some matters come up about funds collected and appreciation dinners, whatever one wants to call it. But that was after the election was over. Some of that money, we decided—in one case especially—was misused. But I do not think Congress has any record of scandal or any kind of fraud or anything fixed up. There is a selfish angle, too.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ALLEN. I yield the Senator 1 additional minute.

Mr. STENNIS. I feel that to get into our races and to let the taxpayers pay for them takes the people out of it, so to speak. The taxpayer pays his taxes because he has to, and he should, of course. But the idea of taking his money and putting it to this use is contrary to what many people believe in. Worse than that, it takes the people out of the race, so to speak, because they feel that what they can do will not count. We have to get these elections back closer to the people, closer to their voluntary actions, to their enthusiasm, to their willingness to be active citizens, to become involved. We need more people actively involved in these elections, particularly congressional elections.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, will the Senator yield?

Mr. CANNON. I yield 2 minutes to the Senator.

Mr. COOK. Mr. President, it is my intention to vote against the proposal of the Senator from Alabama, but I would be remiss if I did not say that one of the reasons why I intend to do so is that I think the people of the United States have an opportunity to try what we have proposed for some time.

I must say, in all fairness, that I am surprised at the extreme length of the indictment of Democratically controlled Congresses that I have just listened to as to the Internal Revenue Code as it now exists, with what are called complete and absolute loopholes.

I think that the average taxpayer who files his form 1040 seems to think of everybody who has a loophole as not being an average taxpayer. I am thinking about the fellow who owns a gas station, the fellow who deducts for the utilization of his truck, which he also drives home at night because it is his vehicle, and that is a loophole.

I am thinking of literally hundreds and hundreds of things that give a little individual who is a small, independent businessman, not the giant businessman, an opportunity and an incentive to be a businessman, an incentive to make a living.

I hope that during the course of this debate we will not take into consideration such broad, sweeping statements that we are going to have an amendment that takes away all loopholes. What does "all loopholes" really mean? What are we really saying to the Internal Revenue Service? What are we really saying to every little individual who pays his taxes on a quarterly basis, not once a year?

I hope we will look at this situation from the standpoint that we now have an opportunity to try a process that is not totally untried in the world of politics, and I think we all know that. I know how individuals on this floor feel, but if the Senator feels that he is going to try, he should try it at all levels of elective government.

I know that the next amendment is going to swing around and say that we will do it for this group and not that group.

I agree with the Senator from Massachusetts that we have had many misuses, and I think we have a tendency to overkill in the United States. Many times, legislative bodies certainly do. But I believe this issue has been debated enough so that it is no longer the issue of overkill, that it is now the issue that this is a process that may indeed work and can work; and if it does not work, obviously the system can be changed.

To the extent that we in the Rules Committee, under the leadership of our distinguished chairman, have tried to work this matter out to the best of our ability, this amendment would do a great injustice to the work we did in the hearings on the bill. We feel that if we are going to make this experimental attempt to change the methods of campaign operations in the United States, it has to be done at the legislative level and must be done at the Presidential level.

Mr. CANNON. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Nevada has 2 minutes remaining. The Senator from Alabama has 1 minute remaining.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, Congress already acted once on this matter and determined last year that the matter should be referred to the Committee on Rules and Administration and that we should come back with a proposition for the financing of campaigns out of Federal funds. That is exactly what we have done.

We do not provide in this law that every candidate must go to the Federal funding source. We leave it up to his option. If he sees a great danger in it and wants to go the private sector he may do that within the limits of the bill. Of course, we provide a limit on the amount. We will not see another situation, if this bill is passed, where Clement Stone and people like that can make tremendous contributions, or a committee, like the milk fund or a like organization makes tremendous contributions, because we have a limit. It means that a person who is unknown and wants to try, if he can demonstrate initially that he has a certain amount of appeal, can find the funds without going to private interest groups to finance a portion of his campaign, provided the funds are there.

The law now provides for the checkoff provision. In this bill we increase that and double the amount of the checkoff and increase the amount of the tax credit or the tax deduction that may be taken. They can use those to provide funds to the candidate.

I simply say the Committee on Rules and Administration is trying to comply with the instructions given it last year by the Senate in reporting a bill on this subject and we think we have done the best job we could do after holding hearings and listening to the testimony of witnesses who appeared before us.

Mr. President, I hope the amendment of the Senator from Alabama is rejected.

Mr. ALLEN. Mr. President, yes, the Committee on Rules and Administration did discharge its commitment in reporting the bill, but there is no obligation on us to take the bill. It is just a vehicle for the Senate to express its will with regard to public financing.

I do not believe that the people of this country, having rejected the thought of Congress raising its salary by some $2,500, will look with favor on Congress voting itself funds in the primary; up to some $2 million in California and lesser amounts down through other States for Members of the Senate to run their campaigns. I do not believe they want to see Members of Congress have their campaigns subsidized.

This amendment will take House and Senate races, both primary and general elections, out from under subsidy provisions of the bill. I hope it is approved by the Senate.

Mr. HOLLINGS. Mr. President, I rise in support of the amendment No. 1109 proposed by my friend from Alabama (Mr. ALLEN).

The bill as it is currently written would establish public financing for all Federal political campaigns. I am opposed to this because I oppose public financing except in the case of Presidential and Vice-Presidential races. The huge amounts of money spent in the 1972 Presidential campaign—$60 million for President Nixon and $35 million for Senator McGOVERN combined with the Watergate revelations indicate the need to change the method of funding Presidental campaigns.

I support, and voted for, legislation sponsored by Senator RUSSELL LONG, of Louisiana, some years ago, to try the checkoff system on our income tax returns. By this system taxpayers can indicate on their tax forms whether or not they want $1 of their tax money to go to the financing of Presidential level campaigns. I believe that this measure, plus a proposed $15,000 ceiling on contributions, would stimulate a healthier atmosphere for Presidential campaigns. The huge sums required to mount a Presidential campaign force the candidate to seek out the big contributor—to whom he then feels some obligation. We should provide this candidate with an alternative—and public financing is such an alternative.

However, I am opposed to establishing public financing for the congressional and senatorial races. This onslaught on the public treasury to pick up the tabs for campaigning and "politicking" all across America would create chaos. It would entice every Tom, Dick, and Harry to jump into the political arena and take his money, and hence take advantage of the public financing. It is nothing more than a subsidy program for all would be politicians.

I do favor control on Senate and House races in order to keep down spending and disclose all facts concerning contributions and expenditures. One way to do this is to limit campaign expenditures to 10 and 15 cents per voter. Since this would put a ceiling on the total expenditures of a candidate, it would encourage him to go after smaller individual contributions instead of having to seek out big contributors to pay for an unlimited, and hence, expensive campaign. I feel that by limiting campaign spending, the candidates will be drawn to public financing in the true sense of the word—the solicitation of funds from individual citizens. And I also favor a prohibition on receiving contributions from any source other than an individual contributor. No more milk fund shenanigans for example. The last Senator elected in South Carolina spent $660,000. With a voting age population in South Carolina of 1,775,000 and with a limit of 10 cents per voter on campaign financing, future candidates would be limited to spending $177,500 in their campaign. This would be a big improvement.

I also support limiting the amount that an individual can contribute to a campaign, and while I personally favor a $1,000 ceiling, I would agree on a compromise that would set $15,000 as the maximum contribution in Presidential races and $3,000 in Senate and House races.

We must do away with the corrupting influence of big money—far more money than is necessary to present a candidate's views to the people. I think the steps I have outlined here can do the deed. At the same time, they will avoid the pandemonium that public financing and more government meddling are bound to create.

Mr. ROBERT C. BYRD. Mr. President, I have said on numerous occasions that the most important task now before us is to restore the confidence of the people in their Government. Public feeling toward elected officials is at an extremely low point. In fact, this Congress—despite its fine record—could muster a favorable rating from only 21 percent of the people interviewed in a recent Lou Harris survey.

It appears to me, then, that this is the worst possible time for Congress to enact legislation that would provide for the use of tax dollars to finance congressional campaigns. I have grave doubts that public financing of House and Senate races would ever be advisable, but I have no doubts as to this being the wrong time, of all times, to provide for Federal financing of House and Senate races.

The bill now before us would allow every candidate in every primary for every House seat in the country to collect $45,000 from the U.S. Treasury. Those who survive the primaries could be rewarded with a $90,000 campaign chest from the Treasury.

Not only is the principle of using tax dollars to finance Senate and House campaigns highly questionable, but the amounts involved here seem way out of line with what would be considered realistic limits.

In the 1972 House races, for instance, 74 percent of all the candidates recorded expenditures of less than $50,000. Instead of setting the limit at that level, the bill would set a $90,000 maximum. In other words, rather than moving to decrease the high amounts spent in a minority of the congressional races, the bill would actually encourage increased spending in the majority of such races.

The amounts available for Senate races, although varying according to the particular States, are also high. In West Virginia, for example, the voting age population is listed at 1,228,000. That means that $122,800 would be available for primary campaigns, based on 10 cents per voting age citizen; and $184,200 would be available for the general election, based on a 15-cent ceiling.

If one of the objects of campaign reform is to limit expenditures—and that certainly should be a main objective—then public financing of congressional campaigns is not going to accomplish it. Actually, public financing of Senate and House races threatens to increase expenditures, not only by setting higher-than-needed limits, but also by opening a crack in the Treasury for this kind of spending. No one can say that the 10-cent and 15-cent limits contained in this bill will not be increased to 25-cent or 50-cent limits in the future. The public became enraged recently when there was talk of dollar-a-gallon gasoline. Imagine how enraged the same taxpayers will become when there is talk of dollar-a-vote Federal expenditures for congressional campaigns.

The way to bring about reform is not through the use of taxpayers' dollars for Senate and House candidates; but rather by setting limits—reasonable but strict limits—on what congressional candidates can spend; limiting the amounts that single contributors can give to campaigns; strict disclosure of contributors; and stricter enforcement of the laws against violations.

With all the problems facing the tax-

payers of this country today, we should be trying to find more ways to save their tax dollars—not new ways to spend them.

Therefore, I support the amendment to delete public financing of congressional campaigns from this bill.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Alabama. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) and the Senator from Wyoming (Mr. MCGEE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Maryland (Mr. MATHIAS), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

On this vote, the Senator from Vermont (Mr. AIKEN) is paired with the Senator from Minnesota (Mr. MONDALE). If present and voting, the Senator from Vermont would vote "yea" and the Senator from Minnesota would vote "nay."

The result was announced—yeas 39, nays 51, as follows:

[No. 92 Leg.]

YEAS—39

Allen	Dominick	Magnuson
Baker	Eastland	McClellan
Bartlett	Ervin	McClure
Bellmon	Fannin	Nunn
Bennett	Fong	Roth
Brock	Goldwater	Scott, William L.
Buckley	Griffin	Sparkman
Byrd, Harry F., Jr.	Gurney	Stennis
Byrd, Robert C.	Hansen	Talmadge
Church	Helms	Thurmond
Cotton	Hollings	Tower
Curtis	Hruska	Weicker
Dole	Johnston	
	Long	

NAYS—51

Abourezk	Haskell	Nelson
Bayh	Hathaway	Packwood
Bentsen	Huddleston	Pearson
Bible	Hughes	Pell
Biden	Humphrey	Percy
Brooke	Inouye	Proxmire
Burdick	Jackson	Randolph
Cannon	Javits	Ribicoff
Case	Kennedy	Scott, Hugh
Chiles	Mansfield	Stafford
Clark	McGovern	Stevens
Cook	McIntyre	Stevenson
Cranston	Metcalf	Symington
Domenici	Metzenbaum	Taft
Eagleton	Montoya	Tunney
Hart	Moss	Williams
Hartke	Muskie	Young

NOT VOTING—10

Aiken	Hatfield	Mondale
Beall	Mathias	Pastore
Fulbright	McGee	Schweiker
Gravel		

So Mr. ALLEN's amendment (No. 1109) was rejected.

Mr. CANNON. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1032

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the amendment by the Senator from Maine (Mr. HATHAWAY), No. 1082. The amendment will be stated.

The legislative clerk read as follows:

On page 75, line 19, redesignate subsection "(a)" as subsection "(a)(1)".

On page 75, line 19, strike the word "person" and substitute the word "individual".

On page 75, line 22, strike the word "person" and substitute the word "individual".

On page 75, following line 23, add the following new subsection:

"(2) No person (other than an individual) may make a contribution to, or for the benefit of, a candidate for nomination for election, or election, which, when added to the sum of all other contributions made by that person for that campaign, exceeds $6,000."

On page 75, line 25, strike the word "person" and substitute the word "individual".

On page 76, line 2, strike the word "person" and substitute the word "individual".

On page 76, line 2, strike the period and add the following: ", or from any person (other than an individual) which, when added, to the sum of all other contributions received from that person for that campaign, exceeds $6,000.".

Mr. HATHAWAY. Mr. President, I spoke the other day at some length in support of the amendment. I am not going to burden Senators by repeating everything I said the other day, but I should like to make a few points in support of the amendment.

The purpose of the amendment is to differentiate between individuals and organizations with respect to the contributions limitation. The amendment allows organizations to contribute $6,000 per candidate rather than $3,000, which is the limitation now in the bill. The $3,000 limitation will still apply with respect to individuals.

It seems to me that it is inequitable to equate one wealthy individual with an organization whose membership runs to hundreds or thousands. Large citizen groups, whether they be liberal or conservative, or single-issue groups, such as conservation groups, perform a valuable function by serving as funneling organizations to give modest contributors a voice and an impact in the election.

By giving to the political committees that reflect their philosophy or views, more people get interested and stay interested in the electoral process.

In areas where it is difficult to raise funds for a statewide campaign, either because the area simply does not have the funds to provide, or because the candidate is not very well known, these groups provide a means of channeling funds into the area while preventing any outside influence.

Most liberal organizations, trade associations, or business groups already have State, local, or regional affiliates as existing networks to support candidates and each of them may contribute large sums to each candidate. But citizen groups are usually national. They raise funds by mailings to the general public and would not have the means to multiply their committees and set them up in separate States. So the $3,000 limitation which is at present in the bill for contributions is not enough for broad-based citizen groups or nationwide organizations.

An organization representing 80,000 or more people, such as the National Committee for an Effective Congress, or 70,000, such as the American Conservative Union, should be allowed to contribute as much as a man and wife contribute, under the bill, that amounts to $6,000.

It has been said that it would be preferable to have no group contributions at all that only individual citizens could make contributions. I agree that it would be nice to have so many individuals interested in our electoral process that we could rely solely on individual contributions. Ultimately, that should be our goal.

But at present, organizations that pool contributions from groups of citizens who share a view or an ideology perform a valuable function in our system, and I feel that they are being treated unfairly as individuals in the committee bill.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time for the quorum call be charged to this side.

The PRESIDING OFFICER. Without objection, it is so ordered. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. I ask unanimous consent that during the consideration of the pending legislation, Mr. Philip Reberg of my staff be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HARRY F. BYRD, JR., On the same time that ran before I called off the quorum call.

Mr. GRIFFIN. Mr. President, will the Senator withhold that?

Mr. HARRY F. BYRD, JR. I withdraw it.

Mr. GRIFFIN. Mr. President, I yield myself such time as I may require.

The pending amendment would make a change that in my view is wrong in principle.

As the bill is now written, special interest groups—organizations that collect and distribute campaign money for business, labor, farm and other special interest groups—including the infamous milk funds—would be limited to $3,000 in the contributions made to the campaign of any candidate. The amendment proposed would increase that limit to $6,000.

In my humble opinion it would be well if we could wipe out contributions of any size from special interest groups to a candidate's campaign. I considered offering just such a counter-amendment which would eliminate even the $3,000 contribution. I recognize, however, that there would be little chance that such an amendment could prevail.

I shall not argue the constitutional issue—even though I recognize that it does exist. But whether the limit is $3,000 or $6,000 does not really change the constitutional arguments.

The question, so far as I am concerned, essentially is one of direction and principle. It is my view that to increase the limit from $3,000 to $6,000, as the Senator from Maine would do by his amendment, would be to go in the wrong direction; it would be going away from campaign finance reform—which is supposed to be the purpose of the bill.

As the distinguished Senator from Tennessee (Mr. BAKER) said earlier today in a colloquy, special interest groups do not vote; people vote. And it seems to me that we should be endeavoring, in this reform legislation, to focus on more direct participation by individual citizens rather than to encourage the channel of campaign support through special interest groups.

When an individual contributes to a special interest group—whatever its ideology, philosophy or legislative purpose—and then allows the directors of that organization to determine which candidates should be supported opposed with his money, that individual is thereby delegating an important element of his own citizenship responsibility. I just do not think it is in the national interest to encourage that practice.

This amendment, in my view, would erode and weaken the strength that is in the bill now. It should be voted down.

I realize that in many campaigns—in some Senate campaigns and certainly in Presidential campaigns—the enlargement from a $3,000 limit to a $6,000 limit could be considered relatively insignificant. But the amendment would not be so insignificant, I suggest, in many races for seats in the House of Representatives.

At the present time, many candidates who run for House seats conduct their entire campaigns on total amounts of $12,000, $15,000, or $20,000. Certainly, in those situations, a $6,000 contribution coming from a special interest group would be a large portion of the total amount spent in the campaign.

It would be much better, it seems to me, if all contributions made to a campaign were to come directly from individual citizens and if there were complete and full disclosure concerning all such contributions.

The amendment leaves open the possibility, at least, that campaign funds can be "laundered" through the conduit of a special interest group.

Whatever may have been possible in the past in that regard, it seems that this practice should be eliminated. The people want clean elections; they want full disclosure.

To allow contributions to be channeled through special interest groups could be a method of concealing and covering up financial support, rather than disclosing it.

So, for those reasons, I urge my colleagues to vote down the amendment.

Mr. President, I reserve the remainder of my time.

Mr. HATHAWAY. Mr. President, I yield to the Senator from Rhode Island.

Mr. PELL. Mr. President, I rise to speak for the amendment. I have listened but have not had the opportunity to be exposed to all the arguments on both sides. I realize the point the Senator from Michigan is making, that this permits the enlargement of the laundering fund, but with all this legislation we have to weigh the good and the bad. My own view is that the organizations that would be most affected by the $3,000 limitation would be organizations whose contributions were basically small and that they should be permitted to contribute, because they are organizations that would be representing large groups of people.

The $3,000 figure is an arbitrary figure. The $6,000 figure proposed in the amendment of the Senator from Maine is also an arbitrary figure. Perhaps the $6,000 figure more nearly meets the needs of the situation.

It is for these reasons that I would respectfully disagree with the Senator from Michigan and support the Senator from Maine.

Mr. HATHAWAY. Mr. President, I yield myself such time as I may require.

I want to answer a few points raised by the Senator from Michigan. He pointed out that we would be allowing organizations such as milk co-ops to double the contribution which they can now make under the bill. To be sure, those co-ops have come under some surveillance in the recent past, and some suspicions have been cast on those particular organizations, but the same thing is true of some individuals. A husband and wife can give $6,000, and I suppose there are husbands and wives that might come under some suspicion as to what motivated them to make such a contribution.

Certainly, in this bill, we cannot pretend to examine every potential contributor and say that only those who do not come under suspicion may make contributions and those who are under suspicion may not do so. That is a matter for the individual candidate to judge for himself when he chooses to accept such a contribution.

Also, I should like to mention that the amount involved is not the point at issue there. The reason for the amendment is to do equity and justice to organizations. Under the terms of the bill itself, an individual can give $3,000 and a husband and wife can give $6,000, even though all the money is coming from the husband.

This simply puts large organizations which have many members—and I have already cited two such organizations—the Committee for an Effective Congress and the Americans for Conservative Action, which have 80,000 and 70,000 members respectively—on the same basis for making contributions as a husband and wife.

Many people throughout this Nation have a propensity to participate in politics. They make contributions to various candidates. Many people throughout the country, from Maine to Hawaii, are interested in knowing the composition of the House of Representatives and the composition of the Senate. They are not necessarily interested only in the candidates who are running in their respective States. Organizations serve as the vehicle for these people to make contributions to those candidates throughout the country who represent their ideology or philosophy. Individuals who may be able to contribute only $5 to $100 each, and who do not have access to information about all the candidates running for office are justified, I think, in relying on the organizations which give them leadership and direction about where to make their contributions.

The point was made by the Senator from Michigan that the people do not necessarily know where their contributions are going. Certainly they know the purpose of the organizations to which they are making contributions. I do not know of any organization that deceives its supporters into believing the contribution will be used otherwise than in a way that will be consistent with what the organization holds itself out to be.

In conclusion, let me say that the amendment merely puts an organization on a more equitable basis than the basis on which it will be if the bill passes in its present state.

Mr. President, I urge Senators to support this amendment.

I reserve the remainder of my time.

Mr. GRIFFIN. Mr. President, how much time remains on this side?

The PRESIDING OFFICER (Mr. HUDDLESTON). Fifteen minutes remain.

Mr. GRIFFIN. I thank the Chair.

Mr. President, of course, I respect the views of the distinguished Senator from Maine. I realize there is some points to what he says, but I do not find his argument weighty enough to convince me that I should support his amendment.

I take issue, particularly, with the thrust of that part of his argument which appeared to condone the delegation by individuals to special interest groups of their citizenship responsibilities.

Of course, there is an infinite number of special interest groups—many of them are interested in only one particular issue. For example, I think of the Right to Work Organization, which is interested in nothing except the one issue of so-

called right-to-work legislation. The organization collects funds and provides support for candidates needless to say, it hopes—or expects—that those candidates will vote right on their particular issue.

I do not wish to criticize the right-to-work organization. It is no different than hundreds of other one-issue special interest groups.

I do not believe it serves the national interest when candidates are elected to Congress because of funds supplied by special-interest, pressure groups. Such groups are not interested in the complete record of the candidate. The one-issue special-interest group cares only about the position of the candidate on its issue.

Such an organization will support or work to defeat a candidate solely on the basis of the candidate's views on that one issue.

If the limit on such support were increased as proposed by this amendment, the influence of such groups would be doubled as compared with the pending bill.

I urge the defeat of this amendment.

Mr. HATHAWAY. Mr. President, I yield such time as he may need to the Senator from South Dakota (Mr. ABOUREZK).

Mr. ABOUREZK. Mr. President, we must work to create an electoral system where Americans by the tens of millions can and will actively participate. This ultimately is the greatest safeguard of our constitutional freedoms.

In recent years, organizations ranging from the conservative Americans for Constitutional Action to the liberal National Committee for an Effective Congress and the League of Conservation Voters have been working vigorously to achieve more active participation in politics. Many of these organizations have been in the forefront of the fight for meaningful reform of the electoral process. At the same time they have actively solicited tens of thousands of donations from citizens to be pooled together and contributed to congressional candidates.

As the Federal Elections Campaign Act is now written, these groups will be severely limited. Their pooled contributions will be treated the same as individual contributions. The Council for a Liveable World, for example, might get contributions from 500 citizens average $20 for a total of $10,000. The Council might want to give that money to one progressive candidate but it would be allowed to give only $3,000. However, Mr. and Mrs. Clement Stone, if they wanted to, and I imagine they would want to, could give $6,000 to a special-interest opponent. And all the little Stones could each give $3,000 as well.

The New York Times looked at this situation earlier this month and editorialized that:

> Surely such organizations, whatever their political complexion, can be allowed to contribute three or four times the amount of a single person without distorting the will of the electorate.

Senator HATHAWAY in his amendment asks that such organizations be allowed to contribute only twice that of an individual.

I support Senator HATHAWAY's amendment. It is a reasonable compromise. It is a compromise that will be unpalatable to the large corporate interests, each of whom would like to give their $3,000 contributions in splendid isolation. But it is a compromise that will work to expand and broaden the political process, not to narrow it.

I thank the Senator for yielding.

Mr. COOK. Mr. President, I yield myself 5 minutes on the bill

The PRESIDING OFFICER. There is no time on the bill.

Mr. GRIFFIN. I yield the Senator 5 minutes.

Mr. COOK. First of all, Mr. President, we are talking about a matter of semantics, and I hope it does not get down to an argument between whether C. Clement Stone and his wife give $6,000 or the Committee for an Effective Congress can give only $3,000. We are debating the whole issue that we really picked a figure with no study as to how we got to that figure. Therefore, any place we go from that particular figure to another particular figure is just a matter of making a determination as to whether we agree or do not agree.

Another point I should like to make is that we discussed this business of whether it is or is not a means by which we can launder funds. Obviously, one can launder funds at $3,000 contributions as well as at $6,000 contributions. But this bill depends on the people of the United States to have a basic concept of what the law is and whether they are willing to live by the law or whether they are willing to break the law.

I suggest to the Senator from Michigan that under this act, if we pass it relatively in the form it is in, we provide that one cannot do what the Senator has suggested. I read to him from page 76, paragraph (c):

> (c) (1) For purposes of the limitations contained in this section all contributions made by any person directly or indirectly to or for the benefit of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

So the only point we have to raise here, if we believe that in the operation of the political process it is our intention to abide by the law, is that if one wishes to give $3,000 and say, "Will you please give it to the Senator from Maine, and that is whom I want it to go for," under the law, the organization that receives the $3,000, and is a conduit to get it to the Senator from Maine, has to report where it came from, and that it was instructed to pass it on.

The point I really think we are getting down to is not a point between C. Clement Stone and the Committee for an Effective Congress, but an honest-to-goodness point. I think the only point that has merit is whether a husband and wife who have substantial assets can give to one candidate $6,000 and someone who has substantial assets and gives a facility or a lobbying group such as the Committee for an Effective Congress, the Committee for a Federal World, or the Committee for a Cleaner Environment, can give only $3,000 because they cannot marry another committee.

I think that is the issue before us, and that is the issue on which we have to make a determination when we vote.

The PRESIDING OFFICER (Mr. ABOUREZK). Who yields time?

Mr. GRIFFIN. Mr. President, how much time remains on this side?

The PRESIDING OFFICER. The Senator has 6 minutes.

Mr. GRIFFIN. Mr. President, I do not take issue with the Senator from Kentucky.

Mr. COOK. I thank the Senator for the time.

Mr. GRIFFIN. I am pleased that the language to which he refers is in the bill, and it will be helpful. It is an important step in the right direction.

However, I still believe that the basic question is the one I raised at the outset of my presentation—that is whether the citizenship responsibility should be delegated by individual citizens to special interest groups.

I find it interesting and somewhat ironic that some of the organizations that are the loudest in their calls for reform, including ceilings on contributions and expenditures, are in the forefront of support for weakening amendments such as the one pending now. The New York Times, which frequently calls for election reform, is unrealistic when it contends that special interest groups could give 3 or 4 times as much as the bill provides without influencing or affecting elections. That is absolutely absurd as it would apply to House races. If the limit were to be three or four times what it is in the bill, then a special interest group could, in effect, provide the major portion of the funds on which a candidate would run for the House of Representatives.

Mr. President, the arguments have been presented; and so far as I am concerned, I am willing to yield back the remainder of my time.

Mr. HATHAWAY. Mr. President, I yield 5 minutes to the junior Senator from Kentucky.

Mr GRIFFIN. I reserve the remainder of my time.

Mr. HUDDLESTON. I thank the distinguished Senator for yielding.

Mr. President, I have a couple of points to make in support of this amendment.

It has been a long accepted concept in this country—and indeed a tradition—that citizens are able to join other citizens of like philosophy, of like purposes or objectives, so that their combined force may have a combined impact greater than the individual would have himself.

I would think that a person who has only a few dollars to contribute to a candidate of his choice must feel somewhat helpless as he considers what impact his contribution might make or what influence he may have, when he considers that other individuals can contribute $3,000 or, in the case of a married couple, $6,000.

What we are doing here, it seems to me, is to give individuals who are willing to join because they have a like interest or like philosophy or a like objective, and

provide some impact, if they have $50,000, $100,000, or whatever, comparable to a couple. It is reasonable to assume that the interest of two individuals will be somewhat more narrow in relation to the interest of the general public and the interest of some 50,000 or 60,000 people who join together. So it does not seem unreasonable that this kind of organization would receive the same treatment as a couple who happen to be married, which would represent the interests of only two individuals.

I support the amendment. I believe with the restrictions it would be subject to very little abuse. It would be a contribution to those who like to participate and like to know their views are being felt by joining an organization, knowing that the organization might have some impact, at least as much as a couple, on the outcome of a race in which they are interested because they support a candidate.

Mr. GRIFFIN. Mr. President, it should be recognized that a $3,000 contribution for some individuals means no more than a $5 contribution for other individuals.

But more important, I believe, is the fact no automatic implication is attached to individual's contribution under normal circumstances.

On the other hand, when a special interest group, organized to promote particular issues, makes a contribution, there is no question as to what the motive and purpose of that special interest group. No one would doubt what the purpose or motive is when a milk fund, for example, makes its contributions.

I think the American people understand this distinction very well. They do not want the Congress to go in the direction of this amendment. They expect more from this Congress in terms of campaign financing reform.

Mr. HATHAWAY. Mr. President, how much time is remaining to both sides?

The PRESIDING OFFICER. The Senator from Michigan has 1 minute remaining and the Senator from Maine has 14 minutes remaining.

Mr. HATHAWAY. Mr. President, I just want to point out in conclusion that as far as the amount involved is concerned, the President advocated a $15,000 limitation, at least with respect to Presidential campaigns. It seems to me the $3,000 for individuals and $6,000 for a group limitation, being considerably below the amount recommended by the President, is realistic. I do not believe that the distinction which was being made by the distinguished Senator from Michigan with respect to special interest groups can be made between the groups and a married couple. A married couple that is able to contribute $6,000 to a candidate is just as apt to have a special interest as a special interest group.

I do not think we can make a legislative decision about whether a special interest group, couple, or individual should or should not make a contribution.

The Senator from Michigan mentioned earlier in his remarks that there are constitutional problems involved. Certainly, we do not want to inhibit any person or group in making a contribution; whether an individual is interested in all legislation before Congress or only in one piece of legislation, he or a group to which he belongs should be able to make a contribution. And as I have said, a group should be able to make the same contribution as a married couple.

Mr. President, I know of no reason not to yield back the remainder of my time.

Mr. GRIFFIN. I yield back the time on this side.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Maine. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from Rhode Island (Mr. PASTORE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that, if present and voting the Senator from Rhode Island (Mr. PASTORE) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Maryland (Mr. MATHIAS), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 46, nays 42, as follows:

[No. 93 Leg.]

YEAS—46

Abourezk	Hartke	Moss
Bayh	Haskell	Muskie
Bentsen	Hathaway	Nunn
Bible	Huddleston	Pell
Brooke	Hughes	Randolph
Byrd, Robert C.	Humphrey	Ribicoff
Cannon	Inouye	Sparkman
Case	Jackson	Stafford
Church	Javits	Stennis
Clark	Johnston	Stevens
Cook	Magnuson	Stevenson
Cranston	Mansfield	Symington
Dole	McGovern	Tunney
Eagleton	Metcalf	Young
Eastland	Metzenbaum	
Hart	Montoya	

NAYS—42

Allen	Ervin	Nelson
Bartlett	Fannin	Packwood
Bellmon	Fong	Pearson
Bennett	Goldwater	Percy
Biden	Griffin	Proxmire
Brock	Gurney	Roth
Buckley	Hansen	Scott, Hugh
Burdick	Helms	Scott, William L.
Byrd, Harry F., Jr.	Hollings	Taft
Chiles	Hruska	Talmadge
Cotton	Kennedy	Thurmond
Curtis	Long	Tower
Domenici	McClellan	Weicker
Dominick	McClure	
	McIntyre	

NOT VOTING—12

Aiken	Gravel	Mondale
Baker	Hatfield	Pastore
Beall	Mathias	Schweiker
Fulbright	McGee	Williams

So Mr. HATHAWAY's amendment (No. 1082) was agreed to.

Mr. HUDDLESTON. Mr. President, I move that the Senate reconsider the vote by which the amendment was areed to.

Mr. COOK. I move to lay that notice on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, before the Senator from Alabama is recognized, I should like to make a request. I ask unanimous consent that following the disposition of the amendment to be offered by the Senator from Alabama there be a 30-minute limitation on the Bentsen amendment, which is next in order, the time to be equally divided between the Senator from Texas (Mr. BENTSEN) and the manager of the bill (Mr. CANNON); and that in addition there be a 10-minute limitation on an amendment to be offered to the amendment, to be divided between the sponsor of the amendment, the distinguished Senator from Texas (Mr. BENTSEN), and the acting Republican leader, the distinguished Senator from Michigan (Mr. GRIFFIN).

The PRESIDING OFFICER. Is this an amendment to the amendment?

Mr. MANSFIELD. Thirty minutes and 10 minutes, the 10 minutes to be on the amendment to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I now ask for the yeas and nays.

The yeas and nays were ordered.

Mr. GRIFFIN. Mr. President, while a large number of Senators are in the Chamber, would the distinguished majority leader allow me to ask unanimous consent that it be in order to ask for the yeas and nays on my amendment to the amendment, with the understanding that if the amendment is accepted, the

order for the yeas and nays will be withdrawn?

Mr. MANSFIELD. Certainly.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that it be in order for me to ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is the Senator asking that it be in order to ask for the yeas and nays at this time?

Mr. KENNEDY. Mr. President, will the Senator describe his amendment? Or is his request merely to ask for the yeas and nays.

The PRESIDING OFFICER. That it be in order to order the yeas and nays at this time. Is there objection to the request of the Senator from Michigan?

Without objection, it is so ordered.

Mr. GRIFFIN. I now ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

AMENDMENT NO. 1110

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama is recognized to call up his amendment No. 1110, which will be stated.

The assistant legislative clerk read as follows:

On page 4, line 21, immediately after "(C)", insert "and".

On page 4, line 24, beginning with "and (D)", strike out through line 2 on page 5 and insert in lieu thereof a semicolon.

On page 7, line 9, immediately after the semicolon, insert "or".

On page 7, line 17, strike out the semicolon and "or" and insert in lieu thereof a period.

On page 8, beginning with line 3, strike out through line 7.

On page 9, line 7, strike out "for nomination for".

On page 9, line 8, immediately after the comma, insert "the candidate and his authorized committees must have received contributions for his general election campaign in a total amount of more than $250,000 and".

On page 9, line 12, strike out "primary" and insert in lieu thereof "general".

On page 9, line 24, immediately after "candidate", insert "other than a Presidential candidate".

On page 10, beginning with line 3, strike out through line 10.

On page 10, strike out lines 11 and 12 and insert in lieu thereof "(2) For the purposes of paragraph (1), no contribution from".

On page 13, line 16, strike out "(1)".

On page 13, line 17, strike out "(f)" and insert in lieu thereof "(e)".

On page 13, line 24, strike out "(g)" and insert in lieu thereof "(f)".

On page 14, beginning with line 9, strike out through line 3 on page 15.

On page 15, line 5, strike out "(f)" and insert in lieu thereof "(e)".

On page 15, line 10, strike out "(g)" and insert in lieu thereof "(f)".

On page 15, beginning with line 22, strike out through line 3 on page 16.

On page 16, line 4, strike out "(e)" and insert in lieu thereof "(d)".

On page 17, line 4, strike out "(f)" and insert in lieu thereof "(e)".

On page 17, line 21, strike out "(g)" and insert in lieu thereof "(f)".

On page 18, line 4, strike out "(h)" and insert in lieu thereof "(g)".

On page 72, between lines 3 and 4, insert the following:

"(2)(A) Except to the extent such amounts are changed under section 504(e)(2) of the Federal Election Campaign Act of 1971, no candidate for nomination for election to the office of President may make expenditures in connection with his primary election campaign in any State in which he is a candidate in such an election in excess of the greater of—

"(i) 20 cents multiplied by the voting age population (as certified under section 504(f) of the Federal Election Campaign Act of 1971) of that State, or

"(ii) $250,000.

"(B) Notwithstanding the provisions of subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to 10 cents multiplied by the voting age population of the United States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(C) The Commission shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State under subparagraph (A) based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.".

On page 72, line 4, strike out "(2)" and insert in lieu thereof "(3)".

On page 72, line 7, strike out "(3)" and insert in lieu thereof "(4)".

On page 72, line 12, strike out "(4)" and insert in lieu thereof "(5)".

On page 72, line 21, strike out "(5)" and insert in lieu thereof "(6)".

Mr. MANSFIELD. Mr. President, will the Senator from Alabama yield?

Mr. ALLEN. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the third Allen amendment, on which there is a limitation of 30 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. I now ask for the yeas and nays on the third Allen amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, this amendment removes from the bill, and therefore from the Federal subsidy, the Presidential nomination contest. It would leave the House and Senate primaries and general elections, and the general election for the Presidency, but would take out from under the bill the contest for the nominations for President and Vice President of the two major parties. The bill as it now stands would provide for matching campaign contributions of up to $250, for up to a total of some $7.5 million for every candidate for the nomination of the two major parties who was able to raise $250,000.

I do not believe that the taxpayers of Nation want to subsidize the campaign, not for the Presidential election, which is already provided for in the checkoff and provided for in other portions of the bill, but to give every candidate for the nomination of the Republican Party and every candidate for the nomination of the Democratic Party up to $7.5 million toward his campaign. I thought the idea was to reduce the amount of expenditures in primaries and in general elections.

But far from doing that, I would think $7.5 million is as much as a person could raise in a race for the Presidential nomination. Then this measure would provide for the Government, the taxpayers, putting in icing of $7.5 million on the amount that the candidate raises. So this amendment would simply take out from under the bill the Presidential nomination contests.

I do not think it is right to make available to Governor Rockefeller, for example, $7.5 million, to Governor Reagan $7.5 million, to Governor Connally $7.5 million, or, to bring it a little closer to home, to the distinguished Senator from Illinois (Mr. PERCY) or the distinguished Senator from Massachusetts (Mr. KENNEDY) or the distinguished Senator from Texas (Mr. BENTSEN). I do not feel that the taxpayers should pay $7.5 million to the Presidential candidacies of these various individuals who want to run for President.

Let them run for President; that is fine. I wish them all well. Though they all cannot be nominated, I wish them well; but I do not think the taxpayers should have to foot the bill for half of their expenditures. I think there are a great many more causes that should have priority over subsidizing the races of candidates for the Presidential nomination.

For another thing, Mr. President, this bill does not set any limit on the Presidential race for which matching is made available. If a fellow said, "I do not want to run in 1976, but I do want to run in 1980, or 1984, or 1988," well, he could be getting Uncle Sam to finance his campaign all through that period.

Also, looking backward, there is no starting point, no cutoff time, back of which matching contributions may not be made. So it appears, and the distinguished Senator from Rhode Island in a previous colloquy on this issue so stated, that there is no cutoff time back of which contributions could not be received. If a man has been running for the Presidency for several years, would those contributions be matchable? As I read the bill, all he would have to do is get his list of contributors, pick up a matching check, and go on his merry way soliciting contributions and having them matched by the Government.

I do not believe this is election reform, Mr. President. I think we ought to limit the amount that can be spent, but keep it in the private sector, demanding strict reporting, strict disclosure of contributions and expenditures, but not just handing the bill to the taxpayer.

That is what this amendment would

seek to do in taking from under the provisions of the bill the Presidential primary contests which we see every 4 years, attended with a lot of hoopla and various political goings on of that sort.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLEN. I yield myself 1 additional minute.

I do not believe it is in the public interest to make $7.5 million available to some 15 or 20 candidates for the Presidency, just to get out and waste the taxpayers' money in that fashion.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I yield myself such time as I may require. This is just another attack on the whole concept of public financing. The Senate has voted against the distinguished Senator's proposal to eliminate public financing from the bill. Since that time, he has come up with another amendment that would have eliminated public financing for congressional races, and the Senate has decided against him on that issue. Now, this is the only remaining part of the elimination of public financing. If you vote to eliminate the Presidential race, you are simply voting piecemeal on the issues that are in the bill under the concept of public financing.

If Senators are for public financing, they should vote against this amendment. If they are not, then they should vote for the amendment, because that would strike out public financing on this portion of the bill.

The Senator has made the statement that a number of people could come in and, in effect, raid the Public Treasury for campaign funds. But the requirements in the bill are such that a person has to have demonstrated widespread public support before he is eligible. So it does not mean that everyone who wanted to run for President would be entitled to get matching funds out of the Treasury. They must have demonstrated support to the levels set forth in the bill before they would be eligible for the matching funds contribution, and I might say that they could only receive that money to the extent that the funds are available as provided in the bill in the separate fund, or unless Congress appropriated them. So it in no wise permits someone to come in and raid the Treasury.

But I say again in conclusion, Mr. President—and then I am prepared to yield back the remainder of my time—that the issue is very simple. The Senate voted on the issue last fall, and instructed us to come back with a proposal for public financing. This we did. There was a vote to strike out public financing. That was defeated. There was a vote to strike out public financing for candidates for Congress. That was defeated. The only other element in the bill is public financing for candidates for the Presidential nomination, and that is covered by this amendment. I urge the Senate to reject the amendment.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. ALLEN. I am sure that the Senator understands that the amendment is not directed at the Presidential general election; it has to do only with the nominating process.

Mr. CANNON. I understand that the amendment relates only to the primary portion, which does have the triggering factor that the candidate must have demonstrated widespread support.

Mr. ALLEN. He could get that all in one State, could he not, under the provisions of the bill? So it would not have to be really very widespread.

Mr. CANNON. Well, I think he would have a very difficult time raising that kind of money in one State. That would be my own reaction, that he would have a difficult time meeting the triggering factor in only one State, though it might be possible.

Mr. ALLEN. But I guess one could expect that in California, for a candidate to get up to some $700,000 in one State, in $100 dollar contributions, or $250,000 in $250 contributions in Presidential nomination contests.

Mr. CANNON. Well, the triggering factor in the State of California provides a maximum limit as well as the minimum.

Mr. ALLEN. Yes, but he could get——

Mr. CANNON. The Senate candidates, if they triggered in California, would raise only $125,000.

Mr. ALLEN. Yes. But $700,000 would be available to him on a matching basis, would it not?

Mr. CANNON. That is correct, provided he met the triggering factor.

Mr. ALLEN. Yes, so if he could raise $700,000 in $100 contributions in one State, it would certainly seem likely that a Presidential candidate of not too much stature could raise $250,000 in $250 contributions in one State.

The point I was making was that I was taking mild exception to the Senator's statement that it required widespread support. But the support could come from one State or from the District of Columbia.

Mr. CANNON. The Senator is correct. It could come from one State, provided he raised that triggering amount from one State.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. LONG. Mr. President, will the Senator from Alabama yield?

Mr. ALLEN. I yield.

Mr. LONG. How many States did the Senator wish a person to raise money in?

Mr. ALLEN. I rather imagine it will be adopted—I am not absolutely sure—because I have not had too much success with my amendments—but I have an amendment that would require that the $250,000 triggering amount would have to be raised with $2,500 contributions from at least 40 States to show widespread support.

Mr. LONG. It would seem to me that if a man had support in 10 States that should be enough.

Mr. ALLEN. Take a man like the head of Common Cause, Mr. Gardner, he could raise the $250,000 without too much trouble. He seems to be able to raise larger amounts than that. That would entitle him to start dipping into the Public Treasury, ostensibly to run for President, if he has the contributions. I do not feel that we should encourage everyone who has the ability to raise $250,000 from getting that matched and getting subsequent contributions matched on an equal basis out of the Federal Treasury up to a limit of $7.5 million in matching funds. I do not believe that is what we want to do with the taxpayers' money.

Mr. LONG. I find myself thinking along the same lines as the Senator, that any Senator from a large State, a personable Senator from a large State, say, who could raise a quarter of a million dollars easily—even an average size State—I think that the man potentially could raise that much money in his own State if the people thought he had the slightest chance. So that it would seem appropriate he should have to demonstrate that he could raise a substantial portion—maybe $100,000 or $150,000—to indicate that he was not purely a candidate of his own constituency.

Mr. ALLEN. I have an amendment to offer later on which would carry that into effect.

Mr. LONG. I thank the Senator from Alabama.

Mr. ALLEN. I thank the Senator from Louisiana.

Mr. President, I yield back the remainder of my time.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. McCLURE). All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Alabama (Mr. ALLEN) No. 1110.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. McGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from Rhode Island (Mr. PASTORE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), and the Senator from Wyoming (Mr. McGEE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present

and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

On this vote, the Senator from Vermont (Mr. AIKEN) is paired with the Senator from Minnesota (Mr. MONDALE).

If present and voting, the Senator from Vermont would vote "yea" and the Senator from Minnesota would vote "nay."

The result was announced—yeas 35, nays 53, as follows:

[No. 94 Leg.]

YEAS—35

Allen	Eastland	Nunn
Bartlett	Fannin	Roth
Bellmon	Fong	Scott,
Bennett	Goldwater	William L.
Brock	Griffin	Sparkman
Buckley	Gurney	Stennis
Byrd,	Hansen	Taft
Harry F., Jr.	Helms	Talmadge
Byrd, Robert C.	Hollings	Thurmond
Cotton	Hruska	Tower
Curtis	Johnston	Weicker
Dole	McClellan	
Dominick	McClure	

NAYS—53

Abourezk	Haskell	Moss
Bayh	Hathaway	Muskie
Bentsen	Huddleston	Nelson
Bible	Hughes	Packwood
Biden	Humphrey	Pearson
Brooke	Inouye	Pell
Burdick	Jackson	Percy
Cannon	Javits	Proxmire
Case	Kennedy	Randolph
Chiles	Long	Ribicoff
Church	Magnuson	Scott, Hugh
Clark	Mansfield	Stafford
Cook	Mathias	Stevens
Cranston	McGovern	Stevenson
Domenici	McIntyre	Symington
Eagleton	Metcalf	Tunney
Hart	Metzenbaum	Young
Hartke	Montoya	

NOT VOTING—12

Aiken	Fulbright	Mondale
Baker	Gravel	Pastore
Beall	Hatfield	Schweiker
Ervin	McGee	Williams

So Mr. ALLEN's amendment (No. 1110) was rejected.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 2174) to amend certain provisions of law defining widow and widower under the civil service retirement system, and for other purposes.

The Vice President subsequently signed the enrolled bill.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. CHURCH. Mr. President, I ask unanimous consent that Ric Glaub, a member of my staff, be accorded the privilege of the floor during the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the pending business is the amendment of the Senator from Texas (Mr. BENTSEN), amendment No. 1083. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 76, between lines 2 and 3, insert the following:

"(2)(A) No candidate may knowingly solicit or accept a contribution for his campaign—

"(i) from a foreign national, or

"(ii) which is made in violation of section 613 of this title.

"(B) For purposes of this paragraph, the term 'foreign national' means—

"(i) a 'foreign principal' as that term is defined in section 611(b) of the Foreign Agents Registration Act of 1938, as amended, other than a person who is a citizen of the United States; or

"(ii) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined in section 101(a)(20) of the Immigration and Nationality Act.".

On page 76, line 3, strike out "(2)" and insert in lieu thereof "(3)".

On page 76, line 6, immediately after "(1)", insert "or (2)".

Mr. BENTSEN. Mr. President, my amendment is very simple. The amendment would ban the contributions of foreign nationals to campaign funds in American political campaigns. The amendment specifically excludes resident immigrants living in this country. It in no way stops the contributions of American nationals living overseas who are U.S. citizens. They would be able to contribute to American political campaigns.

Mr. President, I yield myself 7 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BENTSEN. Mr. President, all of us have heard the stories, I am sure, in reecnt months of the enormous amounts of money contributed in the last political campaign by foreign nationals. We have heard of the hundreds of thousands of dollars sloshing around from one country to another, going through foreign banks, being laundered through foreign banks; and we have heard allegations of concessions being made by the Government to foreign contributors. I do not know whether those allegations are true or not. I am not trying to prejudge them. That would be up to the courts to determine. I am saying that contributions by foreigners are wrong, and they have no place in the American political system. The law is ambiguous and confusing. The Department of Justice was asked to make an interpretation. Congress thought it had taken care of the matter long ago, but the Department of Justice said that the law, when it refers to foreign principals, applied only to those who had agents within this country. Therefore, this left a giant loophole for contributions to be made by foreign individuals. It allowed huge sums to flow into the coffers of American political candidates in 1972 and it is essential that we have legislation to clarify the situation.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from L. Fred Thompson, Director of the Office of Federal Elections at the General Accounting Office, addressed to me, wherein he indorses the enactment of clarifying legislation to ban contributions by foreign nations.

There being no objection, the letter was odered to be printed in the RECORD, as follows:

U.S GENERAL ACCOUNTING OFFICE,
Washington, D.C., March 26, 1974.

Hon. LLOYD BENTSEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BENTSEN: Through recent informal contacts with a member of your staff we have learned of your interest in offering a floor amendment to S. 3044, 93rd Congress, 2d Session, which would clarify Congress' intent regarding section 613 of Title 18, United States Code.

This provision prohibits political contributions by any agent of a foreign principal and also prohibits the solicitations, acceptance, or receipt of any such contribution from any agent of a foreign principal or from the foreign principal directly. The responsibility for enforcing 18 U.S.C. 613 rests with the Attorney General of the United States.

In the course of our administration of the Federal Election Campaign Act of 1971, as the supervisory officer responsible for presidential campaigns, we made several referrals of apparent instances of foreign contributions to the Attorney General. We have been advised by the Department of Justice that the term "foreign principal" as used in section 613 does not have the same meaning as "foreign national." The Department's view is that to be a foreign principal within the meaning of section 613 it is essential to have an agent acting or operating within the United States. Therefore, in the opinion of the Department, the mere acceptance of a political contribution from a "foreign national" without evidence to establish that such foreign national is a "foreign principal" having an agent within the United States would not constitute a violation of the statute.

In view of the statutory interpretation placed on the existing law by the Department of Justice, it is our opinion that to prohibit foreign contributions to U.S. political campaigns the statute should be amended to expressly bar a candidate, or an officer, employee, or agent of a political committee, or any person acting on behalf of any such candidate or political committee from knowingly soliciting, accepting, or receiving any contribution from any "foreign national." For this purpose the term "foreign national" should be defined to include:

(1) any person who is a "foreign principal" or an "agent of a foreign principal" as presently defined in 18 U.S.C. 613;

(2) any individual who is neither a citizen nor a permanent resident of the United States; and

(3) any partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

In testimony last June before the Senate Rules and Administration Committee, Phillip S. Hughes, who was then Director of the Office of Federal Elections, stated his view that restrictions should be placed on political contributions by foreign nationals and, at the very least, that Congress should clarify what it intended to prohibit when it enacted 18 U.S.C. 613. (See Hearings before the Senate Committee on Rules and Administration on S. 372 and other Federal election reform bills, 93rd Cong., 1st sess. 262–264.) I believe that Mr. Hughes' testimony at that time continues to represent the position of this office, as well as the Comptroller General, on the issue of political contributions by foreign nationals.

We endorse your efforts to have the Senate

consider an appropriate amendment to 18 U.S.C. 613 at the time it begins floor debate on S. 3044. We will be pleased to provide further information or assistance on this subject if you desire.

Sincerely yours,

L. FRED THOMPSON,
Director.

Mr. BENTSEN. Mr. President, I wish to point out that last June, in testimony before the Committee on Rules and Administration, Mr. Phillip Hughes, who was then Director of the Office of Federal Elections, stated his views that restrictions should be placed on political contributions by foreign nationals.

President Nixon as well in his recent message on campaign financing and the reform of campaign financing called for a ban on contributions by foreign nationals.

My amendment would accomplish that good by making clear that the present ban on contributions by foreign principals extends to foreign nationals as well; and without this ban American elections will continue to be influenced by contributions of foreign nationals.

I do not think foreign nationals have any business in our political campaigns. They cannot vote in our elections so why should we allow them to finance our elections? Their loyalties lie elsewhere; they lie with their own countries and their own governments.

Many in this country have expressed concern over the inroads of foreign investment in this country, over the attempts by foreigners to control U.S. business. Is it not even more important to try to stop some of these foreigners from trying to control our politics? I think this limitation would accomplish that purpose.

One additional point I should like to mention relates to foreign citizens living in the United States as resident immigrants. My amendment would exempt foreigners with resident immigrant status from the ban on contributions by foreigners. There are many resident immigarnts in the United States who have lived here for years and who spend most of their adult lives in this country; they pay American taxes and for all intents and purposes are citizens of the United States except perhaps in the strictest legal sense of the word. These individuals should not be precluded from contributing to the candidate of their choice under the limitations of $3,000 in S. 3044 as well as S. 372 which passed the Senate last summer.

Let me say a word about implementation of the amendment. The responsibility will be placed on the candidate or the committee established on behalf of the candidate to refuse donations proferred by foreigners. Some will say that this places an unnecessary burden on the candidate or his committee. I would point out that present disclosure and reporting laws require the name of the donor, his mailing address, occupation and principal place of business on all contributions over $10. It will then be up to the committee or the candidate receiving a donation from abroad to refuse the contribution coming from a foreigner. Thus there is no additional recordkeeping requirement. Having to determine whether a contribution coming from abroad comes from a foreign national or from an American citizen living abroad may be an inconvenience but it is minor compared to the loophole it closes.

I know the amendment is not foolproof. There are ways to get around just about every campaign finance measure we bring about but my amendment goes a long way toward getting at the problem.

I repeat that the principle of my amendment has the support of President Nixon. It is my understanding that the Senate Watergate Committee is digging into contributions by foreign nationals and its final report will probably suggest reforms on the present status of the statutes pertaining to foreign contributions.

American political campaigns should be for Americans and a large loophole would be closed by my amendment. I urge the Senate to adopt the amendment.

Mr. President, I reserve the remainder of my time.

Mr. COOK. Mr. President, will the Senator yield to me for 3 minutes?

Mr. BENTSEN. I am delighted to yield to the Senator from Kentucky.

Mr. COOK. Mr. President, first I would like to have the Senator from Texas give me the privilege of being a cosponsor of the amendment. I ask unanimous consent that I may be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, I think the Senator from Texas raises an interesting point and we should look at it in reverse. Let us look at the mandate of Congress. Let us look at our creation of the special subcommittee in the Committee on Foreign Relations to investigate the significance of the corporate conglomerate on international affairs. Let us look at the influence that American corporations attempt to exert on other governments. Let us look at it from the standpoint that we in this country are absolutely rather chagrined, and sometimes horrified, at the extent of America's influence on foreign governments. There are attempts to change governments; there are attempts to bolster a particular candidate at a time the time of an election; and there is the situation we have seen in several situations in South America. Congress is investigating a matter under the leadership of the distinguished Senator from Idaho (Mr. (CHURCH) in regard to Chile.

I would say that the significance of all of this is that the United States and those influences in the United States that are of worldwide significance should frankly mind their own business when it comes to the political significance of other countries. In effect, we are saying that those people abroad should mind their own business when it comes to making contributions to political campaigns in the United States.

Am I correct in my basic philosophy?

Mr. BENTSEN. I agree wholeheartedly with the Senator from Kentucky.

Mr. COOK. May I ask the Senator a question? I think this is important. In no way is the Senator from Texas excluding an American national who finds himself by reason of his corporate employment living in Japan, Australia, or anywhere else in the world. Is he excluding that individual from writing his individual check and sending it to a political organization of his choice in the United States in any election?

Mr. BENTSEN. In no way is he precluded from that. He is an American citizen living overseas and he can participate. The American political process should be left to American nationals.

Mr. COOK. I do not think the public knows, and it should be in the RECORD, that in the vicinity of 2 million Americans, who by reason of employment, study, and many, many other situations existing in the commercial world, are located overseas and live there for long periods of time. They are American citizens; their children are American citizens. They maintain voting facilities. The Voting Rights Act of 1965 broadened that ability for American nationals who live overseas to vote.

In no way is the Senator from Texas saying that these people are in any way impeded in making a contribution to the political process in their country.

Mr. BENTSEN. The Senator from Kentucky is absolutely right.

Mr. COOK. I thank the Senator from Texas.

Mr. CANNON. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CANNON. I have no quarrel with the basic purpose of this amendment, which is directed toward contributions from abroad to influence political campaigns, but I think it should properly be pointed out that last year in this country there were, as aliens lawfully here, 4,643,457 people. That is a pretty substantial number of people who were here properly in this country, and we permit them to come here for many things other than to come here to be residents.

So I want to be sure the Senator knows exactly what he is doing, because a substantial number of those people are in his own State of Texas, who are lawfully in this country, who are not here as permanent residents, and the only people who would be excluded from this provision are people who are here as permanent residents.

I may say the Immigration people themselves say there is some question in their minds as to the propriety of the language in this particular case. I have no particular brief with it, but I know last year there were 4,633,457 registered aliens in this country. Those people were here in this country lawfully, but by this amendment the Senator is going to preclude many of those people from participating in the elective process by making contributions, and he is also going to impose on the candidate the question of whether he knew or ought to have known that those people were not properly admitted here for permanent residence at the time they made contributions to his campaign. I would venture to say that a mailing campaign that

was put out would result in that person's mail going to hundreds of people in his own State, including the great State of Texas, who would not be eligible to make contributions under this particular amendment, if it is adopted.

I simply want to point that out so Senators will know what they are doing.

As one of my distinguished colleagues pointed out a few minutes ago, we have to get money from somewhere for these campaigns. I remember an old song from a few years ago that was titled "Pennies From Heaven." I am sure we realize that money does not come from heaven to carry out political campaigns.

So, by the Senator's excluding contributions from people who are lawfully in this country, but who are not here as permanent residents, he is creating an undue and an unnecessary burden on the persons who are running for office as well as the persons who are here in this country, and properly so, who would be affected by the amendment.

As I said initially, I support the thrust or the purpose for which the amendment was originally drawn and intended, but I think, frankly, that it goes further than would be intended by Members of this body if they were here to hear the discussion on it. I am sure it would impose some undue burdens on any person who might run for political office, as well as for certain people who are properly here.

If the Senator were to restrict the amendment to money coming from abroad, from foreign nationals abroad, or foreign nationals living abroad, or foreign contributions of any sort, I would completely agree with him, because I think that is not correct.

Mr. BENTSEN. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, this amendment was carefully drawn to try to exclude certain people who might be legally in this country passing through here as tourists. I do not think they have any legitimate role to play in the political process of this country, nor do illegal aliens in this country. That privilege to contribute ought to be limited to U.S. citizens and to those who have indicated their intention to live here, are here legally, and are permanent residents. Those people would be and should be allowed to make political contributions in this country.

I think one statement ought to be made in response to the comment made by the Senator from Nevada. It has been stated that no candidate may knowingly solicit or accept such contributions, so he must knowingly have done it in order to be in violation.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. BENTSEN. I cannot yield with the limited time I have.

Mr. GOLDWATER. Can I have 2 minutes for a question?

Mr. CANNON. I yield 2 minutes.

Mr. GOLDWATER. How would this affect a person living in Mexico who is an American, working there, who votes by absentee ballot, who has an account in a Mexican bank, with no checking account in an American bank?

Mr. BENTSEN. This amendment does not affect that. If he is an American national living overseas in any foreign country he is allowed to contribute.

Mr. GOLDWATER. Even if the draft is made on a foreign bank?

Mr. BENTSEN. Yes, the distinguished Senator from Michigan has something on that. My amendment does not affect it.

Mr. COOK. Mr. President, if the Senator will yield, may I say to the Senator from Arizona that we will face the very situation he is talking about with the submission of the amendment by the Senator from Michigan. This is not a matter which involves the present amendment in its present form.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, may I suggest to the Senator from Texas that, if he is through with the basic debate on his amendment, he yield back his time——

Mr. BENTSEN. Mr. President, if the Senator from Nevada is prepared to yield back his time, I am prepared to yield back my time.

Mr. GRIFFIN. Mr. President, will the Senator from Texas accept a suggestion? It appears there may be more controversy to my amendment to the Senator's amendment than anticipated. We had only 5 minutes on a side. Perhaps we could make it 10 minutes on a side and use it from the time left on his amendment.

Mr. BENTSEN. Mr. President, if the Senator from Nevada is prepared to yield back his time for that purpose, I am.

Mr. CANNON. Mr. President, I ask unanimous consent that we yield back the time on this amendment and that whatever time is left be added to the 5 minutes to a side on the amendment of the Senator from Michigan.

The PRESIDING OFFICER. There are exactly 11 minutes remaining on this amendment.

Without objection, it is so ordered.

The Senator from Michigan.

Mr. GRIFFIN. Mr. President, I send an amendment to the desk in the nature of a substitute, which is a modified version of my printed amendment No. 1087.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk proceeded to read the amendment.

The amendment to the amendment is as follows:

In lieu of the language proposed to be inserted by amdt. No. 1083 insert the following:

"PROHIBITION OF CONTRIBUTIONS AND EXPENDITURES BY FOREIGN INDIVIDUALS

"SEC. 304. Section 613 of title 18, United States Code, is amended—

"(a) by adding to the section caption the following: 'or drawn on foreign banks';

"(b) by inserting immediately before 'Whoever' at the beginning of the first paragraph the following: '(a)'; and

"(c) by adding at the end thereof the following new subsection:

"'(b) No person may make a contribution in the form of a written instrument drawn on a foreign bank. Violation of the provision of this subsection is punishable by a fine not to exceed $5,000, imprisonment not to exceed five years, or both.'."

On page 71, line 16, strike out "304." and insert in lieu thereof "305.".

On page 76, between lines 2 and 2, insert the following new paragraph:

"(2) No candidate may knowingly solicit or accept a contribution for his campaign—

"(A) from any person who—

"(i) is not a citizen of the United States, and

"(ii) is not lawfully admitted for permanent residence, as defined in section 101 (a) (20) of the Immigration and Nationality Act; or

"(B) which is made in violation of section 613 of this title.".

On page 76, line 3, strike out "(2)" and insert in lieu thereof "(3)".

On page 76, line 6, immediately after "(1)", insert "or (2)".

On page 78, line 19, immediately after "611,", insert "613,".

On page 78, line 87, strike out "by adding at the end" and insert in lieu thereof "by striking out the item relating to section 613 and inserting in lieu".

On page 78, below line 22, immediately above the item relating to section 614, insert the following:

"613. Contributions by agents of foreign principals or drawn on foreign banks.".

Mr. GRIFFIN. Mr. President, at the outset, I want to say that I strongly support the amendment offered by the Senator from Texas (Mr. BENTSEN). It is almost identical to a portion of my amendment 1087, which I had submitted for printing. I checked with the Parliamentarian as to the best way to present my version, and he suggested that the best way would be in the form of a substitute.

The major portion of my amendment is identical in purpose to the amendment of the Senator from Texas in that it prohibits contributions to compaigns by foreigners and by aliens who have not been admitted for permanent residence in the United States.

I agree with him that, by and large, our political process should be in the hands of those who are citizens and have the right to vote. Actually, our amendment does not really close it up that much. It acknowledges and permits contributions by those who have been admitted for permanent residence. So even though they do not have the right to vote in that instance, they would have the right to make financial contributions.

But my amendment goes further. It also prohibits a contribution in the form of a check written on a foreign bank. The distinguished Senator from Texas, in his argument for his amendment, referred to foreign banks. I would agree with the concern that he expressed by that reference. However, the amendment as he has presented it does not touch the matter of foreign banks.

I realize that some persons will make the argument that it is going to be inconvenient, particularly for American citizens who live abroad, if they cannot write their checks on foreign banks. However, I think that it is also important to underscore the fact that obviously U.S. law does not reach and cannot control foreign banks. We cannot, by the court process of the United States, investigate a foreign bank. We cannot examine its accounts. We cannot have access to its checks.

Some of the stories of abuse that we have been exposed to have involved

Mexican banks and other foreign banks. They have involved unnumbered accounts in Swiss banks.

It seems to me that if we really want to do something about this problem, we should take this additional step and also provide that a foreign bank cannot be used as a means of funneling money into a campaign in the United States. I know that all Americans who live overseas do not have checking accounts in U.S. banks, but I assume that most of them do. If they do not, they might in some other way establish an account in a U.S. bank. I think the matter of being able to investigate, outweighs the disadvantages which would accrue.

That is the argument pure and simple. I think this would be an improvement of the amendment of the Senator from Texas. Perhaps he might want to accept it. If he does, and there is no opposition, we could then go to a vote on his amendment as amended.

Mr. BENTSEN. Mr. President, I yield 3 minutes to the distinguished Senator from Kentucky.

Mr. COOK. Mr. President, I would hope that the Senator from Texas will not agree to take that language as an amendment to his amendment.

Last year I had occasion, while I was in Mexico—as a matter of fact, as a member of the Mexican-American Interparliamentary Meeting—to go to the University of Guadlajara, I spoke to a number of American students. I was amazed to learn that there is a retirement community of American citizens there. They have taken up residence there, having retired on social security. It has not been so long ago that all of us had occasion to view, on television, retirees in Spain and Ireland. Those people are living in those countries because it is cheaper to live there than in the United States. They do not have two checking accounts. They have bank accounts in the country in which they are now residing as American citizens. They do not have an account in the First National Bank of Dallas and also one in the Bank of Guadlajara. They cannot afford it. They have one account.

I agree with the Senator from Michigan that we do have a problem with major contributions. We do have problems with substantial checks. I am quite sure we will not receive a great many contributions from Americans who live throughout the world by reason of the advantages of their retirement situations. But it would be a terrible crime to deny them the opportunity if, in fact, they want it. It would be a terrible situation for an individual who is retired.

The Guadlajara community is largely a military retirement facility. It would be a shame, for those individuals who send in checks of $5, $10, or $15 as contributions to the political process in their country to be told that they were illegal contributions; to be told that if they wanted to make that kind of small contribution, they would have to open an account in an American bank. Obviously, they would not do that.

There are one or two instances where there have been large contributions that have come from foreign banks that were accepted. But I say that the way to resolve this problem is to be totally and completely open so that we will not deprive thousands of Americans of the right to vote.

Mr. CANNON. Mr. President, I have just been advised that the State Department estimates, from its consuls and other officers abroad, that 1,750,000 U.S. citizens are living abroad, not including the military and not including tourists.

Mr. COOK. Mr. President, if we are up to well over 2 million, we cannot say that all of those 2 million are going to write a check for $25 or $50 on, say, a Mexican bank. They may write checks for $5, $10, or $50. But we are really denying the biggest percentage of them of that right, and we cannot resolve a bad situation as it now presents itself.

If we pass this bill—and I say this to the distinguished Senator from Michigan—we will know one thing. If such a check came from an individual, if the candidate accepted it, and the amount of the check was in excess of $1,000, then we would know that the candidate was subject to the penalties of the bill if he accepted it.

It seems to me we should not go totally and completely overboard and destroy the incentive of 2 million Americans who live abroad and want to contribute to the electoral process, Therefore, I strongly oppose the amendment of the distinguished Senator from Michigan.

I thank the Senator from Texas for yielding me this time.

The PRESIDING OFFICER. The Senator from Michigan has 5 minutes remaining.

Mr. GRIFFIN. Mr. President, I shall respond to the argument of the Senator from Kentucky in this way: I recognize that there could be inconvenience for some. I point out, however, that the military personnel who live abroad on U.S. bases would have U.S. banking facilities. Also, in most cases, embassy personnel and diplomatic personnel would have such economic facilities at their disposal.

I am convinced in my own mind that a great many of those persons who live abroad would have access to banks in the United States. I suggest that in any campaign that I know anything about, the percentage of contributions that would come in to a campaign from Americans living abroad, who could draw their checks only on foreign banks, would be small.

It is a question of balance in the situation, and I realize that reasonable men can differ. And if there has been enough evidence of abuse, enough concern aroused so far as the American people are concerned, I believe that it would be a healthy thing to do to make sure that all of the institutions which are handling and accounting for the money are subject to the laws and the jurisdiction of the United States, where the elections are held.

Mr. COOK. Mr. President, will the Senator from Texas yield me 30 seconds?

Mr. BENTSEN. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. BENTSEN. I must say that the Senator from Kentucky has been so persuasive I will yield him 3 additional minutes.

Mr. COOK. I thank the Senator; I will not use nearly all that time.

Mr. President, I have no idea, and I really do not think the Senator from Michigan has any idea, either, how many people in the northern rural areas of our border States between the United States and Canada may find that a Canadian community is much closer to their residence, their farm, or wherever they live along that border line, so that they may well do business with a Canadian bank. There may conceivably be some families up there who have never done business with an American bank, because of its location.

Let us take the plains areas of North Dakota, or the areas of northern Michigan, the Senator's State.

Mr. GRIFFIN. I was going to suggest taking Michigan.

Mr. COOK. I am wondering, really, how many people who live along the common border of the United States and Canada do business and have done business for years and years with Canadian institutions. What we are really saying by this bill is, "If you want to do it, drive the 40 miles to an American bank, open an account, write out your check for $10, and then close your account, because you are not going to deal with that place because of its inconvenience, and go back to your own bank that you are now doing business with."

Mr. GRIFFIN. Mr. President, if I may respond most respectfully to a Senator who comes from a State within the very center of the United States, responding as a Senator who does live in a State which borders all along the Canadian line, my amendment does not bother me one bit whatsoever insofar as that concern expressed by the Senator from Kentucky. I concede there might be a few contributions that would not come into the campaign as a result of what I am doing, but I really do not think the mischief or inconvenience is all that great. I do not think there is a lot to be gained in terms of building confidence in our election process and in other respects generally called reform, in taking the step which I have suggested.

Mr. BENTSEN. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. BENTSEN. I can understand the concern of the Senator from Michigan with trying to stop this laundering of accounts through foreign banks, but if you are just trying to do that, and you have someone who is trying to move a large sum of money through a foreign bank, they will be able, as I understand it, to take that to their bank, buy a money order on a U.S. bank, if they wanted to, or buy an American Express check, if they wanted to, and circumvent what the Senator is trying to do very easily.

I think what the Senator's amendment would really do is make it inconvenient for 2 million Americans living overseas who might not want to take the time and trouble to overcome its restrictions by going to a U.S. bank, by trying to prevent

some person from trying to resort to skullduggery, when, Mr. President, it would not prevent it, and I maintain that the Senator's amendment would not accomplish what he intends.

Mr. COOK. Mr. President, I think, on the basis of one or two episodes which have occurred, we are trying to decide whether we should interfere with the balance of all international transactions, and say that as a result, this transaction by an American citizen must have the added restriction that it must be through an American institution.

We are saying that American banks cannot have international relations in their banking departments, which obviously every major bank in the United States has, and they make daily transfers of deposits back and forth. Yet we are saying that this individual who wants to contribute to the American political process as an American citizen will have this added problem that he must face. I must say I really think it is an onerous one, and I again hope that the amendment of the Senator from Michigan will be defeated.

Mr. GRIFFIN. Mr. President, is there time remaining?

The PRESIDING OFFICER. The Senator from Michigan has 2 minutes remaining. The Senator from Texas has 1 minute.

Mr. GRIFFIN. Mr. President, I wish to focus again on the major reason why this amendment should be accepted. That is that Mexican banks, Swiss banks with numbered accounts, and other foreign banks are not subject to the laws of the United States. It is not possible to investigate a campaign situation and require a foreign bank to reveal canceled checks or otherwise provide an accounting for what has happened in that bank. I think that the time has come when the American people expect Congress to provide for control by the laws of the United States over the facilities and institutions that are going to handle the funneling of campaign contributions. I hope the amendment will be agreed to.

Mr. BENTSEN. Mr. President, I would reluctantly oppose the substitute for my amendment proposed by the Senator from Michigan, despite the very noble objectives the Senator from Michigan has outlined. The Senator from Kentucky has convinced me that this would result in substantial inconvenience to a couple of million Americans living overseas, and yet would not accomplish the objective the Senator from Michigan is trying to accomplish in this regard. Therefore, I would urge the Senate to defeat the substitute amendment proposed by the Senator from Michigan.

The PRESIDING OFFICER. Who yields time? The Senator from Michigan has 1 minute remaining.

Mr. GRIFFIN. I yield it back, Mr. President.

The PRESIDING OFFICER (Mr. McCLURE). All remaining time having been yielded back, the question is on agreeing to the substitute amendment of the Senator from Michigan. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. McGEE), the Senator from Minnesota (Mr. MONDALE) and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from Arizona (Mr. FANNIN) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 23, nays 66, as follows:

[No. 95 Leg.]

YEAS—23

Allen	Dole	Mansfield
Bartlett	Dominick	Packwood
Bayh	Griffin	Pearson
Bellmon	Gurney	Taft
Bennett	Hansen	Thurmond
Brock	Helms	Weicker
Cotton	Hollings	Young
Curtis	Hruska	

NAYS—66

Abourezk	Hart	Muskie
Bentsen	Hartke	Nelson
Bible	Haskell	Nunn
Biden	Hathaway	Pell
Brooke	Huddleston	Percy
Buckley	Hughes	Proxmire
Burdick	Humphrey	Randolph
Byrd, Harry F., Jr.	Inouye	Ribicoff
Byrd, Robert C.	Jackson	Roth
Cannon	Javits	Scott, Hugh
Case	Johnston	Scott, William L.
Chiles	Kennedy	Sparkman
Church	Long	Stafford
Clark	Magnuson	Stennis
Cook	Mathias	Stevens
Cranston	McClellan	Stevenson
Domenici	McClure	Symington
Eagleton	McGovern	Talmadge
Eastland	McIntyre	Tower
Ervin	Metcalf	Tunney
Fong	Metzenbaum	Williams
Goldwater	Montoya	
	Moss	

NOT VOTING—11

Aiken	Fulbright	Mondale
Baker	Gravel	Pastore
Beall	Hatfield	Schweiker
Fannin	McGee	

So Mr. GRIFFIN's amendment was rejected.

The PRESIDING OFFICER. The vote now occurs on the amendment of the Senator from Texas (Mr BENTSEN). On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. McGEE), the Senator from Minnesota (Mr. MONDALE), and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Arizona (Mr. FANNIN), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 89, nays 0, as follows:

[No. 96 Leg.]

YEAS—89

Abourezk	Fong	Moss
Allen	Goldwater	Muskie
Bartlett	Griffin	Nelson
Bayh	Gurney	Nunn
Bellmon	Hansen	Packwood
Bennett	Hart	Pearson
Bentsen	Hartke	Pell
Bible	Haskell	Percy
Biden	Hathaway	Proxmire
Brock	Helms	Randolph
Brooke	Hollings	Ribicoff
Buckley	Hruska	Roth
Burdick	Huddleston	Scott, Hugh
Byrd, Harry F., Jr.	Hughes	Scott, William L.
Byrd, Robert C.	Humphrey	Sparkman
Cannon	Inouye	Stafford
Case	Jackson	Stennis
Chiles	Javits	Stevens
Church	Johnston	Stevenson
Clark	Kennedy	Symington
Cook	Long	Taft
Cotton	Magnuson	Talmadge
Cranston	Mansfield	Thurmond
Curtis	Mathias	Tower
Dole	McClellan	Tunney
Domenici	McClure	Weicker
Dominick	McGovern	Williams
Eagleton	McIntyre	Young
Eastland	Metcalf	
Ervin	Metzenbaum	
	Montoya	

NAYS—0

NOT VOTING—11

Aiken	Fulbright	Mondale
Baker	Gravel	Pastore
Beall	Hatfield	Schweiker
Fannin	McGee	

So Mr. BENTSEN's amendment was agreed to.

LEAVE OF ABSENCE

Mr. STEVENS. Mr. President, I ask unanimous consent that I may be excused from attendance on the Senate on Friday and Monday, to conduct hearing in Alaska.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes.

The enrolled bill was subsequently signed by the Vice President.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I yield 1 minute to the distinguished Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. CLARK. Mr. President, I ask unanimous consent that an amendment I am submitting to S. 3044 be considered as having met the requirements of rule XXII of the Standing Rules of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order the pending business is the amendment of the Senator from Alabama (Mr. ALLEN).

The amendment will be stated.

The legislative clerk read as follows:

On page 13, between lines 14 and 15, add a new subsection (d), as follows:

(d) No Member of the Ninety-third Congress or any committee of such Member shall be eligible to receive matching funds in connection with the candidacy of such Member for nomination for election to the office of President for the term beginning January 20, 1977.

Mr. ALLEN. Mr. President, I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I ask unanimous consent that I be given leave of absence for tomorrow, because of the fact that about a month ago I accepted two engagements to speak to Alabama audiences on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, the pending amendment is very short, but it is important.

Mr. COTTON. Mr. President, may we have order? We cannot hear the Senator. May we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ALLEN. Mr. President, the amendment is very short and to the point. It says:

No Member of the Ninety-third Congress or any committee of such Member shall be eligible to receive matching funds in connection with the candidacy of such Member for nomination for election to the office of President for the term beginning January 20, 1977—

Which would be the term starting after the 1976 election.

We already have, under the checkoff provision, adequate machinery, and there will be adequate funds, to finance the general election campaign of 1976.

Under the checkoff provision there would be accumulated in this fund by the 1976 Presidential elections more than $50 million, and it is provided that some $21 million shall be available to each of the major parties for the conduct of the Presidential election of 1976.

Of course, a minor hitch in the law is that, in order to get that money, the political party would have to certify that it would not accept funds from the private sector, and the members of that party might think they could not run a Presidential campaign on $21 million. So unless they have the law amended, it is possible they will not come under that provision in 1976.

But it is quite obvious where much of the drive for further Federal campaign financing, public Treasury financing, is coming from. It is quite obvious that it is coming from those here in the Congress who have an ambition to serve as President of the United States.

This amendment would preclude any Member of the 93d Congress from receiving funds, not to run for his present position—that has already been decided by the Senate—but would preclude him from obtaining a subsidy from the taxpayers to conduct a campaign for the Presidential nomination of either party.

We frequently hear it said, "Well, it is not the money that is involved; it is the principle." Well, if the candidates for the Presidency who are in the Congress really believe that, and they believe that campaign financing by the taxpayer is a good thing, that the principle is right, they ought not to have any objection to a provision that would preclude them from profiting in running for the Presidency to the tune of up to $7.5 million.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. WILLIAM L. SCOTT. I note a section of the Constitution that my distinguished colleague is quite familiar with, article I, section 6:

No Senator or Representative shall, during the time for which he was elected, be appointed to any civil office under the authority of the United States, which shall have been created, or the emoluments whereof shall have been increased during such time . . .

The Senator is speaking of principles. I wonder if there is not a correlation in principle between this section of the Constitution with regard to appointment to a civil office and creating a fund from which a campaign for the Presidency might be utilized. It seems to me there is a corollary between the two.

Mr. ALLEN. I thank the Senator for that suggestion. I doubt, however, if they would be analogous. That section of the Constitution applies to emoluments which would accrue to an individual as an office holder, whereas the present proposal provides for funds to help him get that office. I doubt if they would be analogous, but there occurs the principle of voting for a measure that would result in a person's receiving up to $7.5 million.

I am hopeful that the Senate and those who might possibly be beneficiaries of this provision will see fit to add this amendment to the bill, on the theory that the principle of public financing would still be there; but those who feel so strongly that this is a good principle, and if it is a principle that they are standing for, possibly would be willing to forego the receipt by them or their campaign committees of this subsidy of up to $7.5 million.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. MATHIAS. I understand the principles that underlie the amendment. I want to assure the Senator that, as far as I am concerned, I can approach this with a great deal of objectivity.

Mr. ALLEN. I am sorry to hear that, I will say to the Senator.

Mr. MATHIAS. But, on a more serious note, I wonder if in proposing this amendment the Senator has in mind that the President of the Senate is to be included as a Member of the 93d Congress.

Mr. ALLEN. If what?

Mr. MATHIAS. If the President of the Senate is to be included within the definition of Members of the 93d Congress.

Mr. ALLEN. Does the Senator think he would?

Mr. MATHIAS. Well, the distinguished Senator is the author of the amendment, and I was just probing for his intention.

Mr. ALLEN. No, I would not feel that he would be a Member of the 93d Congress. He presides over one branch of the 93d Congress, but he is not a Member of the Congress, quite obviously.

Mr. MATHIAS. I thank the Senator. I thought it was important to make that a matter of legislative history, to find out what was in the Senator's mind.

Mr. ALLEN. I do not know that that legislative history is necessary, because I doubt seriously if this amendment is going anywhere, I will say to the Senator.

Mr. MATHIAS. Well, I think it is useful. Of course, the President of the Senate is, for many administrative purposes, a Member of the Senate, and when he is called upon, under the provisions of the Constitution, to break a tie, he votes as a Senator votes. So I think if this amendment, or if the thought which underlies this amendment, should succeed either now or later, that would be an important point.

Mr. ALLEN. Is it the Senator's idea that the Vice President is a Member of the 93d Congress? I stated it was my idea it was not. What is the Senator's idea?

Mr. MATHIAS. Well, the Vice-Presidency, of course, has been defined in various ways in various periods of history, and sometimes most colorfully, by those who have occupied that lofty and elevated chair. I think we all remember the definition of the office that was given to it by Vice President John Nance Garner. But for some purposes the Vice President is a Member of the Senate. Let us suppose, just hypothetically, that the Senator's amendment would produce a tie and that the Vice President had to be called upon to break the tie.

Mr. ALLEN. He is not here.

Mr. MATHIAS. We are talking hypothetically. Suppose that.

Mr. ALLEN. I see.

Mr. MATHIAS. And then he voted. Certainly under those circumstances the principles of equity which the Senator has described as applying to everybody else would operate on the Vice-Presidency.

Mr. ALLEN. The chances are he would have a lot of company in that predicament, if he voted for the subsidy.

Mr. MATHIAS. I thank the Senator.

Mr. ALLEN. I thank the distinguished Senator.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I am prepared to yield back my time and am prepared to vote, if the Senate so desires.

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. ALLEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama (No. 1061). All time having been yielded back, and the yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. McGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) and the Senator from Wyoming (Mr. McGEE) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Arizona (Mr. FANNIN), the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting the Senator from Oregon (Mr. HATFIELD), and the Senator from Pennsylvania (Mr. HUGH SCOTT) would each vote "nay."

The result was announced—yeas 36, nays 51, as follows:

[No. 97 Leg.]

YEAS—36

Allen	Curtis	McClellan
Bartlett	Dole	McClure
Bayh	Dominick	Nunn
Bellmon	Eastland	Pearson
Bennett	Ervin	Scott, William L.
Brock	Fong	Sparkman
Buckley	Goldwater	Stennis
Byrd, Harry F., Jr.	Griffin	Talmadge
Byrd, Robert C.	Gurney	Thurmond
Chiles	Hansen	Tower
Cook	Helms	Weicker
Cotton	Hollings	
	Hruska	

NAYS—51

Abourezk	Huddleston	Muskie
Bentsen	Hughes	Nelson
Bible	Humphrey	Packwood
Biden	Inouye	Pell
Brooke	Jackson	Percy
Burdick	Javits	Proxmire
Cannon	Johnston	Randolph
Case	Kennedy	Ribicoff
Church	Magnuson	Roth
Clark	Mansfield	Stafford
Cranston	Mathias	Stevens
Domenici	McGovern	Stevenson
Eagleton	McIntyre	Symington
Hart	Metcalf	Taft
Hartke	Metzenbaum	Tunney
Haskell	Montoya	Williams
Hathaway	Moss	Young

NOT VOTING—13

Aiken	Gravel	Pastore
Baker	Hatfield	Schweiker
Beall	Long	Scott, Hugh
Fannin	McGee	
Fulbright	Mondale	

So Mr. ALLEN's amendment (No. 1061) was rejected.

AMENDMENT NO. 1099

Mr. BROCK. Mr. President, I call up my amendment No. 1099.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BROCK's amendment is as follows:

On page 48, line 19, strike out "and 617" and insert in lieu thereof ' 617, and 618".

On page 49, line 17, strike out "and 617" and insert in lieu thereof ' 617, and 618."

On page 49, line 23, strike out "or 617" and insert in lieu thereof "317, and 618".

On page 78, line 16, strike the closing quotation marks and the second period.

On page 78, between lines 16 and 17, insert the following:

"§ 618. Voting fraud

"(a) No person shall—

"(1) cast, or attempt to cast, a ballot in the name of another person,

"(2) cast, or attempt to cast, a ballot if he is not qualified to vote

"(3) forge or alter a ballot,

"(4) miscount votes,

"(5) tamper with a voting machine, or

"(6) commit any act (or fail to do anything required of him by law),

with the intent of causing an inaccurate count of lawfully cast votes in any election.

"(b) A violation of the provisions of subsection (a) is punishable by a fine of not to exceed $100,000, imprisonment for not more than ten years, or both.".

On page 78, line 19, strike out "and 617" and insert in lieu thereof "317, and 618".

On page 78, after line 22, in the item relating to section 617, strike out the closing quotation marks and the second period.

On page 78, after line 23, below the item relating to section 617, insert the following:

"618. Voting fraud.".

Mr. MANSFIELD. Mr President, will the Senator yield?

Mr. BROCK. I yield.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 30 minutes on the pending amendment, to be equally divided between the sponsor of the amendment, the distinguished Senator from Tennessee (Mr. BROCK), and the manager of the bill, the distinguished Senator from Nevada (Mr. CANNON).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr BROCK. I yield to the Senator from Texas.

Mr. TOWER. Mr. President, I ask unanimous consent that during the consideration of S. 3044, a member of my staff, Mr. Gary Lieber, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROCK. Mr. President, I ask unanimous consent that during the further debate on this legislation, a member of my staff, Mr. Jim George, be permitted access to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BROCK. Mr. President, this amendment attempts to deal with one notable inadequacy in the proposed legislation which relates specifically to the largest single area of campaign abuse, in my opinion, and that is voting fraud. There can be no greater violation of the civil rights of an individual than to have his ballot stolen by any device. My amendment would attempt to deal with just that particular problem. It says:

No person shall—

(1) cast, or attempt to cast, a ballot in the name of another person,

(2) cast, or attempt to cast, a ballot if he is not qualified to vote,

(3) forge or alter a ballot,

(4) miscount votes,

(5) tamper with a voting machine, or

(6) commit any act (or fail to do anything required of him by law).

with the intent of causing an inaccurate count of lawfully cast votes in any election.

Mr. President, I very much believe that this Congress must pass major and comprehensive campaign reform legislation. But I cannot believe that it is in the interests of the Congress, the elective process, or the American people to deal only with the financial problems of politics. It seems to me that something very essential is at stake in this particular debate, and that is assurance to the people of this country that their ballots will be cast and counted as they are cast. If we are to restore any faith in the elective process, that has to be a fundamental purpose of the bill.

I do not understand why there simply are not Federal laws in this area today. If there is a civil right in this country, it is the right to vote, for the future of ourselves and for our children. To the best of my knowledge, about the only access or the only recourse we have in the instance of ballot abuse would be to say that that would violate our civil rights, although that is probably the most difficult charge in the world to prove. But it is important that we spell out what we mean by vote fraud and what penalty should be established for that vote fraud. It is important, in view of the recent political scandal, that we not forget the tradition of fraud and abuse in this country, which is still ongoing in too many places, in too many communities, and in too many counties.

Each Senator will speak for his own State, of course, and I can speak only

for my own and say that Tennessee has made remarkable progress in reducing ballot abuse. But we are not perfect yet, and I am not sure that anyone else is either. It is important that people wherever they may live in this country should have the assurance that we intend to protect this most essential of their rights.

I cannot believe that we can pass comprehensive campaign reform legislation without dealing with this most fundamental reform as it relates to the ballot and the right to vote and the right to have that vote counted.

Mr. President, I reserve the remainder of my time.

Mr. GOLDWATER. Mr. President, will the Senator from Tennessee yield for a question?

Mr. BROCK. I yield.

Mr. GOLDWATER. Does the Senator have any idea in how many States the process he outlined is now illegal?

Mr. BROCK. I would say to the Senator that probably, generally speaking, virtually all of them are. The problem, it seems to me, is more with the inadequate ability to deal with the problem. The States' law are either not adequately enforced or else they are poorly drawn so as to be unenforceable. Much of the time the State laws are enforced by the very people who are engaging in the abuse. This is the problem I am trying to deal with.

Mr. GOLDWATER. The Senator would make it a Federal crime for those who participate in the activities that he has outlined and illustrated today and that would apply to the Presidency, to the Senate, and to the House?

Mr. BROCK. That is correct.

Mr. GOLDWATER. Has the Senator suggested any penalty?

Mr. BROCK. Yes, I have a sizable penalty which would go, in the case of extreme abuse, to a $100,000 fine and 10 years in jail. We must have a severe penalty.

Mr. GOLDWATER. Would the Senator's amendment—this sounds funny, but it has happened in my city—would the Senator's amendment cover the use of names in graveyards?

Mr. BROCK. Absolutely.

Mr. GOLDWATER. I thank the Senator. I think his amendment is worthwhile and I shall support it.

Mr. TOWER. Mr. President, will the Senator from Tennessee yield for a question?

Mr. BROCK. I yield.

Mr. TOWER. If I understood the Senator correctly, one of the reasons he is offering this is that although virtually all the States have laws that define such abuses as crimes, the fact is that very often the beneficiaries of the rigged election are those responsible for administering the election laws of the State and, therefore, they are rarely ever brought to justice and justice is often not done.

Mr. BROCK. That is correct. There seems to be no recourse in some instances today and no protection against this kind of abuse. We have seen it on too many occasions, in elections that were stolen, where the enormity of the fraud actually changed the course of the election and the people who then were elected were in the postition to enforce or not to enforce the statute.

Mr. TOWER. Is it not true, in the instance of election fraud, in elections involving people running for Federal office, that almost inevitably those that have been brought to justice under any existing laws have been brought to justice under the aegis of a Federal investigation or a Federal prosecution rather than by the State?

Mr. BROCK. That is correct, to the best of my knowledge.

Mr. COOK. Mr. President, will the gentleman from Tennessee yield?

Mr. BROCK. I yield.

Mr. COOK. May I suggest to the Senator from Tennessee, relative to his response to the Senator from Arizona a few moments ago, that there is one thing in here that gives me a problem. I wish he would consider, although the title says "Intended to be proposed by Mr. BROCK * * *"—it goes on to say "* * * and general election campaigns for Federal elective office * * *" I would say to the Senator from Tennessee that in the body of his amendment as such, it shall be a part of the bill, but it does not say "for Federal elections." I am wondering, because at least in my State we do have off-year elections, where we have elections for members of the State legislature, the State senate, and for the governorship, I am concerned as to the overall constitutionality of this amendment, unless he would consider, on line 4, page 2, where it reads:

"(a) No person shall * * *"—

Then add, in elections held for the purpose of Federal officials such as the Senate, Congress, the President, and the Vice President.

I am wondering whether I could convince the Senator from Tennessee that that language should be in there, so that we do not have the problem of interfering with State election laws in those years when elections are held on a statewide basis and when no Federal elections are up.

Mr. BROCK. Of course that language should be in there. The Senator is absolutely right. I appreciate his suggestion. If I may, Mr. President, I ask unanimous consent to modify my amendment on page 2, line 4, to add after the word "shall" the words: "in a Federal election."

The PRESIDING OFFICER (Mr. HELMS). Will the Senator please send his proposed modification to the desk.

Mr. BROCK. If that language will suit the Senator from Kentucky.

The PRESIDING OFFICER. Is there objection to the modification of the amendment of the Senator from Tennessee?

Without objection, the modification is so made.

Mr. COOK. Mr. President, I thank the Senator from Tennessee. I must say that that resolves the problem. Without that language in there, we were risking getting into a rather serious question in regard to State constitutionality and also with regard to the Constitution of the United States, by the way.

Mr. BROCK. I appreciate the Senator's diligence. I have no intention of interfering with any State process. We have a real responsibility to maintain the sanctity of the ballot box in Federal elections.

Mr. TOWER. Mr. President, do I correctly understand that the effect of the Senator's modification will be to narrow the effect of the proposed amendment to elections for Federal offices only?

Mr. BROCK. That is correct.

Mr. TOWER. It would not apply to any State, county, or local election then?

Mr. BROCK. That is right. That was the amendment's intention. The Senator has pointed it out correctly. We were not specific enough.

Mr. COOK. If I may enlarge on that a little, under the Constitution of the United States, we do not have the right to prescribe the rules and regulations for the conduct of State and local elections.

Mr. TOWER. That is correct. As an old States' Righter, I would concur with that.

Mr. BROCK. Mr. President, I reserve the remainder of my time.

Mr. COOK. Mr. President, does the Senator from Tennessee have any objection if he might withdraw the call for the yeas and nays and just have a voice vote?

Mr. BROCK. I would be delighted to withdraw the call for the yeas and nays.

Mr. President, I ask unanimous consent to withdraw the yeas and anys on my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The yeas and nays are vacated.

Mr. BROCK. Mr. President, I yield back the reminder of my time.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to amendment No. 1099, as modified, of the Senator from Tennessee (Mr. BROCK).

The amendment, as modified, was agreed to.

AMENDMENT NO. 1104

Mr. BROCK. Mr. President, I now call up my amendment No. 1104 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

ILLEGAL CONTRIBUTIONS AND UNEXPENDED FUNDS

SEC. 317. (a) Any contribution received by a candidate or political committee in connection with any election for Federal office in excess of the contribution limitations established by this Act shall be forfeited to the United States Treasury.

(b) Any political committee having unexpended funds in excess of the amount necessary to pay its campaign expenditures within thirty days after a general election shall deposit those funds in the United States Treasury or transfer them to a national committee.

Mr. BROCK. Mr. President, this amendment attempts to deal again with what I view as perhaps the inadvertent absence of existing law, dealing with leftover funds after a campaign. It may

be there are those who disagree, but it seems to me this bill is not putting sufficient emphasis on the political parties. I would like very much to see a provision made for any leftover funds after a campaign, where there is not sufficient challenge to use all the money raised. I would like to see that money either revert to the Federal Treasury, if that is the wish of the candidate, or revert to his national party.

It seems to me that would be a measure to strengthen the role of the parties and something we need to be concerned with in the process of this bill.

It does one other thing, and I should point it out, that is to say, that any contribution received in excess of the ceiling shall be automatically rebated to the Treasury because then, in effect, it is an illegal contribution. There is no provision in the existing language to deal with that particular situation. I would suggest that illegal or excess contributions of the statute limits should obviously be directed to the Federal Treasury.

I would hope that this amendment might receive the same warm support my previous one did.

Mr. President, I reserve the remainder of my time.

Mr. CLARK. Mr. President, will the Senator from Tennessee yield for a question?

Mr. BROCK. I yield.

Mr. CLARK. If a candidate chooses not to use Federal money and he collects a certain amount of private money, and he has a hundred dollars left over after a campaign or $100,000 left over, all the money he raised personally would go back to the Federal treasury?

Mr. BROCK. Or to his national party. It would be at his option.

Mr. CLARK. So it would not just be the Federal money that was expended, but all the private money he raised that is left over as well.

Mr. BROCK, That is right. I raised the issue because we have had problems in the past. I think it would be in the interest of Members of the House and the Senate to have this safeguard, to afford them a justification for dealing logically with this excess fund.

Mr. COOK. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. COOK. I am a little concerned about the language on page 2. Obviously, if we have Federal financing of elections and he has held Federal funds, those must go back to the Treasury. There is no question about that.

Mr. BROCK. That is right.

Mr. COOK. But under the Senator's amendment, I am not sure that is what it says. I read from page 2 of the Senator's amendment:

. . . shall deposit those funds in the United States Treasury or transfer them to a national committee.

What bothers me is that we cannot leave the assumption that funds that have been allocated under a Federal program to subsidize elections could be subject in any way to a choice of whether they would go back to the Treasury or to a national committee.

I am not really prepared to give any substitute language, although it does bother me because I think the Senator has an either/or with unexpended funds regardless of the source. That does bother me. I believe the chairman of the committee wants to raise that point, also.

Mr. HUDDLESTON. Mr. President, will the Senator yield for a question?

Mr. BROCK. I yield.

Mr. HUDDLESTON. I have never been in a situation in which I have had to deal with a surplus of funds.

Mr. BROCK. Neither have I.

Mr. HUDDLESTON. I wonder whether it would not be well to have another option, whereby the candidate might be able to return, on a pro rata basis, his excess funds to those who had contributed, if such an arrangement were spelled out in his solicitation of the funds.

Mr. BROCK. Personally, I would like to see that. The problem is more mechanical than in principle. I think it is almost impossible to divide on a pro rata basis $500 among 10,000 people who contributed. I had 10,000 contributors in my campaign in 1970, and it was a matter of great pride to me that we were able to establish that broad a base.

In all honesty, I do not know how we could locate those people and return the 3 or 4 cents that some of them would get as a pro rata share, and that is why I did not include it in the amendment.

The Senator from Kentucky has raised a valid point. In light of that, I think it might be the better part of wisdom if I withdrew the amendment and consider that as a possible alternative.

Until I can rewrite it, Mr. President, I will withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

ANTIHIJACKING ACT OF 1974

Mr. CANNON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 39.

The PRESIDING OFFICER (Mr. HELMS) laid before the Senate the amendments of the House of Representatives to the bill (S. 39) to amend the Federal Aviation Act of 1958 to provide a more effective program to prevent aircraft piracy, and for other purposes, which were to strike out all after the enacting clause and insert:

TITLE I—ANTIHIJACKING ACT OF 1974

SEC. 101. This title may be cited as the "Antihijacking Act of 1974".

SEC. 102. Section 101(32) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(32)), relating to the definition of the term "special aircraft jurisdiction of the United States", is amended to read as follows:

"(32) The term 'special aircraft jurisdiction of the United States' includes—

"(a) civil aircraft of the United States;

"(b) aircraft of the national defense forces of the United States;

"(c) any other aircraft within the United States;

"(d) any other aircraft outside the United States—

"(i) that has its next scheduled destination or last point of departure in the United States, if that aircraft next actually lands in the United States; or

"(ii) having 'an offense', as defined in the Convention for the Suppression of Unlawful Seizure of Aircraft, committed aboard, if that aircraft lands in the United States with the alleged offender still aboard; and

"(e) other aircraft leased without crew to a lessee who has his principal place of business in the United States, or if none, who has his permanent residence in the United States; while that aircraft is in flight, which is from the moment when all external doors are closed following embarkation until the moment when one such door is opened for disembarkation or in the case of a forced landing, until the competent authorities take over the responsibility for the aircraft and for the persons and property aboard.".

SEC. 103. (a) Paragraph (2) of subsection (i) of section 902 of such Act (49 U.S.C. 1472), relating to the definition of the term "aircraft piracy", is amended by striking out "threat of force or violence and" inserting in lieu thereof "threat of force or violence, or by any other form of intimidation, and".

(b) Section 902 of such Act is further amended by redesignating subsections (n) and (o) as subsections (o) and (p), respectively, and by inserting immediately after subsection (m) the following new subsection:

"AIRCRAFT PIRACY OUTSIDE SPECIAL AIRCRAFT JURISDICTION OF THE UNITED STATES

"(n)(1) Whoever abroad an aircraft in flight outside the special aircraft jurisdiction of the United States commits 'an offense', as defined in the Convention for the Suppresion of Unlawful Seizure of Aircraft, and is afterward found in the United States shall be punished—

"(A) by imprisonment for not less than twenty years; or

"(B) if the death of another person results from the commission or attempted commission of the offense, by death or by imprisonment for life.

"(2) A person commits 'an offense', as defined in the Convention for the Suppression of Unlawful Seizure of Aircraft when, while aboard an aircraft in flight, he—

"(A) unlawfully, by force or threat thereof, or by any other form of intimidation, seizes, or exercises control of, that aircraft, or attempts to perform any such act; or

"(B) is an accomplice of a person who performs or attempts to perform any such act.

"(3) This subsection shall only be applicable if the place of takeoff or the place of actual landing of the aircraft on board which the offense, as defined in paragraph (2) of this subsection, is committed is situated outside the territory of the State of registration of that aircraft.

"(4) For purposes of this subsection an aircraft is considered to be in flight from the moment when all the external doors are closed following embarkation until the moment when one such door is opened for disembarkation, or in the case of a forced landing, until the competent authorities take over responsibility for the aircraft and for the persons and property aboard.".

(c) Subsection (o) of such section 902, as so redesignated by subsection (b) of this section, is amended by striking out "subsections (i) through (m)" and inserting in lieu thereof "subsections (i) through (n)".

SEC. 104. (a) Section 902(i)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1472(i)(1)) is amended to read as follows:

"(1) Whoever commits or attempts to commit aircraft piracy, as herein defined, shall be punished—

"(A) by imprisonment for not less than twenty years; or

"(B) if the death of another person results from the commission or attempted commission of the offense, by death or by imprisonment for life.".

(b) Section 902(i) of such Act is further

DEFINITION

"(f) For the purposes of this section, the term 'law enforcement personnel' means individuals—

"(1) authorized to carry and use firearms,

"(2) vested with such police power of arrest as the Administrator deems necessary to carry out this section, and

"(3) identifiable by appropriate indicia of authority.".

SEC. 203. Section 1111 of the Federal Aviation Act of 1958 (49 U.S.C. 1511), relating to authority to refuse transportation, is amended to read as follows:

"AUTHORITY TO REFUSE TRANSPORTATION

"SEC. 1111. (a) The Administrator shall, by regulation, require any air carrier, intrastate air carrier, or foreign air carrier to refuse to transport—

"(1) any person who does not consent to a search of his person, as prescribed in section 315(a) of this Act, to determine whether he is unlawfully carrying a dangerous weapon, explosive, or other destructive substance, or

"(2) any property of any person who does not consent to a search or inspection of such property to determine whether it unlawfully contains a dangerous weapon, explosive, or other destructive substance.

Subject to reasonable rules and regulations prescribed by the Administrator, any such carrier may also refuse transportation of a passenger or property when, in the opinion of the carrier, such transportation would or might be inimical to safety of flight.

"(b) Any agreement for the carriage of persons or property in air transportation or intrastate air transportation by an air carrier, intrastate air carrier, or foreign air carrier, for compensation or hire shall be deemed to include an agreement that such carriage shall be refused when consent to search such persons or inspect such property for the purposes enumerated in subsection (a) of this section is not given.".

SEC. 204. Title XI of the Federal Aviation Act of 1958 (49 U.S.C. 1501–1513) is amended by adding at the end thereof the following new section:

"LIABILITY FOR CERTAIN PROPERTY

"SEC. 1116. The Civil Aeronautics Board shall issue such regulations or orders as may be necessary to require that any air carrier receiving for transportation as baggage any property of a person traveling in air transportation, which property cannot lawfully be carried by such person in the aircraft cabin by reason of section 902(l) of this Act, must make available to such person, at a reasonable charge, a policy of insurance conditioned to pay, within the amount of such insurance amounts for which such air carrier may become liable for the full actual loss or damage to such property caused by such air carrier.".

SEC. 205. Section 101 of the Federal Aviation Act of 1958 (49 U.S.C. 1301), relating to definitions, is amended by redesignating paragraphs (22) through (36) as paragraphs (24) through (38), respectively, and by inserting immediately after paragraph (21) the following new paragraphs:

"(22) 'Intrastate air carrier' means any citizen of the United States who undertakes, whether directly or indirectly or by a lease or any other arrangement, to engage solely in intrastate air transportation.

"(23) 'Intrastate air transportation' means the carriage of persons or property as a common carrier for compensation or hire, by turbojet-powered aircraft capable of carrying thirty or more persons, wholly within the same State of the United States.".

SEC. 206. (a) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading: "TITLE III—ORGANIZATION OF AGENCY AND POWERS AND DUTIES OF ADMINISTRATOR" is amended by adding at the end thereof the following new items:

"Sec. 315. Screening of passengers in air transportation.

"(a) Procedures and facilities.

"(b) Exemption authority.

"Sec. 316. Air transportation security.

"(a) Rules and regulations.

"(b) Personnel.

"(c) Training.

"(d) Research and development; confidential information.

"(e) Overall Federal responsibility.

"(f) Definition."

(b) That portion of such table of contents which appears under the center heading "TITLE XI—MISCELLANEOUS" is amended by adding at the end thereof the following new item:

"Sec. 1116. Liability for certain property.".

And amend the title so as to read: "An Act to amend the Federal Aviation Act of 1958 to implement the Convention for the Suppression of Unlawful Seizure of Aircraft; to provide a more effective program to prevent aircraft piracy; and for other purposes."

Mr. CANNON. Mr. President, I move that the Senate disagree to the amendment of the House on S. 39 and request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. CANNON, Mr. HARTKE, Mr. PEARSON, and Mr. COOK conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 10(a), Public Law 93–179, the Speaker had appointed Mrs. BOGGS and Mr. BUTLER as members of the American Revolution Bicentennial Board, on the part of the House.

The message announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7724) to amend the Public Health Service Act to establish a national program of biomedical research fellowships, traineeships, and training to assure the continued excellence of biomedical research in the United States, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr. ROGERS, Mr. SATTERFIELD, Mr. DEVINE, and Mr. NELSEN were appointed managers on the part of the House at the conference.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HASKELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HASKELL. Mr. President, I wish to address a question to the distinguished manager of the bill.

Mr. CANNON. Yes.

Mr. HASKELL. I would like to ask the floor manager of the bill as to his interpretation of the bill as applied to a particular situation. Assume that a multiple candidate committee engages in certain expenses in connection with the fund raising for a multitude of different candidates. The concern expressed is that possibly the bill would be interpreted to allocate as a contribution to any candidate raising funds from that committee a pro rata share of expenses incurred in raising those funds.

I would like to ask the Senator's interpretation and intention in that situation and whether the legislation would be so applied.

Mr. CANNON. Do I understand the Senator to mean a general committee that is widespread in scope and that is not a political campaign committee of the candidate?

Mr. HASKELL. That is correct.

Mr. CANNON. It is the intention as to that type committee in the solicitation of funds that the expense of solicitation could not be charged to the candidate because that committee may be contributing to many, many candidates and they are limited in the amount they could contribute to the candidate, but the candidate himself would have to include in his expense itemization the cost they expended in raising those particular funds.

On the other hand, if a candidate's own campaign committee that he designates is out raising money for him, obviously those expenses would be chargeable to the amount he can spend in his election.

Mr. HASKELL. I thank the distinguished Senator from Nevada. That is the way I interpret the legislation. There are Members who expressed some concern. I think this makes the record very clear.

Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, will the Senator withhold that request?

Mr. HASKELL. I withhold my request.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

AMENDMENT NO. 1105

Mr. BROCK. Mr. President, I call up my amendment No. 1105.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was stated as follows:

On page 64, between lines 5 and 6, insert the following:

"SUSPENSION OF FRANK FOR MASS MAILINGS IMMEDIATELY BEFORE ELECTIONS

"SEC. 318. Notwithstanding any other provision of law, no Senator, Representative,

Resident Commissioner, or Delegate shall make any mass mailing of a newsletter or mailing with a simplified form of address under the frank under section 3210 of title 39, United States Code, during the sixty days immediately preceding the date on which any election is held in which he is a candidate."

On page 64, line 7, strike out "318." and insert in lieu thereof "319.".

On page 64, line 14, strike out "319." and insert in lieu thereof "320.".

Mr. MANSFIELD. Mr. President, will the Senator from Tennessee yield?

Mr. BROCK. I yield.

Mr. MANSFIELD. Mr. President, would the Senator be amenable to a 20-minute time limitation on the amendment, the time to be divided in the usual fashion between the sponsor of the amendment and the manager of the bill?

Mr. BROCK. I am.

Mr. MANSFIELD. Mr. President, I make that request.

The PRESIDING OFFICER. Without objection, the time limit will be set accordingly.

Mr. BROCK. Mr. President, this amendment would simply extend the current limitation on franking from 28 days, which we passed in this body last December, which was a good first step, to 60 days, for mass mailing. We debated this matter last year in the campaign reform bill. I raise the question again because one of the most damning criticisms of this bill, and one that I share, is that it still largely remains an incumbent bill. One of the participants in a symposium at the Kennedy Center, in which I also participated, estimated that the incumbency is worth $600,000 over 2 years. That amount of money would have to be raised to equal the public relations assets that an incumbent has through mail, and the rest.

One distinct advantage to Members is the unlimited use of the frank, right up to the last month of the election. I believe it is important that we try as best we can to guarantee fairness in the political process.

I also believe that we should provide for people who challenge office holders, now and in the future, a reasonable opportunity to make that effort and to have some chance of success.

I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

I find no great difficulty with this amendment. I just simply point out to my colleagues that it has been only a few months since we acted on this particular point and we limited it to 28 days prior to the election with reference to the sending out of newsletters under the frank. I would point out that the law prohibits now mailing that is related to political activities under the frank, in any event, so I see no particular harm in amending this to 60 days. The Senate has never been involved in mass mailing to boxholders, such as the House. This may be of difficulty in the other body, but I would have no objection to it if the Senator wants an increase in the period of 32 days over the action which we took a few months ago.

Mr. BROCK. I thank the Senator. He points out that the problem with the boxholder frank is with the House and not with the Senate, but I think it is important that we point out the potential for abuse here and, at least for this body, express our desire that every person should have access to the political process and should have, as much as we can guarantee it, full and free opportunity to seek his own election.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

Mr. BROCK. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment of the Senator from Tennessee having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum. There will be no further votes tonight, I will say for the information of Senators.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BROCK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded

The PRESIDING OFFICER. Without objection, it is so ordered

Mr. BROCK. Mr. President, I ask unanimous consent that two members of my staff, Mr. J. V. Crockett and Mr. Jim George, be given access to the floor during the course of debate on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROCK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BROCK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT REFERRAL OF S. 3213 TO COMMITTEE ON FOREIGN RELATIONS AND COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. BROCK. Mr. President, I ask unanimous consent that S. 3213, which I introduced earlier this month, and which was referred to the Committee on Foreign Relations, be jointly referred to that committee and to the Banking, Housing and Urban Affairs Committee. I have discussed this with the acting chairman of the Foreign Relations Committee, who also happens to be chairman of the Banking, Housing and Urban Affairs Committee, and he has expressed his willingness.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. Mr. President, if the Senator will yield, what is the bill about?

Mr. BROCK. This bill would support the establishment of an international economic policy board to advise Congress on matters of international policy.

Mr. JAVITS. As a matter of efficiency, if the bill were referred to both committees, so that either could hold it up, would the Senator want to have it referred seriatim, or to both at the same time?

Mr. BROCK. The chairman of the Banking, Housing and Urban Affairs Committee has indicated that the chairman of the Foreign Relations Committee had no particular interest in this legislation, but he did not want to lose any jurisdictional right, which I fully understand and support.

So may I amend the request to ask that the bill be referred to the Banking, Housing and Urban Affairs Committee?

Mr. JAVITS. I would object to that, because I do not agree with the chairman, with all respect. I think one of our big failures, and other members of the committee are present, such as the Senator from Montana (Mr. MANSFIELD), has been the failure to realize the critical impact on foreign policy of economic policy. I would just as soon the Senator leave it as he has put it.

Mr. BROCK. Would referral seriatim be preferable?

Mr. JAVITS. No; leave it as it is. We have the explanation. Leave it as it is.

The PRESIDING OFFICER. Without objection, the bill will be so referred.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session.

There being no objection, the Senate proceeded to consider executive business.

Mr. MANSFIELD. Mr. President, I yield to the Senator from Kentucky (Mr. COOK).

U.S. COAST GUARD

Mr. COOK. Mr. President, I ask the Chair to have considered sundry nominations in the U.S. Coast Guard which were reported earlier today, and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. (Mr. BENNETT) Without objection, it is so ordered.

The second assistant legislative clerk read the nomination of Rear Admiral William F. Rea III, to be commander, Atlantic area, and Rear Admiral Joseph J. McClelland, to be commander, Pacific area.

The PRESIDING OFFICER. Without objection, the nominations will be considered and confirmed en bloc.

The second assistant legislative clerk read the nominations of the following named officers for promotion to the grade of rear admiral: Rober I. Price, Winford W. Barrow, James P. Stewart, G. H. Patrick Bursley, Robert W. Durfey, and James S. Gracey.

The PRESIDING OFFICER. Without objection, the nominations will be considered and confirmed en bloc.

Mr. COOK. Mr. President, I request that the President of the United States be immediately notified of the confirmation of the nominations.

SENATE
FLOOR DEBATES
ON
S.3044
MARCH 29, 1974

Less portion of amount paid or payable allowable as a deduction for tax purposes (as above and as explained in Note 3 to Schedule 16)	$630,940,712
Balance allowable as a subtraction from provision tax	4,737,366

EXECUTIVE SESSION—TREATY ON EXTRADITION WITH DENMARK, EXECUTIVE U (93D CONG., 2D SESS.)

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the treaty on extradition with Denmark.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, it is so ordered. The clerk will read the resolution of ratification.

The assistant legislative clerk read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty on Extradition between the United States of America and the Kingdom of Denmark, signed at Copenhagen on June 22, 1972 (Ex. U, 93–1).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, it is so ordered.

Under the previous order, the hour of 12 o'clock having arrived, the Senate will now proceed to vote on the resolution of ratification on Executive U, 93d Congress, 1st session, the Treaty on Extradition with Denmark.

The question is, Will the Senate advise and consent to the resolution of ratification? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Iowa (Mr. CLARK), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Maine (Mr. HATHAWAY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Wisconsin (Mr. NELSON), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Texas (Mr. BENTSEN), the Senator from Michigan (Mr. HART), and the Senator from Louisiana (Mr. JOHNSTON) are absent on official business.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK), the Senator from Maine (Mr. HATHAWAY), and the Senator from Ohio (Mr. METZENBAUM) would each vote "yea."

Mr. TOWER. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. FANNIN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from New York (Mr. JAVITS), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), the Senator from Utah (Mr. BENNETT), and the Senator from Virginia (Mr. WILLIAM L. SCOTT) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting the Senator from Vermont (Mr. AIKEN), the Senator from Maryland (Mr. BEALL), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), and the Senator from Pennsylvania (Mr. HUGH SCOTT) would vote "yea."

The yeas and nays resulted—yeas 63, nays 0, as follows:

[No. 98 Ex.]

YEAS—63

Abourezk	Fong	Packwood
Baker	Gravel	Pastore
Bartlett	Gurney	Pearson
Bible	Hansen	Pell
Biden	Hartke	Proxmire
Brock	Haskell	Randolph
Brooke	Helms	Ribicoff
Buckley	Hruska	Roth
Burdick	Huddleston	Schweiker
Byrd, Harry F., Jr.	Humphrey	Sparkman
	Inouye	Stafford
Byrd, Robert C.	Jackson	Stevenson
Cannon	Long	Symington
Case	Magnuson	Talmadge
Church	Mansfield	Thurmond
Cook	McClellan	Tower
Cranston	McClure	Tunney
Curtis	McGee	Weicker
Dole	McGovern	Williams
Domenici	McIntyre	Young
Dominick	Metcalf	
Eagleton	Nunn	

NAYS—0

NOT VOTING—37

Aiken	Fulbright	Mondale
Allen	Goldwater	Montoya
Bayh	Griffin	Moss
Beall	Hart	Muskie
Bellmon	Hatfield	Nelson
Bennett	Hathaway	Percy
Bentsen	Hollings	Scott, Hugh
Chiles	Hughes	Scott, William L.
Clark	Javits	
Cotton	Johnston	Stennis
Eastland	Kennedy	Stevens
Ervin	Mathias	Taft
Fannin	Metzenbaum	

The PRESIDING OFFICER (Mr. NUNN). On this vote the yeas are 63 and the yeas 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

LEGISLATIVE SESSION—FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session and will resume consideration of the unfinished business, S. 3044, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. Under the previous order, the Senator from North Carolina (Mr. HELMS) is recognized to call up amendment No. 1071, on which there is a limitation of 30 minutes.

AMENDMENT NO. 1071

Mr. HELMS. Mr. President, I call up Amendment No. 1971.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Strike out everything after the enacting clause and insert in lieu thereof the following:

COMPLETE DISCLOSURE OF ALL CONTRIBUTIONS AND EXPENDITURES

SECTION 1. (a) Section 301 of the Federal Election Campaign Act of 1971 (relating to definition) is amended—

(1) by striking out "in an aggregate amount exceeding $1,000" in subsection (d);

(2) by inserting in subsection (e) (1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(3) by striking out in subsection (e) (1) "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee (including a payment made or an obligation incurred by a corporation or labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, does not constitute a contribution by that corporation or labor organization), or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office";

(4) by amending subsection (a) (3) to read as follows:

"(3) funds received by a political committee which are transferred to that committee from another political committee;" and

(5) by striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure'—

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal

office, or to the office of Presidential and Vice Presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office;

"(2) means the transfer of funds by a political committee to another political committee;

"(3) means a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure; and

"(4) means any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by that corporation or labor organization."

(1) by striking out "in excess of $10" in subsection (b);

(2) by striking out "in excess of $10," in subsection (c)(2); and

(3) by striking out beginning with "in excess of $100" through "exceeds $100" in subsection (d).

(c) Section 303 of such Act (relating to registration of political committees; statements) is amended—

(1) by striking out "in an aggregate amount exceeding $1,000" in subsection (a);

(2) by striking out beginning with "or, if later" through "in excess of $1,000" in such subsection; and

(3) by striking out "in an aggregate amount exceeding $1,000" in subsection (d).

(d) Section 304 (relating to reports by political committees and candidates) is amended—

(1) by striking out "in an aggregate amount or value in excess of $100," each place it appears in paragraphs (2), (5), and (9) of subsection (b); and

(2) by striking out "in excess of $100" each place it appears in paragraphs (7) and (10) of such subsection.

(e) Section 305 of such Act (relating to reports by others than political committees) is amended by striking out "in an aggregate amount in excess of $100 within a calendar year".

IMMEDIATE DISCLOSURE OF LAST MINUTE CONTRIBUTIONS AND EXPENDITURES

SEC. 2. The last sentence of section 304(a) of the Federal Election Campaign Act of 1971 (relating to reports by political committees and candidates) is amended to read as follows: "Such reports shall be complete as of such date as the supervisory officer may prescribe, which shall be not less than five days before the date of filing, except that any contribution received or expenditure made during the period beginning ten days before the date of the election and ending on the date of the election shall be reported within twenty-four hours after such contribution or expenditure is received or made, respectively.".

DISCLOSURE BY CANDIDATE OF KNOWN INDEPENDENT CONTRIBUTIONS AND EXPENDITURES

SEC. 3. Section 305 of the Federal Election Campaign Act of 1971 is amended by designating the first paragraph thereof as subsection (a) and by adding at the end thereof the following new subsection:

"(b) A candidate who knows of such a contribution or expenditure by such a person shall include the identity of such person and amount of such contribution or expenditure in the statements he files under section 304."

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, on Tuesday, I submitted an amendment to S. 3044, the Federal Election Campaign Act Amendments of 1974. Basically, this amendment in the nature of a substitute calls for full disclosure of all campaign contributions from every source, and of all campaign expenditures.

Additionally, this amendment plugs up a loophole in the 1971 Federal Election Campaign Act regarding the reporting of contributions made immediately prior to election day.

Under the 1971 act as it now stands, section 304 requires that each treasurer of a political committee shall be required to report receipts and expenditures on the 10th day of March, June, and September; on the 15th and 5th days immediately prior to the general election; and on the 31st of January immediately after the election. Under this section, the report which must be filed must be complete as of 5 days prior to the date of filing. This works well for all filing dates except one: That is the reporting date 5 days before the election.

On that date, a report must be filed for all contributions received since the last reporting period, the date of filing for which is 15 days prior to the election. Since the "5-day" report must be filed 5 days prior to the election but must include only those contribuitons received at a period ending 10 days before the election, there is a time lag of 10 days before the election when no reporting of campaign contributions need be made, with one exception: That exception, as laid out in section 304(a), states that any contribution of $5,000 or more received after the last report is filed—5 days before the election—must be reported within 48 hour of its receipt.

While this provision attempts to cover the disclosure of large last-minute contributions, it is obviously inadequate. For example, if a large contribution, more than $5,000 let us say, were given to a campaign committee coming under the purview of the 1971 act, and this money were given 9 days prior to the election, it would go unreported until the January 31 reporting date, long after the election. If the main purpose of disclosing political campaign contributions is to let the public know who supports a candidate and to whom that candidate may be beholden after an election, then the 1971 act does not do the job. As it now stands, the 1971 act leaves a 5-day period of limbo between the closing date for the last filing period prior to the election and the filing date itself, when large contributions over $5,000 must begin to be reported within 48 hours of receipt.

To clarify this further, let me use exact dates, such as will be encountered by campaign treasurers during the upcoming election campaigns this fall. Under the 1971 act, there is a filing date 15 days prior to the election, or on October 21; and one 5 days prior to the election, or on October 31. The report due on October 31 must be complete as of October 26, or 10 days prior to the election, and covers contributions received since the last filing—which was due on October 21, or 15 days before the election, and covered contributions received by October 16.

All contributions received after October 26 will be reported on January 31, 1975, except for those contributions received after October 31 which were in excess of $5,000. There is a 5-day period between October 26 and October 31 when any large contribution can be received and go unreported until January 31, long after the election and of no help to the public in their determination of which candidate they desire to vote for.

Mr. President, what my amendment in part does is to end this inequity in the law. By requiring that all contributions received and expenditures made within the 10-day period prior to the election be reported within 24 hours of their receipt, this glaring loophole in the 1971 act effectively is plugged up. Such a provision will go a long way in restoring public confidence in the election process: for example, much of the alleged last-minute "vote buying" would be curtailed by public exposure or else brought to the public's attention.

The fundamental principle of this amendment is to require that all contributions and expenditures be fully disclosed to the public so that each citizen will have full knowledge of where every dollar which supports a particular candidate comes from and where it goes. This amendment, as a substitute for the public financing and other provisions of S. 3044, avoids serious constitutional questions that have been raised about the provisions of S. 3044 which limit campaign expenditures and limit the amount of money that any individual may give to a candidate. S. 3044's restrictions on an individual's freedom of political expression raises the doubt in my mind as to whether the legislation will stand the test of the Constitution. A recent district court ruling (*ACLU, Inc.* v. *W. Pat Jennings*, 366 F.S. 1041, U.S.D.C., D.C., Nov. 14, 1973) already has brought into question limitations on the manner in which money may be spent on media advertising. This case is only the first in a long line of attacks that I see coming, and all for good reason: such limitations —not only on media spending, but also on the size of contributions—are an infringement on constitutional freedoms guaranteed by the first amendment.

Mr. President, amendment No. 1071 to S. 3044 gives the American people true reform in the financing and conducting of Federal elections. It is a realistic and needed reform measure, based on full disclosure and the plugging of a bad loophole in the existing Federal Election Campaign Act of 1971. Further, Mr. President, this substitute amendment, if enacted into law, will stand the test of the courts and the Constitution.

Mr. President, there is one further provision in amendment number 1071 to S. 3044 to which I want to address myself. Too often, political candidates receive support from groups not directly connected with their campaigns but which nonetheless provide assistance to them. I speak here not only of so-called soft money contributions from powerful labor union bosses that we hear so much about these days; but also, I speak of the

aid provided by other organizations, formed for the specific purpose of rallying support around a particular candidate by rallying support for a particular issue which he espouses, thereby evading the letter and the spirit of the 1971 Act. Amendment 1071 takes care of these groups also by requiring that they report their expenditures made on behalf of a candidate; and further, by requiring that each candidate who has knowledge of any contribution made to him shall report the contribution and the person making it. This, in effect, places the burden on the candidate and his committee to report the receipt of "soft money" contributions, aid from issue groups, et cetera.

Mr. President, we will never have campaign reform with public financing. Competition for campaign dollars and voter support, with full disclosure of where all of the money came from and is going, is the way to have fair and honest elections. Take away the competition, as public financing will do, and you take away constitutionally guaranteed rights of expression, you encourage candidates to be unresponsive to the people, and you effectively destroy that which you only meant to reform.

Mr. President, I ask unanimous consent to have printed in the RECORD a table which demonstrates how my amendment would close the 5-day loophole.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

HELM'S AMENDMENT CLOSES 5-DAY LOOPHOLE

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1. October	2	3	4	5.
6	7	8	9	10	11	12.
13	14	15	16. Closing date for report due 15 days before election.	17	18	19.
20	21. Filing date for report due 15 days before election.	22	23	24	25	26.[1] Closing date for report due 5 days before election.
27[2]	28[2]	29[2]	30[2]	31.[2] Filing date for report due 5 days before election.	1. November	2.
3	4	5	6	7	8	9.
10	11	12	13	14	15	16.

[1] Also date when reporting of contributions more than $5,000 must be made within 48 hours.
[2] The 5-day gap when large contributions can come in unreported until Jan. 31, after the election is from Oct. 27 through Oct. 31.

Other filing dates under sec. 304(a) of the Federal Elections Campaign Act of 1971 are as follows: Mar. 10, 1974; June 10, 1974; Sept. 10, 1974; Jan. 31, 1975.

Mr. HELMS. Mr. President, I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 2 minutes. I do not think that a frivolous amendment such as this deserves more than 2 minutes time in response.

I wish to say to my colleagues that all this does is knock out public financing; it knocks out the central campaign committee which many people feel is important; and it knocks out the Federal Election Commission which would be in this act. Furthermore, it requires complete disclosure of every penny of contributions. If a person makes a 25-cent contribution, there would be $1 worth of paperwork to do the filing and reporting of the terms and provisions of this proposal.

We have a rather full disclosure provision in S. 372. The distinguished Senator from Rhode Island and many other Senators spent a lot of time on that matter, helped in its passage, and it was passed by the House. But this amendment would require absolute disclosure of the name, address, and principal place of business of every person making every contribution. He could not pass the hat at a political gathering. He could not send out a solicitation by mail and have people send in $1 or $2 in contributions without having to spend more than he actually received to carry out the reporting provision.

Again I say to my colleagues that if they are opposed to the bill as it is now, vote for this amendment because all it is intended to do is to kill the bill as now written.

Mr. President, I am prepared to yield back my time.

Mr. HELMS. Mr. President, I would like to propound a question to the distinguished Senator from Nevada. Does the Senator agree that the loophole I described in the present act does exist?

Mr. CANNON. I am sorry. I did not hear the description of the so-called loophole. If the Senator will describe it to me, I shall be glad to respond.

Mr. HELMS. Between the 10th day before election day and the 5th day before election day, as the law stands now, it is wide open. Candidates can do anything they want without the public knowing what is going on because no report is required in that period until January 31 of the following year. Further, under existing law, in the final five days before election day, contributions over $5,000 must be reported within 48 hours. That is a loophole. This means that anything under $5,000 does not have to be reported, if contributed during the final 5 days of the campaign.

Second, it means that the days before the election, 10 through 6, are the big holes because nothing is required to be reported until January 31.

Third, the final days, 5 through 1, are only partially covered that is, the 48 hours' reporting requirement.

Mr. CANNON. I would be happy to respond to the Senator. Under existing law, if a person receives $5,000 it must be reported within 48 hours. If the candidate received a campaign contribution of $5,000, 54 hours before the election he has to file the complete report on it.

Under this bill the Senator is saying this this is a loophole; under this bill he cannot receive a contribution of $5,000.

Mr. HELMS. Oh, yes he can.

Mr. CANNON. The amount he can receive from any one person is $3,000. There is still the 5-day reporting under the terms of this bill. It is $6,000 from the committee but $3,000 is the maximum from an individual. We adopted the $6,000 amendment yesterday so that a committee could give the same as a husband and wife, who together can give $6,000. But one individual can only give $3,000 under the terms of this bill as it stands now, and the filing is required 5 days before the election.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. BAKER. Mr. President, will someone yield me 30 seconds to ask a question?

Mr. HELMS. I yield to the Senator from Tennessee.

Mr. BAKER. Is it lawful under the present bill or under the amendment as proposed by the Senator from North Carolina to contribute anything during those 5 days before the election?

Mr. CANNON. Is it lawful to do so? Yes.

Mr. BAKER. When is that reported?

Mr. CANNON. There is a reporting period. It is not necessary to report before the election because the committee determined that between the 5 days and the election it is really a bookkeeping process that cannot be reported and publicized in that time. But the dangers of the big contributions have been taken out of the present bill. This is where the last minute big contributions entered into it in previous periods of time. This was an important loophole.

Mr. BAKER. It still is. I am not convinced that a way could not be found through the proliferation of committees to make possible a great many $5,000 contributions.

I have an amendment I will call up later which would place a prohibition on the receipt of any campaign contributions at all, say 10 days before the election, so there will be full disclosure before election day.

May I ask one question of the Senator from North Carolina?

Mr. HELMS. I am delighted to yield.

Mr. BAKER. Do I understand the Senator's amendment removes the limitation on contribution?

Mr. HELMS. No, it does not address itself to limitation. It specifies what will be reported. But it leaves the limitations as they are.

Mr. BAKER. I do not think it makes much difference. I am not sure how I am going to vote on this amendment, but I want my colleagues to know that there is another amendment coming up which would make it unlawful to receive contributions a certain number of days before the election.

Mr. PASTORE. Mr. President, will the manager of the bill yield for a question?

Mr. CANNON. I yield.

Mr. PASTORE. Is not the main thrust of the amendment which is presently being considered to do away with public financing?

Mr. CANNON. Yes.

Mr. PASTORE. That is the main thrust of the amendment. The other part is a sweetener, and I think if it is to be considered at all, it ought to be considered separately. The main thrust of the amendment is to knock out public financing. That is another way of getting around the so-called Allen amendment that was defeated.

Mr. HELMS. One of the main thrusts of the amendment is indeed to prevent putting the burden of campaign expenses on the backs of the taxpayer. The Senator is correct, but that is just one of the thrusts of the amendment. There is nothing devious about it. I think I have been as frank and open about this amendment as I can be. If Senators want to put the burden of financing political campaigns on the taxpayers, that is, of course, their prerogative. If they want to leave this gap, where hanky-panky will continue, that is their business, but I am unalterably opposed to it. But, the Senator is correct; this amendment will prevent both. Senators may vote their wishes on the matter.

Mr. PASTORE. I have not accused the Senator of any deviousness. I am merely saying the main thrust of the amendment is to do away with public financing. That is the main thrust of it. I think we ought to know that.

Mr. HELMS. That is one of the thrusts of it. There was no attempt to digress. I am opposed to public financing of political campaigns. There is no question about that. This amendment improves the reporting of contributions provisions.

Mr. ROBERT C. BYRD. Mr. President, will the manager of the bill yield me 1 minute?

Mr. CANNON. I yield 1 minute to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, is the order to vote on the Weicker amendment on Monday at 3 p.m.?

The PRESIDING OFFICER. Approximately.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. I ask unanimous consent that the vote on the Weicker amendment occur at 3 p.m. on Monday, and that immediately following the disposition thereof, the Bellmon amendment (No. 1094) be called up, on which there is a time limitation, and that on the disposition of amendment No. 1094 by Mr. BELLMON, amendment No. 1095 by Mr. BELLMON be called up, and that upon disposition of amendment No. 1095 by Mr. BELLMON, amendment No. 1081 by Mr. BUCKLEY be called up, and that there be a time limitation on the Buckley amendment of 1 hour, to be equally divided and controlled in accordance with the usual form.

These requests have been cleared on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CLARK), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Maine (Mr. HATHAWAY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Wisconsin (Mr. NELSON), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Texas (Mr. BENTSEN), the Senator from Michigan (Mr. HART), and the Senator from Louisiana (Mr. JOHNSTON) are absent on official business.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Ohio (Mr. METZENBAUM) would each vote "nay."

Mr. TOWER. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. FANNIN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from New York (Mr. JAVITS), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), the Senator from Virginia (Mr. WILLIAM L. SCOTT) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Ohio (Mr. TAFT) would each vote "nay."

On this vote, the Senator from Maryland (Mr. BEALL) is paired with the Senator from Oregon (Mr. HATFIELD). If present and voting, the Senator from Maryland would vote "yea" and the Senator from Oregon would vote "nay."

The result was announced—yeas 20, nays 43, as follows:

[No. 99 Leg.]

YEAS—20

Baker	Dominick	McClure
Bartlett	Fong	Nunn
Bennett	Gurney	Roth
Buckley	Hansen	Talmadge
Byrd, Harry F., Jr.	Helms	Thurmond
Curtis	Hruska	Tower
	McClellan	Weicker

NAYS—43

Abourezk	Hartke	Pearson
Bible	Haskell	Pell
Biden	Huddleston	Proxmire
Brooke	Humphrey	Randolph
Burdick	Inouye	Ribicoff
Byrd, Robert C.	Jackson	Schweiker
Cannon	Long	Sparkman
Case	Magnuson	Stafford
Church	Mansfield	Stevenson
Cook	McGee	Symington
Cranston	McGovern	Tunney
Dole	McIntyre	Williams
Domenici	Metcalf	Young
Eagleton	Packwood	
Gravel	Pastore	

NOT VOTING—37

Aiken	Fulbright	Mondale
Allen	Goldwater	Montoya
Bayh	Griffin	Moss
Beall	Hart	Muskie
Bellmon	Hatfield	Nelson
Bentsen	Hathaway	Percy
Brock	Hollings	Scott, Hugh
Chiles	Hughes	Scott, William L.
Clark	Javits	
Cotton	Johnston	Stennis
Eastland	Kennedy	Stevens
Ervin	Mathias	Taft
Fannin	Metzenbaum	

So Mr. HELMS' amendment (No. 1071) was rejected.

Mr. TOWER. Mr. President, I ask unanimous consent that Dorothy Parker of Senator FONG's staff be accorded the privilege of the floor during the consideration of S. 3044.

The VICE PRESIDENT. Without objection, it is so ordered.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILL

A message in writing from the President of the United States was communicated to the Senate by Mr. Heiting, one of his secretaries, and he announced that on March 27, 1974, the President had approved and signed the act (S. 2315) to amend the minimum limits of compensation of Senate committee employees and to amend the indicia requirements on franked mail, and for other purposes.

LEGISLATIVE PROGRAM

Mr. TOWER. Mr. President, I ask unanimous consent that I be recognized out of order to engage in a colloquy with the distinguished Senator from West Virginia concerning the further business of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. TOWER. I would simply like to ask the Senator from West Virginia what he can project for us in the way of remaining Senate business today, and, in addition to the Monday orders, what he might anticipate throughout next week.

Mr. ROBERT C. BYRD. Mr. President, in response to the distinguished Senator's inquiry, I have endeavored, on both sides of the aisle, to inquire as to whether or not there are other amendments which we do not already know about that could be called up this afternoon. I find that there are no Senators who are ready to call up further amendments this afternoon, with the exception of the Senator from Kentucky (Mr. HUDDLESTON), who has an amendment on which there is a time limitation of 30 minutes, and there is every indication that the distinguished manager of the bill will accept the amendment, in which case there may not be a rollcall vote on that amendment.

In that event, there will be no more rollcall votes today. An amendment by the Senator from Connecticut (Mr. WEICKER) will be laid down today, but the distinguished author of that amendment wishes to talk at some length on it, and consequently there will be no vote on that amendment today.

The Senate will then adjourn until Monday at noon. After two special orders on Monday of 15 minutes each, there will be routine morning business until 1 o'clock, at which time the Senate will resume the consideration of the Weicker amendment, with a vote to occur on that amendment after 2 hours of debate, at 3 p.m.

Following the vote on the Weicker amendment, the Senator from Oklahoma (Mr. BELLMON) has two amendments on each of which there is a 30-minute limitation, and they will be taken up in succession, with yea and nay votes thereon, at the conclusion of which a Senator, I believe Mr. ROTH—or rather, I am informed, Mr. BUCKLEY—has an amendment on which there is a 1-hour limitation, and there will be a rollcall vote on that amendment.

So as it looks from here, there will be at least four rollcall votes on Monday.

Mr. TOWER. Can the Senator project what our business is likely to be beyond Monday? I am trying to get his overview of the entire week, if that is possible, to the extent that the distinguished Senator from West Virginia knows.

Mr. ROBERT C. BYRD. The principal thing would be—and I have discussed this with the distinguished majority leader—that the Senate will continue with the consideration of the unfinished business, with no-fault insurance waiting in the wings at some point, and the education bill coming along also. So we have three difficult pieces of legislation which will require some time for the Senate to complete. A busy week lies ahead.

Mr. TOWER. I thank the Senator from West Virginia.

Mr. President, I ask unanimous consent that the order to take up the amendment of the Senator from New Mexico (Mr. DOMENICI) be vacated.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, the Senator from Idaho has an amendment that he will present, probably on Monday, and I am hopeful that perhaps the distinguished Senator from Nevada will accept it. It will not take much time, but we do have an amendment.

Mr. ROBERT C. BYRD. May I ask the distinguished Senator from Washington, is there any possibility that that amendment could be called up today?

Mr. MAGNUSON. Well, I do not know that he is here. He can if he wants to. But we can do it, I think, very quickly; it will not take over 5 minutes on Monday.

Mr. ROBERT C. BYRD. In the event he would want to take it up today, if it is acceptable and can be handled by voice vote, he can do it either today or Monday.

Mr. MAGNUSON. I want to suggest also that we would all like to proceed on the no-fault measure as soon as possible, but it may not be quite ready for taking up in the Senate the early part of next week. It might be later in the week, because it will be a big, complex bill, and there will be a lot of amendments and a lot of debate on it.

Mr. ROBERT C. BYRD. Yes.

Mr. MAGNUSON. We all understand that. But I wanted to give notice that the Senator from Idaho has an amendment. I have talked with the authors of the bill; I talked briefly with the Senator from Nevada, and I am hopeful that over the weekend they will accept that amendment.

Mr. ROBERT C. BYRD. Very well.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1114

The VICE PRESIDENT. Under the previous order, the Senator from Kentucky (Mr. HUDDLESTON) is recognized to call up an amendment, on which there is to be a vote in 30 minutes at the latest.

Mr. HUDDLESTON. Mr. President, I call up my Amendment No. 1114.

The VICE PRESIDENT. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HUDDLESTON'S amendment (No. 1114) is as follows:

On page 25, beginning with line 10, strike out through line 14 and insert in lieu thereof the following:

SEC. 201. (a) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a) is amended—

(A) by inserting "(1)" immediately after "(a)";

(B) by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively; and

(C) by adding at the end thereof the following new paragraphs:

"(2) The obligation imposed by the first sentence of paragraph (1) upon a licensee with respect to a legally qualified candidate for any elective office (other than the offices of President and Vice President) shall be met by such licensee with respect to such candidate if—

"(A) the licensee makes available to such candidate not less than five minutes of broadcast time without charge;

"(B) the licensee notifies such candidate by certified mail at least fifteen days prior to the election of the availability of such time; and

"(C) such broadcast will cover, in whole or in part, the geographical area in which such election is held.

"(3) No candidate shall be entitled to the use of broadcast facilities pursuant to an offer by a licensee under paragraph (2) unless such candidate notifies the licensee in writing of his acceptance of the offer within forty-eight hours after receipt of the offer."

Mr. HUDDLESTON. Mr. President, the purpose of the amendment is quite simple: To insure that every legally qualified candidate has an opportunity to present his views.

In order to do that, I am seeking to amend section 201(a) of the reported bill.

The purpose of section 201(a) of S. 3044, as reported, is to encourage broadcast stations to schedule debates or discussion programs featuring the major candidates for a particular office. The requirement that all candidates for the same office be given equal time when there are numerous candidates, some of a "minor" nature, has proven to be a significant deterrent to this type of programing. To the extent that the revision proposed by the committee promotes joint broadcast appearances, including debates by major candidates, it is highly desirable.

However, as written, it is subject to great abuse that could be detrimental to the election process and to the public interest. It would, for instance, permit each broadcast station to be sole judge of which candidates could use its facilities. A station could give one candidate an unlimited amount of free time while severely limiting or denying his opponents any use at all. Some candidates could be totally precluded from any broadcast exposure.

As a broadcast station owner and manager for some 20 years, I believe that the vast majority of the Nation's broadcasters would be scrupulously fair in providing all candidates an opportunity to use their facilities. Yet the possibility for the above mentioned abuses does exist as the revision is presently contained in section 201(a) of S. 3044.

Therefore, my amendment would permit the automatic waiving of the equal time requirement of section 315 of the Communications Act of 1934 for Presidential and Vice Presidential races—but

for other elections it could be waived only if the broadcast station offers 5 minutes of free time to all candidates seeking the same office.

In my judgment, the requirement of 5 minutes of time for each candidate for a particular office, even if there are several, would not be such an onerous burden on the broadcast station as to preclude the scheduling of debates or discussions with the leading candidates and at the same time would insure that every candidate would have at least a minimal opportunity to present his views.

Again, calling on my experience as a broadcaster, I am convinced that this modification is in the best interest of the election processes, the broadcast industry, and most importantly, the general public.

Mr. President, I believe the managers of the bill are in general agreement with this proposed amendment. I urge its adoption and reserve the remainder of my time.

Mr. CANNON. Mr. President, may I ask a question of the distinguished author of amendment? Do I correctly understand now that section 315 would be waived with respect to the President and the Vice President?

Mr. HUDDLESTON. That is correct, automatically.

Mr. CANNON. With respect to the other offices, it would be waived only in the event the broadcasters were to give 5 minutes to every candidate or to every major candidate; is that not correct?

Mr. HUDDLESTON. To each candidate running for the same office, not merely major contenders.

Mr. CANNON. To each candidate running for the same office.

May I ask the Senator further, the pending bill relates only to Federal elections. Does the Senator intend by his amendment to extend this beyond Federal elections to elections of a statewide nature for the purpose of section 315?

Mr. HUDDLESTON. That is correct. The only differentiation in the elections in my amendment is the election for President and Vice President. They can be treated legitimately as a separate case because that is a nationwide contest, of course, and they are viewed by all the citizens of this country at the same time. So those two offices would be automatically exempt from the equal time requirements of section 315 of the Communications Act.

Beyond that, all other races whether for Congress, the school board, the Governor, whatever, would be treated the same. A station could be exempted, provided it offered all candidates seeking the same office 5 minutes free time.

The reason I believe it should apply to all levels and not just Federal is that the broadcast stations then would be able to treat all elections in the same way and would not have to keep a separate set of books or regulations for candidates running for the Senate, for Congress, for Governor, or whatever.

Mr. CANNON. But this amendment would impose no requirement on the broadcasters to furnish free time?

Mr. HUDDLESTON. No, sir.

Mr. CANNON. If they furnish free time, they would have to give the time to every candidate?

Mr. HUDDLESTON. That is correct. If they give one candidate free time, then they must offer at least 5 minutes free time to every other candidate seeking the same office.

Mr. CANNON. Would that be on a race-by-race basis? For example, let us suppose a broadcaster determined, in a race for the governorship, that he would give the candidates free time and therefore he would have to give every candidate 5 minutes free time. If that were the case, and there were a candidate running for attorney general at the same time, would he have to, likewise, then give that time to the other candidate?

Mr. HUDDLESTON. No sir, he would not. It would be strictly on a race-by-race basis. He could seek exemption in the race for Governor but not for any other race going on at the same time. The amendment applies to all candidates running for the same office.

Mr. PASTORE. Mr. President, will the Senator from Kentucky yield?

Mr. HUDDLESTON. I yield.

Mr. PASTORE. I have looked at this amendment. As a matter of fact, I have had a talk with the distinguished sponsor of it. It is quite an improvement over the language in the bill as presently drawn. This would exempt it completely from the office of President and Vice President, which is desirable.

As the Senate knows, I have remarked on this a number of times. When I talked to the presidents of the various networks, ABC, CBS, and NBC, they did promise that if we lifted the exemption from section 315, they would be willing to give adequate time to candidates for the Presidency and the Vice Presidency. Everyone knows how expensive that is and what a boon it would be in the campaign, as we are now talking about a limitation of funds.

As to other Federal offices and State offices, there, I am afraid, that if we lifted it completely, we could open up a can of worms because we have many people who feel that in many cases—and this sensitivity has some merit—if we left it entirely to the discretion of the local stations whether radio or television, we would be more or less at the mercy of the owner who could use the medium to his own advantage day after day editorializing on radio and television. There is no objection to editorializing, of course, expressly favoring one particular candidate. But if he could do that day after day and not give the opposition any time, we could be in serious trouble.

That has been discussed on the floor of the Senate for a long time. With this provision, if they give time to anyone, they have to give 5 minutes to all, to that particular office. So I think this is an improvement and I will support it.

Mr. CANNON. Mr. President, on the basis of that explanation, I am willing to accept the amendment.

Mr. TOWER. Mr. President, I have discussed this with the distinguished minority manager, the distinguished Senator from Kentucky (Mr. COOK), and he has authorized me to say that he is prepared to accept the amendment.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

Mr. HUDDLESTON. Mr. President, I yield back the remainder of my time.

The VICE PRESIDENT. All time on this amendment has now been yielded back.

The question is on agreeing to the amendment—No. 1114—of the Senator from Kentucky (Mr. HUDDLESTON).

The amendment was agreed to.

SENATOR BUCKLEY ON CAMPAIGN REFORM

Mr. ROTH. Mr. President, in the most recent issue of the publication, Human Events, the distinguished junior Senator from New York (Mr. BUCKLEY) has presented a clear analysis of the campaign reform legislation which is now being considered on the Senate floor.

After observing that the great system of campaign financing needs reform, Senator BUCKLEY states his belief that any new legislation should encourage, rather than diminish, each citizen's participation in the political process. I concur in my colleague's position and I am pleased that he has expressed his support for my proposal that, as an alternative to "public financing" of elections, the maximum tax credit allowable for a political contribution should be increased to a level which will give each private individual a greater incentive to voluntarily contribute to the candidate of his or her choice.

The detailed responses which Senator BUCKLEY has made to the probing questions presented in this interview deserve the considered attention of every public official who is committed to supporting true "campaign reform" legislation. I urge each of my colleagues to study Senator BUCKLEY's comments and to give them their careful attention throughout the debate on S. 3044 and other legislation designed to reform the conduct and financing of political campaigns.

I ask unanimous consent that the Senator's comments be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

[From Human Events, March 30, 1974]

SENATOR BUCKLEY ON CAMPAIGN REFORM

(NOTE.—*The Senate is scheduled to take up campaign reform legislation this week. The bill under consideration—S 3044—includes, among many changes, a proposal for public financing of campaigns. Sen. Buckley (C.-R.-N.Y.) has made an in-depth study of the entire measure and in the following exclusive interview discusses the numerous practical and constitutional objections to the bill.*)

Q. President Nixon recently made a rather lengthy statement on campaign reform. What was your reaction to his proposals?

A. There were too many proposals included in his package to allow me to give you anything even approaching a definitive answer here, but I will say that I find myself in general agreement with the thrust of his proposals—especially as compared with those included in S 3044, the bill recently reported out of the Senate Committee on Rules and Administration.

The President's proposals seem designed to deal with the problems in our present system, while the Senate bill we will have before us shortly would scrap that system. I would be among the first to admit that our present system of selecting candidates and financing campaigns needs reform, but I am not at all convinced that we should abandon it for a scheme that would diminish citizen participation in politics and, in all probability, would create more problems than it would solve.

Q. S 3044 is the bill that includes public financing of presidential, Senate and House campaigns, isn't it?

A. That's right. The bill that we will soon debate includes provisions that would allow candidates for any federal office to draw on tax funds to finance their campaigns. The system would replace the essentially private system now in effect and would cost the American taxpayer some $358 million every four years.

More importantly, however, this scheme presents us with grave constitutional and practical questions that I hope will be fully debated on the floor of the Senate before we vote.

Q. Why do you object so strongly to public financing?

A. I object because I am convinced that such drastic measures are needed to clear up the problems we confront, because I suspect that the proposals as drawn are unconstitutional and because if implemented they would alter the political landscape of this country in a way that many don't even suspect and very few would support.

Those in and out of Congress who advocate public financing are selling it as a cure-all for our national and political ills. For example. Sen. Kennedy recently went so far as to say that "most, and probably all, of the serious problems facing this country today have their roots in the way we finance political campaigns. . . ."

This statement reminds one of the hyperbole associated with the selling of New Frontier and Great Society programs in the '60s. The American people were asked then to accept expensive and untried programs as panaceas for all our ills.

Those programs didn't work. They were oversold, vastly more expensive than anyone anticipated, and left us with more problems than they solved. Public financing is a Great Society approach to another problem of public concern and like other solutions based on the theory that federal dollars will solve everything should be rejected.

Q. In what ways should public financing "alter the political landscape"?

A. In several very important if not totally predictable ways.

First, under our present system potential candidates must essentially compete for private support, and to attract that support they have to address themselves to issues of major importance to the people who will be contributing to their campaigns and voting for them on election day. Public financing might allow candidates to ignore these issues, fuzz their stands and run campaigns in which intelligent debate on important matters is subordinated to a "Madison Avenue" approach to the voters.

Let me give you a couple of examples. During the course of the 1972 campaign, it is reported that Sen. McGovern was forced by the need for campaign money to place greater emphasis on his support of a Vietnam pullout than his political advisers thought wise. They felt that he should have downplayed the issue and concentrated on others that might be better received by the electorate.

I don't doubt for a minute that the senator's emphasis on his Vietnam position hurt him, but I wonder if we really want to move toward a system that would allow a candidate to avoid such issues or gloss over positions of concern to millions of Americans.

The need to court the support of other groups creates similar problems. Those who believe that we should maintain a friendly stance toward Israel, for example, as well as those who think a candidate should support union positions on a whole spectrum of issues want to know where a candidate stands before they give him their vocal and financial support. The need to complete for campaign dollars forces candidates to address many issues and I consider this vital to the maintenance of a sound democratic system.

Second, millions of Americans now contribute voluntarily to federal, state and local political campaigns. These people see their decision to contribute to one campaign or another as a means of political expression. Public financing of federal general election campaigns would deprive people of an opportunity to participate and to express their strongly held opinions.

They would still be contributing, of course, since the Senate proposal will cost them hundreds of millions of dollars in tax money. But their participation would be compulsory and would involve the use of their money to support candidates and positions they find morally and politically reprehensible.

Third, the proposal reported out of the Senate Rules Committee, like similar proposals advanced in the past, combines public financing with strict limits on expenditures. These limits must, on the whole, work to the benefits of incumbents, since they are lower than the amount that a challenger might have to spend presently in a hotly contested race if he wants to overcome the advantages of his opponent's incumbency.

Fourth, the various schemes devised to distribute federal dollars among various candidates and between the parties has to affect power relationships that now exist. Thus, if you give money directly to the candidate you further weaken the party system. If you give the money to the national party, you strengthen the national party organization relative to the state parties. If you aren't extremely careful you will freeze out or lock in minor parties. These are real problems with significant policy consequences that those who drew up the various public financing proposals tended to ignore.

Public financing will have two significant effects on third parties, neither desirable. In the first place, it will discriminate against genuine national third-party movements (such as that of George Wallace in 1968) because such parties haven't had the chance to establish a voting record of the kind required to qualify for financing.

On the other hand, once a third party qualifies for future federal financing, a vested interest arises in keeping it alive—even if the George Wallace who gave it its sole reason for existence should move on. Thus we run the risk of financing a proliferation of parties that could destroy the stability we have historically enjoyed through our two-party system.

Q. You say public financing raises grave constitutional questions. Are you saying that these plans might be struck down in the courts?

A. It is obviously rather difficult to say in advance just how the courts might decide when we don't know how the case will be brought before them, but I do think there is a real possibility that subsidies, expenditure limitations and contribution ceilings could all be found unconstitutional.

All of these proposals raise 1st Amendment questions since they all either ban, limit or direct a citizen's right of free speech.

In this light it is interesting to note that a three-judge panel in the District of Columbia has already found portions of the 1971 act unconstitutional.

The 1971 Act prohibits the media from charging for political advertising unless the candidate certifies that the charge will not cause his spending to exceed the limits imposed by the law. This had the effect of restricting the freedom both of individuals wishing to buy ads and of newspapers and other media that might carry them and, in the opinion of the D.C. court, violated the 1st Amendment.

Q. But Senator, according to the report prepared by the Senate Rules Committee on S 3044, it is claimed that these questions were examined and that the committee was satisfied that objections involving the effect of the legislation on existing political arrangements were without real functions.

A. I can only say that I must respectfully disagree with my colleagues on the Rules Committee. The committee report discusses a number of compromises worked out in the process of drawing up S 3044, but I don't think these compromises do very much to answer the objections I have raised.

The ethical, constitutional and practical questions remain.

The fact is that the ultimate impact of a proposal of this kind on our present party structure cannot be accurately predicted. S 3044 may either strengthen parties because of the crucial control the party receives over what the committee calls the "marginal increment" of campaign contributions, or it may further weaken the parties because the government subsidy is almost assured to the candidate, thereby relieving him of substantial reliance on the "insurance" the party treasury provides. One can't be sure and that alone should lead one to doubt the wisdom of supporting the bill as drawn.

As for third parties, the effect of the bill is equally unclear. It does avoid basing support for third parties simply on performance in the last election and thus "perpetuating" parties that are no longer viable. But the proposal does not deal, for instance, with the possibility of a split in one of the two major parties—where two or more groups claim the mantle of the old party.

Q. Senator Buckley, advocates of public financing of federal election campaigns claim that political campaigning in America is such an expensive proposition that only the very wealthy and those beholden to special interests can really afford to run for office. Do you agree with this claim?

A. No, I do not.

First, it is erroneous to charge that we spend an exorbitant amount on political campaigns in this country. In relative terms we spend far less on our campaigns than is spent by other democracies and, frankly, I think we get more for our money.

Thus, while we spent approximately $1.12 per vote in all our 1968 campaigns, the last year for which we have comparative figures, Israel was spending more than $21 per vote. An index of comparative cost of 1968 reveals that political expenditures in democratic countries vary widely from 27 cents in Australia to the far greater amount spent in Israel. This index shows the U.S. near the bottom in per vote expenditures along with such countries as India and Japan.

Second, I think we should make it clear that the evidence suggests that most contributors—large as well as small—give money to candidates because they support the candidate's beliefs, not because they are out to buy themselves a congressman, a governor or a President. Many of those advocating federal financing forget this in their desire to condemn private campaign funding as an evil that must be abolished.

Anyone who has run for public office realizes that most of those who give to a campaign are honest public-spirited people who simply want to see a candidate they support elected because they believe the country will benefit from his point of view. To suggest otherwise impresses me as insulting to those who seek elective office and to the millions of Americans who contribute to their campaigns.

I don't mean to imply that there aren't ex-

ceptions to this rule. There are dishonest people in politics as there are in other professions, but they certainly don't dominate the profession.

Q. But doesn't the wealthy candidate have a real advantage under our current system?

A. Oh, he has an advantage all right, but I'm not sure it's as great as some people would have us believe.

I say this because I am convinced that given adequate time a viable candidate will be able to attract the financial support he needs to get his campaign off the ground and thereby overcome the initial advantage of a personally wealthy opponent. And I am also convinced that a candidate who doesn't appeal to the average voter won't get very far regardless of how much money he throws into his own campaign.

My own campaign for the Senate back in 1970 illustrates this point rather clearly. I was running that year as the candidate of a minor party against a man who was willing and able to invest more than $2 million of his family's money in a campaign in which he began as the favorite.

I couldn't possibly match him personally, but I was able to attract the support of more than 40,000 citizens who agreed with my positions on the issues. We still weren't able to match my opponent dollar for dollar—he spent twice as much as we did—but we raised enough to run a creditable campaign, and we did manage to beat him at the polls.

At the national level it is just as difficult to say that money is the determining factor and the evidence certainly suggests that personal wealth won't get a man to the White House. If it were the case that the richest man always comes out on top, Rockefeller would have triumphed over Goldwater in 1964, Taft over Eisenhower in 1952 and neither Nixon nor Stevenson would ever have received their parties' nominations.

What I'm saying, of course, is that while money is important it isn't everything.

Q. Wouldn't public financing assist challengers trying to unseat entrenched congressmen and senators who have lost touch with their constituents?

A. I don't like to think of myself as overly cynical, but neither am I naive enough to believe that majorities in the House and Senate are about to support legislation that won't at least give them a fair shake.

The fact is that most of the "reforms" we have been discussing work to the advantage of the incumbent—not the challenger. The incumbent has built-in advantages that are difficult to overcome under the best of circumstances and might well be impossible to offset if the challenger is forced, for example, to observe an unrealistically low spending limit.

Incumbents are constantly in the public eye. They legitimately command TV and radio news coverage that is exempt from the "equal time" provisions of current law. They can regularly communicate with constituents on legislative issues, using franking privileges. Over the years they will have helped tens of thousands of constituents with specific problems involving the federal government. These all add up to a massive advantage for the incumbent which may well require greater spending by a challenger to overcome.

Q. What kind of candidates will benefit from public financing?

A. Any candidate who is better known when the campaign begins or is in a position to mobilize non-monetary resources must benefit as compared to less-known candidates and those whose supporters aren't in a position to give them such help.

This is necessarily true because the spending and contributions limits that are an integral part of all the public funding proposals I have seen even out only one of the factors that will determine the outcome of a given campaign. Other factors therefore become increasingly important and may well determine the winner on election day.

Thus, incumbents who are usually better known than their challengers benefit because experience has shown that a challenger often has to spend significantly more than his incumbent opponent simply to achieve a minimum degree of recognition.

In addition, consider the advantage that a candidate whose backers can donate time to his campaign will have over one whose backers just don't have the time to donate. In this context one can easily imagine a situation in which a liberal campus-oriented candidate might swamp a man whose support comes primarily from blue collar, middle-class workers who would contribute money to their man, but don't have time to work in his campaign.

Or consider the candidate running on an issue that attracts the vocal and "independent support of groups that can provide indirect support without falling under the limitations imposed by law. The effectiveness of the anti-war movement and the way in which issue-oriented anti-war activists were able to mesh their efforts with those of friendly candidates illustrates the problem.

David Broder of the Washington *Post* noted in a very perceptive analysis of congressional maneuvering on this issue that most members seem to sense that these reforms will, in fact, help a certain kind of candidate. His comments on this are worth quoting at length.

". . . [T]he votes by which the public financing proposal was passed in the Senate had a marked partisan and ideological coloration. Most Democrats and most liberals in both parties supported public financing; most Republicans and most conservatives in both parties voted against it.

"The presumption that liberals and Democrats would benefit from the change is strengthened by the realization that money is just one of the sources of influence on a political contest. If access to large sums is eliminated as a potential advantage of one candidate or party by the provision of equal public subsidies for all, then the election outcome will likely be determined by the ability to mobilize other forces.

"The most important of these other factors are probably manpower and publicity. Legislation that eliminates the dollar influence on politics automatically enhances the influence of those who can provide manpower or publicity for the campaign.

"That immediately conjures up, for Republicans and conservatives, the union boss, the newspaper editor and the television anchorman—three individuals to whom they are rather reluctant to entrust their fate of electing the next President."

Q. You indicated a few minutes ago that public financing will cost the American taxpayer hundreds of millions of dollars and that many Americans might be forced to give to candidates and campaigns they find repugnant.

A. That's right; it is estimated that the plan envisioned by the sponsors of S 3044 would cost nearly $360 million every four years and other plans that have been discussed might cost even more.

Necessarily, this will involve spending tax dollars, extracted from individuals for the support of candidates and causes with which may of them will profoundly disagree. The fundamental objection to this sort of thing was perhaps best summed up nearly 200 years ago by Thomas Jefferson who wrote: "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical."

Q. But won't this money be voluntarily designated by taxpayers participating in the check-off plan that has been in effect now for more than two years?

A. Not exactly. As you may recall, the check-off was originally established to give individual taxpayers a chance to direct one dollar of their tax money to the political party of their choice for use in the next presidential campaign.

When it was extended by the Congress last year, however, the ground rules were changed so that this year taxpayers are not able to select the party to which their dollar is to be directed. They are simply allowed to designate that the dollar should go into the Presidential Election Campaign Fund to be divided up at a later date. Thus, while the taxpayer may still refrain from participating he may well be directing his dollar to the opposition party if he elects to participate.

A theoretical example will illustrate this. Let us assume that two candidates run in 1976 and that the money to be divided up amounts to $10 million dollars. Half of this would go to each candidate, but let us further assume that 60 per cent of this money or $6 million is contributed by Democrats. Under this set of circumstances a million Democrats would unwittingly be contributing to the campaign of a candidate they don't support and for whom they probably won't vote.

If S 3044 passes things will get even worse. During the first year only 2.8 per cent of the tax-paying public elected to contribute to the fund. This disappointing participation was generally attributed to the fact that it was difficult to elect to participate. Therefore this year the form was simplified and a great effort is being made to get people to participate.

As a result about 15 per cent of those filing appear to be participating and while this increase seems to warm the hearts of those who have plans for this money it will not raise nearly enough money to finance the comprehensive plan the sponsors of S 3044 have in mind.

Therefore they have found a way to increase participation. Under the terms of S 3044 the check-off would be doubled to allow $2 from each individual to go into the fund, but the individual taxpayer will no longer have to designate. Instead, his $2 will be automatically designated for him unless he objects. This is a scheme designed to increase participation reminiscent of the way book clubs used to sell books by telling their members they would receive the month's selection unless they chose not to. As I recall, Ralph Nader and his friends didn't like this practice when book clubs were engaged in it and one can only hope that they will be equally outraged now that Uncle Sam is in the act.

But S 3044 goes further still. If enough people resist in spite of the government's efforts to get them to participate, the Congress will be authorized to make up the difference out of general revenues. So, after all is said, it appears that the check-off is little more than a fraud on the taxpayer.

This to me is one of the most objectionable features of this whole scheme. It is an attempt to make people think they are participating and exercising free choice when in fact their choices are being made for them by the government.

Q. If there are problems and you can't support public financing, just what sort of reform do you favor?

A. I said earlier that I prefer the general thrust of the President's message on campaign reform as compared to the direction represented by S. 3044. The President, unlike the sponsors of the Senate legislation we will soon be debating, seems to grasp the problems inherent in any overly rigid regulation of individual and group political activity in a free society.

We have to recognize that any regulation of political activity raises serious constitutional questions and involves limitations on the freedom of our citizens. This has to be kept in mind as we analyze and judge the

various "reform" proposals now before us. Our job involves a balancing of competing and often contradictory interests that just isn't as easy as it might appear to the casual observer.

Thus, while we are called upon to do what we can to eliminate abuses, we must do so with an eye toward side effects that could render the cure worse than the disease.

I happen to believe rather strongly that this is the case with public financing and with proposals that would impose arbitrary limits on campaign spending and, thereby, on political activity.

The same problem must be faced if we decide to limit the size of individual political contributions. In this area, however, I would not oppose reasonable limits that would neither unduly discriminate against those who wish to support candidates they admire or give too great an advantage to other groups able to make substantial non-monetary contributions.

The least dangerous form of regulation and the one I suspect might prove most effective in the long run is the one which simply imposes disclosure requirements on candidates and political committees. The 1971 Act—which has never really been tested—was passed on the theory that major abuses could best be handled by full and open disclosure.

The theory was that if candidates want to accept sizable contributions from people associated with one interest or cause as opposed to another, they should be allowed to do so as long as they are willing to disclose receipt of the money. The voter might then decide if he wants to support the candidate in spite of—or because of—the financial support he has received.

The far-reaching disclosure requirements written into the 1971 Act went in effect in April 1972 after much of the money used to finance the 1972 campaigns had already been raised. This money—raised prior to April 7, 1972—did not have to be reported in detail and it was this unreported money that financed many of the activities that have been included in what has come to be known as the Watergate affair.

I feel that the 1971 Act, as amended last year, deserves a real test before we scrap it. It didn't get that test in 1972, but it will this fall. I would hope, therefore, that we will wait until 1975 before considering the truly radical changes under consideration.

On the other hand, there are a few loopholes that we can close right away. It seems to me, for example, that we might move immediately to ban cash contributions and expenditures of more than, say, $100.

But consider the smaller contributor who might want to give to a candidate viewed with hostility by his employer, his friends and others in a position to retaliate. How about the bank teller who wants to give $10 to a candidate who wants to nationalize banks? Or the City Hall employe who might want to give $5 to the man running against the incumbent mayor? What effect might the knowledge that one's employer could uncover the fact of the contribution have on the decision to give? The problem is obvious when we remember that the White House "enemies list" was drawn up in part from campaign disclosure reports.

Still, it is a problem that we may have to live with if we are to accomplish the minimal reform necessary to "clean up" our existing system.

Q. So you believe that "full disclosure" is the answer?

A. Essentially. But I don't want you to get the idea that disclosure laws will solve all our problems or that they themselves don't create new problems. I simply feel that they create fewer problems and are more likely to eliminate gross abuses than the other measures we have discussed.

Q. You say that "full disclosure" laws also create new problems. What kind of new problems?

A. Well, you may recall that Sen. Muskie's 1972 primary campaign reportedly ran into trouble after April 1972 because a number of his larger contributors were Republicans who didn't want it publicly known that they were supporting a Democrat. The disclosure requirements included in the 1971 Act clearly inhibited their willingness to give and, therefore, at least arguably had what constitutional lawyers call a "chilling effect" on their right of self-expression.

These were large contributors with prominent names. Perhaps their decision to give should not be viewed as lamentable in the context of the purpose of the act.

Q. Senator, are there any other "reforms" that you think worthy of consideration?

A. Well, there are a good many proposals being circulated that we haven't had a real chance to discuss, but I'm afraid most of them raise more questions than they answer.

S. 3044 does contain one proposal that might be worth consideration and has, in fact, been raised separately by a number of senators. Under our current tax laws a taxpayer can claim either a tax credit or a deduction for political contributions to candidates, political committees or parties of his choice. The allowable tax credit that can now be claimed amounts to $12.50 per individual or $25 on a joint return and the deduction if limited to $50 or $100 on a joint return.

The authors of S. 3044 would double the allowable credits and deductions. Sen. William V. Roth (R-Del.) has proposed that we go even further by increasing the allowable credit to $150 per individual or $300 for those filing joint returns.

These proposals would presumably increase the incentive for private giving without limiting the freedom of choice of the individual contributor. If any proposal designed to broaden the base of campaign funding is worth consideration I would think this is it.

EXTENSION OF TIME FOR THE SPECIAL COMMITTEE ON AGING TO FILE ITS REPORT

Mr. CHURCH. Mr. President, I ask unanimous consent to move from March 29 to April 30 the date by which the report of the Special Committee on Aging, "Developments in Aging 1973, January–March 1974," shall be submitted.

I am making this request in order to give additional time for the completion of minority views.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE LAND AND WATER CONSERVATION FUND ACT

Mr. ROBERT C. BYRD. Mr. President, at the direction of the distinguished majority leader, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 719, S. 2844.

The VICE PRESIDENT. The bill will be stated by title.

The legislative clerk read as follows:

S. 2844 to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That section 4 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 789), as amended (16 U.S.C. 4001–6a), is further amended as follows;

(a) The heading of the section is revised to read:

"ADMISSION AND USE FEES; ESTABLISHMENT AND REGULATIONS".

(b) The second sentence of section 4(a) is amended to read: "No admission fees of any kind shall be charged or imposed for entrance into any other federally owned areas which are operated and maintained by a Federal agency and used for outdoor recreation purposes."

(c) Subsection (a)(1) is revised to read:

"(1) For admission into any such designated area, an annual admission permit (to be known as the Golden Eagle Passport) shall be available, for a fee of not more than $10. The permittee and any person accompanying him in a single, private, noncommercial vehicle, or alternatively, the permittee and his spouse, children, and parents accompaning him where entry to the area is by any means other than private, noncommercial vehicle, shall be entitled to general admission into any area designated pursuant to this subsection. The annual permit shall be valid during the calendar year for which the annual fee is paid. The annual permit shall not authorize any uses for which additional fees are charged pursuant to subsections (b) and (c) of this section. The annual permit shall be nontransferable and the unlawful use thereof shall be punishable in accordance with regulations established pursuant to subsection (e). The annual permit shall be available for purchase at any such designated area."

(d) Subsection (a)(2) is revised by deleting in the first sentence "or who enter such an area by means other than by private, noncommercial vehicle"

(e) Subsection (a)(4) is amended by revising the first two sentences to read: "The Secretary of the Interior and the Secretary of Agriculture shall establish procedures providing for the issuance of a lifetime admission permit (to be known as the 'Golden Age Passport') to any citizen of, or person domiciled in, the United States sixty-two years of age or older applying for such permit. Such permit shall be transferable, shall be issued without charge, and shall entitle the permittee and any person accompanying him in a single, private, noncommercial vehicle, or alternatively, the permittee and his spouse and children accompanying him where entry to the area is by any other means other than private, noncomercial vehicle, to general admission into any area designated pursuant to this subsection."

(f) In subsection (b) the first paragraph is revised to read:

"(b) RECREATION USE FEES.—Each Federal agency developing, administering, providing or furnishing at Federal expense, specialized outdoor recreation sites, facilities, equipment, or services shall, in accordance with this subsection and subsection (d) of this section, provide for the collection of daily recreation use fees at the place of use or any reasonably convenient location: *Provided*, That in no event shall there be a charge by any such agency for the use, either singly or in any combination, of drinking water, wayside exhibits, roads, overlook sites, visitors' centers, scenic drives, toilet facilities, picnic tables, or boat ramps: *Provided*, however, That a fee shall be charged for picnic areas or boat ramps, with specialized facilities or services: *Provided, further*, That in no event shall there be a charge for the use of any campground not having the following—tent or trailer spaces, drinking water, access road, refuse containers, toilet facilities, and simple

devices for containing a campfire (where campfires are permitted). Any Golden Age Passport permittee shall be entitled upon presentation of such permit to utilize such special recreation facilities at a rate of 50 per centum of the established use fee."

(g) In subsection (b) paragraph "(1)" is deleted; the paragraph designation "2" is redesignated as subsection "(c) RECREATION PERMITS.—"; and subsequent subsections are redesignated accordingly.

(h) In new subsection (d) the second sentence is revised to read: "Clear notice that a fee has been established pursuant to this section shall be prominently posted at each area and at appropriate locations therein and shall be included in publications distributed at such areas."

(i) In new subsection (e) the first sentence is revised to read: "In accordance with the provisions of this section, the heads of appropriate departments and agencies may prescribe rules and regulations for areas under their administration for the collection of any fee established pursuant to this section."

(j) In new subsection (f) the first sentence is revised to read as follows:

"(f) Except as otherwise provided by law or as may be required by lawful contracts entered into prior to September 3, 1964, providing that revenues collected at particular Federal areas shall be credited to specific purposes, all fees which are collected by any Federal agency shall be covered into a special account in the Treasury of the United States to be administered in conjunction with, but separate from, the revenues in the Land and Water Conservation Fund: *Provided*, That the head of any Federal agency, under such terms and conditions as he deems appropriate, may contract with any public or private entity to provide visitor reservation services; and any such contract may provide that the contractor shall be permitted to deduct a commission to be fixed by the agency head from the amount charged the public for providing such services and to remit the net proceeds therefrom to the contracting agency."

SEC. 2. Section 6(e)(1) of title I of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended (16 U.S.C. 4601), is further amended by adding at the end thereof the following:

"Whenever a State provides that the owner of a single-family residence may, at his option, elect to retain a right of use and occupancy for not less than six months from the date of acquisition of such residence and such owner elects to retain such a right, such owner shall be deemed to have waived any benefits under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894) and for the purposes of those sections such owner shall not be considered a displaced person as defined in section 101 (6) of that Act.".

SEC. 3. Section 9 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended (16 U.S.C. 4601–10a), is further amended by deleting in the first sentence "section 6(a)(1)" and substituting "section 7(a)(1)".

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, for the time being, that the Senate go into executive session to consider two nominations for the U.S. Coast Guard.

There being no objection, the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. The nominations for the U.S. Coast Guard, will be stated.

U.S. COAST GUARD

The legislative clerk read the nominations in the U.S. Coast Guard, which had been reported earlier today, as follows:

Rear Admiral Ellis Lee Perry, to be Vice Commandant of the U.S. Coast Guard, with the grade of vice admiral.

Rear Admiral Owen W. Siler, to be Commandant of the U.S. Coast Guard for a term of 4 years, with the grade of admiral.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations are considered and confirmed en bloc.

Mr. TOWER. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, it is so ordered.

AMENDMENT OF THE LAND AND WATER CONSERVATION FUND ACT

The Senate resumed the consideration of the bill (S. 2844) to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on the pending bill, S. 2844, for not to exceed 15 minutes, with 10 minutes to be allotted to Mr. BARTLETT and 5 minutes to be allotted to Mr. BIBLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that Mr. MCCLURE be allowed to speak for not to exceed 15 minutes, out of order, without the time being charged against the time on the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. I thank the Senator from West Virginia.

VIETNAM VETERANS DAY

Mr. McCLURE. Mr. President, the President of the United States has designated today as a national day of recognition of the contributions of the veterans of Vietnam. In conjunction with that observance, we have a delegation in the United States from South Vietnam to pay their tribute and to bring their greetings from President Thieu concerning the contributions of the American fighting men, to the security and the maintenance of South Vietnam.

President Thieu has sent this delegation, which consists of Mr. Pham Do Thanh, who is not only a senator but also the President of the Vietnam Veteran Association; Mr. Buu Thang, Assistant to the Director General of the Central Logistics Agency; and Mr. Le Huu Phuoc, a lawyer in the Court of Saigon.

They presented to me, on behalf of the President of South Vietnam, the proclamation by President Thieu; and I ask unanimous consent that the message from President Thieu be printed at this point in the RECORD.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

MESSAGE OF PRESIDENT NGUYEN VAN THIEU, TO THE AMERICAN VETERANS OF THE VIETNAM WAR, ON THE OCCASION OF THE FIRST VIETNAM VETERANS DAY, MARCH 29, 1974

DEAR FRIENDS: On the occasion of the first Viet Nam Veterans Day, I would like to extend my best personal regards to each and every American who in the past has chosen to make common cause with the Vietnamese people at a dark moment of our history.

Thanks to your noble sacrifice and unselfish determination to stand by a small and struggling nation in its hour of peril, America has proved once again the sterling worth of its commitments and its unshakeable faith in an international order that refuses to condone aggression. This strength and greatness of vision have resulted in a world made much safer after nearly three decades of the Cold War, a world in which the chances of peace are probably greater than at any other time in recent history.

In our case, the aggression from the North, checked only by the sacrifice of countless American, Vietnamese and allied comrades-in-arms, has resulted in an agreement which in spite of its imperfections has nonetheless allowed for the first time the South Vietnamese people to think in terms of reconstruction and development efforts. The Paris Agreement of January 27, 1973, did not merely bring out an honorable conclusion to the direct American involvement in the conflict in our land, it also strengthened the legal bases of the Republic of Viet Nam in its continued struggle for self-defense and freedom in this part of the world.

The army and people of the Republic of Viet Nam are therefore eternally grateful to the American people, especially to its valiant sons, for their past contributions and present continued support; we are confident of the future and vow to consolidate the gains that we all have won together so that the sacrifices you have accepted on our behalf will never be thought to have been made in vain.

In this hour of communion, the people and army of the Republic of Viet Nam also turn our thoughts to the 55,000 Americans who accepted to make the supreme sacrifice of their lives for the cause of freedom in Viet Nam. To them and to the bereaved families of these heroes, we can only incline ourselves in the deepest expression of our respect and gratitude, praying that they rest in

heaven in the happy knowledge that they had contributed no small share to the defense of human dignity on earth.

My final expressions of thanks on behalf of the Vietnamese nation go to the parents, wives, sons and daughters of the millions of Americans veterans who had participated in the conflict in our land, for without their faith and silent acquiescence in the heroism of their men, the Viet Nam War could not have been brought to a successful end. To them and to their beloved husbands and sons, we wish a most memorable Viet Nam Veterans Day.

Thank you and may God bless you all.

NGUYEN VAN THIEU,
President of the Republic of Vietnam.

AMENDMENT OF THE LAND AND WATER CONSERVATION FUND ACT

The Senate continued with the consideration of the bill (S. 2844) to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask for 1 minute, the time not to be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that S. 2844 be temporarily laid aside and that the Senate resume consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHURCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 20, between lines 22 and 23, insert the following:

"(d) No payment shall be made under this title to any candidate for any campaign in connection with any election occurring before January 1, 1976.

Mr. CHURCH. Mr. President, I ask unanimous consent that the name of the distinguished senior Senator from Washington (Mr. MAGNUSON) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, the purpose of this amendment is very plain. There is an element of self-interest, if not conflict-of-interest, for Members of the Senate who are approaching their own campaigns for reelection in 1974 to vote for Federal funding in their campaigns. This amendment would put over until the election of 1976 the public funding provisions of the act, and thus would eliminate any self-serving by Senators who face elections this year.

It is on that basis the amendment is offered, and I hope it will be accepted.

Mr. CANNON. I yield myself 2 minutes.

Mr. President, this is a good amendment. I do not believe that the committee contemplated that if this bill were passed, it could take effect prior to the 1976 elections. While we did not write that specifically into the bill, I would have no hesitancy to accept the amendment, to make clear that it could not apply prior to the 1976 elections. Therefore, I am willing to accept the amendment, and I yield back the remainder of my time.

Mr. CHURCH. I thank the Senator very much. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment is yielded back.

The question is on agreeing to the amendment of the Senator from Idaho.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, there will be no further action on the unfinished business, S. 3044, today.

I ask now that the Senate resume consideration of S. 2844.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE LAND AND WATER CONSERVATION FUND ACT

The Senate continued with the consideration of the bill (S. 2844) to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, at the direction of the distinguished Senator from Nevada (Mr. BIBLE), I ask unanimous consent that appropriate extracts from the committee report be printed in the RECORD in explanation of S. 2844.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

PURPOSE OF BILL

The purpose of S. 2844, as amended, is to amend the Land and Water Conservation Fund Act in order to clarify that Act in several respects relating primarily to user fees on Federal recreation lands.

Public Law 93–81, enacted in August 1973, amended the Land and Water Conservation Fund Act in a manner which was interpreted so as to curtail severely the number of campsites for which user fees may be charged by Federal agencies. S. 2844, as reported, seeks to clarify the situation my detailing those facilities and services for which no fee may be charged while retaining the general criteria for all other facilities.

In addition, the bill makes clear that the Golden Eagle and Golden Age passports allow entry by means other than private, noncommercial vehicle, and may be used by parties entering, for example, on foot, by commercial bus, or by horseback. It also provides that the Golden Age Passport will be a lifetime passport, rather than one which must be reissued annually.

The bill also gives the head of any Federal agency the authority to contract with any public or private entity to provide visitor reservation services and allows the states when utilizing monies from the Land and Water Conservation Fund in connection with land acquisition for state parks to waive the applicability of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 in cases where a landowner elects to retain a right of use and occupancy.

BACKGROUND AND NEED

Historically, the fee program has encountered problems, especially with areas under the jurisdiction of the U.S. Army Corps of Engineers, in connection with the collection of recreation use fees. It was the intent of Congress that recreation use fees should be limited to those facilities which require a substantial investment and regular maintenance and that no recreation use fees should be collected for the use of facilities which virtually all visitors might reasonably expect to utilize, such as roads, trails, overlooks, visitor centers, wayside exhibits, or picnic areas.

The 1973 amendment to the Land and Water Conservation Fund Act was meant to spell out and make clear that Congress does not intend to authorize fees for those facilities or combination of facilities which visitors have traditionally received without charge in Corps project areas.

The Interior Department interpreted this amendment in a way that limited the number of campgrounds for which use fees could be charged by Federal agencies. The effect of this interpretation has been a substantial loss of revenues by the National Park Service, the Forest Service, the Army Corps of Engineers and other agencies which had been collecting campground fees at campgrounds which the Departments felt no longer qualified for fee collection. If not corrected, the total loss has been estimated to be between $7.2 million and $8.2 million per year.

Because of the problems which arose as a result of the enactment of Public Law 93–81 and its interpretation by the Executive agencies, S. 2844 was introduced. The Committee is hopeful that this legislation will rectify the situation and that finally a uniform and equitable fee system on Federal recreation lands can be established.

SECTION-BY-SECTION ANALYSIS OF S. 2844, AS AMENDED

1. Section 1(b) amends the second sentence of section 4(a) of the Land and Water Conservation Fund Act.—This amendment makes it clear that the prohibition on charging admission fees for entrance into areas, other than designated units of the National Park System administered by the Department of the Interior and designated National Rec-

reation Areas administered by the Department of Agriculture, applies only to federally owned areas that are operated and maintained by a Federal agency. Outdoor recreation sites in Federal areas are now leased and are operated and/or maintained by a variety of non-Federal public entities and private, nonprofit associations for a variety of purposes. For example, subsection 2(b) of the Federal Water Project Recreation Act, 79 Stat. 214, 16 U.S.C. § 460l–13(b) (1970), authorizes non-Federal interests to collect entrance and user fees at Federal water project recreation sites in order to repay the separable costs of the project allocated to recreation and fish and wildlife enhancement. This amendment ratifies the administrative interpretation that the prohibition of subsection 4(a) does not apply in such instances. Under the language of the amendment the prohibition of the act would apply to Corps of Engineers areas, for example, only if such areas are both operated and maintained by the Corps. If the area or a site within the area is operated by a non-Federal interest, but maintained by a Federal agency, the prohibition against fee collection would not apply.

2. Section 1(c)—concerns the Golden Eagle Passport. The purpose of this amendment is to allow the use of the Golden Eagle Passport for the purpose of gaining admission to a designated entrance fee area when entry is by some means other than by private, noncommercial vehicle, such as by commercial vehicle, bicycle, horse or foot. This expansion of the coverage of the Golden Eagle Passport is consistent with the policy of reducing the number of, and reliance on, the private automobiles in Federal recreation areas.

In the past the single, private, noncommercial vehicle has been considered to be an adequate device for limiting the number of persons entering an area on one passport. With the recognition of other modes of entry, it is necessary to define the number of persons who can enter on one passport. Accordingly, when entry is by some means other than by private, noncommercial vehicle, the permittee and his immediate family are considered by an equitable and just definition of the class of persons who should be entitled to entry. In order for the permittee's spouse, children or parents to be considered as accompanying the permittee, they must enter at the same time as the permittee enters, and in a physically proximate manner.

With the increasing popularity of motor homes and campaign vehicles, there has been a trend for one family or group to take two motor vehicles to a recreation area. Under the langauge of the amendment, only the permittee and the persons accompanying him in one vehicle would be allowed to enter on the permittee's passport. The persons in the second vehicle would not be covered. Such persons would be required to pay entrance fees just as would any other person not covered by the passport.

The word "permittee" has been substituted for the words "person purchasing" to make it clear that a passport may be utilized by a donee, if the passport is given as a gift. In such instances, the provision concerning the nontransferability of the passport would not be considered applicable until the donee has endorsed the passport. The Committee does not intend the same approach for the Golden Age Passport. Because the passport is issued without charge to qualifying applicants, to allow the passport to be given as a gift might invite abuse of the fee collection system. Accordingly, the provision concerning the nontransferability of the Golden Age Passport should be regarded as applicable from the initial isuance.

In addition, section 1(c) would delete the requirement that the Golden Eagle Passport be sold at post offices. Under the amendment, the Passport would be available for purchase at any designated entrance fee area.

3. Section 1(d) is a conforming amendment, consistent with changes made in the Golden Eagle Passport provision.

4. Section 1(e) concerns the Golden Age Passport. The amendment would change the Golden Age Passport to a lifetime passport so that persons entitled to a passport would not have to reapply each year. This change should also result in administrative savings for the issuing agencies.

It should be noted that, in the first sentence of subsection 4(a)(4), the word "entrance" is changed to admission. This change is to make it clear that for the purpose of gaining admission to designated entrance fee areas, the Golden Eagle Passport and the Golden Age Passport operate in the same manner. In addition, the Golden Age Passport allows the permittee to a 50 percent reduction in established recreation use fees. To further insure that both Passports operate in the same manner, the committee has adopted the same language with respect to which persons are entitled to entry on the Golden Age Passport as was used in the Golden Eagle Passport provision with one exception. That exception concerns the parents of the Golden Age permittee.

The amendment would also limit issuance of the Golden Age Passport to any citizen or person domiciled in the United States who is 62 years of age or older. Under existing legislation, any person qualifies, including foreign visitors, 62 years of age or older applying for the passport. In order for a person to be regarded as domiciled in the United States, he must have a fixed and permanent residence in the United States or its Territories to which he has the intention of returning whenever he is absent.

5. Section 1(f) changes the name of special recreation use fees to recreation use fees. This amendment requires each Federal agency, which furnishes at Federal expense, specialized sites, facilities, equipment or services, to collect daily recreation use fees, in accordance with the criteria set out in section 4(d). The amendment would allow such fees to be collected at the place of use or at any other location which is reasonably convenient to the collecting agency *and* the public. In the case of designated national recreation areas and units of the National Park System, the reasonably convenient location may be the point of entrance into the area in which such sites, facilities, equipment or services are furnished.

The committee wishes to continue to restrict the authority to collect use fees to the use of specialized sites, facilities, equipment, or services. The criteria for determining whether sites, facilities, equipment, or services qualify as specialized shall be whether they involve substantial investment, regular maintenance, presence of personnel, or personal benefit to the user for a fixed period of time. These criteria are deliberately phrased in the disjunctive because the Committee recognizes that each criterion may not be applicable to each use for which a fee would be warranted. For example, a service may merit a fee, even though it cannot normally be said that services involve regular maintenance. On the other hand, a facility may well involve a substantial investment and regular maintenance, but not the presence of personnel.

However, the amendment does attempt to define those sites, facilities, equipment, and services which are *not* to be considered as specialized, and for which therefore, no fees are authorized, whether or not they are used singly or in any combination. Thus, the committee has decided that in no event shall there be a charge for drinking water, wayside exhibits, roads, overlook sites, visitors' centers, scenic drives, toilet facilities, picnic tables or boat ramps—providing that a fee shall be charged for picnic areas or boat ramps with specialized facilities or services. This prohibition on fee collection applies only to Federal agencies furnishing such sites, facilities, equipment or services at Federal expense. Like the use fee provision generally this prohibition does not apply to sites facilities equipment or services, including those specifically enumerated, furnished at non-Federal expense, i.e., those furnished by concessioners, contractors, cooperators or lessees, even though they are furnished on Federal lands.

In a further attempt to define what use fees can be charged for, the committee has established criteria specifying the level of camp-ground development which must be met before a fee can be collected for use of a campsite and adjacent, related facilities. In other words, the campground in which such site is located must have tent or trailer spaces, drinking water, an access road, refuse containers, toilet facilities and simple devices for containing a campfire (where campfires are permitted) in order to qualify for fee collection. The requirement of drinking water will be satisfied by any potable water whether delivered by a man-made device or natural means. Simple garbage cans will suffice as refuse containers. Toilet facilities may be portable or fixed, nonflush or flush. A simple device for containing a campfire may be a simple rock or concrete fire grill. Like the other enumerated amenities such device may be for individual or group use. The requirement for a fire-containing device shall not be deemed applicable where fires are prohibited because of weather or seasonal conditions or other safety considerations.

Consistent with its attempt to spell out what use fees may be charged for, the Committee's amendment further provides that a fee shall be charged for picnic areas or boat ramps with specialized facilities, equipment or services. For instance, if a picnic area has a gas or electric grill, then those who use that site shall be charged a fee.

In summary, it is the committee's intent to have a fixed level of services provided the visiting public before fees will be charged. Absent this minimal level of facilities the public should not be assessed a fee for use of Federal facilities.

The last sentence of subsection 4(b), as amended by the committee, would entitle the Golden Age Passport permittee to use specialized recreation facilities at a rate of 50 per centum of the established use fee. This entitlement applies only to the permittee. Persons accompanying the permittee are not entitled to any reductions where use fees are charged on an individual basis. This provision also does not apply to group use fees. The word "facilities" is used here generally to refer to specialized sites, facilities, equipment, and services, for which a fee is charged. In other words, the permittee is entitled to a 50 percent reduction in daily fees for the use of specialized sites, equipment and services, as well as for specialized facilities.

6. Section 1(g) redesignates subsection 4(b)(2) and 4(c) to clarify that fees may be charged for recreation permits covering such activities as group activities, recreation events, motorized recreation vehicles, and other specialized uses, even though such activities do not involve the use of specialized sites, facilities, equipment, or services, whether by groups or individuals. The establishment and collection of such fees are discretionary, including their establishment on an individual group, or vehicular basis. This clarifies the intent of Congress in enacting Public Law 92–347 and does not change the language of the act.

7. Section 1(h) broadens the redesignated subsection 4(d) so that the notice provision also applies to fees for recreation permits. The language "at appropriate locations" gives the collecting agencies sufficient flexibility so that notice may be posted at locations other than those where the permitted activities take place. Such locations may be, for example, the point of access to the Federal

SENATE
FLOOR DEBATES
ON
S.3044
APRIL 1, 1974

Workmen installing a television surveillance unit had cut out power for a key safety device unbeknownst to the night shift.

Unwittingly, a control rod was pulled out, while the one next to it was already fully withdrawn. An "inadvertent criticality"—an unwanted nuclear reaction—began. After about two seconds, computerized controls cut in with a "scram," the nuclear word for an emergency shutdown.

The incident also caused somewhat of a chain reaction at the Atomic Energy Commission, resulting in an instant memorandum on the situation with a 71-destination routing slip, an investigation and, eventually a $15,000 fine, only the second the agency has ever levied against a nuclear power plant.

ORDER FOR RECOGNITION OF SENATOR HATFIELD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the order, Mr. HATFIELD be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to called the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS TO 1 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 1 p.m. today.

There being no objection, at 12:31 p.m. the Senate took a recess until 1 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HASKELL).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. HASKELL). Morning business is now concluded.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of the unfinished business (S. 3044), which the clerk will state.

The legislative clerk read as follows:

S. 3044, to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The Senate resumed consideration of the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum with the time to be taken out of both sides.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COOK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is amendment No. 1070 to S. 3044. The amendment will be stated.

The amendment No. 1070 is as follows:

On page 2, line 1, strike all through page 86, line 17, and insert in lieu thereof the following:

TIME PERIOD FOR FEDERAL ELECTIONS

SEC. 2. The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—TIME PERIOD FOR FEDERAL ELECTIONS

"FILING DATE

"SEC. 501. (a) No later than the first Tuesday of September preceding a regularly scheduled election, or sixty days preceding a special election, each candidate must file a registration statement with the State Secretary of State or the equivalent State official, in order to be eligible to appear on the primary or election ballot in such State or States. The registration statement shall include—

"(1) the identification of the candidate, and any individual, political committee, or other person authorized to receive contributions or make expenditures on behalf of the candidate in connection with the campaign;

"(2) the identification of any campaign depositories to be used in connection with the campaign;

"(3) an affidavit stating that no collections or expenditures have or will be undertaken in connection with the campaign prior to the filing deadline;

"(4) the identification of the party whose nomination the candidate will seek, or a statement that the candidate will seek to appear on the primary and election ballot as a candidate independent of any party affiliation.

"PRIMARY ELECTION

"SEC. 502 (a) All candidates for Federal elective office shall be nominated by means of a primary election to be held on the first Tuesday of October preceding the election, or thirty days preceding a special election. There shall be only one primary ballot or list of possible nominees for each party and one primary ballot or list for all nonpartisan candidates, and no candidate may appear on more than one such ballot or list. Each voter shall be entitled to vote for candidates from only one ballot or list.

"(b) Qualification of voters, determination of eligible parties, as well as rules and procedures for conducting the primary election shall be the responsibility of the States. Presidential electors and alternates shall be nominated by State political parties.

"PRIMARY ELECTION RESULT

"SEC. 503. The person receiving the greatest number of votes at the primary as a candidate of a party for an office shall be the candidate of the party at the following election: *Provided,* That any candidate who, is the sole candidate for that office at the primary election, or who is only opposed by a candidate or candidates running on the same ballot or list of nominees and is nominated at the primary shall be deemed and declared to be duly and legally elected to the office for which such person is a candidate. Any independent candidate receiving at least 10 percent of the total votes cast for the office for which he is a candidate at the primary, or a vote equal to the lowest vote received by a candidate seeking a party nomination who was nominated in the primary shall also be a candidate at the following election.".

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 3. Section 608 of title 18, United States Code, is amended to real as follows:

"§ 608. Limitations on contributions and expenditures

"(a) No person who is or becomes a candidate, or political committee for such candidate, in a campaign for nomination or in a campaign for election to Federal elective office may, directly or indirectly, in any way whatsoever—

"(1) accept or arrange for any contribution, or expend or contract for any obligation, prior to the filing deadline for the election; or

"(2) accept any cash contribution in excess of $50; or

"(3) accept any contribution, contract for any obligation, or make expenditures not budgeted and reported as provided by section 434 of title 2, United States Code, after a date two weeks prior to the scheduled election date; or

"(4) make expenditures or contributions in excess of $10,000 from his personal funds, or the personal funds of his immediate family, or from such funds being contributed or expended through the use of a third party.

"(b) Any deficit incurred in connection with a campaign for nomination or election to Federal elective office shall constitute a violation of this section, and such deficit shall be paid only by means of contributions received under the supervision of and according to a procedure which shall have the prior approval of the Comptroller General.

"(c) Violation of the provisions of this section is punishable by a fine not to exceed $1,000, imprisonment not to exceed one year, or both.".

SEC. 4. Title 18, United States Code, is amended by adding the following sections:

"§ 614. Contributions by political committees

"Political committees shall not make any contribution to any candidate, political committee, or other campaign for Federal elective office: *Provided,* That such committees may administer or solicit contributions, so long as such contributions are given directly by the initial contributor to a candidate or political committee.

§ 615. No more than one political committee

"A candidate may establish no more than one political committee, which shall be in such candidate's own name: *Provided,* That the name of the committee, as well as the name of its chairman and treasurer, shall be filed with the Comptroller General immediately upon its formation; and should such a committee be established, all contributions received or expenditures made in connection with the campaign for nomination or election to Federal elective office shall be received or made by such committee and not by the candidate.".

REPORTS

SEC. 5. Section 434 of title 2, United States Code, is amended to read as follows:

§ 434. One report by political committees or candidates

"(a) Each treasurer of a political committee supporting a candidate or candidates for Federal elective office—or each candidate, should such candidate not establish a political committee—shall file a report with the Comptroller General two weeks prior to a scheduled election date for such candidate or candidates.

"Contents of Reports

"(b) The report shall be cumulative, shall report with respect to any activity in connection with the candidacy, and shall disclose—

"(1) the full name and social security number of each person who has contributed to the campaign, together with the amount of such contributions;

"(2) the full name and mailing address of each person to whom a debt or obligation is owed;

"(3) the full name and mailing address of each person to whom expenditures have been made, together with the amount of such expenditures;

"(4) the total sum of all contributions received;

"(5) the total sum of all expenditures; and

"(6) the total sum of all debts and obligations.".

PENALTIES

SEC. 6. (a) Section 444 of title 2, United States Code, is amended to read as follows:

"§ 441. Penalties for violations

"Any person who violates any of the provisions of this subchapter shall be fined in an amount at least equal to three times the amount of any monetary violation, or, in the case of nonmonetary violations, such amount as will satisfy the provisions of this subsection. The moneys collected from the fine shall be spent by the violator for general publication or transmission, to the widest possible extent in the geographical area in which the campaign or election was held, of at least the content of the Comptroller General's findings. The means of such transmission or publication shall be determined by the Comptroller General, and shall require the complete expenditure of the fine, unless the Comptroller General determines that a lesser amount, determined by him, will achieve complete publication and transmission of the nature of the violation. An additional fine may be levied if the Comptroller General shall determine that, due to the nature of the violation, an additional amount is needed to properly publish the violation.".

(b) Title 18, United States Code, is amended by adding the following section:

"§ 616. Penalties for violations

"Any person who violates any of the provisions of this subchapter shall be fined, in an amount at least equal to three times the amount of any monetary violation, or, in the case of nonmonetary violations, such amount as will satisfy the provisions of this subsection. The moneys collected from the fine shall be spent by the violator for general publication or transmission, to the widest possible extent in the geographical area in which the campaign or election was held, of at least the content of the Comptroller General's findings. The means of such transmission or publication shall be determined by the Comptroller General, and shall require the complete expenditure of the fine, unless the Comptroller General determines that a lesser amount, determined by him, will achieve complete publication and transmission of the nature of the violation. An additional fine may be levied if the Comptroller General shall determine that, due to the nature of the violation, an additional amount is needed to properly publish the violation.".

COMPTROLLER GENERAL

SEC. 7. The Federal Election Campaign Act of 1971 is amended by inserting the words "Comptroller General" wherever the words "supervisory officer" appear. The Comptroller General shall make such rules or regulations as may be necessary or advisable for carrying out the provisions of this Act: *Provided*, That any rules or regulations so promulgated shall be published in the Federal Register not later than December 31, 1975.

EFFECT ON STATE LAW

SEC. 8. The provisions of this Act, and of rules or regulations promulgated under this Act, preempt any provision of State law with respect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301(c)).

PARTIAL INVALIDITY

SEC. 9. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 10. The provisions of this Act shall become effective on December 31, 1975.

Mr. WEICKER. Mr. President, a parliamentary inquiry. Is it necessary that the amendment be read?

The PRESIDING OFFICER. The amendment has been called up. It is not necessary that it be read.

Mr. WEICKER. Mr. President, I ask unanimous consent that Messrs. Field, Mihalec, Dotchin, and Baker of my staff be permitted access to the floor during debate on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, will the Senator from Connecticut yield me 5 minutes?

Mr. WEICKER. I am happy to yield 5 minutes to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes.

Mr. ALLEN. Mr. President, I thank the distinguished Senator from Connecticut for yielding time to me. I shall support his amendment, but the purpose of asking for the time now is to comment on two amendments that I will send to the desk after I have concluded my remarks, that would change the matching formula on primary races and would change the substantive provisions on general election races as to House and Senate races.

There has been considerable conjecture and argument as to whether the bill is an incumbent's bill or a challenger's bill, that is, whether it is weighted in favor of the incumbents or weighted in favor of the challengers.

The Senator from Alabama feels that if one side or the other should be favored, it should be the challengers on account of certain built-in advantages that the incumbents do have. So in order to remove any doubt about whether the challengers or the incumbents are favored, I have prepared two amendments, one dealing with the primaries of House and Senate Members and the other dealing with general elections of House and Senate Members.

The first amendment would have to do with primaries, and under the provisions of the bill the Federal Treasury would match dollar for dollar the contributions up to $100 received by the various candidates for the House and the Senate, and there would be equal matching.

The amendment I am offering as to primaries, as to incumbents it would match only one-half of matchable contributions, whereas for challengers it would match fully, that is dollar for dollar the contributions received by challengers. In other words, the Federal Government would match only one-half of the private contributions, private eligible contributions for incumbents but would match all of the eligible contributions received by challengers.

In the second amendment, in general elections, whereas the bill provides that the Federal Government would pay a subsidy of 15 cents per person of voting age in the congressional district or in the State, as the case might be, whether Congressman or Senator, the amendment would provide that only one-half of that amount would be paid to an incumbent, whereas the full subsidy in the general election would be paid to a challenger.

Under these provisions there would be no doubt but what this would give the challenger a break and would offset some of the built-in advantages an incumbent would have.

I believe it is necessary to make some distinction between a challenger and an incumbent as to the amount of the Federal subsidy that is given to the challenger and an incumbent. I believe these amendments, if adopted, would remove some of the built-in advantages an incumbent has in races, both in primaries and and in the general election.

Mr. President, I submit these amendments and I ask that they be printed and lie on the table, to be called up at a later date.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

Mr. ALLEN. Mr. President, I yield back the remainder of my time. I thank the distinguished Senator from Connecticut.

Mr. WEICKER. Mr. President, it is my intention to ask for the yeas and nays on the amendment. I will not do so at this time but certainly as we draw closer to hour of 3 o'clock I would appreciate it if we might get a sufficient number of Senators in the Chamber to assure the yeas and nays.

Mr. President, the amendment before the Senate is in the nature of a substitute to the bill. Some of the features of the bill are incorporated, so far as tightening up finance procedures during a campaign, yet the principal thrust of the bill as it relates to our election procedures is not only different from any proposed in the bill but completely different from our common practices so far as the selection and election of candidates within our present political system.

First, I wish to try to set a tone for what I advocate by saying I do not doubt in any way the desire to reform our campaign practices so far as the proponents of S. 3044 are concerned by the members of the committee, the Senator from Nevada (Mr. CANNON) and others who have led the way, the Senator from Massachusetts (Mr. KENNEDY), and organizations such as common cause. I believe very much in their desire for reform and their desire to set straight that which appears to have been done wrong, as brought forth by various bodies during the past year.

Yet it seems to me the problem is far bigger than any individual abuse of campaign finances and it just cannot be resolved in the normal way. Rather we have

to take a careful look at our political procedures and relate back to the abuses that have taken place. So I intend to argue vigorously for my way to achieve reform, and it in nowise is meant to discredit those who have another way of going about the same business.

First let us relate to the bill, if we might, and go over the various aspects of that bill and what they intend to accomplish. Then, I would like to spend most of my time discussing the principles involved.

SECTION 1

Page 1 of S. 3044 is retained, thereby keeping the title of the act as the "Federal Election Campaign Act Amendments of 1974". Everything else in the original bill is deleted.

SECTION 2

This section it titled "Time Period for Federal Elections," which indicates the main purpose of the section—to cut down the length of campaigns. This has two objectives: First, to save money; and second, to make campaigns more palatable and reasonable.

This is done by adding a new title—title V—to the "Federal Election Campaign Act of 1971." The first section of the new title sets up a filing date:

On the first Tuesday of September, or 60 days before a special election, all candidates must file a registration statement, containing:

Name of the candidate. Names of any person or committee authorized to accept or spend money.

Names of any campaign depositories.

An affidavit swearing that no money has been collected or spent prior to the first Tuesday in September.

Name of the party of the candidate, or that the candidate will run as an independent.

The second section of the new title V sets up a procedure for one, and only one, primary to select nominees for the election itself.

First. All nominees would be selected through this direct primary, including Presidential, senatorial, and congressional nominees.

Second. The primary date would be the first Tuesday in October.

Third. A candidate could only run for one party's nomination.

Fourth. Voters could only vote for one party's slate of possible nominees.

The qualification of voters, parties, and the procedures for conducting the primary would be handled by the States, which is the same as it is handled presently. No primary runoff.

In summary, the second section means that the people, not some circus-like convention, would select candidates. It would prevent the so-called cross-over vote, which often distorts primaries—voters have to choose one party primary to vote in. It also allows independents to participate in determining who the final candidates shall be.

The third section of the new title V says simply that the nominee selected by the primary shall be the candidate receiving the greatest number of votes from his party's voters.

No runoffs, with their attendent expenses and added campaigning.

The incentive is clearly for the parties to bring their support behind a reasonable number of possible nominees, to avoid excessive fragmentation of the party's vote. This should, as an offshoot, enhance the role of the party.

This is the essence, and I will get into other aspects of the bill, of change that is considerably different from anything that has been discussed in tackling the financial aspects of the problem that confronts our country today. There really are two problems that relate to the difficulties we have encountered in our campaigns. One, we all would agree, is the cost of those campaigns; and two, is the failure to utilize the entire electorate in the selection and election processes. We all concede that the cost of campaigning in this country has gotten beyond all reasonable bounds.

When President Eisenhower was reelected in 1956 the campaign cost was roughly $8 million. To the best of our knowledge President Nixon's 1972 campaign cost $72 million. So clearly the cost of campaigns has soared and given impetus to the type legislation presented on the floor of the Senate. I wish to just ask a simple question, or set forth a hypothetical example in the extreme. If the costs of the Presidential campaign were $100,000 would we be turning to the Federal Government to resolve the problem? The answer is "no." So it is not the question of money; it is the amount of money. We use the $72 million almost as a floor rather than trying to tackle it and cut it down.

We concede the expense. And we turn it over to the Government. We do not do anything to reduce the amount. We merely shift it from the private sector to the governmental sector. We shift it from an area of choosing to an area of law, and I do not know of anything that relates to amounts of money spent by the Federal Government that ever went down. It is going to go up. No politician now has to earn his votes or his contributions, he is guaranteed the contributions, and it seems to me all we are leading to there is the subsidization of mediocrity.

The additional fact is that what you have done is shift the burden to all the taxpayers, whether they like it or do not like it.

Probably the most unfortunate of all is that it is an open-ended type of operation. There is no ceiling on it, either insofar as the number of dollars or the number of candidates is concerned.

I grant you that the abuses presented during the past year are considerable and we do need reformation of our spending practices in the political sense, but I do not concede to you that a presidential campaign has to cost $72 million. I do not concede to you that a senatorial campaign in my own State of Connecticut has to cost $1 million. I do not concede to you that a congressional campaign, in my State of Connecticut, has to cost $1 million. I do not concede to you that a congressional campaign, in my State of Connecticut, has to cost $100,000 or $200,000.

I would rather go ahead and see whether we can cut down that cost so it can be appropriately and properly handled as a matter of choice among the public as a whole, rather than become a governmental obligation.

All the bills to date have had some sort of ceiling. They have implied Government financing. What about changing the basic structure of the campaign itself? There is not a man in this Chamber who does not understand that for 2 years—I speak as a Senator—he makes preparation for his election or reelection—2 years. So the process in effect is a 2-year process to those of you in the business, in the know. But certainly insofar as the public is concerned, they know it takes at least 1 year.

What is there in the nature of a man or woman and their ideas that requires 1 year of hammering away on the ears of the electorate in this country? Cannot the job be done in a lesser period of time, and thus cut down the cost of campaigning? The answer is "Yes."

This inevitably brings me to another phenomenon which is occurring at the some time we increase our consciousness of our political spending abuses, and that is the way the electorate itself is changing. In my State of Connecticut in the last reporting period, 13,000 persons were registered as Republicans, 14,000 were registered as Democrats, and 45,000 were registered as independents. So clearly the role of both major parties is declining instead of continuing, and that is not a phenomenon restricted to my State. The latest Gallup poll has shown again a linking up of the voters between each major party is diminishing month by month and year by year.

What are we going to do with people who call themselves Independents? Do they have to choose either the Republican or the Democratic Party? If so, can anyone on the floor tell them why they should choose one or the other?

I recently received what I considered to be a rather insulting letter from one of the organizational leaders of my party which asked, "Will you please give three reasons why you are a Republican?" I find it a little difficult as a Senator, and I think Democrats would find it similarly difficult, to answer and give three reasons why one is either a Republican or a Democrat. I think more and more it is the Senators and Congressmen who are giving the image to the party rather than the party which is giving it to Senators and Congressmen and those who serve in an elected capacity.

That is nothing to be afraid of. It indicates a maturity on the part of the American voting public, that the man or woman, their ideas, their principles, are far more important than a label. What does it mean if somebody comes to you and says, "Vote for me. I am a Democrat," or, "Vote for me. I am a Republican"? It means very little. People want logic. They want reasons. They do not want labels. And yet, in a technical sense, I suppose each one is saying, "Well, what we do not want to do is abandon the two-party system. It has served us so well in an administrative sense."

What I have tried to do in the course of this amendment is to provide a machinery which will not do away with the two-

party system but which permits this huge number of voters to come into the system and to participate in the selection process, which is fully as important as the election process. Fifty percent is selection and 50 percent is election.

What is going to happen if the trends that have taken place continue? As the parties get smaller and smaller, fewer and fewer will dictate who the candidates are going to be. Yet I do not accept as a remedy for that the fact that one has to join the Republican Party or the Democratic Party. Rather, I want to give to the voters of the country the opportunity to join in the election process even if they themselves wish to remain aloof from a particular political label.

So on both counts, in view of the abuses that have occurred in the political system, when we shorten the campaign and when we use the primary process, inevitably the cost comes down. By using that primary to allow the independent to vote, the maximum number of people participate in this political process.

I will tell you, Mr. President, we can write every law on the books from this Chamber and across the way, with the signature of the President, and nothing is so effective in a democracy as the numbers of people participating in the election process, insofar as to safeguard everything we hold dear.

Remember this: When this country was founded, a few men of knowledge, a few men of wealth, wrote down the great concepts that we have in our Constitution and our Bill of Rights. America as a whole did not participate in this country. They could not. Either they were ignorant, had no property, or were in peonage—you name it. Just a few men ran the Nation, and they set down those words, those ideals, from which our present democracy has sprung.

I do not think any one of us would refute the fact that even 20 or 25 years ago, if you got a group of people on the sidewalk, perhaps 5 or 10 were in a position to make decisions and know what was going on. Yet today, out of that same group, perhaps everyone except two or three are in a position to make decisions and know what is going on. That is the result of our investment in education. It is the result of our investment in technology. It is a result of the news media having gone ahead and expanded their own capabilities, their own coverage. So that today we truly have a democracy—not just a few of the leaders, not just the news media, not just those in education, who tell the rest of America what is good for the rest of America, but, rather, Americans themselves standing on their own feet, making their decisions.

Unless you understand that—and I now refer to my colleagues in politics, Democrats and Republicans—you are in danger of not being in politics very long. That is the change that has come over America, an America which is not led just by a few, but, rather, one which is a democracy led by all of its people partaking in the decisionmaking process.

That is why the necessity for reform. That is why the primary route rather than the convention. That is why the convention looks sillier and sillier, as a few of the party faithful gather and the rest of America watches that spectacle for that one moment in time when the rollcall takes place, and the platform and all the hullabaloo along with that. Whoever reads it or sees it, except as it comes over television during the convention?

This Nation and its voters are interested in what the individual stands for, his ideas, his principles, what he is going to do, not some great generality buried in a pamphlet which comes to life during a convention and is then promptly forgotten in the usual tradition.

I have said many times during the recent troubles that in the plurality of our institutions lies the strength of this Nation, and anyone that looks to any one of the institutions as being the answer to its problems will fail. All trust and faith in the judiciary, if nothing else, will be a mistake. All trust and faith in the executive will be a mistake—or in the legislative branch, or in the news media.

Rather, it will be in the plurality of our institutions, because our greatest strengths are in those institutions and in the principles of the country.

The same holds true as far as candidates in the election process are concerned. The more people who are in there doing the job, the better the candidates we will have. People have made comments such as, What will 1974 mean to the various parties? In the light of the facts of the past year, my answer is that it is not going to be a great boon to the Democratic Party and it is not going to be a great disaster to the Republicans. The American people are going to look carefully at the candidates of both parties, something we have neglected to do.

What has happened, that has caused Watergate is that people have failed to pay attention to the political process and have failed to pay attention to the exercise of their right to vote. That has come home to them this year. So I think it is the American people who are going to look at the candidates, from whom will come the largest and best group of new officeholders in the Nation's history.

In the plurality and the number of people participating in elections in our Nation's greatest strength. That is a far greater safeguard against fraudulence or corrupt practices than any law which we can write. That is why, to me, the provision of the 60-day direct primary and independent participation in the election process goes to the heart of reform of both areas—the quality of the candidates and the lessening of the role of money in American political campaigns.

I should like now to move over to the section that deals with financing. But one point just before I leave the time element. The point I should like to reiterate is the period of 60 days for filing by a candidate. What politician will tell us that he is engaged in an extensive campaign prior to that date I will tell you, Mr. President, that in my own political style it is better for me to have a long campaign rather than a short one. God has given me physical stamina to do it. But 90 percent of the campaigns do not get revved up until after Labor Day. So in a practical way this does not change anything a great deal.

Filing would be on the first Tuesday in September; the primary on the first Tuesday in October. This includes the national Presidential primary. Then the general election, as has always been the case, would take place on the first Tuesday of November. Sixty days is certainly a long enough time for people to understand the candidates and to evaluate what it is they stand for and what it is they promise.

I might add that from a financial point of view—and this will lead me into my next area of discussion—there would be no collecting of money and no expenditures of money except within those 60 days.

Let me anticipate one of the arguments that may be presented—that this is going to help the incumbents. I cannot devise—and I do not think any other Senator can devise—a system which will have a degree of unfairness in challenging an incumbent. Actually, we all know that an incumbent has many things going for him, even now. Yet incumbents are turned out rather regularly from all offices throughout the country. In some ways, I think that in the election of 1974, it will be the biggest drawback anybody has to be an incumbent. So incumbency is a problem we have to live with.

Am I willing to see to it, for instance, that everybody who is an incumbent has to declare as a candidate on January 1 of an election year? Am I willing to say that he cannot use his franking privilege in a newsletter after February 1 of the election year? Anything to try to make it fair. Anything to put it on an equal footing. Anyway, insofar as financing is concerned, we are talking about 60 days, not a year or 2 years.

Mr. COOK. Mr. President, will the Senator yield?

Mr. WEICKER. I am happy to yield to the Senator from Kentucky.

Mr. COOK. I thank the Senator from Connecticut. As he is aware, the Senate, on June 27, 1973, passed S. 343, a bill introduced by the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) and myself. The bill passed the Senate by a vote of 71 to 25. It provided that no primary in the United States for a Federal office could occur before the first Tuesday in August. The Senator calls for the first Tuesday in October.

We further provided that no national convention—I notice that the Senator has eliminated national conventions, and that could be a blessing to the American television viewer—could occur before the first Tuesday in August. The general election day would remain the same.

I may say to the Senator from Connecticut, I have no great problem with his October date. I have always contended that one of the ways really to cut down on the demand for tremendous sums of money is to shorten the period in which one could campaign. If we establish a Federal primary date for congressional elections, as we certainly have the right to do, we could then bring the dates of this period closer together. We will find ourselves in the position we find ourselves in today.

It is rather strange to me that a Senate seat in the State of California should

cost $7 million or $8 million, or more than that, let us say, in the State of New York. It would seem to me that if we bring the dates closer together, we would eliminate the necessity for the expenditure of such tremendous sums of money.

That bill passed by a vote of 71 to 25 and is now in the House. I must say that I do not know whether the 4-week or 5-week campaign could resolve the problem. I am not saying that it could not.

As the Senator well knows, we do put an expensive burden on the Federal Government in regard to taxpayer expense, unless we have some really strong restrictions on the use of the frank—which I have no objection to doing. I think the Senator knows that. We in the Rules Committee really did not tackle this matter from that point of view.

But I must say that the Senator's arguments are very valid in regard to bringing the dates closer together, shortening the period tremendously. We then find ourselves in a position that we cannot, under any circumstances, call for or justify a tremendous expenditure of funds that we now find candidates feel is necessary to continue a year-long or longer campaign for election to Congress—the Senate or the House.

I commend the Senator from Connecticut for his remarks, because I hope that his argument will dissuade States from making determinations as to who may find himself in a position of filing for a primary—and most of them are Presidential primaries—and finally making a determination as to whether he can make an expenditure in January, or who can establish a basis by which our remarkable friends in the press can start to get the bandwagon rolling, and put things together. I hope that they would be able to dissuade the States from doing that, because we do ourselves tremendous harm in regard to our ability to finance campaigns and raise that kind of money from the public.

One other point, which really does bother us in the bill before us, S. 3044. Although I voted to bring the bill before the Senate, I thought that maybe we had time for an opportunity to finance the campaign. We speak of the large number of independent voters which we now have—and I think that is tremendously helpful—what we do in a way by this bill, and I think the people of the country should understand it and become very aware of it—I have not read it in anything that has come out of Common Cause or any editorials that have said that this is what we must do, and that is that the Constitution does not name any parties.

The Constitution does not say there shall be two parties in the United States. But I am afraid we are looking at a bill that will absolutely build in no more than two parties. I am afraid we are looking at a system whereby we build in, in perpetuity, two major parties in the United States.

Let me give the Senator an example. If, under the election we had the last time, there were two major parties, the Republicans and the Democrats, I give one, for the sake of argument, 50 percent and the other 40 percent. That is, 45 percent of the voters in the country were for one of the two major parties. Therefore, we split the difference, and we allocate to them based on 45 percent.

There is a third party which has a candidate, and that third party candidate had 5 percent. Take the fraction 5 over 45, and it comes out one-ninth. That means we give the Republican Party, in the next Presidential election, $9 million out of the funds, we give the Democratic Party $9 million out of the Federal funds, and we give to the third party $1 million. How can a third party ever become a first or second party in the United States? Are we not building in permanently and forever the two major political parties and saying to the American people "Take your choice"?

I have serious misgivings about this, because nowhere in the Constitution did we say how many parties there shall be in this Nation. Yet, I am afraid that by this bill we may well be doing that. I think we should understand it, and I think the American people should understand it; and I think the American people should also understand—I am not sure they want it this way; if they do, then this is the way we should do it—as we go forward in this effort, and apparently a majority of those on this floor think we should, the consequences of saying, "Here are the two giants, and the third shall always be last."

Because, based on the votes in 1976, the distribution shall be made in 1980, and that means that the two major parties, whatever their percentages are—and a candidate becomes a major if he reaches 25 percent or more, and if he is below he shall always be a minor unless he does not take under this bill, and then he subjects himself to the criticism of the two majors, because he has gone out to try to raise money to make himself equal, in the eyes of the American people, to the candidates of the two major parties.

I think this is something we have got to understand. I thank the Senator for this dialog.

Mr. WEICKER. I thank the Senator from Kentucky. I think it is especially useful to listen to the words of the Senator from Kentucky and understand that simply because he has some reservations about the bill, as indeed I do, it does not mean we are against reform. We just have to start to do our homework in this country, and start facing the fact that we are not about to demagogue this issue.

We all understand the need for reform, but what I am trying to do is come out with something intelligent, that is worthy of the greatest political process ever known to man, rather than just slap a band-aid on to try to make everyone feel good, and then find out we have created something far worse than that which we already have, which is bad enough, and no one is defending it in any way.

I think, as we have listened to the Senator from Kentucky, we have realized that he has pointed out the pitfalls, not because he has anything to gain from private contributors, but because he understands that if indeed there is going to be a cleaning process, and if indeed the voters are to be given a choice, the type of reform we are discussing has to come to pass; otherwise the American people will believe the situation is reform when in fact it will be havoc.

So I commend the Senator for his comments, because I know of his dedication to getting this mess cleaned up. It does not make any difference whether it is his head or my head, we think that we are going to do things right. I think that is basically what the Senator from Kentucky is saying. It is not a question that either of us are going to rely on campaign funds from our own States. That has nothing to do with the debate on this floor. As I said before, it is not simply a case that those who are for the bill as written are for reform, and those who are not are against it. That is not the case at all.

It has got to be clear, from every poll that has been taken, whether in my State or across the Nation, that the American people do not necessarily want to be restricted to the choice of Democrats or Republicans. Otherwise, if the Republicans are doing so badly and the Democrats so well right now, why not just join the Democratic Party?

The fact is that we have gone through two administrations, one of each party, where clearly an excess of power has been turned against the best interests of the people of this Nation, and they have every reason to have a distrust of both parties.

Why should we be subsidized, Mr. President? Why should we not be out there on our own merits, facing the American people, rather than have Federal campaign financing and have our mediocrity and our inattention to detail subsidized by the people of this country?

When we get to the financing areas, the Senator from Kentucky and I can be very much in agreement when it comes to full disclosure, limited contributions, no cash, and all the rest. But there is no point in saying we want the present system. We do not. We want change, but as I say, we want change that is worthy of the institution of Congress, rather than something that is based on temporary emotion.

There are two points I would make in relation to one of the comments that the Senator made. My bill does not eliminate the convention. It does not say a thing about it. Obviously, though, there will be serious debate among the political parties when it comes to the fact that they are just going to meet for the purpose of stating ideas, and so forth. I would imagine that it will have as great an appeal; I imagine that ought to attract the viewing, listening, and reading public as much as anything, but these people will feel, "You are going to take all the appeal away when you eliminate the candidate selection process." But under my amendment, the selection is not going to be done in a convention hall or a smoke-filled room; it will be done across this Nation, with the people of this democracy being the delegates.

We talk about one man, one vote. We have achieved that. Why should it be any the less so when it comes to choosing the

candidates? Why should it be any the less so when it comes to choosing a candidate, so far as one man, one vote is concerned? It should not be. And choosing a platform in October should be the same as going ahead and choosing a candidate.

Just so that no one will come back at me, my State of Connecticut is far in arrears on this whole business. We are one of the few States still operating on the basis of a convention rather than a primary. I have already advocated that we change our laws in our State, and that we eliminate the convention by going to the direct primary.

Now we move into the financing area. As I say, I think it is naturally limited by the 60 days. People can say, "Well, you know, you can go ahead and solicit, and throw an awful lot of money in." The fact is that under my amendment 2 weeks before the election a full report is published, so if somebody has gone in there and thrown a great wad of money in, everybody is going to know about it before the election takes place.

But we are talking about gearing ourselves to the exception. The fact is that 60 days of a political campaign, from the choosing right to the election process, will be one heck of a lot cheaper than what is now roughly a year and a half, really, extending out to two years. It has to be. I cannot give any definite figure, that it will cut it in half or cut it by a quarter; it is just going to cut it substantially, and I think bring it within manageable bounds.

The other aspect of the bill relates to the collection of money. As I have stated, no one can collect money and no one can spend money except within that 60-day period. They have to report their expenditures and their collections 2 weeks before the election.

Now, someone is going to step up and say, "How can we possibly do that?"

What it means is that every candidate has to start right from the first day and keep the books. And why should he not? If he cannot keep his own books, he should not be sent to keep the books of the people of this country, either in the capacity of President or Senator or Representative. Two weeks before the election, everything should be right in place, and then people will know exactly the role the money plays. It will be a self-policing measure, which should do a great favor to all of us in politics, and should go a long way toward eliminating the horrendous deficits which occur in the course of campaigns, and which, again, too many of us spend too much time on, after we are elected.

Point No. 2: it calls for one committee, and eliminates the laundering of funds. In other words, in the case of a personal contribution to one committee, the candidate's name sticks to that contribution, even though the contribution goes from one pot to another. We will not get any laundering of funds. It allows a candidate—I am doing this from memory now—$10,000 in personal money, which brings me to the business of deficits. According to the bill as I have written it, you are not allowed to run on a deficit, or to put it this way, if you have $10,000, use it any way you want to. You can have the deficit any way if you want to, but if there are problems, they will be known, and your breaking of the law will be known to the voters before the election.

I would doubt that anyone would want to find themselves in violation of the law which would be known to the public 2 weeks before the election. Again there is another practical reason for setting this deadline at 2 weeks before election. I will speak for myself so that no one else will "sit on my head," but I know that a good portion of the money I received for my successful campaign in 1970 came to me after I was elected. That I do not consider to be much of a testimony to LOWELL WEICKER. It is a testimony to the seat which he has won, to the power which he has achieved through an election win.

Mr. COOK. Mr. President, will the Senator yield at that point?

Mr. WEICKER. Better let me finish what I am going to say first. What I am talking about is a legal contribution, that comes to all who are elected, but which comes after the election is over and is then put into our campaign. That is wrong. We know it is wrong. To believe in a man or woman and what they stand for is one thing, but to give money afterward, that is merely going ahead and playing the seat. That is not right. It does not lead to healthy politics.

But in my case one-fifth, or fully one-sixth, I believe, of the funds were raised after I was elected. I do not think I am too far off the mark in that situation. That is why the cutoff date in this legislation is 2 weeks before election. You can spend money on those things already committed, but you cannot go ahead and make any new commitments. You cannot go ahead and collect any money, except during those 60 days, which is what we are talking about—46 days of fundraising—the full 60 days being that which applies to campaign spending.

Let me comment on another point brought out by the distinguished Senator from Kentucky. He remarked on the campaign bill we passed last year which now sits over in the House. Many ideas have come to pass since then. As a matter of fact, my bill presented to the Rules Committee then did not include the 60-day provision which I present to the Senate today. What I am saying here is that we need time to generate the best of everyone's thinking and not just to grab the first solution that comes along.

Let me review if I can, in case I have left anything out, that section 3 of the substitute amendments amends the "limitations on contributions and expenditures" that are presently in existence. The proposed law would be as follows:

First. No contributions, or even an arrangement for contributions prior to the first Tuesday in September.

Second. No expenditures on contracts before the first Tuesday in September. No cash over $50.

Third. A cutoff on money 2 weeks before the November election—A candidate can, however, "budget for" his anticipated expenses for the last 2 weeks of the campaign.

Fourth. No more than $10,000 from the candidate's personal funds.

Fifth. No deficits. A deficit would be a criminal violation, and would be known, by the opponent as well as the voters, 2 weeks before election day. To incur a deficit would be to be on public record as in violation of the law, and having to explain this to voters you are asking to give you high public trust—for the protection of creditors, the deficit could be paid off in a proceeding similar to bankruptcy, under the supervision of the Comptroller General.

SECTION 4

Section 4 of the amendments would stop contributions between political committees in a "laundering" sense.

Committees could contribute money. But, it would have to be given in the name of the original donor. This means that the candidates final report will contain the names of people, not organizations. There will be no hiding the true identity of a donor. Committees, such as COPE, could still perform a valid function: Soliciting or administering contributions in the name of an individual donor.

SECTION 5

One political committee. A long overdue, and essential step if the public is to be able to keep track in a practical way, of the candidate's financial activities.

SECTION 5: REPORTS

Vastly simplified over existing law.

First. Only one report, 2 weeks before election day.

Second. Report everything. All money brought in. All money spent, just as any normal business organization is required to do.

Third. The timing of this report will be the greatest deterrent of all against one or a few large contributors from giving such a large amount of money to a candidate. This would happen because such contributions would be known by all voters, before they vote. The candidate is in the position of losing votes, by being clearly obligated to a small special interest—either an individual or a group. There can be no more practical deterrent to excessive contributions than the sanction of losing votes.

SECTION 6

The last section of the amendments I am offering would reform the penalties for campaign financing violations.

This section proposes meaningful penalties.

If a candidate violated financing laws, a fine equal to three times the amount of the violation would have to be paid.

This money would then, under the Comptroller General's supervision, be used to publicize the facts of that violation. It would be exposed in the geographical area in which the election is held.

What greater sanction than to let those who control the fate of an elected official know about his wrongdoing.

Now, Mr. President, that, in essence, is the sum of the amendment and the reforms it proposes.

Now we get to some of the difficulties I have with the present legislation. I cannot think of anything more dangerous than deeply involving the Federal Government in our political elections.

Good heavens, what is it that we have seen that appalls us the most from the revelations of Watergate? It is not the individual guilt or innocence of the various people. It is in the abuse of the tremendous power that the Government has.

The PRESIDING OFFICER (Mr. DOMENICI). All time of the Senator from Connecticut has expired.

Mr. WEICKER. That included the colloquy with the Senator from Kentucky (Mr. COOK) and myself?

The PRESIDING OFFICER. Yes.

Mr. WEICKER. That came from my time?

The PRESIDING OFFICER. The Senator from Connecticut is correct.

Mr. WEICKER. Could I ask the Senator from Kentucky to give me a few more minutes?

Mr. COOK. I yield 5 additional minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 5 additional minutes.

Mr. WEICKER. Mr. President, we have seen the abuse of governmental power in the FBI, the CIA, the military intelligence, and the various law-enforcement agencies—the internal security of the Justice Department. The integrity of these agencies was totally believed. They had a magic name. We did not have to supervise them. They were good enough. They had the right names. They were in the right business—forget it, no accountability was necessary.

But, what did we learn?

We learned that there always has to be accountability, no matter whether it is an individual or an agency.

Today, we are being asked to do the exact samething, that because it is the Federal Government it is all right. For heaven's sake, the Watergate investigation did not for the most part, investigate the private portion of our populous. What has gone wrong has gone wrong in the Federal Government. But we still want to go ahead and give the Federal Government the power to finance, the power to be responsible for the administration of the financing of our political campaigns.

As I said, I am going to go up or down. I hope that the amendment passes. If it does not, it will stand within the next few years, I can assure you, Mr. President, But I am not going to be party to giving the Government with all of its power ,additional power in this area, until the Government can prove itself.

I feel much safer with the American people than I do with the Government on any aspect of it.

I stated at the outset of my talk that in the participation of the American people in the democratic process lies our greatest safeguard against the abuses which occur within the political process.

Mr. President, I would yield now, if I could, to the Senator from Kentucky and I hope that I might be able to get a few minutes time before the vote to summarize my argument.

I should also ask again—I am trying to accommodate myself to the convenience of everyone—but I should like to ask for the yeas and nays and would appreciate it if we could possibly do something along that line as we get closer to the time of the vote. But I want to indicate my feelings now.

Mr. COOK. May I say to the Senator from Connecticut that there will be time remaining I am sure. There will be no problem in yielding him further time.

At this time, I yield 5 minutes to the Senator from Iowa (Mr. CLARK), and if he cares for more time, he may ask for more.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. CLARK. Mr. President, I thank the Senator from Kentucky.

Certainly, the distinguished Senator from Connecticut speaks with great information and authority. His record in the Senate on the Watergate Committee, the courage he has shown on that committee, and the fairness and nonpartisan attitude he has had, makes him one of the most informed Senators on this issue.

I would like to talk just briefly about his amendment. It seems to me that it is weighted too much in favor of the incumbent. Presently, 95 percent of all incumbents in Congress are reelected to office. That was true in the last election, and it has been true for decades. We should be very cautious before passing legislation that will make it even more difficult for challengers to be elected by limiting their camapign time so strictly that, in effect, we limit the challenger's opportunity.

By limiting expenditures in campaigns to 30 days in the case of a primary election and 60 days in the case of a general election, an unknown candidate may not become well enough known to be a serious challenger.

I dislike using myself as an example, but many other Senators could use their experience to make the same point. I remember that about 9 months before my campaign, the political polls showed that I was known by less than one-half of 1 percent of the voters. That may or may not have been the situation with the Presiding Officer, the Senator from New Mexico (Mr. DOMENICI), or the Senator who preceded him as Presiding Officer, the Senator from Colorado (Mr. HASKELL). But none of us had held a Federal office before, and it is inconceivable that we could have become well enough known in 30 days to have won a primary, or in 60 days to have won a general election, or even to be serious candidates. And the same is true of many Members of this body—the campaign of the Senator from Delaware (Mr. BIDEN) is probably another example.

One could go on. With 15 million eligible voters in California, how could a relatively unknown person who wants to run for Congress, become known in 30 days? That is probably not true in Connecticut, which is very much the size of Iowa with about 2 million eligible voters. But we are not legislating for Connecticut or Iowa; we are speaking on behalf of the entire country. I think that even in some of the smaller States a severe time reduction would give a natural advantage that would be difficult if not impossible to overcome.

Some people have made the argument that the campaigns are very short in England. A group of high school students just asked me today why we cannot limit the campaign, as England does. The Senator from Connecticut (Mr. WEICKER) did not raise the point, but it is worth discussing.

The simple fact is that we do not have their system. They have no national election in the sense that we do, nor do they have candidates who run nationwide. They have nothing comparable to a Senate race. The House of Commons constituencies are no more than 100,000, so they can become known more rapidly than in California, for example, where there are 15 million voters, or even in Iowa where there are 2 million voters.

Mr. COOK. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. COOK. Is it not true that the area covered by a candidate is in the vicinity of 1-mile square?

Mr. CLARK. That is correct.

Mr. COOK. One has to understand that the State of Alaska has one Representative and that State is twice the size of Alaska. We have other States with one Representative and it is the responsibility of that Representative to cover that entire territory. That is a pretty big job.

Mr. CLARK. That is correct. One other point to be made is that, in England, candidates run on a party label, and they follow party lines almost exclusively, so the vote is for the party rather than for the individual. Here, we run much more as individuals, and we have to become known in terms of personality and issues. To try to do so in 30 days, or in 60 days in a general election, is virtually impossible.

So there are really only two effective ways a candidate can become known: one is through the media, and the other is person-to-person contact. If this amendment were passed, it would cut down on any extensive person-to-person campaigning. If a candidate had only 30 or 60 days to become known, he would have to do it through the media. There is no State in the United States where a person could come in contact with one one-hundredth percent of the people because there are too many people to contact. So campaigns will become entirely media campaigns.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CLARK. Mr. President, will the Senator yield to me for 2 additional minutes?

Mr. COOK. I yield 2 additional minutes to the Senator.

Mr. CLARK. Mr. President, in conclusion, attractive as the amendment would seem, in the sense that it would limit the time and the expenditures, it would have the effect of virtually assuring the reelection of incumbents, giving them yet another advantage. I know that is not the intent of the amendment, but I think it would be the effect. As we look at the bill now, it does two or three very significant things. It limits the amount that can be accepted to $3,000, and the amount that can be spent to 10 cents in primaries and 15 cents in

general elections. It does away with the corrupting influence of unlimited funding and, at the same time, limits expenditures, giving equality of opportunity to challengers and incumbents so that in general elections they can spend the same amount. That is important.

But if we limit the campaigning time, we will have a bill which insures that 98 or 99 percent of the incumbents are returned to office.

Mr. President, I yield the floor.

Mr. CANNON. Mr. President, I yield myself such time as I may need.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, I agree with the Senator from Connecticut on the philosophical ideas he is trying to get across in this amendment. First, with respect to the limiting of campaigns, I think that the period for campaigning should be shortened. It goes on far too long now. We tried to address ourselves to this in previous legislation. On June 27, 1973, we passed S. 343 by a vote of 71 to 25, which would have limited the period of time campaigns can be conducted, so I am completely in accord on that facet.

Second, with regard to contributions by political committees I see no basic harm in contributions by political committees provided that they are properly regulated. It was not the fact it was a political committee, per se, that engaged in wrongdoing in the so-called Watergate campaign that concerns everyone now. That was not the basic problem. The committees, if they are properly regulated, can contribute, should be able to contribute, and can properly contribute, under such regulations as we prescribe, to assure there are no abuses, just as we propose there not be abuses in contributions of individuals, by full disclosure of those contributions and limiting the amounts, and by providing penalties for contributions in excess of those that could be made. The abuses that were pointed out in the recent elections were for violations of law or taking advantages of loopholes in laws that we propose to correct in the legislation we now have before us and in other legislation that we have heretofore passed. I might say that S. 372 that is now in the House would have corrected and closed a number of loopholes that did occur and of which advantage was taken.

With respect to the provision of no contributions before the final date and none from the time beginning 2 weeks before the election, I might say that an unknown candidate would have no way to find out if he had a possibility of getting contributions sufficient that he could carry on a campaign unless he were able to get the facts prior to the filing date. So if he had to file first and then go out to see if he could get contributions to support his candidacy he might have invested his filing fee unwisely.

With respect to the time beginning 2 weeks before election, everyone knows there are many last-minute occurrences that take place in an election campaign that occur in the last 2 weeks. In many instances it is the responsibility of the candidate to be able to respond to charges that may be made during that period. Charges frequently are made in that period and if he has spent his money and cannot respond by radio, television, or newspaper ads he is deprived of the opportunity to participate fully in that campaign. This would be a very bad mistake. On the point of whether a national primary election should be held on the first Tuesday of November, I do not have any particular feeling one way or the other on that issue.

On the matter of no national conventions, I think if we are going to do away with national conventions, we are doing away with the two-party system. We are almost doing away with the two-party system in this bill, if it is enacted, by the restrictions that are prescribed, because, as the distinguished Senator pointed out earlier, a person who is an unkown would find it almost impossible to campaign and to try to win in either a primary or general election under the terms of this bill.

I know the Senator from Connecticut did not intend it, but I cannot think of a bill which would be more of an incumbent's bill than this bill, were it put into effect, because it just virtually precludes a person who is a nonincumbent, unless he has been a Governor of the State or some other very high public official. It virtually precludes everyone except those in that category from having an opportunity to run successfully.

Mr. President, I oppose the amendment even though it has some features that I do not disagree with completely, but the basic parts of this amendment would destroy the political system as we know it.

I yield 5 minutes to the Senator from New Hampshire.

Mr. COTTON. I thank the Senator.

Mr. President, I, too, am sympathetic with the objectives that the Senator from Connecticut obviously had in mind in drafting his amendment, and I think we all agree that the long, drawn-out process we go through now—from the time of the party conventions, which has more or less been in effect from the day when we had to travel by train, and I do not know whether it would be in the day of the stagecoach—could be speeded up.

But, among other general objections, I think it is inconceivable and entirely unwise to try to nominate all our officers, including the candidates for President, on the same day, and only a matter of 5 weeks before the election. I would have to put in a word for my own State. It is known around the United States that New Hampshire has—and this is true—the first Presidential preference primary. Vermont has one a week later. We have it way back in March. The reason for this is that the second Tuesday in March is the date of all the town meetings—many of you know what the old-fashioned New England town meeting is—and our municipal elections are held then in most of our cities. Therefore, by having the Presidential preference primary on that date, we are assured of getting out a good, representative vote, because people pour out to take care of their local business in towns and they turn out for contested municipal elections.

A large percentage of the voters are out, and when they are there, they register their preference as to who shall be their party's nominee for President of the United States.

I am sure that there are many other States that may have Presidential preference primaries that have selected some date that coincides with some other political contest that is sure to make it easier to get out a good, representative vote.

The saddest thing in this country is the fact that such a small percentage of our people vote.

Furthermore, the fact that Presidential preference primaries are spread over a period of various times in various States means that the various candidates get a chance to go into the smaller States. If it were all on the same day, why, outside of television appearances, nobody would see the leading candidates of either party for the Presidency of the United States except in the big metropolitan areas of New York, Chicago, San Francisco, and Los Angeles. They would not have the opportunity to present themselves and mingle with the people and go from State to State.

Furthermore, and this is most practical, frequently it has been our experience—it must be true in many other States—that we have legal contests as to who has been nominated for Congressman or for Senator in the State, and there is provided an appeal directly to the supreme court of our State. If there is any charge that the law has been violated by a candidate in some grave way, which might even cause his name to be removed from the ballot, there is an appeal of that contested election directly to the supreme court of the State. How in the world would we be able to go through that sort of process under this proposal? We would not know who was the nominee in time even to print the ballots, where ballots are used.

Again, there are many other objections. This substitute has, as I said, a good intent, but it is too much of a good thing. It shortens things up so that it would be extremely difficult to have an orderly process in the nomination of Federal candidates within States, and it would certainly disrupt the Presidential preference primaries. I think many of us hope many more States will nominate in that manner. But the States should still have the right, within reasonable limits—I do not object to shortening the time for the campaign—to provide their own procedure and the right to appeal to the courts if there is a contest on the ground of alleged fraud or anything else concerning the primary election.

I must make it very definite that we in New England, following New Hampshire's example, like to have, every 4 years, our Presidential preference primaries on a day when the people of a State are turning out to perform their local business and thus be sure that we have a large turnout and a large vote, and not have just a small number of people expressing their preference as to who shall be their party's nominee for President of the United States.

I agree with the Senator from Nevada that conventions are not always a pleas-

ing spectacle to people watching television, but if we destroy the conventions, we destroy the two-party system. This would result in all kinds of splinter parties, many having candidates elected by only a minority vote because of the large number of people running in a large number of small party organizations.

There are some other objections. I repeat, I commend the purpose of the amendment, but it goes much too far, and I cannot support it.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Mr. President, will the Senator yield me 5 minutes?

Mr. CANNON. I yield 5 minutes to the Senator from Connecticut.

Mr. WEICKER. I wish my good friend from Iowa were here, so I might comment on, not debate, his statement, because he has the same intensity and feeling about this matter as I do, even though there are some specific points on which we disagree.

But to show what happens under this bill, my campaign ran roughly $625,000 in 1970. Under S. 3044 I could get $767,000 for my campaign.

That is the problem we are confronted with. This is not going to reduce in any way the cost of campaigns. It will go up and up and up. I am sure that my experience will not be dissimilar to that of any other Senator. So if the American people feel that this will cut down the cost of campaigning, they should be told that it will not. The burden will be shifted from those who voluntarily participate in a campaign to every taxpayer in the United States; and when they realize that they will all participate in the cost, it will be "Katy bar the door."

Other factors may be involved. However, cutting down the costs of the campaign will not be the result of this legislation.

Mr. GRIFFIN. Mr. President, will the Senator yield for a clarification of what will happen to the cost of the campaign if the bill goes into effect?

Mr. WEICKER. Mr. President, will the Senator from Nevada yield me additional time?

Mr. CANNON. Mr. President, I yield additional time to the Senator from Connecticut.

Mr. GRIFFIN. Mr. President, did the Senator say anything about the increases in the levels of spending that would occur with respect to races for the House of Representatives under the committee bill?

Mr. WEICKER. No.

Mr. GRIFFIN. Mr. President, I have some figures which I should like to cite for the RECORD. In 1972, according to the statistics available from the Clerk of the House of Representatives 1,010 candidates ran in the primary and general elections for the House of Representatives. They spent a total of $39,959,356.

Against that total of actual expenditures in 1972 in all races for the House of Representatives the Government Accounting Office estimates that the cost of Government financing in House races, if this bill were to pass—would be, not $39 million, but $103,307,988.

Furthermore, it might be of some interest to know that in 1972, 52 percent of the House candidates spent less than $15,000 in their campaign.

Under the committee bill, once the candidate is nominated, he will be entitled to $90,000 for his campaign. Each and every candidate would be entitled to up to $90,000 out of the public treasury, of course, if one candidate is going to spend $90,000, it would be very difficult for his opponent not to spend that much, especially when it is available out of the treasury.

Mr. WEICKER. In addressing comments to my good friend, the distinguished Senator from Iowa——

Mr. CANNON. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. CANNON. The Senator from Michigan did not give a correct figure. He made it appear that a person can get that amount whether he spends it or not. That is not the case. If he does not spend it, he has an obligation to turn that money back into the treasury. He get it only if he elects to go the public financing route. He does not have to go that route.

He has to have made his threshold figure to get any matching at all in the primary race. In that connection, the distinguished Senator from Connecticut mentioned that he got or spent $650,000; but that under the bill he could get $876,000. That is not the case. According to my figures, the Senator from Connecticut would be able to get the maximum of $525,250, because the maximum he could spend is in the primary, and that would be divided by one half the primary figure. So he would really get $105,000 less than that. That would be the maximum he could get with the matching of the figure in the primary and the public financing in the general would be a total of $525,250.

Mr. WEICKER. I have other elements. In a runoff primary the State central committee has the right to spend. Those are my figures, and I think they are correct, based on consultation with various staff members.

Let me get back for a minute to the statement made by the Senator from Iowa, who raised a valid point that is of concern to me. There is no doubt that the factor of incumbency is important. It is an important matter. First of all, the statement was made that the candidate could not become known in 30 days or 60 days. It is true that the political system as we know it, could destroy our system as we know it. The people would not listen to DICK CLARK, for example, until he got within 30 or 60 days of the election. Then they would begin to pay attention.

It is no different when I campaign. I have but a handful of people listening at the beginning, but it is just before the election that large numbers start to listen. We are asking for a major shift among the people themselves. In the last 30 or 60 days, after we have campaigned for a year and a half, do they begin to take notice. Maybe the campaigns of some Senators will be a little better than mine. But the question is whether the people are going to pay attention in the last 30 or 60 days, or whether there will be a gradual buildup in that course of time. I think that proves the point I am trying to make. It is not until a period of 60 days before the general election that people begin to take notice. The distinguished Senator from Iowa said that, just before he left the Chamber.

Let us consider how last-minute occurrences could still be handled. It is possible for a candidate, recognizing his expenses, to plan his campaign to prepare for unfair charges which might be brought against him as he goes into the last weeks of his election campaign. I make no point about the fact that this legislation would overturn the system as we know it. I am afraid nobody listens to us for a whole year. I do not blame them. They figure that maybe 30 or 60 days is enough. So maybe this is an unusual system which makes the time shorter than a year. It relates to what we have got as we go along. It will shorten the campaign to the time from just before Labor Day.

Under this system, the focus of the entire Nation will be on the Federal election. In the final analysis, this system would reduce the amount of campaigning and expense.

The Senator from New Hampshire (Mr. COTTON) has long ago recognized the faults of a convention. His State has a State primary. The candidates go directly to the people. New Hampshire has the wisdom to see that a convention does not take the place of having every man and woman express himself or herself.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. COTTON. That is certainly true. I want to make it plain that my objection was not intended to shorten campaigns to an almost impossible date. I agree with the Senator that under the bill we are piling corruption upon corruption and money upon money. My chief objection to the Senator's amendment is the vice it puts us in by shortening the campaign and making everybody vote on the same day, with only a matter of 4 weeks of campaigning. But I did want to make it plain that I am in accord with him in opposing the bill.

Mr. WEICKER. I thank the Senator from New Hampshire.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. WEICKER. In conclusion, I wish to say that I hope the Senate would lead, not into some esoteric theory, but to changes in the facts of life politically in this country. We as politicians, in the election process, need to communicate with the people who prefer independence to slavish adherence to the present system.

Mr. PASTORE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. WEICKER. I yield myself 2 additional minutes.

Anyone who has achieved political ma-

turity knows that campaigns must guarantee against corruption and against abuses in the financial area or in the areas of power. People will judge us not by how our political parties, Republican or Democratic, are subsidized, but rather by what we say and how we campaign under the system we tolerate and by our own respect for the American people.

I do not for 1 minute mean to impute to the backers of this bill that they are not as anxious for reform as I am. They are. They have so attested in their words and their actions. But no small measure will suffice in these times. Rather, if this democracy is to survive, and it will as long as the people are allowed to go ahead and run it, then artificiality will have to be done away with.

Today we owe our presence here, to too great an extent, not to the Constitution, not to the Bill of Rights, not to the validity of our political system, but rather to artificiality.

I yield back the remainder of my time.

Mr. CANNON. I yield 3 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I hope that the Senate will reject the amendment of the distinguished Senator from Connecticut.

I want to say at the outset that there are parts of the amendment of the Senator from Connecticut, which I think are desirable. Certainly, the overall thrust is desirable, in terms of the shortening of political campaigns. There have been a number of proposals advanced in the Congress to consider the shortening of political campaigns, and to deal with the problem of proliferating primaries. At the national level a proposal has been made by the distinguished Senator from Oregon (Mr. PACKWOOD) for a system of regional primaries. In the House of Representatives by Representative UDALL of Arizona to fix the dates on which primaries may be held. I think it deserves very serious study. The distinguished majority leader has proposed a single national primary. And, in the case of congressional elections, the Senate has already passed a bill, S. 343, that is now before the House, and which is not nearly as drastic as the present amendment.

So I am in sympathy with the direction of the amendment of the distinguished Senator from Connecticut, but I feel that it goes too far in condensing the election period. The amendment would have long-range implications in terms of our election system, and would in many ways go much farther than the proposals in the bill reported out by the Committee on Rules and Administration and managed by the distinguished Senator from Nevada.

First, if the amendment is accepted, we would still be relying upon private financing of campaigns. We would still have that campaign evil, of which all of us have become crucially aware in the course of the Watergate hearings, as well as the revelations from Common Cause about the vast amount of special interest giving that exists today.

Second, this proposal, in spite of the assurances given by the distinguished Senator from Connecticut, would be basically an incumbents' bill. The challenger would have to win a primary in October and then try to familiarize himself to the electorate in time for the November election. That is simply not enough time to do the job.

For these two principal reasons, first because the amendment retains private financing, and second because it is, basically, an incumbents' bill, I believe the amendment should be rejected.

Also, Mr. President, there are two additional points which I think are important. The month of October has a series of Jewish holidays, and the amendment would have an adverse impact on the Jewish participation and involvement of those of the Jewish faith, not only for candidates, but also for others participating in the election system. This issue was debated quite completely in connection with S. 343 last year. Originally, that bill sought to set the general election in October, but because of the impact on the Jewish faith, the bill modified and the November date was retained.

Second, we have the problem where millions of young Americans turning 18 years of age each year might be effectively disfranchised from participating in the primaries. The Senate led the country in enacting the 18-year-old vote proposal, because we thought it was important that the young people participate in the election system. The practical impact of the amendment of the Senator from Connecticut is that many young people, arriving in college towns in early September, might have difficulty in meeting the residence requirements in time to vote in the primary.

We have taken steps in the past to recognize and eliminate some of the hazards and some of the obstacles for young people to participate in election campaigns. I think this measure would provide an unfortunate additional hinderence to that participation.

So, Mr. President, although the thrust of the amendment has value—I think all of us and the American people would like a shorter period of time for campaigns—the impact of the amendment would have too many undesirable effects for the Senate to accept.

Mr. CANNON. Mr. President, I yield 1 minute to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I do not wish to be considered anti-Jewish and anti-young people in proposing my amendment. I concede that if the period from the first Tuesday in October to the first Tuesday in November interferes, that is something that can be worked out as a technical matter.

Second, how many young people participate in the selection of the Democratic or the Republican candidate for President? Very few. They do not have the privilege of sitting in the conventions. So let us make it clear that this amendment gives them a far greater voice in the election process than the present system. They not only have the opportunity to vote, but they have a voice in the selection of the candidate without tying themselves into either the Democratic or the Republican party. So as far as young people are concerned, this amendment extends the franchise to a far greater extent than they already have.

Mr. KENNEDY. Mr. President, contrary to the Senator's remarks, the Democratic Party has opened up the political system for much greater participation by youth.

Under the amendment in question, the residence laws for voting in most States would severely restrict voting by 18-year-olds if the election is held in October. Congress should not take such a step without adequate information. Certainly, we ought to shorten campaigns, but this is the wrong way to go about it.

Mr. CANNON. Mr. President, I yield 1 minute to the Senator from Iowa.

Mr. CLARK. Mr. President, I would like to address just one point raised by both the Senator from Michigan and the Senator from Connecticut: namely, what they consider to be the excessive cost to the Federal Government of this measure.

According to the bill, it would cost about $90 million if all candidates took 100 percent public financing in the general election. I do not consider that excessive. Last year, we voted to build a fleet of Trident submarines. One Trident submarine, at $1.3 billion, would run these elections for more than a decade. That is a cheap price to pay for a better government.

Mr. CANNON. Mr. President, I hope my colleagues will defeat this amendment. As the Senator from Massachusetts has said, the proposals in the amendment ought to be the subject of hearings by an appropriate committee. This proposal, when we were considering an election campaign reform bill this year, was not presented to us. There was no testimony offered on most of the particular points raised in this amendment, and I think it ought to be given due consideration, rather than legislating on the Senate floor.

With respect to the point made by the distinguished Senator from Michigan when he said that we have a much greater amount provided for House campaigns than the average cost of House campaigns, we did not fix this $90,000 figure as any magic figure. We selected it because the Senate had already acted on S. 372 last year, and it has the $90,000 figure in it for House campaigns as a maximum figure. That is why we carried the figure over. If it was good last year—and I would venture to say that the Senator from Connecticut and the Senator from Michigan, perhaps not both but one of the two of them, voted for it last year, because it went over to the House of Representatives with an overwhelming vote—we felt it should still be valid.

I would simply say we do not have any preference for that particular figure. We felt, really, that the House Members themselves ought to decide on what was a fair amount to reduce the cost of campaigning. If they see fit to come up with a figure of $60,000 or $50,000 as the limit, fine; that would be perfectly all right with us, and I would have no objection to lowering some of the other limits in the bill or the figures in this chart we arrived at. This was the best consensus that we could arrive at between the mem-

bers of the Rules Committee, after the hearings that were held on the subject matter, in order to report back a bill, as we were committed to do.

TITLE V

Mr. FANNIN. Mr. President, I want to indicate my support of the motion to strike title V of S. 3044, the Federal Campaign Act Amendments of 1974.

Title V of S. 3044 proposed to increase the amount a taxpayer could claim as a tax deduction or tax credit as a result of making a political contribution. In addition, title V proposed to increase the $1 tax check-off to $2, or in the case of a joint return $4.

These provisions of title V, however, pale to insignificance compared to the proposal to reverse the procedure governing the checkoff plan. Under existing law, if a taxpayer wishes to participate he does so by "checking off." In doing so, the taxpayer is electing, through a positive commitment, to support the checkoff plan. Under S. 3044, however, the spirit of volunteerism which is the foundation of the plan, is to be replaced by a procedure which can only erode that spirit. In its place, S. 3044 proposes to amend existing law to provide for the automatic designation of $2 of income tax liability of every individual whose income tax liability is $2 or more for the taxable year to the Federal election campaign fund, unless the individual elects not to make such a designation. It is interesting to note that the report accompanying S. 3044 did not even hint at a justification for reversing the checkoff procedure thus suggesting the absence of any sound position to justify the change.

In my 10 years in the Senate I have never seen anything so cynical or callous as this approach to legislation. This cynicism is clearly evident when one reviews the background and operation of the checkoff plan. With total disregard for the underlying participating spirit of the checkoff plan, the authors of S. 3044 must have calculated that if only 3.1 percent of our citizens were participating in the checkoff plan as was reported in November 1973, then it would surely follow that if the checkoff dollars were taken automatically, only a few citizens would "check-off" against the automatic designation as provided for in S. 3044, thus insuring that the checkoff fund would have sufficient funds to meet the required amounts to underwrite the public financing of political campaigns.

Apparently, the authors of S. 3044 believe that any method which will guarantee the success of the checkoff plan is justifiable even if it involves the kind of cynical calculations that are implied in this particular provision of S. 3044. Such cynicism is a sad enough trait, but it is a disaster in legislation—especially in campaign financing.

Mr. President, I cannot accept, and I hope my colleagues agree, the kind of thinking which has promoted this approach to the checkoff plan. If we are to have honest elections, as the proponents of public campaign financing advocate, then let us have honest straightforward laws. To do otherwise, as S. 3044 proposes, is to insult the intelligence of the American public.

If the checkoff plan is a worthy mechanism for providing funds for political campaigns, then let those who support that approach, like the Dollar-Check-Off Committee, promote it among our citizens. If it is worthy, then let our citizens choose as a free people whether to support it or not. That is the way, the only way, to conduct this program. To do otherwise would be destructive of the very ethic which underlies our political system: The freedom to choose.

Mr. President, I hope that the Senate Finance Committee, to whom title V will be referred as a separate bill, will take the position that the automatic designation approach as contained in title V is wrong and contrary to commonsense and will move to strike that particular part of title V altogether.

Mr. President, in addition to considering the proposed change in the checkoff plan I intend to urge the Senate Finance Committee to review the right of the individual taxpayer to designate the party of his choice for receiving his tax dollar under the check-off plan.

As originally established, the tax check-off plan allowed the taxpayer to either designate that $1 shall be paid over to the Presidential election campaign found for the account of the candidates of any specified political party for President and Vice President of the United States, or if no specific account is designated by such individual for a general account for all candidates for election to the offices of President and Vice President according to a nonpartisan entitlement formula.

Whether we agree or disagree with financing political campaigns through a tax-check-off system, nothing is more fundamental to that system than allowing a taxpayer the right to choose how his tax dollar is to be used, if he cares to participate.

In my opinion, the original conception of the tax check-off plan was correct, and in keeping with our traditional belief that in matters of political choice our citizens should have the right of free choice. By providing the taxpayer with a choice under the tax check-off plan that basic freedom was preserved.

In 1973, however, an amendment to the Public Debt Limit Act, Public Law 93–53, was adopted eliminating the opportunity for a taxpayer to designate the political party to whom his dollar checkoff could be sent. The result is a checkoff plan in which all check-off dollars are collected in a nonpartisan Presidential election campaign fund to be disbursed under an established formula.

Mr. President, it is of course regrettable, that the Senate saw fit to modify the check-off plan by not allowing the taxpayer the right to designate the political party of his choice as a recipient of his tax dollar. But what is even more distressing is the complete lack of concern by the proponents of the amendment as to the effect of the amendment on the value of free choice.

The reason given by the proponents of the amendment is that by striking the opportunity to designate a political party was that it would help to simplify the placement of the checkoff provision on an individual's tax return. So, Mr. President, for the sake of administrative simplicity, we deprive the American taxpayer, should he care to participate, of the right to designate the party of his choice to receive his tax dollars.

If we must sacrifice the value of free choice to gain simplicity in our tax returns, then I am afraid we have failed our responsibilities. If we shall succumb to the kind of reasoning which was the foundation for modifying the checkoff plan, then we might as well turn over our authority to the Federal administration and go home.

Mr. President, I am sure that the Internal Revenue Service could find a way to accommodate the dual choice provisions of the original checkoff plan. In this regard, it is interesting to note that the IRS is able to accommodate two checkoff opportunities on this year's tax form. It would seem possible, therefore, that they could accommodate an opportunity to designate party choice.

But, Mr. President, the real issue here is not the design of tax return forms nor the administrative problems of IRS, but whether Congress will recognize the right of free choice under the checkoff plan. That is the issue and that is what concerns me.

Mr. President, numerous groups concerned with campaign financing have authored statements of principles with respect to laws and programs governing campaign financing. These principles almost always recommend the reform of campaign financing practices and in particular that the Federal Government use public funds to support campaigns. Yet, in respect to the use of Federal funds none of these so-called statement of principles deal with the question of how to guarantee that a taxpayer's dollar will not be used to support a party or a candidate with whom he disagrees.

Those who advocate public campaign financing through the checkoff plan cannot ignore the reality that the taxpayer is deprived of the right to designate the party he wishes to support. Instead, if he chooses to participate, his dollars will be divided not only among the major parties but, perhaps, minor parties as well. This is not fair to those who want to support one party over the others. It is not fair for the simple reason that the taxpayer, if he desires to participate, has no choice.

I hope, Mr. President, that a way can be devised to accommodate freedom of choice under the checkoff plan. If we fail to accommodate that political freedom then any public campaign financing program will be seriously deficient in preserving the right of our citizens to choose whom they wish to support.

Mr. CANNON. Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER (Mr. DOMENICI). The hour of 3 o'clock having arrived, under the previous order, the yeas and nays having been ordered, the Senate will now vote on the amendment

of the Senator from Connecticut (Mr. WEICKER) No. 1070. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Illinois (Mr. STEVENSON), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from Maryland (Mr. MATHIAS), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM R. SCOTT), the Senator from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. SCOTT) and the Senator from Ohio (Mr. TAFT) would each vote "nay."

The result was announced—yeas 10, nays 68, as follows:

[No. 100 Leg.]

YEAS—10

Allen	Griffin	Roth
Baker	Hollings	Weicker
Bennett	Mansfield	
Chiles	Nunn	

NAYS—68

Abourezk	Dominick	McClure
Bartlett	Eagleton	McGee
Bayh	Ervin	McGovern
Beall	Fannin	McIntyre
Bellmon	Fong	Metcalf
Bible	Goldwater	Moss
Biden	Gurney	Nelson
Brooke	Hansen	Packwood
Buckley	Hart	Pastore
Burdick	Hartke	Pearson
Byrd, Harry F., Jr.	Haskell	Pell
	Hatfield	Percy
Byrd, Robert C.	Hathaway	Proxmire
Cannon	Helms	Randolph
Case	Hruska	Schweiker
Church	Humphrey	Sparkman
Clark	Inouye	Stafford
Cook	Jackson	Stennis
Cotton	Javits	Talmadge
Cranston	Johnston	Thurmond
Curtis	Kennedy	Tower
Dole	Magnuson	Tunney
Domenici	McClellan	Williams

NOT VOTING—22

Aiken	Long	Scott, William L.
Bentsen	Mathias	
Brock	Metzenbaum	Stevens
Eastland	Mondale	Stevenson
Fulbright	Montoya	Symington
Gravel	Muskie	Taft
Huddleston	Ribicoff	Young
Hughes	Scott, Hugh	

So Mr. WEICKER's amendment (No. 1070) was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 969. An act relating to the constitutional rights of Indians;

S. 1836. An act to amend the act entitled "An Act to incorporate the American Hospital of Paris," approved January 30, 1913 (37 Stat. 654); and

S. 2441. An act to amend the act of February 24, 1925, incorporating the American War Mothers, to permit certain stepmothers and adoptive mothers to be members of that organization.

The message also announced that the House insisted upon its amendments to the bill (S. 39) to amend the Federal Aviation Act of 1958 to provide a more effective program to prevent aircraft piracy, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr. JARMAN, Mr. DINGELL, Mr. DEVINE, and Mr. KUYKENDALL were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to the amendment of the House to the bill (S. 1341) to provide for financing the economic development of Indians and Indian organizations, and for other purposes.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER (Mr. HELMS). Under the previous order, the Senator from Oklahoma (Mr. BELLMON) is recognized to call up amendment No. 1094, on which there shall be 30 minutes of debate.

Mr. CANNON. Mr. President, will the Senator yield to me for 10 seconds so that I may make an announcement?

Mr. BELLMON. I yield.

Mr. CANNON. Mr President, for the benefit of colleagues we have a 30-minute time limit on this amendment. I do not expect to use more than 3 minutes inasmuch as we already have voted on this identical issue.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The amendment has not been stated.

Mr. CANNON. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BELLMON. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 78, line 19, strike out "and 617" and insert in lieu thereof "617, and 618".

On page 78, below line 22, after the item relating to section 617, add the following new item:

"618. Early disclosure of election results in Presidential election years.".

On page 86, below line 17, insert the following:

"PART VI.—EARLY DISCLOSURE OF PRESIDENTIAL ELECTION RESULTS

"SEC. 601. (a) Chapter 29 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"'§ 618. Early disclosure of election results in Presidential election years.

"'Whoever makes public any information with respect to the number of votes cast for any candidate for election to the office of Presidential and Vice-Presidential elector in the general election held for the appointment of Presidential electors, prior to midnight, eastern standard time, on the day on which such election is held shall be fined not more than $5,000, imprisoned for not more than one year, or both.'.".

Mr. BELLMON. Mr. President, I ask unanimous consent that during the debate on this amendment and any rollcalls that occur thereon, Mr. Charles Waters of my staff may be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, the objective of this amendment is easily understood. As the chairman said, we have had the matter before the Senate on other occasions and it has been voted upon before.

The PRESIDING OFFICER. The Senator will suspend.

The Senate will be in order.

The Senator may proceed.

Mr. BELLMON. Mr. President, quite simply, this amendment would make it unlawful for local election officials to announce the election returns for President and Vice President prior to midnight, eastern standard time. In so doing, this amendment would prevent the public disclosure of Presidential election returns in the Eastern and Central States while polls are open and citizens are still voting in Western States.

This amendment previously has been considered by the Senate on two occasions as an amendment to other proposals. It was introduced on June 28, 1973, as S. 2099 and referred to the Rules Committee where it is presently pending.

On June 27, I offered a similar amendment to Senator ROBERT C. BYRD's bill to change the date of Federal elections. During debate on my amendment, the ranking minority member of the Rules Committee, the distinguished Senator from Kentucky (Mr. COOK) stated:

I would vote for the amendment, if in fact the Senator would limit it to Presidential

and Vice Presidential elections. I think that it would resolve one of the great problems, and we would be on our way to what the Senator wants to accomplish.

But I think the restriction as to all Federal elections is a serious hardship and I, therefore, will oppose his amendment on that basis.

Senator COOK's objection has been removed from this amendment making the disclosure provision apply only to the election returns in the Presidential and Vice-Presidential elections.

Considering Senator COOK's objection, this amendment was withdrawn and then introduced as a bill, S. 2099, which was referred to the Rules Committee.

On July 28, 1973, this proposal in modified form as suggested by Senator COOK, was called up again as an amendment to S. 372, the Federal elections bill. During debate on this amendment Senator COOK stated:

We all know the effect of television. We know that after ¾ of the votes are counted and the results announced, the people in Alaska are just going to the polls. Something really ought to be done about. I think something ought to be done but I think we ought to have the opportunity to have hearings to make a determination of the best way to do it.

Therefore, the ranking member of the Senate Rules Committee is on record on two different occasions supporting either this approach or Senate consideration of this proposal. There has been ample time for hearings. The problem of early Presidential election disclosures has been the subject of numerous hearings during the past 15 years. Now is the appropriate time and this is the appropriate bill for Congress to finally act in order to end a practice which has the potential of distorting the normal outcome of Presidential elections.

The net effect of this proposal will be to prevent the public disclosure of Presidential election returns until midnight, eastern standard time; 11 p.m., central standard time; 10 p.m., mountain standard time; 9 p.m. Pacific standard time; 8 p.m., Yukon time; 7 p.m. Alaska-Hawaii time; and 6 p.m., Bering time. By these times, polls throughout the United States will be closed.

I ask unanimous consent that a table showing the voting hours of the 50 States, as well as the hour of public disclosure under the terms of my amendment be inserted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE STATUTES PRESCRIBING HOURS AT WHICH POLLS OPEN AND CLOSE

United States	Hours opened	Hours closed	Local time of disclosure under Bellmon amendment
Alabama	8 a.m.	6 p.m.[1]	11 p.m.
Alaska	8 a.m.	8 p.m.	7 and 8 p.m.[2]
Arizona	6 a.m.	7 p.m.	10 p.m.
Arkansas	8 a.m.	7:30 p.m.	11 p.m.
California	7 a.m.	8 p.m.	9 p.m.
Colorado	7 a.m.	7 p.m.	10 p.m.
Connecticut	6 a.m.[3]	8 p.m.	12 p.m.
Delaware	7 a.m.	8 p.m.	12 p.m.
District of Columbia	8 a.m.	8 p.m.	12 p.m.
Florida	7 a.m.	7 p.m.	12 p.m.
Georgia	7 a.m.	7 p.m.	12 p.m.
Hawaii	7 a.m.	6 p.m.	7 p.m.
Idaho	8 a.m.	8 p.m.	9 and 10 p.m.
Illinois	6 a.m.	6 p.m.	11 p.m.
Indiana	6 a.m.	6 p.m.	11 and 12 p.m.
Iowa	7 a.m.[4]	8 p.m.	11 p.m.
Kansas	7 a.m.	7 p.m.	11 p.m.
Kentucky	6 a.m.	6 p.m.	11 and 12 p.m.
Louisiana	6 a.m.	7 p.m.	11 p.m.
Maine	6 a.m.[5]	8 p.m.	12 p.m.
Maryland	7 a.m.	8 p.m.	12 p.m.
Massachusetts	[6]		12 p.m.
Michigan	7 a.m.	8 p.m.	11 and 12 p.m.
Minnesota	7 a.m.	8 p.m.	11 p.m.
Mississippi	7 a.m.	6 p.m.	11 p.m.
Missouri	6 a.m.	7 p.m.	11 p.m.
Montana	8 a.m.	8 p.m.	10 p.m.
Nebraska	8 a.m.	8 p.m.	10 and 11 p.m.
Nevada	7 a.m.[7]	7 p.m.	9 p.m.
New Hampshire	10 a.m.[8]	6 p.m.	12 p.m.
New Jersey	7 a.m.	8 p.m.	12 p.m.
New Mexico	8 a.m.	7 p.m.	10 p.m.
New York	6 a.m.[9]	9 p.m.	12 p.m.
North Carolina	6:30 a.m.	6:30 p.m.[10]	12 p.m.
North Dakota	9 a.m.	7 p.m.	11 p.m.
Ohio	6:30 a.m.	6:30 p.m.	12 p.m.
Oklahoma	7 a.m.[11]	7 p.m.	11 p.m.
Oregon	8 a.m.	8 p.m.	9 p.m.
Pennsylvania	7 a.m.	8 p.m.	12 p.m.
Rhode Island	[12]	9 p.m.	12 p.m.
South Carolina	8 a.m.	7 p.m.	12 p.m.
South Dakota	8 a.m.	7 p.m.	10 and 11 p.m.
Tennessee	9 a.m.[13]	4 p.m.	11 and 12 p.m.
Texas	7 a.m.[14]	7 p.m.	11 p.m.
Utah	7 a.m.	8 p.m.	9 and 10 p.m.
Vermont	[15]		12 p.m.
Virginia	6 a.m.	7 a.m.	12 p.m.
Washington	7 a.m.	8 p.m.	9 p.m.
West Virginia	6:30 a.m.	7:30 p.m.	12 p.m.
Wisconsin	[16]	8 p.m.	11 p.m.
Wyoming	9 a.m.	7 p.m.	10 p.m.

[1] Alabama.—In counties of over 400,000 population using voting machines, polls close at 7 p.m.

[2] Approximately 50 percent of the population.

[3] Connecticut.—In primaries, polls open at 12 noon, § 9-438.

[4] Iowa.—In cities, where registration not required, polls open at 8 a.m.

[5] Maine.—Where voting machines used exclusively, polls open at 10 a.m. and close at 9 p.m.

[6] Massachusetts.—Polls must be open at least 10 consecutive hours, and must close not later than 8 p.m.

[7] Nevada.—In counties of less than 25,000 population, polls open at 8 a.m. and close at 6 p.m.

[8] New Hampshire.—Hours vary according to size of town. In primaries, polls must be open 4 hours, opening not earlier than 6 a.m. and closing not later than 8 p.m.

[9] New York.—For special elections, polls open at 6 a.m. and close at 7 p.m. In primaries, everywhere except New York City, polls open at 12 m. and close at 9 p.m. In New York City polls open at 3 p.m. and close at 10 p.m.

[10] North Carolina.—Where voting machines are used, polls close at 7:30 p.m.

[11] Oklahoma.—Voters may file petition to have polls open at 6 a.m.

[12] Rhode Island.—Hour polls open varies from 7 a.m. to 12 m.

[13] Tennessee.—County commissioners of election may prescribe different hours, at least 15 days before election, but in no event may polls be open fewer than 7 hours between 8 a.m. and 9 p.m.

[14] Texas.—Election commissioners may vary hour for opening polls. In counties of less than 100,000 population, polls may open at 8 a.m. In counties of greater than 1,000,000 population, polls may open at 6 a.m.

[15] Vermont.—Hours prescribed by legislative branch in each municipality, but polls must open not earlier than 6 a.m. and close not later than 7 p.m.

[16] Wisconsin.—In cities of 1st, 2d, and 3d class, polls open at 7 a.m. In cities of 4th class, and villages and towns, polls open at 9 a.m. but governing body of such municipalities may prescribe that polls open not earlier than 7 a.m.

Mr. BELLMON. Mr. President, this amendment would prevent the nationwide publicizing of election results and predictions based on actual returns tabulated in the Eastern States until after 9 p.m., Pacific standard time, or 1 hour after the polls have closed in California. Because polls in Hawaii close at 6 p.m., local time, those polls will have been closed for an hour. Delayed broadcasting in Alaska would avoid serious problems in Alaska where one-half the voters would still have 1 hour to vote. This amendment, in my view, represents a simple, direct approach to the correction of an election abuse whose time for solution is long overdue.

One thing should be made absolutely clear—voting hours would still be regulated by the States and only the hour of public disclosure by local election officials of Presidential results would be affected. The counting of votes in all races, including the Presidential contest, could begin when the polls close and only the public announcement of the Presidential results would be delayed until the appropriate hour of disclosure.

In every Presidential election year since 1960 citizens have been alarmed because of the likelihood that the present practice of publicizing and predicting election returns influences the way many votes are cast and discourages others from voting because of the belief that the outcome of the election has already been decided.

Few would contend that the publicizing of election returns while citizens are voting has anything but a negative impact.

I believe the problem was summarized quite well by Senator HARTKE in a letter addressed in 1967 to Senator PASTORE, chairman of the Subcommittee on Communications of the Senate Commerce Committee.

I ask unanimous consent that Senator HARTKE's letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Senator HARTKE's letter—

"There is, additionally, the question of whether listeners and viewers who have yet to vote are influenced by actual vote results elsewhere or by projections of results. There have been elections recently where the change of majority in one Western State could have tipped a Presidential election. It is possible that some voter already cast have decided the important elections. This, in turn, may have repercussions in local elections.

"The late President John F. Kennedy won the 1960 National election by a plurality vote. If one voter in each of the 173,000 voting precincts in the United States had switched his vote from Mr. Kennedy to Richard M. Nixon Nixon would have won the popular vote. . . .

"Realistically, had there been a switch of one vote in Kennedy's favor in each of the 10,400 precincts in Illinois plus a switch of nine votes in each of the 5,000 precincts in Texas, Mr. Nixon would have tallied the required 270 electoral votes and would have been our President.

". . . A switch of 27 electoral votes by Illinois and 24 votes by Texas, combined, would have resulted in a different choice of candidate for President of the United States.

"I am not disputing the inherent right of the people to know the facts, and the rights of stations and networks to tell the facts along with interpretations. . . .

"What primarily concerns me is protecting the right of the election process in the greatest democracy on earth.

"I would recommend to you that your schedule hearings of our Subcommittee to inquire into this matter and its attendant problems."

Mr. BELLMON. In response to Senator HARTKE's letter criticizing early disclosure of Presidential election results, public hearings were held before Senator PASTORE's subcommittee which aptly restated the problem in its final report by saying:

Common sense seems to indicate that a man who sits down to dinner just before going out to vote, switching on the television hears that so and so has already been declared the winner, might not engage himself in an exercise in futility.

It seems to me that this was a very practical and common sense way of looking at the problem, and I think quite clearly points out the need for the 93d Congress to take action.

It is in the interest of this Nation that the greatest number of citizens possible exercise their right to vote and that this fundamental right be carried out independent of and unhampered by any prior knowledge of the significance their vote will play in the ultimate outcome of the election. S. 3044, dealing with the reform of our election process, provides Congress with the proper vehicle to finally resolve this long-standing abuse.

It should be stressed that my amendment represents no suppression of the news. It provides a badly needed regulation of Presidential elections providing for orderly returns and the orderly release of information concerning these returns.

Quite clearly, Congress has the constitutional authority and responsibility to so act. Article II, section 1 of the Constitution gives Congress the power to determine the time of choosing the electors for President and Vice President. Article I, section 4 empowers Congress to regulate the time, place, and manner for holding elections for Senators and Representatives. The Supreme Court has indicated that this provision may also be applicable to Presidential elections.

Thus, there appears to be ample constitutional authority to support the proposal that a Federal law be enacted as I have proposed which would prohibit election authorities from releasing Presidential election results until a time fixed by Federal law. Such a law I believe to be not only constitutional, but practical as well.

Mr. President, I wish to refer to a study issued in 1965 by the Congressional Reference Service of the Library of Congress regarding the constitutionality of proposals prohibiting the publicizing of election returns prior to the polls closing in all States. This report concludes as follows:

There appears to be authoritative support of yet another proposal. Namely, the enactment of a Federal law which would prohibit election authorities from releasing Federal election results until a time fixed by a Federal law. Such a time could be set with regard to the differences in time zones across the country. If it were made a Federal crime for election officials to release this information before the time designated, such a law could be practical and might well be held to be Constitutional. It should be noted, that although election officials are appointed by the State, they also serve a Federal function when acting in Federal elections and are thus properly subject to Federal controls.

Mr. President, this study, although not conclusive in nature, indicates quite clearly, that my proposal is constitutional. Certainly, its enactment would solve this serious problem, and, in my view, represents the best approach in achieving the national objective of maximum voter participation. It is time for the Senate to act, I urge adoption of this amendment.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator may proceed.

Mr. CANNON. Mr. President, this amendment is identical in principle as amendment No. 1094 that was previously offered and defeated by a vote of 51 to 25, with 24 Senators not voting.

The Senator said this would not apply to congressional elections. Congressional elections certainly could not be affected. How is a congressional election in one State or district going to be affected by premature disclosure in California? It is absurd on its face. The only race it can apply to is for the Presidency and Vice Presidency.

It would be almost impossible to administer and it would impose a criminal penalty, subject to a $5,000 fine if I or some other Member of Congress at the close of the polls in an eastern seaboard State called a friend in California and said, "We heard the result" and that so and so was winning by so many votes. If we phoned a friend in California to convey that informataion, we would be subject to a $5,000 criminal penalty. The proposal is patently absurd on its face.

We can certainly recognize the unfortunate situation we have where voters are influenced in the Far West when they learn the results of an election in the East at a much earlier time, but I do not know how we can possibly avoid that without making criminals of almost everyone in the Nation.

Mr. President, I am prepared to yield back my time.

Mr. BELLMON. Mr. President, I yield myself 2 minutes.

I disagree with the position the chairman has taken about making criminals of everyone in the United States under this amendment. All this amendment would do would be to require local election officials not to make public the returns of elections until midnight eastern standard time. In this way there would be no way to know what the returns were in the eastern States and people would not be tempted to call someone in another time zone and let them know. We merely say not to release the outcome until midnight. There is nothing here to tempt anyone to violate the law because except for election officials no one would know what happened.

Mr. COOK. Mr. President, will the Senator yield?

Mr. BELLMON. I yield.

Mr. COOK. I shall not argue this matter at great length. It is not just the result that is involved. What bothers many of us and it did in the previous debate is that when a network picks up four precincts in an entire State, and the announcer goes on television and says, "By reason of our projection so and so will carry the State by a certain vote." There is a problem there and it is a very serious problem. It is not only a matter of projecting who will win, which has no effect on voters, but it does on those who courthouses and whose responsibility it is to count votes, particularly where many States still have ballots and where the result is in question. We do have a problem at 5 after 6 in the evening when 15 States well know how they are going to vote based on two or three precincts in a State. This causes a problem and I think it is serious. We can wrestle with this for a long, long time, but that causes more problems than anything else.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BELLMON. I yield.

Mr. HUMPHREY. I agree with the Senator. I agree from experience and not from theoretical, academic discussion. I did not like to hear on television in 1968 from a few precincts telling me I was going to be slaughtered, and having all my people across the country so informed. I happen to believe it did have some effect in some parts of the country.

Mr. COOK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. COOK. That happened when people still had 4 or 5 hours to vote.

Mr. HUMPHREY. That is correct.

Mr. COOK. Where they were watching on television and the polls were still open.

Mr. HUMPHREY. I do not know whether this is the right amendment, but something ought to be done so the "Solomons" cannot just sit around and tell people what is going to happen in the election, particularly when the election, is close, and where a difference of 1 percent in each precinct will make the difference of who is going to be President. I do not know how the rest of my colleagues are going to vote, but I am going to catch up on this one.

Mr. BELLMON. Let me say that this matter has been before the Senate now for months and months. If there is a better approach, we ought to know what it is, but, lacking something better, I, like the Senator from Minnesota, think something ought to be done, and this is the best approach I have seen so far.

I yield now to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I would like to join the Senator from Minnesota (Mr. HUMPHREY). I remember in 1964, after the first precinct, we were told I was going to get skunked, and, you know, they were right (laughter).

The PRESIDING OFFICER. Who yields time?

Mr. BELLMON. Mr. President, I am ready to yield back my time.

Mr. CANNON. Mr. President, I am prepared to yield back my time.

Mr. KENNEDY. Mr. President, will the Senator yield me 2 minutes?

Mr. CANNON. I yield 2 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we have listened to two of the experts, but if we can go back, past 1968 and 1964, to the results of 1960, we find another view. President Kennedy carried practically all of the large eastern States. Then, when the vote came in from the western States, he was not doing as well even though the results in the East had been announced

at a time when the polls in the west still had several hours to remain open.

It is a very open question whether people are affected at all, or, if they are affected, whether they may vote for the underdog or vote for whoever seeems to be ahead. Obviously, we do not know whether legislation is needed. I would certainly support a study to determine the answers, but I do not see how we can legislate until we know the magnitude of the problem.

Mr. BELLMON. Mr. President, will the Senator yield a question?

Mr. KENNEDY. I yield

Mr. BELLMON. Does the Senator feel that it is healthy or bad if the voters on the west coast know how the voters on the east coast voted, so it may influence them as to how to vote when they go to the polls?

Mr. KENNEDY. I say, with all respect, I have yet to see any convincing evidence that it has a real impact. In some instances people may want to vote for a winner, and there will be a bandwagon effect. In other instances, there may be an underdog effect. A voter may say, "I am going to vote for the other candidate, because he is the underdog, and because I am tired of being pushed around here by computers and being told that is the way I am going to vote. I am going to vote for A because they say I am going to vote for B."

I have not seen convincing evidence presented to the committee or on the floor which would indicate what impact the earlier announcement will have on the other States. As a matter of fact, the evidence seems to be conflicting. We ought not to rush into legislation that will have such a seriously restrictive effect on the media, until we determine how serious, if at all, the problem really is.

Mr. HUMPHREY. Mr. President, will the Senator yield.

Mr. KENNEDY I yield.

Mr. HUMPHREY. The Senator from Massachusetts may be right. Whether or not they are convincing results, I know there is something wrong in people turning on television and having someone in New York tell them what is going to happen across the country. Even if they are right, I think we are entitled to make our own mistakes. In Minnesota we are denied any right to campaign on election day. No candidate can even be near the polling place. No advertisement can appear in a newspaper or anything else except the announcement that this is election day. The reason for that is that there may be last minute election pressures brought to bear.

I think on election day people ought to be left alone to make up their own minds, instead of having the "wise one" tell us how it is going to come out. Just wait for the result. Get a good night's sleep. We can know the result the next day. If one is angry about it, he will not be quite so angry.

Mr. COOK. Mr. President, I agree with the Senator from Massachusetts in many respects. What bothers me about prognostication is that they ring a bell and put a big X there and say this State is going in this column because of their projections. I would feel much better if we were talking about results.

Under S. 343, which we have already passed, election day would be a national holiday, so we would not have their matter of whether people could vote or could not vote or have the opportunity to do so. Under S. 343 we already have resolved that issue and made it a national holiday.

My main objection is to the prognostication based on one, two, or three districts.

Mr. CANNON. The prognostication would not be prohibited under this amendment. One could make all the projections he wanted, but this amendment simply says that whoever makes public any information with respect to the number of votes cast for any candidate for election to the office of President and Vice President——

Mr. BELLMON. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. BELLMON. Those projections would be impossible if the outcome had not been announced. Those projections are based on certain preselected precincts. If those were not announced until midnight, the projection would be impossible. That is one of the purposes of my amendment.

Mr. CANNON. Mr. President, I yield back my time.

Mr. BELLMON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Oklahoma. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Maine (Mr. MUSKIE), the Senator from Minnesota (Mr. MONDALE), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from Maryland (Mr. MATHIAS), and the Senator from Pennsylvania (Mr. HUGH SCOTT) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Alaska (Mr. STEVENS) would vote "yea."

On this vote, the Senator from Ohio (Mr. TAFT) is paired with the Senator from Pennsylvania (Mr. HUGH SCOTT).

If present and voting, the Senator from Ohio would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 43, nays 38, as follows:

[No. 101 Leg.]

YEAS—43

Abourezk	Domenici	McIntyre
Allen	Fannin	Metcalf
Baker	Fong	Montoya
Bartlett	Goldwater	Moss
Bellmon	Griffin	Nelson
Bennett	Gurney	Packwood
Biden	Hansen	Pearson
Buckley	Haskell	Percy
Burdick	Hatfield	Proxmire
Byrd, Robert C.	Hruska	Roth
Case	Humphrey	Stevenson
Church	Mansfield	Thurmond
Cook	McClure	Tunney
Curtis	McGee	
Dole	McGovern	

NAYS—38

Bayh	Eagleton	McClellan
Beall	Ervin	Nunn
Bentsen	Hart	Pastore
Bible	Hartke	Pell
Brooke	Hathaway	Randolph
Byrd, Harry F., Jr.	Helms	Schweiker
	Hollings	Sparkman
Cannon	Inouye	Stafford
Chiles	Jackson	Stennis
Clark	Javits	Talmadge
Cotton	Johnston	Tower
Cranston	Kennedy	Weicker
Dominick	Magnuson	Williams

NOT VOTING—19

Aiken	Long	Scott, William L.
Brock	Mathias	
Eastland	Metzenbaum	Stevens
Fulbright	Mondale	Symington
Gravel	Muskie	Taft
Huddleston	Ribicoff	Young
Hughes	Scott, Hugh	

So Mr. BELLMON's amendment (No. 1094) was agreed to.

Mr. BELLMON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. (Mr. DOMENICI). Under the previous order, the Senator from Oklahoma (Mr. BELLMON) is recognized to call up amendment No. 1095 on which there is a 30-minute limitation.

Mr. BELLMON. Mr. President, I call up amendment No. 1095.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BELLMON. Mr. President, I ask that further reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON's amendment (No. 1095) is as follows:

On page 27, line 12, strike out "years." and insert in lieu thereof "years and shall file a copy of such record with the Commission on the first day of each month except that during the period beginning one month before the date of an election, such records shall be filed on the first day of each week until the date of the election. Each such report filed

with the Commission shall be complete as of two days before the date on which it must be filed. Such report shall contain the amount received from such advertising, the name and address of the person from whom payment was received, the candidate whose name appeared in such advertising, and a facsimile or other copy of such advertising.".

On page 40, line 2, insert after the period the following: "Each published shall file a copy of such record with the Commission on the first day of each month except that during the period beginning one month before the date of an election such records shall be filed on the first day of each week until the date of the election. Each such report filed with the Commission shall be complete as of two days before the date on which it must be filed. Such report shall contain the amount received from such advertising, the name and address of the person from whom payment was received, the candidate whose name appeared in such advertising, and a facsimile or other copy of such advetrising.".

Mr. BELLMON. Mr. President, the objective of this amendment is easily understood. The present provisions of S. 3044 provide in section 201 that any broadcast media which engages in political broadcasting must "maintain a record of any political advertisement broadcast, together with the identification of the person who caused it to be broadcast for a period of 2 years." This record would be available for public inspection at reasonable hours. A comparable provision applies to published political advertising in section 205 of the bill.

My amendment would greatly strengthen these reporting provisions of the bill, by placing an affirmative obligation on all communications media to file periodic reports with the Federal Elections Commission which would contain the following information:

First, the amount received for political advertising;

Second, the name and address of the person from whom payment was received;

Third, the candidate whose name appeared in the advertising;

Fourth, and a facsimile or other copy of such advertising.

By adopting this amendment the Senate will further guarantee full compliance with the law by all candidates for Federal office.

In my judgment, adequate reporting procedures are absolutely essential and represent a major method of eliminating the campaign abuses we have witnessed in recent years. In enacting campaign reform legislation, at least two basic objectives must be accomplished: First, we must insure that the law cannot be evaded by either winners or losers, regardless of their ethical standards. Second, we must give voters complete and accurate facts on campaign expenditures by candidates before, not after, the votes are cast and counted.

By adopting this amendment, the Senate would guarantee that these two basic objectives become a reality. Let me explain. Enactment of this amendment requiring the communications media to make periodic reports to the Federal Elections Commission will provide a new and simplified reporting mechanism which will act as a double check on a candidate's own reports. It will make it far easier for the Federal Election Commission to enforce the law without creating an undue burden on the communications media which are already required under the terms of this bill to keep reports. It will simplify the process by not making it necessary, for example, for a member of the Federal Elections Commission to send a representative to the candidate's state and check the records of many sources in order to determine whether a candidate has fully complied with the law.

This amendment would provide a two-pronged approach, involving not only the candidate and his campaign committee, but the communications media as well. By requiring the media to actively participate in the reporting system, we can obtain a true picture of how much money is spent by each candidate for advertising. By comparing reports from advertising media with the reports of the candidate, we can provide a check and balance system that should deter any tendencies toward manipulation.

I urge the adoption of this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. Mr. President, I yield myself such time as I may require.

This amendment would change the bill before us. It would, I believe, complicate it even further, because we all know how complicated the bill is now and how, with the best of intentions, it would be very hard for individuals to carry out all its provisions.

What the amendment does is add to all the reports that have to be filed, the virtual mountain of them, an additional report, on the first day of each month, as to the advertising that is being placed in the media. And I think we would find that it would apply not only to that report, but also to the financial side as well, because the important thing is not the advertising, but where the money for the advertising is coming from.

In addition to that, it piles a burden on the people who receive the money and who are responsible for the advertising, be it a publisher or his representative; he has to file a copy of such record as well, which is a duplication.

So, while the objective of the proposal is good, it would seem to me to further complicate the bill, and I would be compelled to oppose it.

Mr. BELLMON. Mr. President, if the Senator will yield, in my judgment this does not in any way complicate the reporting procedures provided in the bill. If the Senator will check on page 27, line 9—and the same language appears in another place in the bill as it applies to newspapers—in line 9 on page 27 it says:

Each station licensee shall maintain a record of any political advertisement broadcast, together with the identification of the person who caused it to be broadcast, for a period of two years.

All my amendment would do is require that a copy of that record be furnished to the Federal Elections Commission. There is no further recordkeeping. All the amendment does is require that the records be accumulated in one place, so there would be a way to check against the records of the media and the records filed by the candidate, to be sure the candidate is telling the truth, and so the people will know before the election.

It would do no good to find out 6 months later that the candidate is not telling the truth, because by that time the election will be over and the people will have made their decisions. We are trying to get the facts out ahead of time, so that people will know who is backing the candidate, and be able to take that into consideration in casting their votes. It does not, in my judgment, complicate the reporting procedures. It only makes the reports available ahead of time, so that people can make that decision as to those they want to have represent them in Congress.

Mr. PELL. The Senator is correct as to the records maintained by radio and TV stations, but it does not apply as to the publishers.

Mr. BELLMON. If the Senator will yield, on page 40, the same provision applies to newspapers. It begins on page 39, line 21, as follows:

Any publisher who publishes any political advertisement shall maintain such records as the Commission may prescribe for a period of two years and so no.

The amendment covers both the electronic media and the publishers.

Mr. PELL. The Senator is correct in that regard, but it does not cover the actual publication of it. There is a good deal of difference between keeping it on file and filing the report.

In addition, the Presidential candidate who has to file now. I think four times in an election year, would have to do it on the first day of each month. The question is whether there should be more reports filed or whether the bill at present provides an adequate number.

The Senator from Oklahoma does not believe it is adequate, and we believe it is. That is the issue.

Mr. BELLMON. Mr. President, the filing provisions under the law are, I believe, adequate and highly desirable. But the problem is the difficulty of checking with half a dozen television stations and perhaps a hundred newspapers to get the information together in time for the election. We are simply requiring that the information be filed in a central place before the election, so that the voter will have an opportunity to know who is supporting each candidate and to what extent.

This does not complicate the matter, it simplifies it by having one central place to get the information, and not having to scatter all over the country to find out what is going on.

Mr. PELL. Am I not correct in saying that the information is required to be filed by any candidate, and therefore there would be a duplication if not a triplication? This would be at least a duplication, because the candidate files the information now.

Mr. BELLMON. The Senator is correct; this is a duplication, for the very good reason that it is my feeling that we need to have the information from the media to be sure that the candidates are telling the truth, and so that we will know before the election whether they

they have been reporting the true extent of their financing.

If a candidate is running badly behind in a campaign, he may decide to spend a large amount of money just before the election in violation of the law, and it would not be known until after the election.

Mr. PELL. Then his election would be invalidated, and he would be subject to criminal penalties.

Mr. BELLMON. That would be true, except that it would happen many months after the election, and, if carried out, would cause his district to be without representation. It seems to me it would be better to have an inducement for the candidate not to file a false report in the first instance.

Mr. PELL. I agree with the Senator's viewpoint; I disagree with the necessity for it, and that is the reason for my disagreement.

Mr. WEICKER. Mr. President, I think this really illustrates that the problem——

The PRESIDING OFFICER. Who yields time?

Mr. BELLMON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BELLMON. I yield to the Senator from Connecticut.

Mr. WEICKER. I thank the Senator from Oklahoma.

Mr. President, the problem here is with the whole bill. I know why the bill contains no such requirement: We did not want to tread on the toes of the press. But as soon as you get the Government into the act of financing political campaigns, then it is inevitable that you come to the point where you are asking the press to participate in an enforcement function. We can go ahead and control just about everything in this country, but there is a big difficulty when we get into the electoral process itself. I do not think there should be any obligation imposed on the press to be candid, and neither do I feel that the Federal Government should be into this area, but as long as we have put the Government into it, then so are the news media all of a sudden brought in, this time as an enforcement arm of the Federal Government.

The problem highlighted by this amendment is the problem with the whole bill. A lot can go wrong with Government, but as long as people are totally free in their elections there is a remedy we have. When the remedy is in the hands of the Government, that is when our troubles start.

Mr. BELLMON. Mr. President, I yield back the remainder of my time.

Mr. PELL. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. DOMENICI). All time on this amendment has now been yielded back.

The question is on agreeing to the amendment (No. 1095) of the Senator from Oklahoma (Mr. BELLMON).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Maine (Mr. MUSKIE), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. MATHIAS), the Senator from Tennessee (Mr. BROCK), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Nebraska (Mr. HRUSKA) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from Alaska (Mr. STEVENS).

If present and voting, the Senator from Pennsylvania would vote "nay" and the Senator from Alaska would vote "yea."

The result was announced—yeas 29, nays 52, as follows:

[No. 102 Leg.]

YEAS—29

Allen	Dole	McGovern
Bartlett	Dominick	Nelson
Bayh	Fong	Pearson
Beall	Goldwater	Percy
Bellmon	Griffin	Proxmire
Buckley	Hansen	Roth
Byrd, Harry F., Jr.	Helms	Sparkman
	Javits	Stafford
Cotton	McClellan	Stennis
Curtis	McClure	Thurmond

NAYS—52

Abourezk	Ervin	Metcalf
Baker	Fannin	Mondale
Bennett	Gurney	Montoya
Bentsen	Hart	Moss
Bible	Hartke	Nunn
Biden	Haskell	Packwood
Brooke	Hatfield	Pastore
Burdick	Hathaway	Pell
Byrd, Robert C.	Hollings	Randolph
Cannon	Humphrey	Schweiker
Case	Inouye	Stevenson
Chiles	Jackson	Talmadge
Church	Johnston	Tower
Clark	Kennedy	Tunney
Cook	Magnuson	Weicker
Cranston	Mansfield	Williams
Domenici	McGee	
Eagleton	McIntyre	

NOT VOTING—19

Aiken	Hughes	Scott, William L.
Brock	Long	
Eastland	Mathias	Stevens
Fulbright	Metzenbaum	Symington
Gravel	Muskie	Taft
Hruska	Ribicoff	Young
Huddleston	Scott, Hugh	

So Mr. BELLMON'S amendment (No. 1095) was rejected.

The PRESIDING OFFICER. Under the previous order, the Senator from New York (Mr. BUCKLEY) is recognized to call up his amendment No. 1081, on which there shall be 1 hour for debate.

Mr. BUCKLEY. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BUCKLEY. Mr. President, I send to the desk an amendment by way of substitution to correct certain technical defects that were brought to my attention. It does not in any way affect the substance of the bill.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that that be done?

Mr. BUCKLEY. I ask unanimous consent to modify the amendment.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 13, line 17, strike out "(f)(2)" and insert in lieu thereof "(h)(2)".

On page 13, line 17, after "no" insert "incumbent".

On page 13, line 24, strike "(g)" and insert "(i)".

On page 14, line 9, after "No" insert "incumbent".

On page 15, line 5, strike "(f)(2)" and insert in lieu thereof "(h)(2)".

On page 15, line 5, after "no" insert "incumbent".

On page 15, line 10, strike "(g)" and insert "(i)".

In page 15, between lines 17 and 1, insert the following:

"(c) No candidate who is not an incumbent may make expenditures in connection with his campaign for nomination for election, or for election, to any Federal office in excess of 130 percent of the amount of expenditures which an incumbent candidate may make under subsection (a) or (b) in connection with his campaign for nomination for election, or for election, to the same office.

"(d) For purposes of this section, the term 'incumbent candidate' means a candidate who is seeking nomination for election, or election, to a Federal office who—

"(1) holds that office; or

"(2) holds any public office to which he was elected by the voters of an area which is the same as, or includes completely, the area in which the voters reside who may vote in elections held to nominate individuals as candidates for election to that Federal office, and to elect a candidate to that office.

On page 15, line 18, strike out "(c)" and insert in lieu thereof "(e)".

On page 15, line 21, strike out "limitation in subsection (a) or (b)" and insert in lieu thereof "applicable limitation under subsection (a), (b), or (c)".

On page 15, line 22, strike out "(d)" and insert in lieu thereof "(f)".

On page 16, line 4, strike out "(e)(1)" and insert in lieu thereof "(g)(1)".

On page 17, line 4, strike out "(f)(1)" and insert in lieu thereof "(h)(1)".

On page 17, line 18, strike out "(a) and (b)" and insert in lieu thereof "(a), (b), and (c)".

On page 17, line 21, strike out "(g)" and insert in lieu thereof "(i)".

On page 18, line 4, strike out "(h)" and insert in lieu thereof "(j)".

On page 18, line 10, strike out "(h)" and insert in lieu thereof "(k)".

Mr. BUCKLEY. Mr. President, the effect of the amendment is very simple. It recognizes what has been pointed out clearly from time to time during the course of the debate today, and that is

that incumbents have a very significant advantage over challengers and especially those challengers who have never held office from the same basic constituency. Therefore, I propose that challengers be granted 30 percent more money than the limits now stipulated in the pending legislation.

During the course of the debate on S. 3044 that has occupied a major proportion of our time for more than a week now, several references have been made to the fact that this bill may favor incumbent officeholders over those attempting to challenge them.

The fear that S. 3044 will favor incumbents over challengers is, in my opinion, a most realistic one. I am convinced that this legislation as presently drawn would make it even more difficult than it now is to unseat an incumbent Congressman, Senator, or President.

Recent poll figures force one to the conclusion that the Congress is not exactly held in the highest esteem by the American people. In fact, as most of us are aware a number of pundits have observed that we are presently less popular even than the President with a collective approval rating of but 21 percent.

One might conclude from figures like this that incumbents would be frequent victims of the oft-stated desire to "throw the rascals out." But, in fact, we rascals have always fared rather well in seeking reelection. I will grant that we are perhaps all good fellows and that it is at least possible that we are so loved by our constituents as to be personally unbeatable, but I suspect there are other, better reasons for our remarkable success at the polls.

It is well known, and, indeed, obvious to even the most casual observer, that as incumbents we have certain tangible and intangible advantage over almost any prospective challenger.

As U.S. Senators we are more familiar with the issues than most for we are paid to be familiar with them. Our comments and our feelings are news in our home States and occasionally nationwide. We have on our various payrolls people whose job involve communicating our positions to our constituents, servicing the requests of constituents in trouble and portraying our views to the public in the most favorable light possible.

We have access to the frank, to the Senate recording studio and to the professional expertise of people who have worked directly or indirectly all their lives to keep people like us in office.

During the course of a year we answer literally thousands or even millions of letters. We respond personally or through staff members to the requests of countless constituents who call us in Washington or at our State offices seeking help with individual problems.

All of this gives us a significant advantage come time for re-election. We are ordinarily far better known than those seeking to unseat us and after 6 years of experience in office we are usually far more likely to know how to win a campaign.

These same kinds of advantages are available to our colleagues in the House and, in exaggerated form to any incumbent President.

Thus, it is hardly surprising to discover that incumbents are more likely to be reelected than defeated in spite of popular feelings about Government in general or differences on specific issues.

Consider the figures.

During the last half century, U.S. Senators seeking reelection have won more than 80 percent of the time and Congressmen have done even better by beating back their challengers 90 percent of the time.

A number of studies have indicated that incumbency alone is worth at least five points in a House race and six in a Senate race.

Is it any wonder, in light of these figures, that Charles Clapp in his classic work on the House was able to summarize the attitudes of those he talked to thusly:

> There is a tendency to believe that, aside from isolated instances where an over-riding issue is present, there is little excuse for defeat.

I am not claiming that these rates prevail only because of incumbency and I am not about to claim—as common cause's spokesmen seem to—that incumbents win because only they can raise the money that has been described as "the mothers milk of politics." But it is clear that incumbency itself gives one an advantage that the average challenger must overcome if he is to prevail.

It is my firm belief that a certain amount of money must be spent by a challenger just to offset the incumbent's advantage, unless he finds himself in one of Mr. Clapp's "isolated instances where an overriding issue is present."

If this assumption is correct, the uniform spending limits incorporated into S. 3044 can only aid incumbents because they make it impossible for a challenger to spend the money necessary to overcome the incumbent's advantage. It is this feature of S. 3044 that makes it both fair and accurate to characterize the bill as the Incumbent Protection Act of 1974.

It is difficult to place a dollar value on incumbency, especially in Senate races. Senator BROCK last week referred to one estimate that placed the value of House incumbency at some $60,000. I suspect this figure is a bit high, however, because it includes money spent on things that have only marginal value at reelection time.

The true value of incumbency is difficult to determine primarily because it is only one of a number of factors that determine the outcome of any election.

For example, a number of studies have shown that party is even more important as the vast majority of congressional districts especially are dominated by a single party. Indeed, while 90 percent of those incumbents running are reelected in House races 75 percent or more of the candidates representing a retiring incumbent's party are also elected. With this in mind it is indeed difficult to separate out the dollar value of incumbency in a meaningful way so that we can structure our laws to allow all candidates to start the race at the starting line.

Therefore, I must admit that my amendment to S. 3044 which allows nonincumbents to spend 30 percent more than incumbents represents a somewhat arbitrary attempt to compensate for the advantages an incumbent presently enjoys.

Still, arbitrary as the 30 percent figure itself may be, the available evidence indicates that it may well accomplish the purpose. Prior to preparing this amendment, I reviewed various studies that convince me that a 30 percent differential would do much to overcome the advantage of incumbency without tipping the scales too far the other way.

One of these studies was undertaken by common cause. I cited it at the time I originally introduced this amendment and I would call your attention to it again today. I am referring, of course, to the common cause study of 1972 congressional campaign financing that was released last year.

The authors of the study are numbered among the principal supporters of public financing and use its results to bolster their case. But I am convinced that they misread their own data; that in fact it argues against public financing generally and the provisions of S. 3044 specifically.

In 1972 more than three-quarters of all House races were decided by pluralities of 60 percent or more. In these races the average winning candidate spent $55,000 or less and the average loser spent even less.

These races all took place in what political analysts like to call "safe" districts. The districts involved were either so totally dominated by one party that a serious fight for the seat impressed almost everyone as futile, or the seat was occupied by a personally popular incumbent who just was not about to be beaten.

The authors of the study apparently believe that real races might be run in these districts if enough dollars are poured into the campaigns of those challenging now firmly entrenched incumbents. I am not persuaded that this would happen.

For reasons outlined above the incumbents holding these seats are probably impervious to real challenge. Those running against them have not failed, because they have lacked funds; they have lacked funds because their campaigns were doomed to failure.

Common Cause has simply confused cause with effect in a way that has led Mr. Gardner and his friends to precisely the wrong conclusions.

Supporters of incumbents and challengers alike in these districts were apparently reluctant to give to campaigns unlikely to be affected one way or the other by their contributions. Thus, as we shall see in a moment the spending on both sides in these districts was significantly below the spending levels that prevailed in hotly contested races.

This three-quarter figure cited in the Common Cause study helps verify another figure I cited a few minutes ago. As you will recall, I mentioned earlier that another study found that in 75 percent of those congressional districts where an incumbent retires, the next race was won by a member of his party.

The authors of the other study used this figure to demonstrate the importance of party. They found, in effect, that because of party three-fourths of all congressional races are won by the dominant party's nominee regardless of incumbency and other factors.

I must conclude, therefore, that in such districts the $90,000 per candidate allowed under S. 3044 will merely increase the level of spending without having any real impact on the final outcome.

The races in which the Federal subsidy and the limits associated with it will have an impact take place in the 60-odd districts that might be considered marginal.

According to the same Common Cause study, only 66 House races were decided by less than 55 percent of the vote in 1972. These districts could be considered marginal by most standards and the victor in each of them had to fend off an extremely tough challenger.

Winners and losers alike spent more money in these races than was spent in the districts I have described as "safe." The cost to winners and losers alike in these districts averaged somewhat more than $100,000 each. As both the winners and losers spent about the same amount in these races, it suggests that the raising of funds needed for such campaigns is not too different. I will also admit that the limits imposed by S. 3044 might not have much of an effect in the average close race.

The real impact of the limits imposed by this legislation will occur in those races in which an incumbent finds himself in trouble and stands a chance of being defeated. Only 10 House incumbents were defeated in 1972 and in all but 2 cases the challenger had to spend significantly more than his opponent to overcome advantages of incumbency.

The average spent by candidates who unseated incumbents in 1972 was $125,000 as opposed to the average of $86,000 those incumbents spent. Thus, it can be argued on the basis of these figures that a challenger must be able to outspend an incumbent opponent by a significant margin if he expects to beat him and that he will have to spend in excess of $100,000 to stand a realistic chance.

But what effect will the $90,000 limit imposed by S. 3044 have in these races? It is not at all unrealistic to assume that it will prevent challengers in marginal districts from overcoming the advantages inherent in incumbency. It is not at all unreasonable, in other words, to assume that those limits, had they been in effect in 1972, might have saved most, if not all of those 10 incumbents.

I have referred to the figures involving House races because the figures for these races are more easily quantified and compared. But the same principles apply to Senate and Presidential races—under ordinary circumstances it costs money to overcome the advantages of incumbency and a uniform spending limit might well make it impossible for the average challenger to accomplish this.

Mr. President, I think my amendment will encourage real competition in those districts where competition is possible. It will also dispell any public idea that what the Congress is really engaged in the protection of incumbents.

The people of this country are growing more cynical by the day. They are convinced that we care only about ourselves—not about their problems or the system we profess to serve.

I am not at all convinced that public financing will dispell this cynicism, but I do think that if we are going to move in this direction the people are going to demand that we do more than enact reforms that have the practical effect of protecting ourselves from those who would seek to unseat us.

Therefore, I urge the adoption of this amendment.

I reserve the remainder of my time.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. BUCKLEY. I am glad to yield to the Senator from Kansas.

Mr. DOLE. I have an interest in this amendment and its application where an incumbent Congressman is running against an incumbent Senator.

Mr. BUCKLEY. My amendment specifies that the definition of incumbency includes anyone who holds office or has held office within 5 years, which office has the same general electorate as the person in office. In other words, if a governor should challenge a Senator, he would not receive more money, or in any State where there is one Member of the House, like Delaware or Alaska, Members of the House would not be granted a larger sum of money.

Mr. DOLE. Take Kansas as an example, where there are five congressional districts. Even though the incumbent Member of Congress and the incumbent Senator have one common area, under your amendment the Congressman would still get the total bonus. Is that correct?

Mr. BUCKLEY. He will, because he must also compete in areas where he has not had the advantage of being able to send out literature to constituents.

Mr. COOK. Mr. President, will the Senator yield for one correction in the colloquy? I think the amendment the Senator sent to the desk eliminates the 5-year period, if I understand it correctly.

It reads: "holds any public office to which he was elected by the voters in an area which is the same as, or includes completely, the area in which the voters reside . . ."

Mr. BUCKLEY. That is correct. That was one of the technical corrections.

Mr. COOK. So there is no 5-year period provided for.

Mr. BUCKLEY. I thank the Senator from Kentucky for that correction.

Mr. DOLE. I think basically I agree with the statement of the Senator from New York. There are some who would suggest that this year the incumbents should have the bonus because many problems, not of their own making, are faced by incumbents. But is seems to me that where there is a partial incumbency on behalf of the challenger and the incumbent, it might be advisable to provide some sliding scale or some sliding formula. As the amendment stands now it provides, in effect, more of an advantage to an incumbent Congressman who is running against an incumbent Senator, as compared to someone who is not holding office and running against an incumbent Senator.

Mr. BUCKLEY. I believe the point made by my friend from Kansas is well taken.

Mr. DOLE. In other words, both the incumbent Senator and incumbent Congressman have the same advantage in one of their State's congressional districts. That question is of peculiar interest to me, because my opponents is an incumbent Congressman.

Mr. BUCKLEY. The Senator has raised a good point. I think, also, it illustrates some of the difficulties we are apt to run into when we set arbitrary limits and ceilings on expenditures, and so on, none of which I support. Nevertheless, we do recognize the basic problem of the advantage of an incumbent in normal election years, and accordingly, an amendment such as mine is, I think, badly needed. I think it injects equity. It protects the Congress from the charge of self-service.

I am sure that if the Senate will adopt this amendment, in the conference process we may see some kind of sliding scale or other approach taken that would cope adequately with the kind of fact situation suggested by the Senator from Kansas.

Mr. DOLE. If the Senator will yield further, it seems to me it could be reduced proportionately. In the case of the State of Kansas, there are five districts which are approximately equal in population. The Senator from New York's formula could be reduced one-fifth, so the challenger would have 124 percent of the Senator's share instead of 130 percent.

Mr. BUCKLEY. I wish the Senator from Kansas had collaborated with me before I offered the amendment, but I do offer it as a significant improvement over what we now have.

Mr. President, I ask unanimous consent to include the Senator from North Carolina (Mr. HELMS) as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I reserve the remainder of my time.

Mr. COOK. Mr. President, may I ask the Senator a question on the time of the manager of the bill, so it will not be taken from his time?

Mr. BUCKLEY. I yield.

Mr. COOK. I think we fight this question of how one handles a nonincumbent, and I think the Senator faces up to the issue very well. My problem is one which I will state for the RECORD, and for no other purpose, so we can get some legislative history.

How did the Senator from New York come to the conclusion that 30 percent was the equitable figure?

Mr. BUCKLEY. The Senator from New York had to close his eyes and think and reach up into the air, which I think, incidentally, is as fine a basis for legislating as the basis for much of the legislation we enact in this Chamber.

Actually, it was not entirely that

arbitrary. I did look at the races included in the 1972 Common Cause, study, which seemed to indicate that there was a disparity of between 20 and 40 percent in what was spent by the successful challenger as compared to the challengee.

Mr. COOK. I must say that is our problem when we amend a bill so freely on the floor. I will say to the Senator from New York, in all honesty, I think we have to resolve this problem and I think it should be resolved. I have serious misgiving about pulling figures out of the air. We are pulling substantial financial figures out of the air—30 percent to nonincumbents in 50 States for 435 House seats.

Could the Senator tell me, based on the charts produced for the Rules Committee, the additional sums this would cost in the overall picture, so the taxpayers, who are obviously footing the bill, will have some idea of what the 30 percent really constitutes for 435 House and 33 Senate seats?

Mr. BUCKLEY. Mr. President, I have not done that, but it is a simple matter of arithmetic. One would take one-half of the cost and add a certain amount to it.

Mr. COOK. I do not disagree with the Senator. I think we ought to know what we are doing. We ought to know what we are doing for the budget. I think the taxpayers ought to know. Whether the amount be 10 percent or 20 percent, there ought to be some basis by which we could evaluate this proposal and know the amount we are talking about.

I know the situation is very serious. The facts prove that incumbency has a value. But when we move in the other direction and take a figure out of the air, we should know what it represents in dollar bills.

Mr. BUCKLEY. If the Senator will yield, this information was not taken out of the air; it is based on such conclusions as could be gleaned from an analysis of the Common Cause study.

Mr. CANNON. Mr. President, will the Senator yield on my time?

Mr. BUCKLEY. I yield.

Mr. CANNON. Mr. President, I think the Senator has raised a good point as to whether an incumbency actually does have a value. We have seen polls which show in what low esteem the incumbent is held, plus the fact that he has to be in attendance here and vote on issues that are very unpopular at home. He has to be here to answer quorum calls, and so on.

There is a real question as to whether he does have an advantage, let alone whether one can evaluate whether the amount ought to be 20 percent, 30 percent, or perhaps 2 percent or 1 percent.

One Senator suggested a few moments ago that the incumbent is the one who has the disadvantages, because the incumbent is held in such low esteem by the public.

Mr. BUCKLEY. It is not only since 1972 that Congress has been held in such low esteem. It is an unfortunate fact that has existed for many years. Nonetheless, election after election demonstrates that 90 percent of the membership of the House is returned to Congress, and more than 80 percent of the Senate is also returned.

Careful studies have been cited by the Senator from Tennessee (Mr. BROCK) which place a monetary value on it. We have seen other studies which place a 5 or 6 percent advantage on incumbency.

May I ask the distinguished sponsor of the bill whether, during the consideration of the bill, any hearings were held to determine this?

Mr. CANNON. There certainly were hearings, and the hearings went into almost every question that I could conceive of.

Mr. BUCKLEY. Was this question raised?

Mr. CANNON. I do not believe the precise question was raised as to whether the incumbent ought to get less than the person who is the challenger. But in simple frankness, if we wrote into the bill a different figure, we would kill the bill. If the distinguished Senator from New York is desirous of killing the bill, this amendment is a means of doing it. But if he is honestly trying to save the bill and arrive at a different formula, it is unfortunate that he did not propose that formula at the time of the hearings, because we tried to make the formula as fair as we could. Despite that fact, every member of the committee worked together to try to devise the fairest formula we could come up with, and that is what we did.

Mr. BUCKLEY. I appreciate the sincerity of the efforts that have been made. However, as is so often the case, many of us do not have an opportunity to study the legislation until it is reported by the committee. We have had our own work to do.

I have also had an opportunity to study a careful analysis by Prof. Ralph Winter of the Yale Law School, among others, that highlights and demonstrates a significant advantage.

I would like to refer to the very excellent point raised by the Senator from Kentucky that my amendment has the effect of increasing the cost of $3,044. I ask unanimous consent that I may amend my amendment to provide that we reduce by 30 percent what is allowed the incumbent, instead of allowing it to the challenger.

The PRESIDING OFFICER. Is there objection to the Senator from New York further modifying his amendment?

Mr. CANNON. Mr. President, what was the modification?

The PRESIDING OFFICER. The Senator from Nevada asks for a clarification.

Mr. BUCKLEY. In response to the excellent point raised by the Senator from Kentucky for modification of my amendment, if adopted as orginally submitted it would increase the amount allocated to the challengers. I merely provide now that we reduce by 30 percent the amount allocated to the incumbent rather than increasing the challenger's allotment by that amount. The effect would be unchanged.

Mr. COOK. In the form in which the amendment is now, the amount is put in terms of $90 million a year. Half of $90 million is $45 million 30 percent of $45 million is $13,500,000. So what we are doing, in fact, is increasing the cost of the bill by $13,500,000 a year.

Mr. BUCKLEY. If my amendment is adopted, we reduce the cost by $13,500,000.

Mr. COOK. Is the Senator's proposal in the form of a substitute?

Mr. BUCKLEY. No.

The PRESIDING OFFICER. The Senator has proposed a modification or a substitute. He seeks unanimous consent to modify his amendment.

Mr. COOK. This is similar to the amendment submitted by the distinguished Senator from Alabama (Mr. ALLEN) this morning. The one the Senator from Alabama proposed provided 50 percent for the incumbent.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment will be so modified.

The Senator from New York will please send his modification to the desk.

Mr. BUCKLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BUCKLEY. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from New York has 8 minutes remaining.

Mr. DOLE. Mr. President, will the distinguished Senator from Kentucky yield me some time. The Senator from New York can then draft his proposal.

Mr. COOK. Mr. President, I yield 3 minutes to the distinguished Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, while the distinguished Senator from New York is drafting his modification, I think it might be well to point out that it is a matter of concern to this Senator, who is running as an incumbent candidate and who has a vital interest in the proposed legislation.

I would point out to the Senator from New York and other Senators the great difficult we face in trying to make everything uniform and give everyone equal advantage in a political race. I would cite my own efforts to play it straight and to disclose properly my contributions and expenditures; to open political offices and pay those who work in them with political contributions rather than with official staff salary allowances and to lease planes, automobiles, and other things as the campaign approaches.

I just do not see how it is possible in any bill to make certain by legislation that everybody will have an arithmetically equal shake.

I agree with the distinguished Senator from Nevada. I would say certainly that the incumbent always has disadvantages.

Further, in the case of the junior Senator from Kansas, because of early efforts to mount a campaign and because of strict compliance with the laws passed heretofore, the junior Senator from Kansas had spent in excess of $100,000 before any opponent decided to make an announcement. So here is a case where the incumbent has already been penalized. Now we come along with this amendment that says, if one is chal-

lenging an incumbent, he is disadvantaged and ought to have 30 percent more.

Mr. CANNON. Mr. President, is there not a serious constitutional question as to whether Congress can say that a person who is an incumbent can spend only so much money, but that a person who is a nonincumbent can spend 30 percent more? Would that not be a constitutional question that might jeopardize the incumbent?

Mr. DOLE. I think a serious question is involved. Once we start tinkering in this area, we invite real trouble. I believe, in all seriousness, that there are some disadvantages in incumbency in normal times. But I suggest that these are not normal times, and I am not certain there are any advantages to incumbency this year.

Mr. President, I yield back the remainder of my time.

Mr. BUCKLEY. Mr. President, I send to the desk a substitute amendment with the modifications we have been discussing.

The PRESIDING OFFICER. The amendment is so modified.

Mr. BUCKLEY'S amendment, as modified, is as follows:

On page 13, line 17, strike out "(f)(2)" and insert in lieu thereof "(h)(2)".

On page 13, line 17, after "no" insert "incumbent".

On page 13, line 24, strike "(g)" and insert "(i)".

On page 14, line 9, after "No" insert "incumbent".

On page 15, line 5, strike "(f)(2)" and insert in lieu thereof "(h)(2)".

On page 15, line 5, after "no" insert "incumbent".

On page 15, line 10, strike "(g)" and insert "(i)".

On page 15, between lines 17 and 18, insert the following:

"(c) No candidate who is an incumbent may make expenditures in connection with his campaign for nomination for election, or for election, to any Federal office in excess of 70 percent of the amount of expenditures which a non-incumbent candidate may make under subsection (a) or (b) in connection with his campaign for nomination for election, or for election, to the same office.

"(d) For purposes of this section, the term 'incumbent candidate' means a candidate who is seeking nomination for election, or election, to a Federal office who—

"(1) holds that office; or

"(2) holds any public office to which he was elected by the voters of an area which is the same as, or includes completely, the area in which the voters reside who may vote in elections held to nominate individuals as candidates for election to that Federal office, and to elect a candidate to that office.

On page 15, line 18, strike out "(c)" and insert in lieu thereof "(e)".

On page 15, line 21, strike out "limitation in subsection (a) or (b)" and insert in lieu thereof "applicable limitation under subsection (a), (b), (c)".

On page 15, line 22, strike out "(d)" and insert in lieu thereof "(f)".

On page 16, line 4, strike out "(e)(1)" and insert in lieu thereof "(g)(1)".

On page 17, line 4, strike out "(f)(1)" and insert in lieu thereof "(h)(1)".

On page 17, line 18, strike out "(a) and (b)" and insert in lieu thereof "(a), (b), and (c)".

On page 17, line 21, strike out "(g)" and insert in lieu thereof "(i)".

On page 18, line 4, strike out "(h)" and insert in lieu thereof "(j)".

On page 18, line 10, strike out "(h)" and insert in lieu thereof "(k)".

Mr. BUCKLEY. Mr. President, I think we have exhausted the arguments, at least on my side, and I am happy to yield back the remainder of my time, if the manager is prepared to yield back his. Before doing so, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

One of the basic purposes that we were trying to achieve in this bill for public financing was to make it so that people who were not incumbents would have an equal access to funds to be able to carry on a campaign. The distinguished Senator from New York referred to Common Cause a few minutes ago as one of his authorities. I would like to read from the testimony of the head of Common Cause before the committee:

Congressional incumbents averaged a 2 to 1 financial advantage over their opponents in the 1972 elections.

That was where they did not have any public financing, they had a 2-to-1 financial advantage over their opponents.

Our most recent finding furthermore shows that of the money given to 1972 congressional candidates by special interest groups, $2 out of every $3 went to incumbents.

So they got 2-to-1 in private financing, and they got $2 out of $3 from the special interest groups.

The study also shows that, while spending substantial sums does not guarantee victory, it is essential to running a closely contested race.

We also found that less than $1 out of every $3 made available to congressional candidates came from small givers—$100 or less.

This makes it obvious that they rely on the big givers—that is, when I say "big givers," I mean if you want to call the giver of $100 or more a big giver.

There is really only one solution to this fundamental problem. If we are to return to a competitive system of representative government, then we must have public financing of elections.

Mr. President, that is exactly what we tried to do. We tried to devise a fair formula. In my opinion, if we try to write in an inequality for either side by simply saying that because a man is or is not an incumbent he gets a lesser amount, that is something that could not be upheld in the courts. Furthermore, I do not think it could be made fair either way you attempt to set it.

Mr. BUCKLEY. Mr. President, before I yield back the remainder of my time, I would like to address myself to two points raised by the sponsor of the bill. He cited two conclusions reached by Common Cause from data compiled by Common Cause with respect to the 1972 elections.

In the case of House seats where, by virtue of incumbency or by virtue of the fact that the district is overwhelmingly of one party or another, you have a situation where there is no point in trying to challenge the incumbent, and potential donors understand this. The result is that the average incumbent spends 50 some odd thousand dollars and the average challenger spends less in these races. This is because everyone understands the futility of the race. The incumbents are not reelected because the challenger could not get money; rather the challenger could not get money because it was understood that he could not win.

However, the same figures assembled by Common Cause illustrate that where you have close races; races in which, election year in and election year out, the outcome has hinged on about 5 percent of the votes; in each of those races we see quite a different situation. We see both the incumbent and the challenger able to mobilize and spend significant sums of money. The averages are a little more than $100,000 per race whether the candidate happens to be the incumbent or the challenger.

This demonstrates to my mind that where there is a close race, neither incumbent nor challenger has difficulty in raising the necessary funds. Therefore, the entire premise of Common Cause is falsely placed. I just want the RECORD to include this rebuttal.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. DOMENICI). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from New York (Mr. BUCKLEY), as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Maine (Mr. MUSKIE), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from Maryland (Mr. MATHIAS), and the Senator from Pennsylvania (Mr. HUGH SCOTT) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT) are absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Ohio (Mr. TAFT) would each vote "nay."

The result was announced—yeas 17, nays 66, as follows:

[No. 103 Leg.]

YEAS—17

Allen	Cranston	Packwood
Bayh	Dole	Percy
Beall	Helms	Proxmire
Biden	Mansfield	Thurmond
Buckley	McClure	Weicker
Chiles	Nelson	

NAYS—66

Abourezk	Fannin	McIntyre
Baker	Fong	Metcalf
Bartlett	Goldwater	Mondale
Bellmon	Griffin	Montoya
Bennett	Gurney	Moss
Bentsen	Hansen	Nunn
Bible	Hart	Pastore
Brooke	Hartke	Pearson
Burdick	Haskell	Pell
Byrd, Harry F., Jr.	Hatfield	Randolph
	Hathaway	Roth
Byrd, Robert C.	Hollings	Schweiker
Cannon	Hruska	Sparkman
Case	Humphrey	Stafford
Church	Inouye	Stennis
Clark	Jackson	Stevenson
Cook	Javits	Talmadge
Cotton	Johnston	Tower
Curtis	Kennedy	Tunney
Domenici	Magnuson	Williams
Dominick	McClellan	Young
Eagleton	McGee	
Ervin	McGovern	

NOT VOTING—17

Aiken	Hughes	Scott, Hugh
Brock	Long	Scott, William L.
Eastland	Mathias	
Fulbright	Metzenbaum	Stevens
Gravel	Muskie	Symington
Huddleston	Ribicoff	Taft

So Mr. BUCKLEY's amendment was rejected.

UNANIMOUS-CONSENT AGREEMENTS

Mr. ROBERT C. BYRD. Mr. President, for the information of the Senate, there will be no more rollcall votes today.

Mr. President, I ask unanimous consent that at such time as amendment No. 1120 of the Senator from Oklahoma (Mr. BARTLETT) is called up and made the pending business before the Senate, there be a time limitation of 30 minutes to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent at the hour of 12 o'clock tomorrow the Senate proceed to the consideration of amendment No. 1120 of the Senator from Oklahoma (Mr. BARTLETT).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order at this time to order the yeas and nays on amendment No. 1120 of the Senator from Oklahoma (Mr. BARTLETT) and for the vote to occur tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

THE PRESIDENCY AND THE IMPEACHMENT INVESTIGATION

Mr. MAGNUSON. Mr. President, on March 20 the Honorable Slade Gorton, Attorney General of the State of Washington, spoke to the Seattle Rotary Club about the Presidency and the impeachment investigation now in progress. I have carefully read—and reread—his statement. I am inserting it, in its entirety, in the RECORD with the hope that it will be just as carefully read—and reread—on both sides of the aisle, on both sides of the Capitol and on both ends of Pennsylvania Avenue.

Mr. Gorton, a Republican, has spoken soberly of a most sobering matter. He has used well the lawyer's technical skills to sort through the complexities and define the issues. Yet in his analysis he has gone byond the narrow confines of black-letter law to examine the much broader historical, philosophical, and ethical perspective in which this matter must ultimately be resolved.

Mr. Gorton's conclusions are his own. Some will agree with those conclusions and others will disagree. But none who take the time to study his statement with the same degree of care with which it was so obviously written will casually lay it aside.

Mr. President, I ask unanimous consent that the full text of Mr. Gorton's address by printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

"REFLECTIONS ON AN INOPERATIVE ADMINISTRATION"

(By Attorney General Slade Gorton)

Today I should like to present for your sober consideration some thoughts about Richard Nixon, his presidency and the impeachment investigation now in progress in the Congress. This is the principal political issue of the day; it is being debated in the press, in classrooms, over dinner tables and in just about every other place in which people gather. Let us focus our attention on determining how a successful path for our nation through these difficult times may best be assured.

To most of us, myself included, the very word "Watergate," and all that it entails, has become a profoundly depressing subject. When one adds to that unique problem all of the continuing challenges of war and peace, the energy crisis, inflation and the increasing influence of government in almost every aspect of our lives, it is easy to become discouraged.

A certain comfort, however, can be gleaned from our own history. One era in the story of our nation in which, from this distance, we Americans seem to have gone from triumph to triumph in a time of constant challenge and daring, was certainly the two decades or so from the opening of the War of the Revolution to the close of George Washington's second term as president. Yet, in the midst of those exciting years, Washington wrote to a friend:

"We have probably had too good an opinion of human nature in forming our confederation. Experience has taught us that men will not adopt or carry into execution measures best calculated for their own good, without the intervention of a coercive power." * * *

"From the high ground we stood upon, from the plain path which invited our footsteps, to be so fallen! so lost!" [2]

One year after that last discouraging commentary, Washington and his compatriots produced the Constitution of the United States. That triumph is perhaps the more significant when we reflect that it was accomplished in a nation with a population roughly equivalent to that of the State of Washington today. But in that new nation, politics was considered everybody's business.

All we need today, I believe, to cause the strengthening and the renewal of free government is a similar dedication and perseverance. Nor can we ever be content with our performance as citizens if we offer our country any less.

During the months since an impeachment of the President was first mentioned as a possible consequence of the Watergate revelations, the views of most persons who have been willing to express themselves have fallen into one of three categories.

The first consists of a collection of radical demands for the impeachment and removal of the President. Most of these demands come from persons who have consistently opposed both President Nixon and his policies for years. Ralph Nader's organization, for example, charges the President with twenty-eight violations of the criminal code.[3] This category is also well illustrated in a recent syndicated column by Garry Wills [4] asserting as impeachable offenses both the impoundment of funds appropriated by Congress and the appointment of Howard Phillips as director of the Office of Economic Opportunity without congressional consent.

Now I am among those state attorneys general who have sued successfully for the release of various impounded appropriations, but seriously to assert that decisions on policy questions such as these, however controversial, amount to impeachable offenses is, in my opinion, the height of irresponsibility. And such an attack is all the less seemly when many of its sources are perceived by most thoughtful citizens to be individuals who have consistently and bitterly opposed President Nixon, both personally and politically, almost from his appearance on the political scene.

The second category includes an opposite, but equally unthinking, reaction. For example, many political conservatives almost automatically characterize all charges against President Nixon as stemming from political persecution, sometimes equating his position with that of President Lincoln, or as being based on minor or inconsequential activities beneath the President's notice. Worst of all, far too many Americans, reflecting an alarming weariness and cynicism, assert that the gravest charges of the past year amount to nothing unusual, that "in politics everybody does it".

Between these two extremes fall the responses of a multitude of thoughtful citizens, from all elements of the political spectrum, whose concerns are based on a fear of the unknown, on the effect of changing presidents in mid-term, or on the possible precedent which might be established for future impeachments or future resignations.

Some persons expressing these views are liberals who profoundly disagree with the President and his policies, but who for just that reason give him the benefit of every doubt and who shrink from advocating impeachment because they do not believe it fair to challenge the mandate of the 1972 election.

Far more of these citizens, however, are conservatives troubled by the effect of President Nixon's precipitous loss of trust and prestige on the fate of his policies, many of which they so strongly support.

All citizens in this category dread the divisive effects of a long and bitter fight over impeachment. All of them wonder at the effect of the resignation or removal from office of President Nixon on the ability of future presidents to hold to unpopular positions, or even to provide strong political leadership for the country in times of deep differences of opinion on a proper course of action. These fears are not, of course, groundless.

On the other hand, at the very least, these arguments fail to recognize that the future

Footnotes at end of article.

is always unknown and that we will change presidents in any event in 1977. But, most important, they fail to consider that the precedent created by *not* acting decisively in the face of such overwhelming provocation may well turn out to be far more dangerous than the precedent established by any form of positive action. But more of that later.

Most of you in this room probably characterize yourselves, as I do, as moderate or conservative in your political views. No doubt, most of you have, as I have, during the course of the past five years, more frequently than not agreed with President Nixon's foreign policies and with his campaign against excessive government spending and federal centralization. I am convinced that, precisely for these reasons, you are faced more urgently than are the President's philosophical opponents by the question of whether or not the President should resign or be impeached.

It is your attitudes toward government which have been discredited. It is your policies which are being increasingly defeated. It is your voices in Congress who will be stilled in November's elections if events continue to drift as they have for the past year.

It is, in fact, your policies which are being abandoned by the President himself for reasons outlined in a recent front-page article in *The Wall Street Journal*:

"President Nixon's new budget . . . shows that his double woes of Watergate and economic distress are forcing him to reverse course drastically.

"Now Mr. Nixon appears as a conciliatory, politically weakened compromiser—dusting off some once-discarded liberal initiatives to try to appease his would-be impeachers . . ." [5]

And it was just a week ago Sunday that the chief of the Chamber of Commerce of the United States noted that the administration has:

"Been pre-occupied with [Watergate] and [has] spent more time trying to handle the technicalities and details of that subject than [it has] in handling important economic issues in the Congress." [6]

It is, therefore, incumbent upon each of us to examine the Constitution, to determine what impeachment means, how it came to be a part of our Constitution in 1787, and to speak out, as citizens of a free nation, on what should be the resolution of the crisis created by the acts and omissions of President Nixon.

The right of impeachment of executive officers was a vital element in drafting the Constitution, and resulted in Article II, § 4, which reads:

"The President * * * shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other High Crimes and Misdemeanors." [7]

The meaning of that last phrase can only be derived from the views of the delegates to the convention. George Mason pointed out that:

"No point is of more importance than that the right of impeachment should be continued. Shall any man be above justice? Above all shall that man be above it who can commit the most extensive injustice?" [8]

James Madison added that it was:

"* * * indispensable that some provision should be made for defending the community against the incapacity, negligence, or perfidy of the Chief Magistrate." [9]

Later, Alexander Hamilton, in *The Federalist*, stated that the subjects of impeachment:

"* * * are those offenses which proceed from the misconduct of public men, or in other words, from the abuse or violation of some public trust. They are of a nature which may with peculiar propriety be denominated "political", as they relate chiefly to injuries done immediately to the society itself." [10]

Finally, in the first Congress of the United States, James Madison, in advocating the President's right to discharge his appointees, said:

"It will make him, in a peculiar manner, responsible for their conduct, and subject him to impeachment himself, if he suffers them to perpetrate with impunity high crimes or misdemeanors against the United States, or neglects of superintend their conduct, so as to check their excesses." [11]

The Constitution states that it is the duty of the President:

"To take Care that the Laws be faithfully executed." [12]

We must ask ourselves, as dispassionately as we can, how President Nixon's record—not as it is characterized by his enemies, but *as he describes it himself*—measures up against those standards which our founding fathers required of the president. Let us look at three separate aspects of that record.

First, in June of 1970, President Nixon in his own words,

"* * * approved resumption of certain intelligence operations [including] surreptitious entry—breaking and entering, in effect. * * *" [13]

That authorization was rescinded, according to the President, only because of the opposition of J. Edgar Hoover. No law of the United States allows such operations; they are forbidden by a number of statutes, both state and federal.

A year later, in June of 1971, again in his own words, President Nixon

"* * * approved the creation of a Special Investigations Unit within the White House—which later became known as the 'plumbers' * * *" [14]

The President took aside its leader;

"* * * to impress upon [him] the vital importance to the national security of his assignment [to] find out all [he] could about Daniel Ellsberg's associates and his motives." [15]

The President thus, without legal authorization, created a secret police unit. If the president cautioned the unit not to violate constitutional safeguards or legal prohibitions, we have no record of it.

Rather, after the President's urgent talk, the unit, created because the President had not been able to persuade the director of the Federal Bureau of Investigation to supervise such activities, apparently felt that it was authorized to violate the civil rights of citizens of the United States, and proceeded to do so.

Second, on April 30, 1973, President Nixon reported to the nation:

"Last June 17 [1972], * * * I first learned from news reports of the Watergate break-in. * * *

"Until March of this year [1973] I remained convinced * * * that the charges of involvement by members of the White House staff were false." [16]

Here, I want to emphasize that I am not questioning either of the President's assertions. I make no claim that he knew of the break-in before June 17, 1972, or of the involvement of his personal staff before March of 1973. But, even given the complete truth of his statement, we are faced with the proposition that the President, with all of the power of the federal government at his command, passed those nine months, through newspaper charge after charge, apparently without bothering to learn anything of substance about the cause of the break-in.

The events of this past year, however, have a far greater impact. First, in March of 1973, President Nixon *did* learn that members of his administration were involved in Watergate.

Moreover, he knew that he had in his possession the best possible evidence of the extent to which they had informed him of their involvement or had hidden it from him, in the form of conversations which he had carried on with each of them and had secretly taped, evidence which also related to their own participation in the cover-up. Nevertheless, the President failed to disclose even the existence of that evidence either to the Department of Justice or to the Congress.

Then, in July of 1973, the Congress discovered the existence of those tapes. The President thereupon refused access to that evidence either to the Department or to the Congress. Thereafter, when those tapes became the focal point of a legal controversy of serious constitutional dimensions, the number and the very existence of some of the tapes were misstated. Finally, after binding court decisions ordering their release to the Department of Justice and after the President assumed what he called "sole personal control" of the tapes, a person or persons unknown but presumably employed under the immediate supervision of the President, apparently destroyed a significant portion of one of the tapes in a fashion which has caused almost everyone to believe was deliberate.

Finally, a third subject. During the trial of Daniel Ellsberg, who was the immediate cause of the creation of the "plumbers", the President directed, and personally participated in, an interview with the presiding judge of that trial during the course of the trial itself on the subject of his possible selection as director of the FBI. It is almost impossible to imagine a more blatant intereference with the administration of justice.

None of these three charges is based on the credibility of John Dean or of any other witness hostile to the President. Each is based upon the President's own reports to the people in explanation of Watergate, or upon factual propositions which are not seriously subject to dispute.

The charges which we have considered to this point, however, do not stand alone in having created the moral climate of cynicism and suspicion in which the federal administration operates today. They exist within a broad pattern of indifference to, and disrespect for, the laws of the United States and the expectations of its citizens.

That pattern includes widespread wiretapping of employees and critics alike, the preparation of "enemies lists" for harassment by the IRS and other governmental agencies and the misuse of the office of the presidency in claiming dubious—or downright illegal—income tax deductions.

That pattern includes the systematic solicitation of illegal campaign contributions, including contributions promised directly to the President by representatives of milk producers, promises which were immediately followed by an order increasing milk price supports. This unedifying spectacle is now justified by the President himself, as having resulted from "traditional political consideration." [18]

That pattern includes the criminal indictments of two of his former cabinet officers, together with two of his closest personal advisers, who were characterized by the President at the time of their forced resignations, as "two of the finest public servants it has been my privilege to know." [19] It includes the two-time selection as vice-president of a man who turned out to have been a common extortionist.

These comments are limited to those of his subordinates who were personally selected by him and responsible to him, and not to the dozens of others farther down the chain of command whose activities he might not have been able to supervise directly.

During his 1968 campaign, Richard Nixon referred to the presidency in this language:

"* * * it [is] preeminently a place of moral leadership. * * * one of a president's greatest resources is the moral authority of his office. It's time we used it * * * to rally the people, to define those moral imperatives which are the cement of a civilized society." [20]

Footnotes at end of article.

This statement appropriately describes the position of the President. In the United States, the President is the head of state as well as the head of the government. He must be able to provide moral leadership to the entire nation, to command respect for his office even when he does not command agreement with his policies.

How does President Nixon's conduct stand up against his own definition of the office, against James Madison's explanation of impeachment as being designed to defend the nation

"* * * against the incapacity, negligence, or perfidy of the Chief Magistrate * * *" [21]

And against the President's own statement in his April 30, 1973 speech:

"In any organization the man at the top must bear the responsibility. That responsibility, therefore, belongs here, in this office. I accept it." [22]

Richard Nixon, out of the evidence of his own mouth, has given the House of Representatives probable cause to vote Articles of Impeachment.

Impeachment is, of course, a legal and a constitutional proceeding. It is my own considered judgment that each of the three sets of incidents which I discussed earlier at some length constitute clear grounds, at the very least, for impeachment by the House of Representatives and trial by the Senate.

But impeachment also seems to me to constitute a judgment about the moral status of the presidency. In that connection, in determining that the President has rightly and irretrievably lost the confidence of the American people, not only the acts of the President himself, but the climate which he and his subordinates have created, are relevant considerations.

While I believe that the House of Representatives is justified in voting for impeachment and will probably do so, it is clear that that process, for whatever reason, still has months to go, to be followed by more months—or years—of trial by the Senate. The nation can ill afford that time, time taken from the gravest of other problems, time which, in any event, can no longer restore the people's confidence in a president who has now forfeited it beyond recovery.

There is, however, another way out of the dilemma.

It is for President Nixon to realize that the nation does not owe him unlimited consideration . . . for Mr. Nixon to place the national interest, the question of confidence in government, above any other interest which relates to him personally, and to resign. The situation in which we find ourselves today is his creation and that of his appointees; the solution is in his hands. I do not agree, as some commentators assert, that resignation is inappropriate in this case. Rather, I believe it to be the finest service which Mr. Nixon can perform for his country, to enable it to start afresh.

To speak of resignation is not to suggest that Mr. Nixon should admit disgrace. Rather, it is to suggest that he face his situation squarely and take the one act which *he* can take which will put the national interest first . . . an act which would require and demonstrate a high degree of character and courage as well as personal sacrifice.

Mr. Nixon has stated that he will not resign, and so Congress must continue to explore impeachment. For most citizens, either impeachment or resignation is an extraordinary remedy with unknown and fearsome consequences for the future. They agree with Hamlet's dread of an unknown future, which

"* * * makes us rather bear those ills we have. Than fly to others that we know not of. Thus conscience doth make cowards of us all;" [23]

The difficulty of the situation in which we find ourselves today is that not only action, but inaction, will have serious and inevitable consequences.

We are all conscious of the low esteem into which all government and all public officials have fallen. We are beginning to be almost equally conscious of the low esteem into which the business community, the free enterprise system, and almost every other institution in our society is falling at the same time.

When we examine with care our strangely quiet campuses, we find that the reaction from the turmoil of a few years ago is not due to a renewed satisfaction with society, but to a passive cynicism about government and society and a pervasive feeling that they cannot and will not be reformed. Inaction by the nation in the face of the present crisis of confidence can only confirm, and make more dangerous, that cynicism.

Equally close to our own concerns must be this question. If the actions of Richard Nixon are not properly the subject of impeachment, what actions of a future president will be? What invasions of your privacy, what viclations of your civil rights, by a radical president, for example, will subject him to impeachment in the future? What acts of the officers of a president after Richard Nixon to extend or preserve his powers or to cause his reelection will cause him to be called to account?

Certainly, no citizen may properly call for impeachment or resignation except on grounds which he is willing to apply to all presidents, and by the same token, it is both improper and dangerous to defend actions on the part of this president which we are not also willing to defend in all future presidents.

We will create, I submit, a far worse precedent by failing to act than by acting. It is our freedom, our rights against an ever present and increasingly powerful government which are at stake.

One last point. Questions of vital public policy affect all citizens and should not be delegated without thought or concern to congressmen, senators or to anyone else. In the most vital public policy question of our day, the views of all citizens are important, but perhaps the views of those who were supporters of President Nixon in 1972 are the most significant, since they clearly do not stem from any possible personal or political hostility. These are questions which we must decide for ourselves; our history and our children's history ride on our answers today as surely as ours did on the answers of 1787.

More than 2,400 years ago, the first of the free societies of which we are the inheritors, the city of Athens, fell upon difficult times. In commemorating the dead of the opening year of a bloody war, Athens' first citizen, Pericles, described his fellow citizens in a democracy in these magnificent words, words which we must make our own as Americans:

"Our ordinary citizens, though occupied by the pursuits of industry, are still fair judges of public matters; for, unlike any other nation, regarding him who takes no part in these duties, not as unambitious but as useless, we Athenians are able to judge * * * all events * * *, and instead of looking on discussion as a stumbling block in the way of action, we think it an indispensable preliminary to any wise action at all * * * [24]

"The secret of happiness is liberty, and the secret of liberty is a brave heart." [25]

FOOTNOTES

[1] George Washington, July 1, 1786.
[2] George Washington to John Jay, 1786.
[3] *The Offenses of Richard M. Nixon,* William Dobrovir, et al., Quadrangle, 1974.
[4] Seattle Post-Intelligencer, January 16, 1974.
[5] Wall Street Journal, February 5, 1974.
[6] Arch Booth, as reported in Seattle Post-Intelligencer, March 11, 1974.
[7] Constitution, Article II, Section 4.
[8] The Records of the Constitutional Convention 65 (M. Farrand ed. 1911).
[9] Farrand, 65–66.
[10] Alexander Hamilton, *The Federalist No. 65.*
[11] 1 Annals of Congress, 372–73.
[12] Constitution, Article II, Section 3.
[13] President Richard Nixon, statement of May 22, 1973. Those intelligence operations also included wiretapping under a claim of legal justification prior to a decision of the Supreme Court. No such justification has been advanced for breaking and entering.
[14] President Richard Nixon, statement of May 22, 1973.
[15] Ibid.
[16] President Richard Nixon, statement of April 30, 1973.
[17] President Richard Nixon to Senator Sam Ervin, July 23, 1973.
[18] President Richard Nixon background paper, January 8, 1974.
[19] President Richard Nixon, statement of April 30, 1974.
[20] Richard Nixon, CBS radio speech, September 19, 1968.
[21] Farrand, 65–66.
[22] President Richard Nixon, April 30, 1973.
[23] William Shakespeare, *Hamlet,* Act III, Scene 1.
[24] Thucydides, *The Peloponnesian War,* Cowley translation, Modern Library (1934), p. 105.
[25] Thucydides, op. cit., per Frances Biddle, *M. Justice Holmes,* Scribners (1943), title page.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENT OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. DOLE. Mr. President, I have an unprinted amendment at the desk which I call up and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 64 between lines 5 and 6, insert the following:

"PROHIBITION OF FRANKED SOLICITATIONS

"SEC. 318. No Senator, Representative, Resident Commissioner or Delegate shall make any solicitation of funds by a mailing under the frank under section 3210 of title 39, United States Code."

Renumber subsequent sections accordingly.

Mr. DOLE. Mr. President, the amendment states:

No Senator, Representative, Resident Commissioner or Delegate shall make any solicitation of funds by a mailing under the frank under section 3210 of title 39, United States Code.

The franking privilege accorded to Members of Congress is just that, a privilege and an official one. It is not a right guaranteed everyone elected to office.

The frank is intended simply and clearly to enable a Member of Congress to communicate with his constituents on official matters, and on this basis I be-

lieve it serves a highly important and valuable public purpose.

There are, admittedly, many gray areas in the franking law. Many questions are raised over what is and what is not frankable matter, and these questions are being reviewed almost continuously by the proper authorities in Congress and elsewhere.

In addition such a use of the franking privilege adds tremendously to the incumbent's advantage over anyone who might seek to challenge him in an election. This is obviously unfair, and the franking law was obviously never intended to be put to such use.

I note that the House Commission on Congressional Mailing Standards agrees with my view on this matter, and I ask unanimous consent that a letter from the Commission's chairman, the Honorable MORRIS UDALL, and a memorandum on the subject of franked solicitations be printed in the RECORD.

There being no objection, the letter and the memorandum were ordered to be printed in the RECORD, as follows:

COMMISSION ON CONGRESSIONAL MAILING STANDARDS,
Washington, D.C., February 27, 1974.

DEAR COLLEAGUE: In past years, many Members have printed, in connection with their newsletters and other mass mailings, a brief appeal for small donations to assist with printing and preparation costs. Recently your Commission was asked to render an opinion on the frankability of newsletters or questionnaires containing such appeals.

Because of the widespread use of this device, and its importance to the Members, the Commission is not inclined to make any final determination without giving Members a full opportunity to be heard on the question.

Accordingly, the Commission at its last meeting adopted a *proposed* regulation holding that such appeals are not "official business" within the meaning of the statute, and should not be included in franked mailings.

Since this matter is not explicitly covered in the franking law, we are enclosing a memorandum of points on which the Commission's interpretation is based. Your reactions and comments are urgently solicited. To be considered, they should be submitted to the Commission on or before March 14th.

With kind personal regards,

Sincerely,

MORRIS K. UDALL,
Chairman.

MEMORANDUM ON THE FRANKABILITY OF SOLICITATION OF FUNDS TO FINANCE THE PREPARATION OF NEWSLETTERS

Mail matter which is authorized to be mailed under the franking privilege is categorized under paragraphs (A) through (J) of subsection (a)(3) of section 3210 of title 39. The purpose of the Congress in writing these paragraphs was to be as specific as possible in listing the types and content of mail matter which is frankable in order to eliminate the uncertainties which had existed under the prior law.

Even the broadest declaration of frankable matter is carefully restricted to "official business, activities, and duties" of the public officials authorized to use the frank.

Therefore, each item which is transmitted in the mail must meet the test of relating to official business, or it is not frankable.

Newsletters are specifically treated under section 3210(a)(3)(B) and are permitted to be franked if they "deal with such matters as the impact of laws and decisions on State and local governments and individual citizens; reports on public and official actions taken by Members of Congress; discussions of proposed or pending legislation or governmental actions and the positions of the Members of Congress on, and arguments for or against such matters."

Inasmuch as the authority to frank newsletters clearly limits and controls the content of newsletters, the absence of authority to solicit funds for the preparation of these newsletters, would prohibit the franking of such solicitations.

The solicitation of funds by a Member of Congress, for whatever purpose the funds are used, constitutes a personal effort on the part of that Member. The nature of this solicitation being personal, in that he elicits a monetary response to him, causes the solicitation to be non-frankable under 3210(a)(4), which prohibits the use of the frank for the transmission of matter "which in its nature is purely personal to the sender or to any other person and is unrelated to the official business, activities, and duties of the public officials" covered by the franking statutes.

It can also be argued that while funds solicited for the preparation of a newsletter which is a document in and of itself frankable, the solicitation is not official business nor related to official business, and is therefore not frankable.

In an ethical sense, the act of personally soliciting funds, for whatever purpose, under the frank was not intended by the Congress. It should be borne in mind that the cost of transmitted franked mail is paid for by appropriation from the general treasury and that it is an obligation of each Member to adhere to the letter and spirit of the franking law, which confines the use of the frank to official business, activities, and duties.

Mr. DOLE. Mr. President, I believe the law is clear. The commission certainly believes such solicitations are improper. But I believe it would be proper and appropriate to provide an absolute and unquestionable legislative answer to this question.

Therefore, I offer this amendment to S. 3044 to forbid any Senator, Congressman, Resident Commissioner, or Delegate from using the frank to make solicitations. This should end any doubt or confusion and provide the public with firm assurance that we in Congress are vigilant in eliminating the opportunities for abuse of the franking privilege.

Mr. President, I wish to state briefly that there has been a practice in the House of Representatives to solicit funds for newsletters and other purposes under the use of the frank. This simply makes it clear there shall be no solicitation of funds for any purpose under the frank.

I am aware of the provisions of the present law, Public Law 93-191, the restrictions on mass mailing, and other provisions of the law but I am not convinced that in effect they prohibit the mailing under the frank of solicitations. This amendment would clarify that matter and the amendment is in accord with the comments of Mr. UDALL. I have submitted a copy of his letter for the RECORD.

Mr. President, I reserve the remainder of my time.

Mr. CANNON. Mr. President, I have discussed this matter with the Senator. In my judgment this amendment adds nothing to existing law. On December 18, 1973, Congress passed and there became law Public Law 93-191, which makes it absolutely clear, in my judgment, that a newsletter could not be accepted for the purpose of solicitation of funds for any purpose. I read from that public law, which states as follows:

(4) It is the intent of the Congress that the franking privilege under this section shall not permit, and may not be used for, the transmission through the mails as franked mail, of matter which in its nature is purely personal to the sender or to any other person and is unrelated to the official business, activities, and duties of the public officials covered by subsection (b)(1) of this section.

I think that section would preclude use of the franking privilege for solicitation of funds, even if it were for publication of a newsletter. In addition, there is a later provision of the law, which describes the intent of the law as follows:

Members of or Members-elect to Congress may not mail as franked mail— (c) mail matter which specifically solicits political support for the sender or any other person or any political party, or a vote or financial assistance for any candidate for any public office.

Therefore, in my judgment, the situation is covered, but if the Senator feels there may be some weakness in the law which was enacted on December 18, 1973, so that perhaps House Members were sending out such solicitations prior to that time, I would be willing to accept the amendment, even though I do not think it adds anything to the law.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. DOLE. As I said in my statement, I am aware of that law and its effect. The written memorandum from the Commission on Mailing standards was written after this law was passed. The memorandum suggests the law is not being observed in that regard. But the gray area is that Members had classified such mailings as official business. They were raising funds for the purpose of newsletters or other business and, therefore, were not soliciting funds for a political candidate or for any other political purpose. To me this is a gray area and it is another advantage that incumbents have over nonincumbents. The amendment would close a loophole that should be closed.

Mr. COOK. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. COOK. I agree wholeheartedly with the remarks of the chairman relative to its illegality. My personal and legal thought, in the framework of the language that the chairman and I have gone over, is that even if he does solicit in his newsletter, it is a solitation of funds that he personally controls and, therefore, constitutes a violation of the law.

I must say that I hope in all fairness that by the adoption of this amendment, and I agree with the chairman we should accept it, this is a reaffirmation of what the law really is. It comes as quite a surprise to me that anyone would use the franking privilege, a newsletter or anything of that nature, to make a direct request for financial assistance for something that the Member of Congress himself controls as a result of solicitation of funds under the franking authority.

Mr. DOLE. It is another of those areas that brings criticism upon Congress and Congressmen. This matter was given special attention by Jack Anderson one evening several months ago, where he named Members of Congress in both parties who follow this practice in the House. It seems to me it is an area that, despite the law passed last December, should be clarified. I offer the amendment with that hope and motive.

I thank the distinguished Senator from Nevada and the distinguished Senator from Kentucky for accepting the amendment.

Mr. CANNON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 11:15 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 11:15 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BROOKE TOMORROW AND FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, following the remarks of the distinguished Senator from Oregon (Mr. HATFIELD), the distinguished Senator from Massachusetts (Mr. BROOKE) be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RESUMPTION OF UNFINISHED BUSINESS TOMORROW AT THE CONCLUSION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow, rather than precisely at the hour of 12 o'clock noon in accordance with the previous order entered, the Senate resume consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow, when the Senate resumes consideration of the unfinished business, the Senate proceed to the consideration of the Bartlett amendment, No. 1120.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow the Senate will convene at 11:15 a.m. After the two leaders or their designees have been recognized under the standing order, the Senator from Oregon (Mr. HATFIELD) will be recognized for not to exceed 15 minutes, after which the Senator from Massachusetts (Mr. BROOKE) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 5 minutes each.

At the conclusion of the transaction of routine morning business, the Senate will proceed to the consideration of the Bartlett amendment—No. 1120—to the Public Campaign Financing bill. There is a time limitation on the Bartlett amendment of 30 minutes. The yeas and nays have been ordered thereon. Consequently, a rollcall vote will occur on the adoption of the Bartlett amendment at about 12:30 p.m. tomorrow.

ADJOURNMENT TO 11:15 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate I move, in accordance with the previous order, that the Senate stand in adjournment until 11:15 a.m. tomorrow.

The motion was agreed to; and at 5:21 p.m., the Senate adjourned until tomorrow, Tuesday, April 2, 1974, at 11:15 a.m.

NOMINATIONS

Executive nominations received by the Senate April 1, 1974:

DEPARTMENT OF JUSTICE

Gerald J. Gallinghouse, of Louisiana, to be U.S. attorney for the eastern district of Louisiana for the term of 4 years. (Reappointment)

Jonathan L. Goldstein, of New Jersey, to be U.S. attorney for the district of New Jersey for the term of 4 years vice Herbert J. Stern, resigned.

Otis L. Packwood, of Montana, to be U.S. attorney for the district of Montana for the term of 4 years. (Reappointment)

Eugene E. Siler, Jr., of Kentucky, to be U.S. attorney for the eastern district of Kentucky for the term of 4 years. (Reappointment)

IN THE NAVY

Adm. James L. Holloway III, U.S. Navy, for appointment as Chief of Naval Operations for a term of 4 years pursuant to title 10, United States Code, section 5081.

SENATE
FLOOR DEBATES
ON
S.3044
APRIL 2, 1974

answered. "After all, we met almost every morning for four years at White House morning staff meetings. We have a good working relationship, and I'm comfortable in it. . . . Kissinger has devoted much of his career to the study of security problems, and that's what I'm dealing with here at NATO. . . ."

When I arrived at the Rumsfeld home in the Avenue des Verts Chasseurs here, his wife, Joyce, greeted me graciously and then left us alone with Otto (the dog), Sam (the cat) and international politics. During the next hour or so, we had visits from Valerie, 17, who was homecoming queen at the Brussels-American School last fall; Marcy, 13, who is enrolled in a Belgian school and is studying—in French—Latin, math and Flemish, and 6-year-old Nicholas, who showed me his increasing mastery at standing on his head. Nicholas is also in a Belgian school and is doing all his studies in French.

Rumsfeld is clearly glad to be away from Watergate Washington.

There have been rumor-flurries several times here that he was headed back to D.C. For example, a crowd of Brussels journalists quickly assembled on his front lawn one night a few months ago when reports circulated that he would be named Mr Nixon's vice president.

Nothing came of the rumors of course, and the ambassador told me, "I like it here, and I plan to stay for a period. . . . This is an important time for the U.S. in NATO." Observers here believe he felt that the present period is a bad growing season for aspiring Republicans back in the United States.

Rumsfeld and his wife shun much of the social side of Brussels diplomacy. Unlike most Europeans he likes short meals, and he also prefers direct office-type contact with other delegations. He often works at home in the evening, bringing papers with him from NATO. The U.S. delegation smilingly endures "the yellow peril"—a stream of questions, reminders and directives that emerges on special yellow paper from the envoy's office.

NATO is an extraordinary institution—little understood publicly but representing "the cornerstone of U.S. foreign policy," as Mr. Nixon and Kissinger have often said. Because NATO's first task is collective defense, the U.S. ambassador's job involves more military and security issues than any other overseas diplomatic post.

However, NATO is also a Peacemaker. It is the diplomatic instrument with which the 15 allied nations co-ordinate their policies of detente with the Soviet bloc.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I would like to report that, according to U.S. Census Bureau approximations, the total population of the United States as of April 1, 1974, is 211,906,243. In spite of widely publicized reductions in our fertility levels, this represents an increase of 1,397,476 since April 1 of last year. It also represents an increase of 97,078 since March 1, 1974—that is, in just the last month.

Over the year, therefore, we have added enough people to fill a new Cleveland, Ohio, and San Diego, Calif. And in just one short month, we have added enough additional people for another Ann Arbor, Mich.

THE OIL CRISIS

Mr. THURMOND. Mr. President, presently we are in a period of negotiations with the Arab Nations reference the oil situation and how it will be applied in future years.

A succinct editorial warning our Government leaders reference these negotiations appeared in the March 25, 1974 issue of the Aiken Standard newspaper in Aiken, S.C. The editor, Samuel A. Cothran, pointed out that this Nation must not yield to blackmail and should push forward in developing our own resources so that in future generations we might be self-sufficient in regards this vital resource.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PLAYING 'CAT-AND-MOUSE'?

One of the most remarkable statistics extant today is a poll which indicates that the anger over the energy crisis of one-fourth of the Americans is directed toward the U.S. government while only 3 per cent of the citizens blame the Arabs who precipitated the problem by imposing an oil embargo some five months ago.

Our eagerness to blame Washington for our problems tells us a lot about our current national state of mind, although we would not dispute with any conviction the argument that several generations of Washington policy helped to incubate our present predicament.

Without confusing the issue with too many statistics, it is accurate to say that Saudi Arabia with its 164 billion barrels of proven reserves is the only Arab nation that can do much to return us to the highway life style that we had come to enjoy until last October. Until the United States of America develops self-sufficiency we will need a very large amount of Arab oil to meet our daily needs.

The incentives for Saudi Arabia to supply the United States with that much additional oil are not all that persuasive. King Faisal has more money than he needs and the oil will gain in value if it remains in the ground. Neither he nor the other Arab nations and Iran appear to be troubled by the international economic dislocations that the oil embargo is creating. Nor does the economic disaster created in the underdeveloped world by high oil prices jar the moral sensibility in Saudi Arabia.

On the other side of the coin, Arab nations need U.S. tools and technology, King Faisal has been a traditional friend of the United States and an implacable enemy of communism. We also have the friendship of President Sadat of Egypt and the yeoman efforts of Secretary of State Henry Kissinger have gone a long way toward bringing warring factions in the Mideast toward accommodation.

The latter is raising the most hope that the embargo will be lifted. However, it is likely that if Mr. Kissinger's efforts to move the Arabs succeed, the producers may respond in degrees—a partial new supply of oil in return for a specific concession.

It is a cat and mouse game that would be entirely unacceptable. Needs larger than oil should establish our policies.

Whether the news from Cairo is encouraging or discouraging, Americans have no alternatives to settling down to meet the energy crisis on their own terms by reaching the state in which we need depend upon nobody else for our fuel.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. HATHAWAY). Is there further morning business? If not, morning business is concluded.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER. Under the previous order, the Senate will resume the consideration of the unfinished business, S. 3044, which the clerk will state.

The assistant legislative clerk read as follows:

S. 3044, to amend the Federal Electric Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Oklahoma (Mr. BARTLETT) No. 1120, which the clerk will state.

The assistant legislative clerk read as follows:

On page 71, strike out lines 1 through 12, and insert in lieu thereof the following:

CONTRIBUTIONS BY GOVERNMENT CONTRACTORS

SEC. 303. Section 611 of title 18, United States Code, is amended by—

(1) by striking out "Whoever" and inserting in lieu thereof "(a) Whoever";

(2) striking out "(a) entering" and inserting in lieu thereof "(1) entering";

(3) striking out "(1)" and "(2)" and inserting in lieu thereof "(A)" and "(B)", respectively;

(4) striking out "(b) knowingly" and inserting in lieu thereof "(2) knowingly"; and

(5) adding at the end thereof the following:

"(b) No person who has made a contribution may accept any contract referred to in subsection (a) (other than a contract the award of which will be made on the basis of competitive bids) at any time within twenty-four months after making that contribution. No person who enters into any contract described in subsection (a) (other than a contract the award of which was made on the basis of competitive bids) may make a contribution at any time during the twenty-four-month period beginning on the date on which performance under that contract is completed, or, if earlier, on which that person ceases to be liable under that contract. Violation of the provisions of this subsection is punishable by a fine of not to exceed $5,000, imprisonment for not more than five years, or both.

"(c) It is not a violation of the provisions of this section for a corporation or a labor organization to establish, administer, or solicit contributions to a separate segregated fund to be utilized for political purposes by that corporation or labor organization if the establishment and administration of, and solicitation of contributions to, such fund do not constitute a violation of section 610.".

Mr. BARTLETT. Mr. President, I ask unanimous consent that David Russell, a member of my staff, may be present during the consideration of this bill and the votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, title 18, section 611 of the United States Code prohibits anyone who enters into a contract with the Federal Government from making a financial contribution to a Federal political campaign during the term of the contract.

Section 611 was passed in 1972 with the idea of avoiding the abuse inherent in the awarding of Federal contracts.

However, although 611 serves a useful purpose, it leaves gaping holes. Under 611, while a person may not make a contribution during the term of a Federal contract, there is no prohibition on contribution either before or after the contract. The potential for abuse is particularly critical in Federal contracts awarded on a noncompetitive basis.

My amendment has the affect of prohibiting any person who receives contracts from the Federal Government on a noncompetitive basis from making contributions to a Federal campaign for a period of 4 years plus the length of time of the contract.

The amendment will work this way: If a person makes a contribution to a Federal campaign he will for 2 years thereafter be ineligible to receive any Federal contract let on a noncompetitive basis. Likewise, if a person receives a noncompetitive Federal contract he will be prohibited for 2 years thereafter from making political contributions.

The need for this amendment is apparent. The present system of letting noncompetitive contracts is rife with potential for abuse. Architects and engineers are the primary recipients of Federal Government contracts on a noncompetitive basis. There is sound basis for architects and engineer contracts being on a noncompetitive basis and I am convinced this policy should continue. The set fee is one which has been determined to be a fair return to architects and engineers. If these professionals were forced to bid for contracts it could only result in a lessening of the quality of the work performed.

Certainly, a lawyer could not be expected to bid for a client—and a client would not want a lawyer who would do so.

It is not out of an abiding dedication to good government that a high percentage of architects and engineers contribute to many political campaigns, but it is a result of pressure from the political system—at least in many cases to the point of insurance not to be blackballed for not contributing. The system creates unnecessarily a gray area for the architect and engineer and the appearance to the public of evil.

But if we do continue the present system, we must reckon with the potential for abuse or the appearance of abuse in the awarding of noncompetitive contracts.

Certainly, my amendment will not take architects and engineers out of politics. They have a constitutional right to support candidates of their choice. But my amendment will eliminate one means of support, the one which possesses the potential for abuse—namely, the giving of political donations.

Architects and engineers who want or do business with the Federal Government can continue to give of their time and their advice but not of their money.

I have discussed my amendment with architects and engineers and they fully support the goal represented by this amendment. They, too, would prefer that every contract be awarded on merit rather than on the political consideration of who gives or gave how much to a candidate.

Mr. President, if our political system and politicians are to regain some measure of respect with the electorate, we as a Congress must be willing to pass this type of legislation.

Mr. President, I reserve the remainder of my time.

Mr. COOK. I yield myself, such time as I may require.

Mr. President, we discussed this aspect of campaign giving in the Rules Committee. What really bothers me is that, in typical fashion, we are saying to the individual who gives that he can be fined. Yet, apparently nothing occurs to the individual to whom he gives. At least, we have seen this happen.

I am on this side of the aisle, and I would only say to the Senator from Oklahoma, as a Republican, that we say people who gave large sums. They were fined as individuals; they were fined as corporations. They were sued by public interest groups to pay the interest on their money. Yet, we still sit here and say, "Where is the end result?" The end result is, who has to pay for the solicitation of having sought a contribution from an individual who the Senator wishes to exclude?

The only thing that bothers me is this: As I read the law now, section 611—perhaps the Senator from Alabama may wish to enter into this—we have a provision on our income tax return, and we have had a discussion about whether we are going to make it mandatory, that $1 or $2 may be allocated to a political fund. I contend that if it is made mandatory that any amount of money from an individual taxpayer has to go into this fund, then the architect or the engineer is already violating the law by filing his income tax return. If it is optional and he happens to make a mistake and checks it, so that he pays $1 or $2 to a political fund, then he is also in violation of the law, because he has made a political contribution.

I say to the Senator from Oklahoma that I get a distinct feeling that this is a much more serious problem on State and local levels than it is on a national level. I get the distinct feeling that, somehow or other, we keep putting the onus on the individual who might make a contribution, and we have very little enforcement on the part of an individual candidate who is the recipient of a contribution.

We read every day that there are literally hundreds of people who fail to file their reports. We read that on State levels, there are numerous candidates who have failed to file a report. Never yet have we seen, to my knowledge, any prosecution of the candidates—the successful candidates or the losing candidates—for their failure to file under the law. Yet, we have just gone through an unfortunate episode. We have seen situations in which somebody put the bite on people, to find a way to give corporate funds, and now, all of a sudden, they are the people who are indicted and they are the people who have paid fines, and the corporations have paid fines. We have to wait and see how long it takes for those who attempted to solicit funds to be dealt with under the law.

Every time we say that this is going to make politics cleaner, we are putting the onus on somebody else, rather than on ourselves. We are saying that somebody else has to be responsible.

I might say that that is why I voted against the amendment of the other Senator from Oklahoma yesterday, which provided that radio and television stations have to make monthly reports. That is our responsibility. We will have a law to live under, if we pass this bill, which will provide what we do with our time and how we handle it. But as we try to handle our own position in the political arena, we keep wanting to force on other people the responsibility to report, to see to it that we are good guys. The responsibility is up to us to do that.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. PASTORE. I have not read the amendment, but I have read the explanation given by the distinguished sponsor of the amendment.

After all, contracts on the Federal level are of such magnitude that they are never given to a person. They are given to a corporation or a combine. Does not this necessarily mean that if a contract is given, let us say, to X corporation, every person who is employed in that corporation is forbidden to make a contribution? If any person in that corporation makes a contribution—be it the secretary, be it the manager, be it the worker, be it the draftsman—does that automatically mean that that corporation cannot engage in a noncontractual situation with the Federal Government?

Mr. COOK. I think the Senator presents a question that the Senator from Oklahoma should answer. As Senators know, some of them are partnerships and they have literally scores and scores of members in the partnerships I think it is a proper question to address to the Senator from Oklahoma because I think he is shutting the door.

Mr. PASTORE. Let me ask this question. I think I know the good motive of the sponsor of this amendment. We have had a scandal in our neighboring State of Maryland and that is what he is trying to avoid on the Federal level, and I am all for eliminating that situation if we can. But sometimes in drawing amendments we are counterproductive because they are not explicit enough to accomplish what we want to achieve without creating more of a problem than we are solving.

I am asking the Senator if his amendment means that anyone connected with the corporation that does architectural work or engineering work, that that corporation itself would be forbidden from engaging in a noncompetitive contract.

Mr. BARTLETT. I would advise the distinguished Senator from Rhode Island, first, that this proposal amends the present law. It is illegal, naturally, for corporations to make such contributions. Normally architectural firms and engineering firms are partnerships. It would be my understanding this would pertain to the principles in the firms:

The partners, the architects, and the engineers.

Mr. PASTORE. What about corporations?

Mr. COOK. They are prohibited by law anyway.

Mr. PASTORE. That is the point. Suppose the president of that corporation makes a contribution. My question is: If the president of a corporation checks off a dollar contribution for the Presidential campaign, does that mean that that corporation cannot engage in noncompetitive contracts? This is a simple question. What is the answer? Is it yes or no?

Mr. BARTLETT. The answer is no. It is my opinion it would not. It does not apply to the architects——

Mr. PASTORE. That is not what the amendment states. The amendment states that any person who makes a contribution, that person is forbidden from engaging in noncompetitive contract situations with the Federal Government.

Whom do we mean? Do we mean the president, the vice president, the secretary? Whom do we mean by "person?"

Mr. COOK. May I say to the Senator from Rhode Island that first of all we have to make a distinction and when we make a distinction we also present a problem. The distinction is that the individual is an officer of the corporation, but the corporation is an entity. Therefore, he is not a partner, an association, or acting in his individual capacity.

Mr. PASTORE. Therefore, in the case where there is a corporation and the president makes a contribution, that corporation can engage in noncompetitive contracts, but in a partnership they cannot do it. There is the hiatus and the vacuum in this amendment that should be explained, and we have not had the explanation yet.

Mr. COOK. I say to the Senator from Rhode Island, with all due deference to the Senator from Oklahoma, and I do not support his amendment, that under sections 610 and 611 of the code that problem exists, and that problem is really in the law, where an individual who is an officer of a corporation, in his individual capacity may make a contribution regardless of whether he does or does not do business with the Federal Government. But under the present situation if an individual is an officer of a corporation, he could not. This would extend it for 2 years beyond the life of the contract. Is that correct? Am I correct in my assumption?

Mr. BARTLETT. Yes, the Senator is correct. On the first point the corporation cannot make a gift. On the second point, a corporation's employees today, who cannot make a gift legally to campaigns, the employees can and do contribute. That is the point I was making.

Mr. President, I ask for the yeas and nays.

Mr. PASTORE. Yeas and nays.

The PRESIDING OFFICER. The yeas and nays already have been ordered.

Mr. BARTLETT. Mr. President, I think that this amendment gives Congress a chance to set a good example for the States. In 1973 there were only 72 contracts entered into between architects and engineers and the Federal Government, totaling $8.5 million in fees. So there are not a lot of contractural relationships, but I do think that it is very clear from conversations I had recently with a number of architects and engineers that there is a gray area here that the professional people do not appreciate or like.

Both point out that when the line is drawn between the pressure they feel to contribute so they will not be blackballed, and not contributing, and then contributing a large amount and have it interpreted as influencing contracts, it is a gray area that they should not be forced into. It places the responsibility in the wrong area.

I think the amendment removes architects and engineers from this kind of invasion of their professional ability because they certainly are interested in doing a good job and they are interested and they should be in doing a good job for the Federal Government. I believe this amendment removes a very muddy area, a gray area that has caused lots of trouble for engineers and architects.

I think it is obvious it would set a great example for the States.

Mr. President, I reserve the remainder of my time.

Mr. COOK. Mr. President, I wish to say that one of the parts here I cannot comprehend is how anybody in his right mind could be forced or compelled and I point out to Senators this language:

> No person who has made a contribution may accept any contract referred to in subsection (a) (other than a contract the award of which will be made on the basis of competitive bids) at any time within 24 months after making that contribution.

That means if an individual in a partnership has made a contribution to the Senator's campaign or my campaign, that partnerhhip is prohibited for 24 months, or 2 years from even bidding on an architectural or engineering contract with the Federal Government.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COOK. I would be glad to yield in just a moment.

Second, I suspect that what one would have to do is get an affidavit. Suppose a person is in the business of bidding on Government contracts. He would have to get an affidavit from every new member brought into the partnership to the effect that he had not made a contribution to a political campaign or to a candidate within the past 24 months; otherwise he would be faced with a problem ex post facto in connection with his ability to bid on a contract for 24 months.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. PASTORE. And it does not make any difference whether that contribution is $1 or $1,000?

Mr. COOK. That is right. As a matter of fact, he could check it off on the income tax return.

Mr. PASTORE. As a matter of fact, when he checks it off on the income tax return, he is estopped.

Mr. COOK. That is correct.

Mr. CANNON. Mr. President, in our Committee on Rules and Administration, we have a number of contracts that are presented to us by various members of the committee or otherwise for approval, contracts for personal services to carry out investigations or studies on particular subjects. Under this amendment, were it to be adopted, if a person had checked off on his income tax return $1 for political purposes, he would be ineligible to enter into such a contract.

Mr. COOK. Not only if he had checked it off, but for 24 months of time the contract could not be presented to the committee.

Mr. CANNON. And he would be ineligible for 2 years.

Mr. COOK. That is correct.

Mr. BEALL. Mr. President, if the Senator will yield, does that mean it would apply to someone who had contributed to a losing candidate?

Mr. COOK. Either one, Senator, either a successful or failed candidate.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. CURTIS. My question does not go to the merits or demerits of the amendment, but I would like to ask if it is the distinguished Senator's contention that a checkoff on the tax return is a contribution on the part of the person who makes the checkoff.

Mr. COOK. Yes.

Mr. CURTIS. Is it his money?

Mr. COOK. Well, we could get into a debate about that, but it is his tax liability.

Mr. CURTIS. No; he would have the same tax liability whether he checked it off or not.

Mr. COOK. That is right, but he has an option as to what he wants to do with that $1 or those $2.

Mr. CURTIS. But he does not put up any money.

Mr. COOK. I am not disagreeing with the Senator. All I am saying is that until we decide—which, by the way, we will discuss shortly—whether this contribution is to be mandatory or at the option of the taxpayer, I would suggest to the Senator that if the taxpayer takes the option that that part of his tax liability be diverted for the purpose of a political campaign, he may well come under this provision or section 611 of the code as it exists.

The PRESIDING OFFICER. All time of the Senator has expired. The proponent of the amendment has 7 minutes remaining.

Mr. BARTLETT. Mr. President, I appreciate the point that was expressed by the distinguished Senator from Nebraska. I think it is a very good point. I would like to mention to the Senator from Nevada that when he expressed concern about the checkoff, this amendment would not have the effect of an ex post facto law. It would not apply to checkoffs that may have been made in the past, but would only be prospective in nature. It would not apply to firms that had contracts in existence, but would apply only to the future.

I would mention to the distinguished Senator from Kentucky, who expressed

concern, that there would be a problem with a new architect entering a firm, as to whether he had or had not made a contribution. I think the whole purpose of this proposal is to remove engineering or architectural firms from the arena of political contributions, and I think that is what they want. They do not want to be involved and they do not want to be in that gray area which is sort of between the contribution of an interested citizen and that of trying to influence people in Government.

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. BARTLETT. I yield.

Mr. GOLDWATER. In view of the way this debate has turned, I would like to ask the Senator from Oklahoma what the situation would be if we passed a law providing for federally financed campaigns. Would we not all be contributors?

Mr. CURTIS. Not if we had deficits. We would be turning it over to our grandchildren.

Mr. GOLDWATER. I am not talking about deficits. If we passed a law for publicly financed campaigns, would we not, in effect, all be making donations, whether we were doctors, lawyers, or whatnot? What is the Senator's opinion on that?

Mr. BARTLETT. Well, the Senator raises a point. I, of course, am not in favor of the public financing provisions of the proposed law——

Mr. GOLDWATER. Neither am I.

Mr. BARTLETT. And I hope it does not become a reality, but I think public financing does raise a lot of questions. I believe this amendment does the job of removing from the political arena, and the pressure of making a contribution if for no other reason than just to be considerate or not to be blackballed, architects and engineers, and puts them in a strictly professional area, which they would like to be in.

When a number of architects and engineers from my State were here recently, talking about the problems that exist around the country, they brought out the fact that some people feel that the answer would be bidding, but I think bidding would be just as unsuitable for an architect or engineer as it would be for a lawyer in trying to obtain a client, and I think it is very important that they be removed from that area.

Mr. PASTORE. Mr. President, will the Senator yield for a suggestion?

Mr. BARTLETT. I yield.

Mr. PASTORE. Why doesn't the Senator modify his amendment to read in the positive rather than in the negative, by saying that any person who has a noncompetitive contract cannot make a contribution to any political party within 2 or 3 months from the time of the election? Then the Senator would be estopping the person.

Mr. BARTLETT. Mr. President, I have an amendment that I would like to have read.

The PRESIDING OFFICER. The Senator's amendment would not be in order until all time has been yielded back.

Mr. BARTLETT. Mr. President, I ask unanimous consent to modify my own amendment.

The PRESIDING OFFICER. Without objection, it is so ordered

The clerk will read the modification.

The assistant legislative clerk read the modification as follows:

The provisions of this subsection shall not apply to any contribution check-off provided on a Federal income tax return.

Mr. BARTLETT. Mr. President, has all time been yielded back?

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time.

Mr. BARTLETT. Yes.

The PRESIDING OFFICER. All time having been yielded back the question is on agreeing to the amendment of the Senator from Oklahoma (Mr. BARTLETT), as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD of West Virginia: I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Colorado (Mr. HASKELL), and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. MATHIAS), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. SCOTT) would vote "nay."

The result was announced—yeas 28, nays 62, as follows:

[No. 104 Leg.]

YEAS—28

Allen	Church	Javits
Bartlett	Domenici	Mansfield
Beall	Dominick	McClellan
Bellmon	Ervin	Nunn
Bentsen	Griffin	Roth
Biden	Gurney	Schweiker
Buckley	Hansen	Taft
Byrd, Harry F., Jr.	Hart	Thurmond
Byrd, Robert C.	Helms	Weicker
	Hollings	

NAYS—62

Abourezk	Goldwater	Nelson
Baker	Hatfield	Packwood
Bayh	Hathaway	Pastore
Bennett	Hruska	Pearson
Bible	Humphrey	Pell
Brock	Inouye	Percy
Brooke	Jackson	Proxmire
Burdick	Johnston	Randolph
Cannon	Kennedy	Ribicoff
Case	Long	Sparkman
Chiles	Magnuson	Stafford
Clark	McClure	Stennis
Cook	McGee	Stevens
Cotton	McGovern	Stevenson
Cranston	McIntyre	Symington
Curtis	Metcalf	Talmadge
Dole	Metzenbaum	Tower
Eagleton	Mondale	Tunney
Eastland	Montoya	Williams
Fannin	Moss	Young
Fong	Muskie	

NOT VOTING—10

Aiken	Haskell	Scott, Hugh
Fulbright	Huddleston	Scott,
Gravel	Hughes	William L.
Hartke	Mathias	

So Mr. BARTLETT's amendment (No. 1120) was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PUBLIC FINANCING: A CALAMITY TO AVOID

Mr. BUCKLEY. Mr. President, we are soon going to have to closely examine and debate the most comprehensive campaign reform proposals ever seriously considered by this body.

I am deeply concerned that low uniform spending limits may work to the advantage of those candidates who can muster nonmonetary contributions or who enter a race with other advantages over their opponents that are unrelated to competence.

These advantages include better initial name recognition, better access to the media and access to other methods of reaching the average voter that are not subject to statutory limits. In general, one class of candidates enjoys these advantages over all others and must therefore benefit from such limits.

I am speaking of course of that class to which all of us here belong. We are incumbents. We have access to the frank. We have a greater claim to media attention than do nonincumbents. In short, we may soon be voting on legislation that could increase our advantage over anyone who wants to challenge us.

This is something that we should avoid. If we are going to limit spending on the part of congressional and Senate candidates we should at least give those who must run without the advantages associated with incumbency some chance to offset our builtin advantages.

I urge in this regard that an editorial, published in the Cincinnati Inquirer and just reprinted in Challenge, the publication of the National Federation of Republican Women, be read extremely closely. It represents a reasoned analysis of the problem and one that we should address when we consider S. 3044. I ask unanimous consent that it be printed in full at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PUBLIC FINANCING: A CALAMITY TO AVOID

The 93rd Congress is closer than any of its predecessors to taking a step from which there is apt to be no easy retreat—the public [federal] financing of political campaigns.

The allure to public financing is, perhaps, understandable. For like all other easy answers, public financing would seem to elim-

inate most, if not all, of what is wrong with American politics.

To consider the long-range consequences of using public funds to finance political campaigns, however, is to see that the perils far outweigh the advantages, that the inequities far outweigh the assets, that the potential abuses far outweigh the probable benefits.

It is ironic to find among the supporters of the public funding a number of organizations and individuals who, in general, have advocated "opening up" the political process and making both government and the party structure more responsible to popular tastes and aspirations.

Public funding, it seems to us, would have precisely the opposite effect. The citizen, after all, has only two unfailing devices to influence the political process—his vote and his financial contribution. To deny him the right to contribute, to insulate the parties from the pressures of opinion, would not, in any accepted sense of the word, make American political parties more responsible. Indeed, it would invite them to become even less dependent on the people whose convictions and aspirations they were created to reflect.

There are, in addition, some grave questions about the constitutionality of outlawing individual financial contributions to the political parties. For is not the financial contribution, at bottom, simply an extension of the individual's right to freedom of speech—a right asserted in the First Amendment?

Quite apart from the philosophical and constitutional aspects, there are some significant practical questions that none of the sponsors of public funding has answered satisfactorily to date.

Certainly the most apparent is how to offset the inherent advantage of the incumbent in any political contest. Sen. Robert Taft, Jr. has suggested that an incumbent congressman seeking re-election has, by the very fact of his incumbency, a $150,000 advantage over any possible challenger. He is saying, in short, that the incumbent's opponent would need to spend $150,000 simply to meet the incumbent on an equal footing. Some observers regard Senator Taft's estimate as conservative. The fact remains that an incumbent congressman, senator or President has an immense built-in advantage—the ability to shape events, the ability to command newspaper headlines and television and radio exposure, the ability to blanket his constituency with franked (free) mail. Any method of using tax revenue to finance political campaigns that fails to offset the incumbents' natural advantage, is, by its very nature, legislation to help insure the re-election of incumbents.

Even more troublesome problems are posed by the allocation of funds between the two major parties. What should the yardstick be? If the answer is treating the two parties exactly alike, aren't voter preferences being ignored? If the answer is using the last election to establish a distribution formula, isn't there a danger of overlooking the possibility of significant shifts in people's preference?

The fact of the matter is that the political pendulum in the United States has a habit of swinging far and frequently. The same Republican Party that mustered only 38.5% of the popular vote in 1964 went on to win the presidency narrowly with 43.4% of the vote in 1968 and to swamp its opposition with 61% of the vote in 1972. And the same Democratic Party that could muster only 40.8% of the vote in 1928 went on to win the White House with a 57.4% landslide four years later.

Clearly, any distribution formula that had been based on, say, the 1928 election would have been patently unfair—so unfair, in fact, as to run the risk of distorting or frustrating what popular preferences actually turned out to be.

Quite another problem is posed by the third party that makes an occasional intrusion into U.S. political life. What yardstick is there for determining its share of public funding? In 1968, Gov. George C. Wallace's American Independent Party, which hadn't even existed in the previous presidential election, garnered 13.63% of the popular vote. Four years later, what purported to be the same party saw its support dwindle to less than 1%. What distribution formula in 1968 could possibly have assured the American Independent Party the financial support to which it was entitled? And what distribution formula could have avoided overfinancing in 1972 a political movement that had manifestly run out of steam?

Supporters of public financing appear to assume that the two major parties that exist today will always exist. In fact, of course, there is the distinct possibility that one or the other may cease to exist—as the Whig Party ceased to exist in the 1850s. Public financing emerges, accordingly, as a means of freezing the present party structure for all times.

The challenge to the nation, and in particular to Congress, is to find a series of remedies that will not prove more hurtful than the perpetuation of the existing system.

Certainly one crucial goal should be encouraging truly mass participation in the process by which political campaigns are financed.

Congress took one timid step in that direction through the checkoff plan introduced into last year's federal income tax returns—a plan that allowed each taxpayer to earmark $1 of his tax payment for the party of his choice. In the tax returns for the year just ended, Congress took a regrettable step backward: The checkoff system is still possible, but the taxpayer is no longer able to designate the party to receive his $1; it goes instead into a common fund to be divided between the two parties.

There is a similar need for the full disclosure of political giving—a disclosure system that will permit the voters to judge a candidate as much by the kind of financial contributions he receives as by the other qualifications on which he bases his campaign.

The ability to attract financial contributions is closely akin to the ability to attract votes. To move, as many suggest we do, toward saying that a candidate or a party need not concern itself with attracting dollars, accordingly, is akin to saying that it need not concern itself with attracting votes. It is difficult to see how the cause of responsible, government is hereby served.

Americans do not want to see public office become the exclusive preserve of those personally wealthful enough to finance their own campaigns. Neither do they want to see candidates so beholden to narrow, special interests as to be unrepresentative of those they are sworn to serve.

But neither, we think, do they want to see the political contributor shrouded in suspicion. And neither do they want a political process that is immune from the public attitudes and pressures that have been the historic shapers of public policy in the United States.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries, and he announced that on March 29, 1974, the President had approved and signed the following acts:

S. 1615, An Act for the relief of August F. Walz;

S. 1673, An Act for the relief of Mrs. Zosima Telebanco Van Zanten;

S. 1852, An Act for the relief of Georgina Henrietta Harris;

S. 1922, An Act for the relief of Robert J. Martin; and

S. 3228, An Act to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes.

ECONOMIC STABILIZATION PROGRAM REPORT—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. HATHAWAY) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Banking, Housing and Urban Affairs. The message is as follows:

To the Congress of the United States:

I herewith transmit to the Congress, in accordance with section 216 of the Economic Stabilization Act of 1970, as amended, the most recent quarterly report of the Economic Stabilization Program, covering the period October 1, 1973 through December 31, 1973.

The fourth quarter of 1973 was a period of continued although slower growth for the American economy. Our gross national product grew to $1,338 billion, an increase of $33 billion over the previous quarter. Employment increased by approximately one million workers to 85.7 million. The American dollar continued to regain strength abroad.

During the fourth quarter, inflation remained our most serious economic problem. Prices here and abroad continued to rise at an unacceptably rapid pace, due in large part to the worldwide shortages of many raw materials. The pattern of price increases also began to reflect the impact of the Arab oil embargo against the United States and higher world prices for oil.

By the beginning of the fourth quarter, the fourth phase of the Economic Stabilization Program had been fully underway. The increases anticipated after the summer freeze on prices were spread out over time with the help of the Phase IV regulatory mechanism.

Phase IV was also designed to provide an effective system of tight standards and compliance procedures that would lead to a gradual return of industry and labor to the free market. Throughout the fourth quarter, decontrol proceedings demonstrated that the public and private sectors of our economy can work cooperatively and effectively to meet common goals of price restraint. As part of the commitments under which they were removed from mandatory controls, many firms have pledged voluntary price control. More importantly for the future, many have stepped-up their capital expenditure plans to enlarge supplies—the only really effective way to halt inflation.

We are firm in our commitment to meet the challenge of inflation. The energy shortage and the problems resulting from it have significantly added to this challenge. We can, however, look with satisfaction to the efforts and sacrifices our Nation has made in response to these problems.

The Congress is presently debating the Administration's recommendation for continued stabilization authority and this Administration stands ready to work with the Congress to develop effective machinery for economic stabilization.

RICHARD NIXON.

THE WHITE HOUSE, *April 2, 1974.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the PRESIDING OFFICER (Mr. HATHAWAY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

AMENDED RECESS SCHEDULE FOR 1974

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Republican leader and myself, I ask unanimous consent that, the amended recess schedule for 1974 be printed in its entirety.

There being no objection, the amended recess schedule for 1974 was ordered to be printed in the RECORD, as follows:

AMENDED RECESS SCHEDULE—1974

Easter (Sunday, April 14)—From conclusion of business Friday, April 12, until Noon, Monday, April 22.

Memorial Day (Monday, May 27)—From conclusion of business Thursday, May 23, until Noon, Tuesday, May 28.

July 4 (Thursday)—From conclusion of business Friday, June 28, until Noon, Monday, July 8.

Labor Day (Monday, September 2)—From conclusion of business Friday, August 23, until Noon, Wednesday, September 4.

NOTE: All recess periods are subject to cancellation or change to adapt to extraordinary situations.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks announced that the House had passed, without amendment, the following bills of the Senate:

S. 71. An act for the relief of Uhel D. Polly;

S. 205. An act for the relief of Jorge Mario Bell;

S. 507. An act for the relief of Wilhelm J. R. Maly;

S. 16. An act for the relief of Mrs. Jozefa Sokolowska Domanski;

S. 912. An act for the relief of Mahmood Shareef Suleiman; and

S. 2112. An act for the relief of Vo Thi Suong (Nini Anne Hoyt)

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 1321) for the relief of Mrs. Dominga Pettit.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H.R. 5106) for the relief of Flora Datiles Tabayo.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 7363) for the relief of Rito E. Judilla.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6186) to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7824) to establish a Legal Services Corporation, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PERKINS, Mr. HAWKINS, Mrs. MINK, Mr. MEEDS, Mr. QUIE, Mr. ASHBROOK, and Mr. STEIGER of Wisconsin were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 2) to provide for pension reform; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PERKINS, Mr. THOMPSON of New Jersey, Mr. DENT, Mr. BURTON, Mr. QUIE, Mr. ERLENBORN, and Mr. SARASIN were appointed managers on the part of the House at the conference on title I of the bill; and that Mr. ULLMAN, Mr. BURKE of Massachusetts, Mrs. GRIFFITHS, Mr. ROSTENKOWSKI, Mr. SCHNEEBELI, Mr. COLLIER, and Mr. BROYHILL of Virginia were appointed managers on the part of the House at the conference on title II of the bill.

QUORUM CALL

Mr. MANSFIELD. Mr President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator is recognized to call up his amendment.

Mr. ALLEN. Mr. President, I call up amendment No. 1059 and ask that it be stated.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk proceeded to read the amendment.

Amendment No. 1059 is as follows:

On page 75, line 23, strike out "exceeds $3,000." and insert in lieu thereof "exceeds—".

On page 75, between lines 23 and 24, insert the following:

"(1) in the case of a candidate for the office of President or Vice President, $250; and

"(2) in the case of any other candidate, $100.".

On page 76, line 2, strike out "exceeds $3,000." and insert in lieu thereof "exceeds—".

On page 76, between lines 2 and 3, insert the following:

"(A) in the case of a candidate for the office of President or Vice President, $250; and

"(B) in the case of any other candidate, $100.".

On page 76, beginning with line 23, strike out through line 5 on page 77.

On page 77, line 6, strike out "(e)" and insert in lieu thereof "(d)".

Mr. ALLEN. Mr. President, under the present law, contributions can be made to various committees of a candidate of up to $3,000 without the incurring of a gift-tax liability. This has enabled many wealthy contributors to contribute $3,000 to each of multiple committees, thereby allowing them to contribute much more than the $3,000 to a candidate without incurring gift-tax liability.

On July 30 last year the Senate passed S. 372, which at the time was hailed by many so-called reformers as a great forward step in the regulation of campaign expenditures. That bill provided—and the bill before the Senate at this time, S. 3044 provides—for a $3,000 limitation per contributor per candidate per election.

It is true that this will permit a man and his wife to contribute $3,000 each, thereby allowing a $6,000 contribution by the family.

The present bill provides a $3,000 limitation per contribution, and, Mr. President, I think that is going a long way. I think that is certainly a fine regulation up to a point. It is contained in S. 372 which was passed last year in this Congress, now pending in the House. I believe it would be the better part of wisdom if we waited and saw what the House was going to do with respect to campaign financing.

There is no doubt that the Senate wants strict regulation. The Senator from Alabama wants stricter regulation. So I believe, Mr. President, it would be well for the Senate first to wait on the House to act, because there is some question as to the degree to which the House has embraced or will embrace public financing. Once we find what the House will do, the Senate can write its version, and then we will be very near to an agreement on a bill, which could very nearly be resolved in the conference, and a bill would ensue.

We have already sent one bill over to the House, S. 372, passed on July 30 last year by a vote of 82 to 8. During the course of the consideration and action and passage of that bill, a public financing amendment was defeated by the Senate. That was just July of last year. So we sent to the House a bill providing for strict regulation of campaign expenditures, with a strict regulation on campaign contributions, but confining all of the contributions to the private sector. That was the action of the Senate in July of last year.

Now, before the House has acted on that bill—I will not say before the House has had an opportunity to act on it, not the full House; the committee has not seen fit to report a bill, but there is an indication that the chairman of the committee is going to see that some legislation is reported to the floor—the Senate is being called on to pass a bill with an entirely different approach.

What was the effect of our action before? I am not sure how many days or weeks we debated it. I think it may have been as long as 10 days on the floor. The distinguished chairman of the committee (Mr. CANNON) is here. He could give the exact number of days. But the Senate debated that bill for a week or 10 days and decided to keep campaign contributions in the private sector, by a yea-and-nay vote here on the floor, and by a substantial margin.

The present bill changes that approach entirely and seeks to finance the primaries of the Members of the House and Senate on a 50–50 matching, or potentially a 50–50 matching, as between private contributions and the Public Treasury, and to finance general election expenditures 100 percent out of the Public Treasury, which would allow, taking the largest State in the Union, a candidate for the Senate—and both of the California Senators have voted for public financing—to have a contribution by the Federal Government, or a part of the Federal Government, of up to $700,000 in matching funds. That would be the Government's contribution to the candidacy of any number of candidates for the nomination of the two major parties.

That would be up to $700,000 based on the amount of private contributions for each candidate for the nomination of the two parties. With that kind of financing, I rather imagine quite a number of candidates will be seeking the nominations of the different parties. And if the Federal Government is going to pay up to $700,000 in matching funds for the contributions of the various candidates, I think there will be a large number of candidates running for the Democratic nomination and a large number of candidates running for the Republican nomination. Then, if the two parties choose their candidates, who have been financed to a large extent by the Federal Government, up to $700,000 apiece, the Federal Government will take it over altogether.

Paying half the amount is not enough. We are asked to pay half of a candidate's expense—a large expense, I might say. I think that a little later on I shall offer an amendment to cut down the amounts allowed to be spent under the bill. I think that this bill escalates the cost of a campaign at a time when we ought to be trying to cut down on the cost of the campaign.

What does the bill provide for the fortunate fellows who have been chosen by the two major parties as their candidates in the general election for the Senate? Why, the taxpayers write each one of them a check for $2,020,000. Is that reform? I am for reform; I am not for a public subsidy. I am for cutting down on the overall expenditures, and I am for cutting down on the individual contributions. We cannot write a bill that is too strict for the Senator from Alabama with contributions and expenditures being in the private sector.

I would not care if they eliminated all private expenditures and all contributions just so long as they leave it in the private sector and do not hand the bill over to the taxpayers.

Mr. President, they say that the lessons of Watergate make it imperative that campaign election laws be changed and tightened up. They say that the only way we can do that is by handing the bill to the taxpayer. Well, that has been the solution of all of our problems for the last decade. When any problems come up, they pump a little more Federal money into the area of the problem and say that that will solve it. The same thing applies where they pump a little more money into the pockets of the politicians. They say that we will have a clean election in that way.

I do not see that policy. That is a non sequitur. There is no magic potion attached to a dollar received from the Public Treasury as distinguished from a dollar received from the private sector.

So turning the bill over to the taxpayer is not going to solve anything. But strict regulations, private contributions and expenditures, and strict rules as to the disclosure of the contributions and expenditures will go a long way.

The law that we have on the books now, the 1971 Campaign Expenditures Act, did mighty little in the way of reform. One thing that it did not do was to cut down on the amount of contributions; and that is what needs to be done.

It was argued at that time that disclosure was all that was needed; that if we disclosed what each candidate was doing, we would not need to put any limit on contributions. It does not work that way.

Another shortcoming, another shortfall in the present law, is that there is no effective limitation on campaign expenditures. What is covered in the campaign expenditure field? Why, all they seek to put a limit on is the expenditures for the so-called media advertising. I believe it is 10 cents for each person of voting age in the political subdivision from which the candidate is running. I believe it is up to 6 cents for radio and television and possibly 4 cents for other types of media advertising, but there is no limit whatsoever on the tremendous number and amount of other types of candidate types of expenditures.

What about mass mailing? I have not sent out any mass mailing as a candidate. However, I understand that is frequently resorted to.

Oh, sure, it is hard, with office space, car rental, campaign staffs, and the tremendous number of expenses that can come up. There is no limitation whatsoever on those areas of expenditures. Of course, that means tightening up.

S. 372, which the Senate has already passed, placed a 15-cent limitation per person on those of voting age for campaign expenditures. If we cut that 15 cents down to 10 cents, we would have a better law. That law has not passed. I say that we should wait for the House to send a bill over here that we can work on. Then, at least, we will have the House committed to that much of a concession in the area of campaign reform.

I would suggest caution in moving ahead at this time with an entirely different theory as to the approach on campaign financing, an approach of 180° in about 180 days to switch from private financing to public financing, which is what we are being called upon to do here by the authors of S. 3044.

I say that since the acute need for this legislation is pointed up by what is referred to as Watergate, I think it would be highly appropriate that we wait and examine the report which I understand is going to be filed either this month or next month by the Watergate Committee, the report which the Senate charged that committee with bringing back to the Senate on the recommendation that the committee makes to the Senate, Congress, and the Nation as to the best way of reforming the electoral process and the best way of properly controlling campaign contributions and expenditures.

That mission was assigned to that committee, and it has labored diligently for 15 months or more, and received the plaudits of the entire Nation for the dedication of its members and the results which it achieved. Why not wait and see what recommendations that committee will make?

Mr. President, I would say it is rather obvious why we are not going to wait on that report. All you have to do is read some of the votes here in the Senate on some of the issues both last year and this year. It is quite obvious that five members of the seven-man Watergate Committee are opposed to public financing of Federal elections. That is one reason why we are not waiting on that report, because it is known what the report is going to say, in principle. It is not going to recommend public financing; that is obvious from the votes taken here in the Senate. So that is the reason why this bill must be pushed at this time.

Mr. President, we have not yet tried strict regulation, such as would be provided by S. 372. We have not yet tried strict regulation of campaign receipts and campaign expenditures. If the House of Representatives would pass S. 372, and it were signed into law and given a fair trial, I believe it would go a long way toward cleaning up Federal elections in this country.

And not only has private regulation, or regulation of the election process and control of contributions in the private sector, not been tried, but we already have Federal financing, taxpayger financing of Federal elections, up to a point. We already have the checkoff; this bill as it came from the committee contained a plan not only to double the checkoff from $1 for a single person and $2 for a couple to $2 for a single person and $4 for a couple. But they were not satisfied with doubling that process, which is going to bring in enough money already to finance the 1976 election; they wanted to weight the thing in favor of the tax spenders, of the politicians running for Federal office.

How did they plan to do that? Well, they provided, instead of this checkoff being on a voluntary basis, as it is now, that if the taxpayer did not say that he did not want his money checked off, they would check it off anyway, and he would be assumed to desire a checkoff

as to his return if he did not specify to the contrary. That was just a little twist around to where it made the contribution involuntary, requiring him to take affirmative action to prevent the checkoff rather than the present law, which requires affirmative action to implement or put in motion the checkoff.

I am aware of the fact that this section has been deleted, to come up at a later time on another bill, but we might not have an opportunity to discuss it as fully at that time as we have at the present time. So let us see what this checkoff provides in the way of money out of the taxpayers' pockets.

Under the present checkoff regulation or law, which the Rules Committee which brought out this bill passed, I believed, by a vote of 8 to 1—the Senator from Alabama is on that committee, and his vote represented the one opposed to the bill—the committee said, on page 28 of the committee report:

If all returns, individual and joint, should take full advantage of the one dollar check off the total cost would be $117,370,000.

With this amendment that they have:

If, all returns should take full advantage of a two dollar check off the cost would be $234,740,000.

That is what the cost would be under this little checkoff provision that they have got. That sounds like some pretty important money coming under the checkoff. They are going to have enough moeny under the checkoff to finance the Presidential election of 1976.

Would it not be the better part of wisdom—I will ask the distinguished senior Senator from Illinois (Mr. PERCY)—would it not be the better part of wisdom to see how this plan works on the 1976 Presidential election before adding other offices or adding the Presidential nomination and the House and Senate primary and general elections? Would it not be better to see how it works at the Presidential level before adding other area offices?

Mr. PERCY. If the distinguished Senator from Alabama is asking me, I would be very happy to say that I have no objection to using our best judgment and going ahead with other offices as we in our judgment think may be good for one level as for another.

Mr. ALLEN. He would not want to wait and see how it works before trying to extend it to other areas then?

Mr. PERCY. All I know is that any system, almost, would be better than the present system we seem to be using.

Mr. ALLEN. I thank the distinguished Senator from Illinois. We are going to try to give him a better system but keep it in the private sector.

I have been addressing my remarks, I will say for the benefit of Senators who have just come into the Chamber since I started talking, to the fact that we already have public financing of Federal elections up to a point, and the Presidential election in full under certain circumstances, which I will outline in a moment.

Other elections are financed by the Federal Government in the operation of the income tax laws because the present law—and this bill seeks to double what I am going to outline—the present law, I believe gives a single person an absolute credit. In other words, just handing this amount to the taxpayer of $12.50 for any political contribution that he might make, including, of course, to the Presidential or the senatorial or the House of Representatives candidates.

A couple could claim a credit of $25.

Now if they wanted to go a different route and go the deduction route, there was a $50 deduction for an individual or $100 for a couple.

This bill as it came out of the committee doubled those amounts. I think that is going to be the pattern throughout, if we get this Federal financing, as every Congress will double what it will cost the taxpayer.

But here we have got the checkoff already financed by the taxpayers of the country, financed by the Public Treasury it would be better to say, because it does not cost the taxpayer any more as an individual taxpayer to assign a dollar of his tax liability toward this checkoff fund. We have that financed by the taxpayers, by the Public Treasury—the checkoff plan—and we have the credits that are allowed to the taxpayers if they want to go that route, or deductions if they want to go the other route.

Obviously, the deduction route would be chosen by a person whose income was high because he would then get more than this credit. The credit would be better used by a person of low income.

So, Mr. President, the committee bill sought to double these amounts and make it, I believe—speaking from memory, and if I am wrong, I am sure I will be corrected—the committee bill provided for credits of $25 for an individual, $50 for a couple, or deductions of $100 for an individual or $200 for a couple.

So S. 3044——

Mr. CANNON. Mr. President, if the Senator will yield at that point, the Senator is correct. That is the proposal that was in the bill as we reported it, in addition to raising the dollar checkoff to $2. That is the amount, as the Senator correctly stated earlier, which is now in title V and was stricken from the bill and has been referred to the Finance Committee. So it presently is not in the bill as it now stands.

Mr. ALLEN. The Senator from Alabama did not state to the contrary. He stated that the provision had been knocked out, but this might be a better opportunity to discuss it than we might have at a different time.

Mr. CANNON. I was just verifying the fact that the Senator's figures are correct.

Mr. ALLEN. Yes, and I thank the distinguished Senator from Nevada. I appreciate his diligence, his dedication, and his great knowledge in this area. Also his sincere desire to set up a workable plan that will inure to the benefit of the people of the United States as he sees it.

I just happen to see it differently. But I would be remiss in my duty if I did not say that I feel the distinguished Senator from Nevada (Mr. CANNON), the chairman of the Committee on Rules and Administration, has done an outstanding job in this area and in coming up with the bill as he was committed to do last year at the time the rider to the debt limit bill was withdrawn.

But the Senator from Alabama disagrees with the conclusion that the distinguished Senator from Nevada has reached, that to a certain extent public financing is in the best interest of the election process and of the people of this country.

I was commenting on the bill as it came from the Committee on Rules and Administration.

So, now, Mr. President, this bill, S. 3044, sets up a system of matching contributions in primaries and financing 100 percent the general elections.

Now let us see who is paying the bill.

In the primaries the Government is paying half of the contributions up to a certain amount in size, and in total amount for that matter.

Now the taxpayer that is the Government, under the present law and to a greater extent under the Senate bill as it came out of the committee, would provide for matching the individual contributions. But the taxpayer can put up a large portion of his and charge it off on his income tax with little net loss or cost to the taxpayer on the small contributions. So the Government is getting it in the neck going and coming. It matches the contributions and it funnels the money over to the taxpayer to put up a portion of his end of it. So, in a sense, it is the Government paying it all the way.

The rider that was not agreed to in the Senate did not go so far as to cover primaries of House and Senate Members. They said, "This is a little farther than we should go." But I notice that the Rules Committee has come out with a bill providing for matching funds in primaries.

Mr. President, let us see what it takes in the various primaries to become a candidate. Let us take the top office and see how that operates under the Senate bill, and let us see if this is in the public interest.

In the first place, it provides that a candidate for the nomination of one of the two major parties can spend up to $15 million in seeking the Presidential nomination. I say that in round figures. It is based on a formula of 10 cents per person of voting age throughout the country, and that is estimated to be approximately $15 million. It is provided that anybody desiring to seek the nomination of one of the parties can do so, but he does not receive any subsidy, any grant, any handout from the Federal Government until he has raised $250,000 in contributions of $250 or less. As soon as he reaches that threshold level, as it is called, of having raised $250,000, he goes in and makes a showing of that to the Commission, I assume, and the Treasury pays him that $250,000. Now he has another $250,000 with which to run.

Every time he receives a contribution of $250 or less, he is entitled to have that

matched by the Federal Government, by the taxpayers of the Nation, up to the point of $7.5 million. That is what every candidate for the nomination will receive; and if this bill is passed, there will be several dozen, including 8 or 10 who serve in this Chamber.

I might mention in passing that one of the amendments that has been defeated in the Senate since this bill has been under debate was an amendment offered by the Senator from Alabama that would have provided that no Member of the 93d Congress would be eligible to receive any matching funds for a race for the Presidential nomination for the term starting January 20, 1977, which is the next race. That amendment received 36 votes. Numbered among those 36, however, was not a single person who is reputed to be, or alleged to be, or understood to be a candidate for the nomination of one of the major parties.

I took the position that if this Congress sets up a subsidy program of $7.5 million for everybody who wants to run for President, the Members of the Congress that creates that subsidy program should not be able to participate in any such subsidy. The majority of the Senate did not agree. I was pleasantly surprised, however, to receive 36 votes on that amendment. So 36 Members of the Senate felt that a program should not be set up by the 93d Congress in which Members of that Congress would stand to benefit to the tune of several million dollars apiece. It might be a good idea to reword that amendment before this bill is passed and submit it again, to see what the Members of the Senate think about it, after having reflected on it for awhile.

Mr. President, a person who is very popular in a State and who has no nationwide following whatsoever would not have too much difficulty, in my judgment, in raising $250,000 in his home State; nor would the leader of some pressure group, some far out group, have difficulty in raising that money. He would present the bill to the Federal Treasury and, in effect, would get on the Federal payroll from then on out, by the Federal Government matching his $250 or less contributions on up to $7.5 million.

Another consideration is this: It is not necessary that the recipient of this Federal subsidy spend any of it prior to the convention—or ever spend it, for that matter. But certainly he does not have to spend it prior to the convention. If he has collected $7.5 million in contribution of up to $250 and the Federal Government has matched that amount and he goes to the convention sitting on a warchest of $15 million, and another candidate or two follow the same policy, and we have several candidates in Miami or in Chicago—those seem to be the cities that bid for these conventions—they could be at the convention with $15 million apiece.

Look at the possibilities for improper practices with these Presidential candidates who are greatly desirous of high office and are willing to work hard in an effort to obtain that nomination.

So, Mr. President, I believe that the financing of these Presidential election campaigns or Presidential nomination campaigns certainly is not in the public interest. Look at some of the beneficiaries of such a program. I notice in the newspaper that the former Governor of New York, Mr. Rockefeller, may possibly aspire to the Presidency. This Federal subsidy program would make it possible that the Federal Government would subsidize Mr. Rockefeller up to the extent of $7.5 million. Governor Rockefeller is said to be a candidate for nomination, I believe, of the Republican Party. If he were able to get enough private contributions up to $250 he would be eligible for a Federal subsidy of $7.5 million.

Governor Reagan of California would be eligible for a subsidy of up to $7.5 million. The distinguished senior Senator from Illinois (Mr. PERCY) has a commission set up to study whether he shall run for the Presidency or not, and if he decides to run and is able to get sufficient private contributions he would be eligible from Illinois (Mr. PERCY) has a com-

On this side of the aisle the distinguished senior Senator from Massachusetts (Mr. KENNEDY) would be eligible, if he were able to get sufficient private contributions, for a subsidy of $7.5 million.

Some of the other candidates who have run in the past would be eligible. The distinguished Senator from South Dakota (Mr. MCGOVERN) has shown he can get small contributions in abundance so he would be almost certain to receive a subsidy of $7.5 million if he ran for the Presidency.

This is a strange type reform. If that were the law the candidates for the Presidential nomination of the two major parties could receive up to $7.5 million out of the Public Treasury, and that is provided under this bill. Mr. President, you can rest assured that there will be a cry throughout this land for true reform, and that would be to do away with this $7.5 million-per-candidate subsidy plan. That is what the reform would be. It is not reform to set up a subsidy program for Presidential nomination candidates. That is not reform. That is subsidizing politicians, and that is not in the public interest, in the judgment of the Senator from Alabama.

Now, Mr. President, when the bill first came to the floor of the Senate I questioned the distinguished junior Senator from Rhode Island (Mr. PELL), who was one of the original sponsors of the bill. I pointed out to him that my examination of the bill did not disclose that there was a starting point for the making of contributions which would be matchable under the provisions of this bill.

He stated that that was true. So I asked him if that would indicate, then, that contributions made possibly several years ago, prior to the passage of the bill, would have to be matched out of the Public Treasury if they otherwise complied with the law. The distinguished Senator from Rhode Island considered there was no starting point, so these contributions made sometime back would be matchable.

I also pointed out to the distinguished Senator that I saw no statement that the Presidential elections referred to would be the last Presidential election, and it appeared that a man could take the position, "I cannot run in 1976; I am not quite ready and others are better known; I will wait until 1980." So contributions that a person gets now would work toward the 1980 race or the 1984 race. I asked the Senator if that would be matchable out of the Public Treasury. Oh, yes, that would be matchable, too.

Would it be possible, then, to have one class of recipients of the Federal subsidy running for President in 1976, another class running in 1980, and another in 1984? Well, he does not see anything to prevent it; that is what the law would seem to provide. A casual reading of the bill would indicate that and that was confirmed by the distinguished junior Senator from Rhode Island (Mr. PELL).

Now, Mr. President, they talk about whether this is an incumbent's bill or whether it is a challenger's bill; does it make better provisions for the incumbent, or does it make better provision for the challenger? Well, I stated here on the floor before, and possibly some Senators were not here then, as I see it this bill providing for the matching of candidates' contributions in the primary—I started to say for the House and Senate races but it also applies in Presidential races, as well—the candidate in the primary who is well known, who is the incumbent, who is in high office already, is in a better position to obtain more funds and contributions than the nonincumbent who is the less well-known candidate.

I use as an example the State of California. There, Mr. President, it is permitted to receive in contributions $1.4 million in the primary.

By the way, I neglected to mention that the purpose of the amendment is to cut down on the amount of permissible contributions, and I will get to that a little later.

If all of his contributions were $250 or less, or $100 or less in the case of a House or Senate candidate, he could receive in private contributions up to $700,000, and the Government would match that with $700,000.

I use for an example a lesser known candidate who might receive $100,000. My attention was called to the fact that it took $125,000 to even start the matching, but for the purpose of the illustration, the lesser known candidate receives $100,000 in matchable contributions. The better known candidate, the incumbent, if you please, receives, in this hypothetical instance, $700,000 in eligible contributions. Therefore, there is a $600,000 spread, so to speak—a $600,000 advantage—as between the incumbent and the challenger.

That is a pretty big advantage.

Let us see what happens when the formula of Federal matching is applied. There is a $600,000 spread before the matching takes place. The lesser-known candidate's $100,000 is doubled, and he ends up with $200,000 to draw on. The incumbent, being better known, having done favors for hundreds of people, and being the favorite, I assume, would be able to receive larger amounts in contributions. In the hypothetical instance, having received $700,000, that is matched

by the Federal Government, so he ends up with campaign funds of $1.4 million. The challenger, having been at a $600,000 disadvantage before the public financing helps out, being $600,000 behind, when public financing gets through with him, he is $1.2 million behind his better known challenger, his better known incumbent.

So what is there here for the challenger? It looks to the Senator from Alabama as though the advantage lies with the incumbent, but we hear a whole lot of pious statements that a bill of this sort, public financing, is needed to do away with large contributions. We do not need public financing to do away with large contributions; all we have to do is pass S. 372. That cuts it down to $3,000 per contribution.

But the pending amendment which, after these few preliminary remarks I have gotten to, makes this provision. The $3,000 is too high. The $3,000 permissible contribution is too high, in the opinion of the Senator from Alabama.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. ALLEN. Yes, I am glad to yield.

Mr. KENNEDY. Mr. President, I have been listening to the comments of the Senator from Alabama, and I am interested in the basis for his feeling that the $3,000 contribution limit is too high. As I understand it, the genius of the proposal that has come out of the Rules Committee is that it provides the alternatives of either public or private financing. It leaves the decision to the individual candidate as to whether he wants to choose one method or the other to finance his campaign, or a combination of the two.

S. 372, which also came out of the Rules Committee, was debated here on the floor of the Senate last July, and by an overwhelming vote of some 80 to 8, it was the considered and overwhelming judgment of the Senate that $3,000 was a realistic limit for private contributions—low enough to prevent the most serious abuses of large contributions, but high enough to enable candidates to finance their campaigns without undue difficulty.

I wonder why the Senator from Alabama, who has obviously taken such a strong position in opposition to public financing, is offering an amendment whose effect may well be to eliminate the possibility of private financing of campaigns for public office, by setting the contribution limits at a level so low that no candidate may be able to finance his campaign privately. Most experts would say, I think, that this amendment would make public financing the only realistic way to go.

It seems that on the one hand, the Senator is saying, "I am opposed to any public financing of campaigns," but on the other hand, he is saying, "I am going to make it extremely difficult to finance campaigns privately, by fixing the contribution limits at very low amounts."

I would appreciate hearing what evidence the Senator from Alabama has which indicates that those who are attempting to run for election to the Senate or the House, particularly those who are virtually unknown, will be able to finance their campaigns under his amendment. How is a candidate going to build up a recognition factor or develop the kind of support to finance a campaign in a major industrial State, where hundreds of thousands, or even millions, of dollars are now routinely spent. How will they be able to reach that amount of money by contributions of $100 or less?

And his effort to raise funds will be more difficult, because other candidates for other offices will be trying to tap the same pool of small contributors. What happens when both candidates for President, both candidates for the Senate, and both candidates for a House seat are trying to raise small contributions in the same congressional district? Is the pool of contributors inexhaustible? What if candidates for State and local office are also making the effort to tap the pool? Would not the well run dry?

I wonder why the Senator is opposed to what I think has been the very constructive and positive compromise in S. 3044. Public and private financing can exist side by side as reasonable alternatives. A candidate could say, "I am going to run on public financing, so that I will not be obligated to any special interest groups, and so that I will be accountable to all the people." Another candidate could say, "I am going to rely on private financing, because I would rather not use public funds for my campaign, and the danger of special influence groups is not very great if their contributions are limited to $3,000." To me, the amendment of the Senator from Alabama runs the risk that it abolishes completely the opportunity to run with these kinds of alternatives.

I would like to know whether the Senator from Alabama can indicate to us the amount of money that has been raised already to fund Senate races. I would like to know whether that money has actually been contributed in amounts of $100 or less. I wonder whether the Senator from Alabama has any figures on that point.

Mr. ALLEN. I thank the Senator from Massachusetts for his comment. I am delighted that he finally got around to asking a question rather than making self-serving comments.

I would say to the Senator from Massachusetts that there is no magic in the $3,000 figure. Certainly, it is a step in the right direction, because under the present law there is no effective limit whatsoever. I support the $3,000 limit, if that is the best we can do.

When S. 372 was before the Senate, if the Senator will recall, there was an amendment that sought to cut the $3,000 down to $1,000. If I am not mistaken, a public service organization known as Common Cause recommended the $1,000 limitation. The Senator from Alabama voted for that limitation. At that time he would have voted for a stricter limitation. The Senator from Alabama is not one who believes that Members of the House and Senate, and those who make races to the point where they might challenge the Members of the House and Senate, are people of such nature that their conduct, their votes, and their actions would be influenced by contributions that they might accept.

I think that Members of the House and Senate should show restraint in this field. I think they should be willing to adopt a lower level of contributions, a lower level of spending. I will submit that public financing, far from cutting down on the amount of average expenditures in political races, is going to escalate, in the judgment of the Senator from Alabama.

So I believe that the best way to reform the election process, the best way to get true reform—I will certainly say we are not going to get true reform just by turning the bill over to the taxpayers—the best way to get true reform is to limit everybody—the incumbent and the challenger—to the overall expenditures and to limit the amount of permissible contributions.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. ALLEN. I had not finished answering, but I shall be glad to yield.

Mr. KENNEDY. If we follow the reasoning of the Senator from Alabama, it will lead us to public financing. He is talking about reducing the amount of contributions to an exceedingly low limit. That is the essence of public financing and the dollar checkoff—the dollar checkoff can pay for the entire 1976 Presidential election by what are, in effect, $1 contributions from millions of taxpayers.

If we follow the reasoning of the Senator from Alabama, I think it leads us right into the public financing legislation which we are currently considering. Instead of large contributions, the Senator from Alabama thinks that $1,000 is too large. So the Senator from Alabama goes to $250 in a Presidential race and $100 in a congressional race.

Let us carry that argument to the point of the dollar checkoff periods for the individual taxpayer to contribute $1. That is the system of public financing that has been incorporated into this bill. It makes the Members of the Congress responsible to all the people because all the people are financing the campaigns.

Mr. ALLEN. Mr. President, I thank the distinguished Senator from Massachusetts. The point that the Senator from Alabama is making is that if we limit contributions to $250 in Presidential races and $100 in House and Senate races, there is no possibility of these evil, corrupting influences that the Senator from Massachusetts fears. There will certainly be no way for a vested interest to gain any support or influence from a Member of Congress if his contribution is limited to $100, or to $250 in a Presidential race. It would be just as fair for one as for the other. It would deprive the incumbent of his ability—supposed ability—to get large sums of money, and would put him on the same basis as the challenger, whose contributions in all likelihood would be small.

So the effect of the amendment of the Senator from Alabama would be to have a leveling influence, and not have the biggest and fullest amounts, as would be permissible under the bill as presently drawn. I feel that a $3,000 limit is better than no limit whatsoever. When we were

unable to reduce the amount in S. 372 to the $1,000 limit, the Senator from Alabama was glad to support the $3,000 limit. At that time the Senate took a stand for regulating campaign contributions and expenditures in the private sector. It saw no need back in July, at the time S. 372 was passed, of presenting a bill of a half a billion dollars every 4 years to the American taxpayers to enable the politicians in the land to run for Federal office.

So, as the Senator from Alabama sees it, under the present bill there is no matching for amounts over $250 in Presidential nomination races and no matching for contributions over $100 in the House and Senate races. So, there must be something evil or sinister about contributions above that amount, therefore, to cut them all down to the amount that the Federal Government will match. Thereby, we would help the challenger, the challenger being unable, according to the theory of the Senator from Massachusetts, to attract large contributions.

So this would put the challenger on the same basis as the incumbent, because every dollar that each of them would get would be matched, and the incumbent would not have the supposed advantage of getting out and getting large contributions that would not be available to the challenger.

So, as the Senator from Alabama sees it, this amendment cuts contributions down to $250 during the presidential races and to $100 for the House and Senate races, and certainly a challenger's amendment.

It is a little man's amendment. It is an average man's amendment, and would better enable any person who aspired to Federal office to become a candidate, and to be on a level with the incumbent.

Mr. KENNEDY. Mr. President, if the Senator will yield further——

Mr. ALLEN. Yes.

Mr. KENNEDY. As I understand the thrust of the Senator's argument, he is concerned about challengers.

Mr. ALLEN. That is one of my concerns.

Mr. KENNEDY. One of his concerns on this particular amendment.

Mr. ALLEN. Honest elections is my main concern.

Mr. KENNEDY. Honest elections.

Mr. ALLEN. Yes.

Mr. KENNEDY. His concern is to make sure that a challenger will be able to finance his campaign and present his campaign program and campaign platform. Second, he is concerned about the sinister influence of large campaign contributions.

Mr. ALLEN. I was quoting the distinguished Senator from Massachusetts in that regard. The supposed sinister influence of large campaign contributions.

Mr. KENNEDY. The fact remains, Mr. President, that the best way to provide for challengers is to adopt the present provisions of S. 3044, because that will make it possible for the challenger to receive the same amount of money as the incumbent. Surely, if an incumbent and challenger are both forced to compete for small contributions, as the Senator's amendment would require, the challenger would be under a serious handicap, because the incumbent would generally be far better known.

So I believe the challenger would be served best by providing him with the opportunity to accept public financing for his campaign. If we carry through the logic and the reasoning of the Senator's argument, if his goal is to provide equity to the challenger, that is what S. 3044 would do. It provides an equal amount to the challenger and the incumbent, so that the challenger can go to the American people and say, "I am accountable to you, because you funded and financed the campaign."

Or, the individual may say, "I do not want to use public funds, I would like to run my campaign on private contributions." In this case, we have to provide some limit, some cutoff point, which will provide sufficient funds to finance a political campaign, but would be sufficiently low that the candidate will feel obligated to his contributors. We have to avoid the situation in which a candidate no longer has the appearance of owing his primary obligation to the American people.

What the Rules Committee has done is close the loophole in the election law that permitted W. Clement Stone, whose business happens to be the health insurance business, to contribute $2 million in 1972. The bill would reduce the total amount that he would be able to contribute to just $3,000. I think that is real progess, down to $3,000 from $2 million.

What the Rules Committee has attempted to do is give the incumbent and the challenger an alternative. If the challenger wants public funds, he can go to the Treasury for public financing. If he wants to use private funds, he can do so, but only at the rate of $3,000 per contributor. I do not maintain that $3,000 is necessarily the proper figure. You can get a difference of opinion as to whether it should $2,000 or $4,000. These are ballpark figures, but they carry through what I think is the sound intent and purpose of the limitation, and that is to guarantee to the American people that no single contributor is going to have undue influence, in the committee rooms or in the Halls of the Congress of the United States.

Mr. ALLEN. Mr. President, I thank the Senator for his valuable contribution to the discussion. I was interested when he said S. 3044 would provide the challenger and the incumbent with an equal amount of money. Obviously that is incorrect, in this respect: that one of the supposed purposes of the bill is to give the challenger somewhere near an even break with the incumbent, because of the incumbent's admitted ability to raise larger sums in contributions for campaign financing.

I submit to the Senate that S. 3044 compounds the advantage that the incumbent already has, because if the incumbent can obtain more money in contributions than the challenger, then the contribution of the subsidy or the handout by the Federal Government to the incumbent is measured by the amount of his private contributions, as is the contribution to the challenger; it is measured by the amount of the contributions that he has received. So if the incumbent has already received more in contributions than the challenger, how in the world is it helping the challenger if the Federal Government doubles the amount that the incumbent has?

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. ALLEN. When I finish my thought I will be glad to. I assume that the Senator from Massachusetts was right here when I gave this illustration: Take the State of California, where, in the primary, it is possible for the Government to contribute as a subsidy to a candidate in a primary election up to $700,000, based on the amounts contributed by the individuals to the incumbent or the challenger. The incumbent, supposedly having the ability to get more in private contributions, might well obtain in the private sector $700,000 in matchable contributions, whereas the less known challenger might have to be satisfied with receiving $100,000 in contributions from individual contributors.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. ALLEN. Let me finish my point. I understand that it takes $125,000 to trigger this procedure, but it is harder to work out the problem of mathematics with $125,000, I will say to the Senator, than with $100,000.

The challenger, receiving $100,000 as against the $700,000 received by the incumbent, that is the position he finds himself in before campaign reform, before public financing sheds its beneficent influence on the race. But at that time the Federal Government comes in, and presents to the incumbent $700,000 and to the challenger it presents a check for $100,000; so that, whereas the challenger was only $600,000 behind the incumbent before public financing enters into the picture, when public financing gets through with him, he is $1.2 million behind the incumbent.

So it is hard for the Senator from Alabama to see how the public financing aids the challenger, it looks to me like it is taking care of the incumbent just as this provision for $7.5 million for the various candidates for the nomination for the presidency takes care of Members of the 93d Congress.

So I believe that this amendment should be adopted. It would prevent the case of the incumbent, supposedly able to get larger sums in contributions than the challenger, receiving the large contributions and would put the incumbent and the challenger on exactly the same basis. They would be limited to a $100 contribution if they are running for House or Senate.

I might say to the distinguished Senator from Maryland (Mr. MATHIAS), after his campaign has proceeded up to a certain point, and certain contributions have been received in his race, that he put a $100 limit on contributions that he is to receive in his race for the Senate right now.

I notice that Representative VANIK of Ohio is not going either to accept a contribution or to make an expenditure. My hat is off to him, to a man who will receive no contributions and make no ex-

penditures. I would be glad to vote for an amendment of that sort on this bill and would gladly abide by it. If all expenditures and all contributions were eliminated, that would suit the Senator from Alabama.

Certainly the limit of $250 in a Presidential race and $100 in a House or Senate race, properly enforced, would see a transformation in American politics and in the American Government, if this amendment were to be adopted and it became the law of the land.

So, limit contributions to $250 for the presidential nomination or the presidential general election. Limit contributions to $100 in House and Senate primary races.

So, Mr. President, this would be a reform amendment. Public financing is not reform. That is just an added burden upon the taxpayer. That is all public financing is.

Does it help to clean up American politics and provide a system whereby $15 million could be spent by a candidate for the Democratic or Republican nomination for President, as much as half of it coming from the Federal Government?

Put them on the same basis. If they want to run, let them run. If they have the support, they will get the votes. If they have not the support, they will not. It is as simple as that.

It is not necessary for the American taxpayer to provide $7½ million worth of hoopla and carnival type politics. That is what this money will be used for. It will put on a big show. It is not necessary to spend that kind of money to present the issues to the American people.

Whoever gave the public finance people the idea that by making more money available in the contest for the presidential nomination, that would clean things up?

The way to clean things up is to leave financing of Federal elections in the private sector and to reduce the amount of contributions.

Now, Mr. President, this amendment does not eliminate public financing. I wish it did. I wish it could be adopted. All it provides for is that it shall be the limit of a contribution in the private sector by an individual as an individual.

It still provides for public financing. It still provides for matching. But it puts everyone on an even basis. Any challenger, if he has got any following, could get out and raise campaign contributions in this area up to a $100 contribution. It would certainly remove any sinister influence. I do not quite understand the thinking of the Senator from Massachusetts (Mr. KENNEDY) that every Member of the House and Senate is susceptible to improper influence. I just have a higher opinion of Members of the House and Senate than do some who espouse the cause of public financing. I just do not believe that any Member—I do not know of any Member of the House or Senate who would act improperly as a result of having received a campaign contribution. I feel certain that if contributions were limited to $100, I do not feel that that would put any Member of the House or Senate under a tremendous obligation to any person, to limit contributions to $100.

So, Mr. President, it is a question of whether we want to bring campaigns down to reality.

I remember reading back in the 1920's where one Senator from a State was denied a seat here in the Senate for having spent I think it was around $100,000 in a race for the Senate.

What we need to do is to pass a law limiting contributions in the private sector and then proceed to enforce it and not just turn around and hand the money over to the candidate at the expense of the taxpayer.

I might say, too, Mr. President, that the Federal subsidies that go to the various candidates that are paid in the primaries on the basis of the matching contributions, they are not paid on the basis of matching expenditures. So that after the race is over, it will be up to the Government to get back its money if it could, if all the money was not expended properly.

Mr. President, there is nothing in this bill that provides for prudent management of this Federal subsidy. It is handed over to the candidate on a silver platter, both in the primary and the general election. There is nothing in here that I can read that would prevent a candidate hiring his brother-in-law to serve as his campaign manager at a salary of $100,000. There is nothing in here that would prevent a candidate from giving some person or agency an override on all campaign expenses.

The money would be thrown away, frittered away. But I do not suppose that is reason enough to ask that the Federal Government not institute a subsidy program—the fact that the money might be wasted. But wasted it will be—we can count on that—because some candidates would never have had it so good as under this public subsidy. The Federal Government would be pumping more money into their campaigns than they ever dreamed of. More than $2 million to each candidate for the Senate in each general election in California, $1.9 million to each candidate for the Senate in the State of New York. It would be handed to them, Mr. President.

Let us examine that for a moment. What do Senators make? In a 6-year period, they make a quarter of a million dollars, roughly that. Yet in California the Government is going to pay each senatorial candidate, for his expenses, $2,121,000, and lesser amounts on down. Talk about campaign reform. That is some reform. It is change, yes. But every change is not reform. Reform, I would think, would mean to improve, to perfect. Well, is that improving the election process, to provide a campaign fund, out of the public Treasury, nine times as great as a Senator's earnings in 6 years of his term? There is something wrong with a system of that sort.

The Federal Government, after having financed up to $700,000 for each candidate in the primary, now sets up a campaign fund for each candidate in the general election that is nine times as large as a Senator will earn as a Member of the U.S. Senate in a 6-year period. If that is campaign reform, Members of the Senate have a different idea of reform from that of the junior Senator from Alabama.

Mr. President, the distinguished former Senator from Delaware, Mr. John J. Williams, had a most distinguished career in the U.S. Senate for some 24 years, I believe. He was such a high-minded and able Senator, he was such a man of integrity and nobility of purpose, that he was known for many years as the conscience of the U.S. Senate, and he retired from the Senate voluntarily at the peak of his career. I heard him on one occasion, not on the Senate floor, explain that he had proposed a constitutional amendment that no Member of Congress should take the oath of office as a Member of Congress after he reached the age of 65.

In other words, if he were 64 at the time and took the oath of office, he might finish out his term; but after he reached his 65th birthday—I could be wrong on the date; it could have been 66 or 67, but I believe it was 65—he would no longer be eligible to commence a term in Congress.

He stated that while that amendment never did get anywhere in the Senate, even though it was not agreed to, he felt bound by its provisions inasmuch as he had proposed it. It takes a mighty big man to adopt that attitude. It takes a man of great integrity, integrity one has to admire. So, having served four terms in the Senate, and having passed the age of 65, he did not feel that he should ask the people of Delaware to return him to the Senate, as I feel certain they would have done overwhelmingly, and he retired from the Senate. So certainly he would take an objective view; he would not have a biased view of an issue pending before the Senate.

But this great man, this conscience of the U.S. Senate, has written an article which appeared in the Reader's Digest in March 1974.

Mr. President, I ask unanimous consent to have this article printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ALLEN. Mr. President, former Senator Williams has made five suggestions as to reform of the election process. I believe that Members of the Senate might profit by reading this article and they might profit at this time if I were to read excerpts from the article. The article is entitled "After Watergate, A Plan to Control Campaign Bankrolling." A man known for years as the conscience of the Senate proposes five essential steps to remove the for sale sign from the U.S. Government."

I have heard language like that on the floor of the Senate, that that was the status of affairs in this country. I would hate to think that were true. Let us see what he suggests. Possibly he has a public financing plan to suggest. I did not think he would when I first picked up the magazine and read the article. On reading the article, I find he does not make that suggestion. His first suggestion is to shorten the campaign:

> Political campaigns cost so much, in part, because they last so long.

Well, the Senator from Connecticut (Mr. WEICKER) had a plan to shorten the campaign. His amendment did many

other things, but I do believe Members of the Senate might be willing to vote to shorten campaigns. As a matter of fact, I believe last year we did pass a bill to shorten the campaign by providing the primary must be held closer to the time of election. That was a good measure, but also in the House and Senate races, campaigns should be shortened. They last too long. There is too much apathy and there is too much boredom. I suggest that is why the sponsors of the bill try to create a $15 million fund for these various candidates for the Presidential nomination, so that they can shake some of the boredom and apathy out of the people and send up a lot of balloons, have a lot of girls dancing, with bands playing, parades, and the like paid for by the taxpayers, of course.

We need to remove some of the apathy from Federal campaigns. I believe the suggestion by Senator Williams to shorten the campaign would do that. I would hope the manager of the bill might offer an amendment to the bill that would accomplish that purpose. I do not believe he feels that the provisions of the bill are so sacrosanct they cannot be amended, although I admit he has not favored the amendments the Senator from Alabama has offered.

I do believe there are amendments he would agree to.

The article states further:

The custom of prolonged campaigning originated at a time when much of the country was sparsely populated and a candidate had to travel by train or even on horseback for many months to communicate with the electorate. This tradition has been made obsolete by the jet airplane, television and other mass media. Yet our campaigns still drag on needlessly, consuming vast amounts of money and providing endless repetition.

I recall that after President Eisenhower once spoke in my state of Delaware, I complimented him on his speech. "Well, Senator," he replied, "the first time I made that speech, I thought it was pretty good. The next ten times I made it, I thought it was okay. Now I've made it so many times I think it's terrible."

I doubt that there is a politician alive who has not felt that way or who could not tell the people all he knows and thinks in two or three months. Thus, I believe that Congress should fix a uniform, nationwide date for the primaries and nominating conventions affecting all federal offices. By commencing the primary campaigns in early August, and the general-election campaigns in early October, we would at once sharply lower the cost of politics. At the same time, we would improve the quality of political discourse and heighten public interest in it.

That is a most constructive suggestion made by the distinguished former Senator from Delaware, Mr. John J. Williams.

I continue to read from the article, and this, in some respects, has been discussed on the floor:

"2. Grant free television time and mailing rights."

The distinguished Senator from Delaware (Mr. ROTH), I believe, has in mind offering amendments that would carry out these suggestions of his former colleague, Senator Williams.

Candidates in the seven Congressional districts in and around Detroit usually pay about $2000 for one minute of prime network television time. With costs in other metropolitan areas—New York, Los Angeles, Chicago, Philadelphia—even higher, it is not surprising that candidates for federal posts had to spend $32 million for TV and $28 million for radio in 1972.

In urging free time for legitimate candidates, it is important to recognize that television and radio stations exist and make handsome profits because they have been given public property—namely, transmission channels, of which there are a limited number. So it seems to me only fair that the stations partially repay the public at election time by providing bona-fide candidates with the means of free communication of their political views.

Then, skipping ahead, and the entire article will be printed in the RECORD, he goes on to say:

3. *Get Big Business and Big Labor out of political bankrolling.* The law has long recognized, in theory at least, that it is wrong to allow corporations and unions to try to buy votes through political donations. As far back as 1907, Congress prohibited business contributions and unsecured loans by banks for political purposes, a ban that was reaffirmed by laws enacted in 1925 and 1971. Congress applied the same prohibition to unions in 1943 and 1947. But corporations and unions—as well as both major political parties—have flouted the intent of these prohibitions with virtual impunity.

Mr. President, I submit that that is what the amendment I have offered, No. 1059, would do. It would make small contributors the backbone of political financing.

While reducing the costs of campaigns—

He is talking about suggestions he has made that would reduce the cost of campaigns. I do not see that this bill would reduce any costs—

Make small contributors the backbone of political financing. While reducing the costs of campaigns, we should endeavor to spread the legitimate costs that do remain among as many citizens as possible.

So, Mr. President, I have proposed a limitation for House and Senate races of $100. Say a candidate got 2,000 individuals in his State to comply with the limit of $100. That would provide $200,000 in a primary. Bear in mind that this amendment does not remove the Federal subsidy. The Federal Government would then match that with another $200,000. That would provide $400,000 for a candidate in a primary.

That is over 10 times what the Senator from Alabama would spend in the primary this year in his home State. But all he would have to do would be to get 2,000 people to make a contribution of $100, and he would have a fund of $400,000. Does he want more than that? This is the primary; it is not the general election.

It certainly is not beyond the realm of the possible or likelihood that this provision, if adopted, would change the political climate of this country by putting campaign financing in the hands of people who would contribute $100 or less to House or Senate races and $250 or less in Presidential races, still carrying forward the matching feature.

If this amendment were adopted, we could follow it with an amendment that would cut the 15 cents per person of voting age down to 10 cents per person of voting age in the general election, and in the primary cut it down to 7½ cents from the 10 cents per person of voting age.

Senator WILLIAMS said, and I believe this is the best af the five suggestions that he made:

Make small contributions the backbone of political financing.

That is not what this bill does. This bill permits contributions of up to $3,000 per person. For a man and his wife, it would be $6,000, and I daresay they would find other ways to make $3,000 contributions.

Technically, present law makes it illegal for anyone to give a candidate more than $5,000. However, a donor may contribute to unlimited numbers of local committees established solely to funnel money to a candidate.

As I pointed out at the start of my remarks——

Thus, big contributors continue to supply a disproportionate share of campaign funds.

I believe if the word ever got around in this country that elections were being financed by people who could not contribute more than $250 to a presidential race, and $100 to a race for the Senate or the House, we would have a whole lot more interest being taken in our political campaigns and in our election process and in the operation of government generally. The people would feel that they have an interest in a part of the election process.

Mr. President, I believe this amendment is an amendment that should receive widespread support throughout the country, and I would like to see a vote on it, but I feel that we ought to wait overnight for a vote on this amendment. One amendment the Senator from Alabama offered last week in order to accommodate the leadership. The Senator from Alabama agreed to bring it up. There was no opportunity to test the feeling of the people throughout the country. Senators made their decision on the spur of the moment, and the amendment was defeated after having received 36 votes. That was an amendment which provided that no Member of the 93d Congress would be eligible to receive any Federal matching funds for a presidential nomination campaign for the presidential term starting January 20, 1977, which is the next term, of course. That amendment, if adopted, would have prevented any Member of the House or any Member of the Senate from receiving any Federal subsidy to aid his campaign for the nomination of either of the two major parties for President in 1976. It is clearly an amendment that should have received widespread support, because it is not right for Members of this Congress to set up a brand new scheme to draw money from the public treasury when they will benefit from such subsidy.

And if that amendment had been discussed for some 2 or 3 days, I believe it would have received a larger vote.

So, Mr. President, I believe that this amendment, cutting down the $3,000 down to $250 for Presidential nomination campaigns and to $100 for House and Senate primary and general elections, is

a most important amendment and one that should receive the careful consideration of all Members of the Senate. I only wish that more Senators were present to head this matter being discussed.

Let us read on:

Recognizing that a candidate should not become beholden to a comparatively few large donors, Congress is currently considering a proposal to have the federal government finance campaigns for national office. Worthy as the *aims* of this proposal are, I think such a plan is both undesirable and impractical.

That reminds me, Mr. President, of something the Washington Post has to say about this plan. They did not think much of the primary plan. Let us see what they said. I do not usually quote the Washington Post. However, I think their comment here is rather interesting. This is from the lead editorial of March 26, speaking of S. 372, a bill which I voted for in the Senate, as did most Senators, since the bill passed by a vote of 82 to 8. The lead editorial in the Washington Post of that date, speaking of the bill, though not by name, had this to say:

. . . thus the Senate last summer sent the House a very solid bill to curb private giving and spending and to strengthen the enforcement of the elections laws. And today the Senate begins debate on a very ambitious bill to extend public financing to all federal primary and general-election campaigns.

. . . The problem with the latest Senate bill is that it tries to do too much, too soon, and goes beyond what is either feasible or workable. For one thing, the bill provides for full public financing of congressional general-election campaigns, and that is clearly indigestible in the House this year, since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill.

That goes along with my suggestion that we ought to try to wait for the House to send us a bill and let us tack our provisions on and then let it go to conference. As the editorial suggests, this plan is indigestible in the House this year since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill.

I continue to read from the editorial:

The more serious defects in the Senate bill involve the inclusion of primaries.

That is one of the things that the Senator from Alabama has been trying to bear down on.

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That is one of the things that the Senator from Alabama has been trying to bear down on.

I continue to read from the editorial:

The more serious defects in the Senate bill involve the inclusion of primaries. No aspect of the federal elections process is more motley and capricious than the present steeplechase of presidential primaries.

That is pretty rough langauge about our friends who go out seeking the presidential nomination. And we have some of those in this body, although they are not here right now. However, they are Members of this body.

I continue to read from the editorial:

No aspect of the Federal elections process is more motley and capricious than the present steeplechase of presidential primaries.

That is what the Washington Post thinks about this question of the primaries.

I continue to read from the editorial:

Injecting even partial public funding into this process, without rationalizing it in any other way, kames little sense As for congressional primaries, they are so varied in size, cost and significance among the states that no single system of public support seems justifiable without much more careful thought.

So I say, "Amen" to that phase of the editorial from the Washington Post.

Mr. President, I was reminded of that editorial by the article written by former Senator Williams.

I read again from the article by former Senator Williams:

Worthy as the aims of this proposal are, I think such a plan is both undesirable and impracticable. For one thing, Federal financing would make political parties unresponsive to the people. Guaranteed millions of dollars from the public treasury, a party would pursue extremist or outworn aims year after year simply because it would not have to go to the people for financial support.

And there is a much more important point. In the general elections, if we do deprive the people of their right to make contributions, we would just say that the taxpayer is going to pay it all and the people do not have to participate and that we do not need their money. How much interest is a member of the public going to take in the election then.

There is enough apathy already. There is enough disinterest already in the political process without a bill of this sort that would make for more apathy and more disinterest.

I read again from the article:

In areas that are predominantly Democratic or Republican, candidates of the less-favored party would receive tax funds vastly disproportionate to their popular support.

That is another good point—in areas that are predominantly Democratic or Republican, candidates of the less-favored party would receive tax funds vastly disproportionate to their popular support. In other words, if the Democrats have 80 percent of a district and the Republicans have 20 percent, then both candidates would get the same amount of the public subsidy even though the people in the area are predominantly the other way. I continue to read from the article:

The federal-financing proposal also seeks to impose a ceiling on overall campaign expenditures by limiting the amount a candidate may spend and by restricting individual donations to $100. In reality, this subsidy scheme could easily lead to even costlier campaigns, with the federal treasury simply adding on another layer of money.

Incidentally, that has been the system of Federal programs in the country. They start out small. There is one program—I will not say which one it was—that was just added as an afterthought to an appropriation bill and I heard Senators discussing it. I believe they put in some $40 million in this particular program.

In a matter of some 6 or 7 years, it had increased and mushroomed up to a billion dollars; and it was just put on as an afterthought on an appropriation bill.

So that could well—certainly not to that extent, but an increase in the program would certainly come about. They are already talking about doubling the amount of the checkoff, doubling the amount of the income tax credit, doubling the amount of the deduction. So, Mr. President, we could look for a further escalation of this Federal subsidy if it ever becomes law—this additional Federal subsidy, because, as I have already pointed out, we already had subsidization to a certain point.

While candidates themselves could not exceed specified limits, nothing would prevent so-called 'public interest" organizations from using their own money to promote politicians of their choice. Nor could a wealthy officeseeker be kept from promoting himself before he officially became a candidate.

I notice that the chairman is making some notes from time to time. I would like, at some later date, to be informed as to just when a campaign gets started and when the limit of overall expenditures starts applying.

As an alternative to straight federal financing, I think we should adopt an idea first advocated by President Kennedy. Its objective is to stimulate myriad small contributions, which would leave candidates unobligated to a few big donors. Such stimulus could be provided by allowing taxpayers a 50-percent tax credit on donations up to, say, $300. Thus, if a man earning $10,000 and a man earning $100,000 a year each contributed $300, the two of them would be treated equally—each would receive a tax debate of $150.

Well, that is a little higher than I feel they should go, but that is moving in the right direction, anyway. That is the right plan. And I understand that the distinguished Senator from North Carolina (Mr. ERVIN), joined by the distinguished Senator from Tennessee (Mr. BAKER), on tomorrow will offer an amendment that would strike title I and substitute in lieu thereof a provision enlarging on the amount of the credit; it might be this very same figure—I rather believe it is—of $300.

Simultaneously, to discourage large contributions, Congress should bar a candidate from receiving money through more than one committee—

I think that is certainly a step in the right direction. Instead of having 200 or 300 committees, just have one. Just have one, whose books have to be audited. Just have one committee, so that these contributions cannot be split up and lost sight of, and come within the gift tax exemption. I think that is fine, to have only one committee.

Congress should bar a candidate from receiving money through more than one committee and prohibit anyone from giving a candidate more than $300—with stiff tax penalties and jail terms for those caught cheating. Candidacies founded upon the spontaneous, truly voluntary support of many small contributors would be the most likely to produce the best political representation for all the people.

Item No. 5, suggested by Senator Williams:

Enforce the campaign-funding laws. If properly enforced, existing statutes are, by and large, adequate to deal with the individual instances of dishonesty that will always be with us. Thus, no new laws were necessary during the past two years to successfully prosecute former Vice President Spiro T.

Agnew; Sen. Daniel Brewster of Maryland; Representatives Cornelius Gallagher of New Jersey and John Dowdy of Texas; and former Illinois Governor Otto Kerner. However, too often existing laws *have not been enforced.*

To provide for enforcement of the reforms that inevitably will be enacted, Congress should establish a federal-election commission composed equally of Democrats and Republicans.

This bill does provide an independent election commission made up pretty well as Senator Williams suggests.

The assurance that future scandals will not be covered up, no matter who is involved, will of itself help revive public confidence.

Watergate has damaged the country, and it would be foolish to pretend otherwise. And beyond Watergate we see flaws, inadequacies and multiplying problems in many sectors of our society. But, for all its defects, our democracy is still worth preserving and improving. Thus, it is vital that the Congress begin now to cleanse our politics and thereby to revitalize our faith in the democratic process. If the men presently in Congress do not act convincingly and effectively in the coming months, then at the polls next November all of us can exercise the old-fashioned American recourse of replacing them with men who will.

These are five excellent suggestions made by former Senator John J. Williams, of Delaware, who served with distinuction in this body for 24 years, and who became known as the conscience of the Senate.

Of these five suggestions, not a single one of them calls for public financing of elections in the manner provided by this bill. He does suggest added credit to be allowed to individual taxpayers for their contributions, and he does advocate requiring free broadcasts over television and radio at times.

Mr. President, the Rules Committee has provided a most valuable paper indicating the proposed candidates' expenditure limitations based on the U.S. population figures as of July 1, 1973.

I ask unanimous consent to have it printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PROPOSED CANDIDATE EXPENDITURE LIMITATIONS, U.S. POPULATION FIGURES AS OF JULY 1, 1973

Geographical areas	Voting age population (VAP) (18 yrs and over)	S. 3044—10¢ per VAP in primary elections [1]	S. 3044—15¢ per VAP in general elections	Base or minimum expenditures: Primary	Base or minimum expenditures: General	General elections—Expenditures by National and State political party committees—2¢ times VAP of geographic area: National committees	General elections—Expenditures by National and State political party committees—2¢ times VAP of geographic area: State committees
United States—Primary [2]	143,403,000	$14,340,300	NA	NA	NA	NA	NA
United States—General [3]	141,656,000	NA	$21,248,400			$2,833,120	NA
Alabama	2,338,000	233,800	350,700			46,760	$46,760
Alaska	200,000	20,000	30,000	$125,000	$175,000	4,000	4,000
Arizona	1,345,000	134,500	201,750			26,900	26,900
Arkansas	1,374,000	137,400	206,100			27,480	27,480
California	14,143,000	1,414,300	2,121,450			282,860	282,860
Colorado	1,631,000	163,100	244,650			32,620	32,620
Connecticut	2,101,000	210,100	315,150			42,020	42,020
Delaware	382,000	38,200	57,300	125,000	175,000	7,640	7,640
District of Columbia	529,000	52,900	79,350	125,000	175,000	10,580	10,580
Florida	5,427,000	542,700	814,050			108,540	108,540
Georgia	3,140,000	314,000	471,000			62,800	62,800
Hawaii	549,000	54,900	82,350	125,000	175,000	10,980	10,980
Idaho	501,000	50,100	75,150	125,000	175,000	10,020	10,020
Illinois	7,568,000	756,800	1,135,200			151,360	151,360
Indiana	3,530,000	353,000	529,500			70,600	70,600
Iowa	1,957,000	195,700	293,550			39,140	39,140
Kansas	1,570,000	157,000	235,500			31,400	31,400
Kentucky	2,235,000	223,500	335,250			44,700	44,700
Louisiana	2,399,000	239,900	359,850			47,980	47,980
Maine	689,000	68,900	103,350	125,000	175,000	13,780	13,780
Maryland	2,720,000	272,000	408,000			54,400	54,400
Massachusetts	4,006,000	400,600	600,900			80,120	80,120
Michigan	5,922,000	592,200	888,300			118,440	118,440
Minnesota	2,575,000	257,500	386,250			51,500	51,500
Mississippi	1,453,000	145,300	217,950			29,060	29,060
Missouri	3,251,000	325,100	487,650			65,020	65,020
Montana	474,000	47,400	71,100	125,000	175,000	9,480	9,480
Nebraska	1,042,000	104,200	156,300			20,840	20,840
Nevada	365,000	36,500	54,750	125,000	175,000	7,300	7,300
New Hampshire	531,000	53,100	79,650	125,000	175,000	10,620	10,620
New Jersey	5,030,000	503,000	754,500			100,600	100,600
New Mexico	691,000	69,100	103,650	125,000	175,000	13,820	13,820
New York	12,665,000	1,266,500	1,899,750			253,300	253,300
North Carolina	3,541,000	345,100	531,150			70,820	70,820
North Dakota	421,000	42,100	63,150	125,000	175,000	8,420	8,420
Ohio	7,175,000	717,500	1,076,250			143,500	143,500
Oklahoma	1,832,000	183,200	274,800			36,640	36,640
Oregon	1,532,000	153,200	229,800			30,640	30,640
Pennsylvania	8,240,000	824,000	1,236,000			164,800	164,800
Rhode Island	677,000	67,700	101,550	125,000	175,000	13,540	13,540
South Carolina	1,775,000	177,500	266,250			35,500	35,500
South Dakota	454,000	45,400	68,100	125,000	175,000	9,080	9,080
Tennessee	2,799,000	279,900	419,850			55,980	55,980
Texas	7,785,000	778,500	1,167,750			155,700	155,700
Utah	715,000	71,500	107,250	125,000	175,000	14,300	14,300
Vermont	309,000	30,900	46,350	125,000	175,000	6,180	6,180
Virginia	3,243,000	324,300	486,450			64,860	64,860
Washington	2,329,000	232,900	349,350			46,580	46,580
West Virginia	1,228,000	122,800	184,200	125,000		24,560	24,560
Wisconsin	3,033,000	303,300	454,950			60,660	60,660
Wyoming	234,000	23,400	35,100	125,000	175,000	4,680	4,680
Outlying areas:							
Puerto Rico	1,651,000	165,100	247,650			33,020	33,020
Guam	52,000	5,200	7,800	125,000	175,000	1,040	1,040
Virgin Islands	44,000	4,400	6,600	125,000	175,000	880	880

[1] Presidential primary candidates may spend in any State twice the amount a candidate for Senate nomination may spend, subject to a national limit of $.10 times total VAP in connection with a campaign for presidential nomination.

[2] VAP for the primary election includes all geographical area populations because the outlying areas could participate in the presidential nominating process to the extent that they are permitted to send delegates to the national nominating conventions.

[3] VAP for the general election includes all geographical area populations except Puerto Rico, Guam, and the Virgin Islands because their residents are not permitted to vote in the presidential general elections.

Mr. ALLEN. Mr. President, the Congressional Digest of February 1974 contains an interesting history of the public financing legislation, beginning on page 35. The foreword points out:

Viewed by some Members of the Congress as the most complex subject which the newly-convened Second Session is likely to face is that of how U.S. election campaigns are financed. One aspect of the subject which will receive particular attention is whether, as some Senators and Representatives have proposed, some system should be adopted of using Federal tax revenues to provide significant financing to campaigns for Congress and for the Presidency.

Mr. President, I ask unanimous consent to have this article, beginning on page 35 until its conclusion, printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONTROVERSY IN CONGRESS OVER PROPOSED FEDERAL CAMPAIGN FINANCING

FOREWORD

Viewed by some Members of the Congress as the most complex subject which the newly-convened Second Session is likely to face is that of how U.S. election campaigns are

financed. One aspect of the subject which will receive particular attention is whether, as some Senators and Representatives have proposed, some system should be adopted of using Federal tax revenues to provide significant financing to campaigns for Congress and for the Presidency.

Over the years since 1910 (see page 36), Congress has enacted a number of laws seeking to regulate campaign financing. The 92nd Congress took several far-reaching actions in this regard, passing in 1971 the so-called "tax checkoff" plan of presidential campaign financing and—effective in 1972—a comprehensive "Federal Elections Campaign Act" (see page 37) requiring, among other things, detailed disclosure of both contributions to and expenditures by candidates for Federal office.

Notwithstanding these developments, efforts have been mounted in the present 93rd Congress to legislate further in the area of campaign financing. As will be seen in the article on page 40, pending before both House and Senate are a number of bills touching upon diverse areas of campaign reform, with a majority concerned in some degree at least with the question of campaign financing.

Although some Members express the view that the detailed statutes enacted within the past few years will, if properly enforced, adequately serve to prevent major campaign financing abuses, majorities in both House and Senate have indicated a willingness to consider further the subject of general campaign financing reform.

Sharp controversy has arisen, however, over the question of public financing of political campaigns. The present tax check-off system which makes funds available to the major parties' presidential candidates for their general election campaigns was, prior to its 1971 passage, debated and rejected on several occasions since first being proposed in the mid-1960's. In the First Session of the present 93rd Congress, although hearings touching upon public campaign financing were held in both houses (see page 41), the one concerted effort to secure adoption of a public campaign financing law died in the face of a Senate filibuster by opponents of such financing.

Proponents of public financing cite the heavy increase in campaign costs in recent years, a development attributed in part to inflation but, in much greater measure, to the mounting use of expensive mass media, particularly television, in campaigns conducted in even the smallest constituencies. Reliance on private financing, it is argued makes recipient candidates less than wholly independent on legislative questions affecting individuals and interests contributing substantial funds. It is further argued that lack of access to the financing required today to run for public office impairs the democratic process by foreclosing such opportunity to many worthy candidates who lack the financing required to mount a campaign.

Opponents, on the other hand, have characterized the effort to secure campaign financing from tax revenues a "Treasury raid," unnecessary in an open and affluent society. The fear is frequently voiced that public financing would place the allocation of campaign funds to all parties in the hands of the one incumbent national party—an arrangement potentially perilous to the free operation of the American party system.

In the coming months further consideration and debate on the subject have been promised by the leadership of both houses of Congress, with omnibus measures including both general reform provisions and public financing features expected to be included in any proposals finally presented to the respective houses for a vote. How they will fare in the political climate of a congressional election year, in the face of resumed "Watergate" hearings, and in the aftermath of the highly-charged political events of 1973, remains to be seen.

EXHIBIT 1

CAMPAIGN FINANCING REFORM

(By Senator John J. Williams)

It will probably be a long time before we can fully assess the impact of Watergate and related scandals on American life. Indeed, at this point we cannot foresee what more may yet emerge from continuing investigations. But from the squalid evidence already visible, it is clear that political corruption in this country is not just a moral problem. It is one that imperils the very survival of our democracy.

There is, of course, no magic solution to the problem of corruption, and we should be wary of any political nostrum that purports to offer one. But the recent scandals do illuminate one area where reforms are both essential and possible. For the reprehensible, clandestine political acts connected with Watergate were financed and made possible by an excess of campaign donations, many of them secretly and illicitly obtained. Equally important, the flow of massive contributions into both parties has created the impression among millions of Americans that the government of the United States can be bought.

To restore public confidence in the integrity of government, we need to end the dependency of our candidates on special-interest contributions. This we can do to a significant extent by reducing the costs and changing the methods of campaign financing. I believe there are a number of reasonable steps that can be taken toward this goal.

1. *Shorten the campaign.* Political campaigns cost so much, in part, because they last so long. The custom of prolonged campaigning originated at a time when much of the country was sparsely populated and a candidate had to travel by train or even on horseback for many months to communicate with the electorate. This tradition has been made obsolete by the jet airplane, television and other mass media. Yet our campaigns still drag on needlessly, consuming vast amounts of money and providing endless repetition.

I recall that after President Eisenhower once spoke in my state of Delaware, I complimented him on his speech. "Well, Senator," he replied, "the first time I made that speech, I thought it was pretty good. The next ten times I made it, I thought it was okay. Now I've made it so many times I think it's terrible."

I doubt that there is a politician alive who has not felt that way or who could not tell the people all he knows and thinks in two or three months. Thus, I believe that Congress should fix a uniform, nationwide date for the primaries and nominating conventions affecting all federal offices. By commencing the primary campaigns in early August, and the general-election campaigns in early October, we would at once sharply lower the cost of politics. At the same time, we would improve the quality of political discourse and heighten public interest in it.

2. *Grant free television time and mailing rights.* Candidates in the seven Congressional districts in and around Detroit usually pay about $2,000 for one minute of prime network television time. With costs in other metropolitan areas—New York, Los Angeles, Chicago, Philadelphia—even higher, it is not surprising that candidates for federal posts had to spend $32 million for TV and $28 million for radio in 1972.

In urging free time for legitimate candidates, it is important to recognize that television and radio stations exist and make handsome profits because they have been given public property—namely, transmission channels, of which there are a limited number. So it seems to me only fair that the stations partially repay the public at election time by providing bona-fide candidates with the means of free communication of their political views. At the same time, the present law, which requires stations to give equal time to anyone claiming to be a candidate, whether he has any serious credentials or not, should be repealed.

Congress should then promulgate criteria by which state-election officials can certify bona-fide candidates for national office. It should also stipulate how much time stations must allot to them. This free access to broadcast media would greatly diminish what is often the largest item in a campaign budget.

The dependency of candidates on outside contributions could be further lessened by allowing them to mail one or two political statements to all voters free of charge. Presently prevailing printing and mailing costs make such mailings prohibitive. A Senate candidate running in California would most likely need to spend at least $1.1 million to reach every registered voter in the state. In Ohio, the total would be more than $500,000; in New Jersey, $400,000; in Georgia $250,000.

Incumbent Congressmen and Senators are already permitted to make mass mailings of "non-political" material that promotes their re-election efforts. By giving challengers limited mailing privileges, we would level the political scales now tipped in favor of those in office. In Great Britain, the practice of awarding candidates mailing privileges—and free television time—has proved both workable and effective.

3. *Get Big Business and Big Labor out of political bankrolling.* The law has long recognized, in theory at least, that it is wrong to allow corporations and unions to try to buy votes through political donations. As far back as 1907, Congress prohibited business contributions and unsecured loans by banks for political purposes, a ban that was reaffirmed by laws enacted in 1925 and 1971. Congress applied the same prohibition to unions in 1943 and 1947. But corporations and unions—as well as both major political parties—have flouted the intent of these prohibitions with virtual impunity.

As of last December, for example, at least eight executives had publicly admitted that their corporations made illegal contributions to the 1972 Nixon campaign. But Democrats as well as Republicans have shared in such political largess. Dairy lobbyists who gave $100,000 to the Republicans in 1969 also passed out hefty contributions to prominent Democrats in a position to influence Congressional legislation affecting dairy interests.

As for the unions, many, by a variety of measures, extract "voluntary contributions" from their members. These fixed "contributions," regularly deducted from each member's paycheck along with his dues, go into political funds controlled by union bosses. In the 1968 and 1972 elections, millions of rank-and-filers disagreed with the political candidates subsidized by their dollars. But they had no voice in the matter. Unions further aid favored candidates by financing "political education" and "voter registration" drives. Although nonpartisan in name, such campaigns are actually ultra-partisan because they are conducted only in those areas and among those voters known to favor the union leaders' candidates. Author Theodore H. White notes that in 1968 unions registered 4.6 million voters, distributed 115 million political leaflets, supplied 72,225 house-to-house canvassers, and on Election Day deployed 94,500 volunteers for political purposes.

To be sure political activity—including genuinely voluntary contributions—should be encouraged among all citizens. But Congress should enact stringent new laws which effectively bar corporate and union contributions in any form.

4. *Make small contributors the backbone of political financing.* While reducing the costs of campaigns, we should endeavor to spread the legitimate costs that do remain among as many citizens as possible. Technically, present law makes it illegal for anyone to give a candidate more than $5000. However, a donor may contribute to unlimited numbers of local committees established solely to funnel money to a candidate. Thus, big contributors continue to supply a disproportionate share of campaign funds.

Recognizing that candidates should not become beholden to a comparatively few large donors, Congress is currently considering a proposal to have the federal government finance campaigns for national office. Worthy as the *aims* of this proposal are, I think such a plan is both undesirable and impractical. For one thing, federal financing would make political parties unresponsive to the people. Guaranteed millions of dollars from the public treasury, a party would pursue extremist or outworn aims year after year simply because it would not have to go to the people for financial support. In areas that are predominantly Democratic or Republican, candidates of the less-favored party would receive tax funds vastly disproportionate to their popular support.

The federal-financing proposal also seeks to impose a ceiling on overall campaign expenditures by limiting the amount a candidate may spend and by restricting individual donations to $100. In reality, this subsidy scheme could easily lead to even costlier campaigns, with the federal treasury simply adding on another layer of money. While candidates themselves could not exceed specified limits, nothing would prevent so-called "public interest" organizations from using their own money to promote politicians of their choice. Nor could a wealthy office-seeker be kept from promoting himself before he officially became a candidate.

As an alternative to straight federal financing, I think we should adopt an idea first advocated by President Kennedy. Its objective is to stimulate myriad small contributions, which would leave candidates unobligated to a few big donors. Such stimulus could be provided by allowing taxpayers a 50-percent tax credit on donations up to, say, $300. Thus, if a man earning $10,000 and a man earning $100,000 a year each contributed $300, the two of them would be treated equally—each would receive a tax rebate of $150.

Simultaneously, to discourage large contributions, Congress should bar a candidate from receiving money through more than one committee and prohibit anyone from giving a candidate more than $3000—with stiff tax penalties and jail terms for those caught cheating. Candidacies founded upon the spontaneous, truly voluntary support of many small contributors would be the most likely to produce the best political representation for all the people.

5. *Enforce the campaign-funding laws.* If properly enforced, existing statutes are, by and large, adequate to deal with the individual instances of dishonesty that will always be with us. Thus, no new laws were necessary during the past two years to successfully prosecute former Vice President Spiro T. Agnew; Sen. Daniel Brewster of Maryland; Representatives Cornelius Gallagher of New Jersey and John Dowdy of Texas; and former Illinois Governor Otto Kerner. However, too often existing laws *have not been enforced.*

To provide for enforcement of the reforms that inevitably will be enacted, Congress should establish a federal-election commission composed equally of Democrats and Republicans. The assurance that future scandals will not be covered up, no matter who is involved, will of itself help revive public confidence.

WATERGATE has damaged the country, and it would be foolish to pretend otherwise. And beyond Watergate we see flaws, inadequacies and multiplying problems in many sectors of our society. But, for all its defects, our democracy is still worth preserving and improving. Thus, it is vital that the Congress begin now to cleanse our politics and thereby to revitalize our faith in the democratic process. If the men presently in Congress do not act convincingly and effectively in the coming months, then at the polls next November all of us can exercise the old-fashioned American recourse of replacing them with men who will.

Mr. ALLEN. Mr. President, recapitulating the action that has been taken on some of the amendments which have been acted on here in the Senate, the first amendment that was offered was an amendment by the Senator from Alabama that would have stricken title I of the bill. The bill contained at that time, I believe, five titles, one of the titles being the public financing title. The first amendment that was offered sought to strike that whole title from the bill.

However, it was defeated. The theory of the amendment was that the proper approach to campaign financing and the limitation on campaign financing should be to deduct the overall amount of the permissible campaign expenditures and to limit the amount of campaign contributions.

Strict regulation of Federal elections in the private sector has not been tried as completely and as fully as should be the case, because present law is completely inadequate in this area.

In the first place, it does not place any limitation on contributions, the thought being, I assume, that full disclosure of all contributions would be regulation enough. But this has not been the case, nor were campaign expenditures properly regulated. I believe, under present law, as to media advertising only, that is, radio, television, newspaper, and I believe billboards, the expenditures in that area are limited, the overall limit being 10 cents per person of voting age in the political subdivision from which the candidate runs.

And not more than 60 percent to go to radio and television and the balance to other forms of media advertising. But no limitation whatsoever was placed on the large number of other forms of expenditures, and no limitation was placed on the amount that could be spent for a campaign manager, so to speak, and no limitation was placed on the amount of expenditures for mass mailing literature, or for the printing and distribution of brochures and cards.

Mr. SYMINGTON. Mr. President, will the Senator from Alabama yield?

Mr. ALLEN. I yield.

Mr. SYMINGTON. I am trying to make my own plans. May I ask the Senator if he plans to have a vote today?

Mr. ALLEN. I respond to the distinguished Senator from Missouri by saying that I would like to see the amendment carried over until tomorrow and, at such time as we could reach an agreement to that effect, I would be glad to see the Senate recess for the day. But I feel that this amendment should go over until tomorrow rather than to be voted on, especially since we do not appear to have a quorum of Senators present on the floor, and Senators are refraining from asking for quorum calls hoping that other Members of the Senate might come in, so that we could discuss the matter. But the Senator from Alabama is not insisting on a vote. If an agreement could be reached that we vote at a given time tomorrow, the Senator from Alabama would be glad to yield the floor.

Mr. SYMINGTON. Then the chances are that there will be no vote today?

Mr. ALLEN. I believe we need to vote on this tomorrow.

Mr. SYMINGTON. I thank the Senator from Alabama very much.

Mr. ALLEN. Mr. President, the Senator from Alabama was discussing the inadequacies of present law regarding campaign expenditures and he pointed out that there is no limitation, as he recalls, in areas other than media advertising, that limitation being 10 cents per person of voting age, I believe, with not more than 60 percent of it going to the media and 40 percent to other forms of expenditures. But he pointed out that this leaves so many other areas for expenditure that are not limited, as in all traveling expense, all lodging expense, all overhead, all payrolls, all printing, all stationery, all telephones, all automobile expense—no limitation at all on any of that. So there should be a limit on that. I am glad that the present bill does increase this overall amount to—I say increase it—I am not glad about the increase, but I am glad they made it apply to all forms of advertising. I would prefer to have the 10 cents per person of voting age, but the Rules Committee has raised it up to 15 cents per person of voting age in a general election and 10 cents in the primary. This Senate bill adds the primaries, the House and Senate primaries. They were not covered in the original rider that was offered here last year and that failed of passage.

So the present law is inadequate; and the Senate last year, realizing that fact, passed a bill on July 30, 1973, by a vote of 82 to 8 and sent it to the House, where it still reposes. That bill did limit campaign contributions to $3,000. It provided that no cash contributions in excess of $50 could be made. A separate election commission was set up. All these were constructive proposals; and in time, I daresay, the House will act on this measure and send it back to the Senate.

The significant feature of S. 372 was that it provided for financing Federal elections in the private sector. No mention was made of public financing whatsoever. No extension of what we already have was provided for. As a matter of fact, the Senate, while this was still under consideration in the Senate, defeated a public financing amendment by a vote, I believe, of 52 to 40. It defeated the Scott-Kennedy amendment at that time, because it proposed Federal financing. That was turned down; and a pure bill—that is, a bill not infected with the public financing feature—went over to the House.

Now, Mr. President, this whole theory has been changed. No longer, apparently, do some Senators want to keep financing all campaigns in the private sector. They want to add public financing. They want

to turn this bill for Federal campaign financing over to the public Treasury. That is their answer to the lessons, if any, of Watergate.

Reform the procedure? Greatly restrict contributions and expenditures? Provide for full disclosure? Is that enough? No. You have to hand the bill to the taxpayer. You have to let the taxpayer pick up the bill. If that is the answer to Watergate, if that is all the ingenuity and resourcefulness the Senate has, to present this multihundred million dollar bill to the taxpayer, we do not have too much originality.

When the Watergate Committee was set up some 15 months ago or so, the resolution provided that the committee would investigate these various happenings and make recommendations to the Senate as to what changes should be made in the election procedure. They are going to come out with a report, either this month or next month, making recommendations. I do not believe anyone has to be a seer or a soothsayer to predict that their recommendations are not going to embody any public financing proposals. Why do I say that? It is not that I am a member of the committee. It is not that I have made inquiry as to what recommendations they are going to make. All one need do is to check the votes of the Senators on the Watergate Committee. By checking the votes closely, or just casually, one will find that five of the seven members do not favor public financing. They believe that there are better answers to our problems, and better solutions, than just presenting a great, big, fat half-billion dollar bill—and by "bill" I mean statement of account—to the taxpayers. They think there are better solutions than that, and I agree with them. They are voting against these public financing provisions, because they know that is not a true reform. If you reform something, you improve it, you change it for the better, and you do not just give up and say, "Let the taxpayer pay the bill."

I note that pending at this time are amendments by the distinguished Senator from North Carolina (Mr. ERVIN) and the distinguished Senator from Tennessee (Mr. BAKER) to knock out title I, the public financing feature, and to substitute in lieu thereof a tax credit provision allowing the taxpayer a credit on his political contribution. It may be asked, Why not just subsidize the election? This would give the taxpayer the right to funnel his own funds to such candidate as he sees fit. The plan embraced in this bill, S. 3044, requires the taxpayer to pay for the campaigns of candidates with whose views and with whose philosophy he is in entire disagreement.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I am delighted to yield to the Senator from Texas.

Mr. TOWER. The 24th amendment prohibits the imposition of a poll tax or the payment of any other tax as a qualification for voting. I wonder what the Senator might think of perhaps amending the Constitution and applying the user theory here, to the extent that every voter pays a fee and that fee is used to provide the fund for public funding of the campaign. In that way the people who do not choose to vote or participate will not get soaked for the expense of the campaign.

Mr. ALLEN. That is an interesting proposal, but I do not think I would submit such a proposal or be in favor of it.

Mr. TOWER. I doubt that I would either, but it seems to me that would be a fair way, rather than to take money from the general revenues of the United States.

Mr. ALLEN. It may be, but it does not offer too much appeal to me.

Mr. MANSFIELD. Mr. President, will the Senator yield when he completes his thoughts?

Mr. ALLEN. That will take quite a while.

Mr. MANSFIELD. Will the Senator yield now?

Mr. ALLEN. I am delighted to yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I understand the Senator from Alabama does not desire to vote on his amendment tonight.

Mr. ALLEN. That is the request made by the Senator from Alabama; that it be voted on tomorrow.

Mr. MANSFIELD. Would the Senator care to suggest a time?

Mr. ALLEN. I have no suggestion at all; any time the distinguished majority leader would suggest.

Mr. MANSFIELD. How about 12:30 p.m. tomorrow?

Mr. ALLEN. That is all right, or an earlier time.

Mr. MANSFIELD. How about 12 o'clock noon?

Mr. ALLEN. That suits me.

Mr. MANSFIELD. We will come in at 11 a.m. I wonder if the Senator, in view of the informal agreement just made, would consider the possibility of continuing his remarks tomorrow in the free period left, so that the distinguished Senator from Delaware (Mr. ROTH) could offer his amendment this afternoon, on which amendment there is a time limitation of ½ hour.

Mr. ALLEN. I have no objection. I wonder if the distinguished majority leader would incorporate in his request a little time for further discussion when we might possibly have a greater number of Senators present.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. The Senator from Montana wishes to ask the Chair what Senators have been recognized under special orders for tomorrow, if any.

The PRESIDING OFFICER. There are no special orders for the recognition of Senators tomorrow.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns tonight, it stand in adjournment until 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief period tomorrow for the conduct of morning business for not to exceed 15 minutes with a time limitation of 3 minutes attached thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR DIVISION OF TIME AND VOTE ON ALLEN AMENDMENT NO. 1059

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the remainder of the time on the Allen amendment be equally divided between the distinguished Senator from Alabama who now has the floor, the author of the amendment (Mr. ALLEN), and the manager of the bill, the distinguished Senator from Nevada (Mr. CANNON).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. And that the vote on the Allen amendment occur at the hour of 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I express my appreciation to the distinguished Senator from Alabama for the agreement which has been reached.

CLOTURE MOTION

Mr. MANSFIELD. Mr. President, I send to the desk a cloture motion and ask that it be read.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read the cloture motion, as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the pending bill S. 3044, a bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mike Mansfield, Warren G. Magnuson, James B. Pearson, Robert Dole, Hugh Scott, Clairborne Pell, Frank Church, Quentin N. Burdick, Marlow W. Cook, William Proxmire, Clifford P. Case, Henry M. Jackson, Daniel K. Inouye, Hubert H. Humphrey, Joseph R. Biden, Jr.,

Ted Stevens, Stuart Symington, Floyd K. Haskell, Birch Bayh, William D. Hathaway, Edmund S. Muskie, Jennings Randolph, Dick Clark, Jacob K. Javits.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ALLEN. I thank the distinguished Senator for his remarks made in the first

half of his statement about the Senator from Alabama. I appreciate his kindliness in that regard. I offer no thanks for his offering the cloture motion.

Mr. MANSFIELD. I am sure that the Senator from Alabama was not caught by surprise.

FEDERAL ELECTION CAMPAIGN AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the Allen amendment.

The PRESIDING OFFICER. The amendment is before us.

Mr. MANSFIELD. I ask for the yeas and nays on the Allen amendment.

The PRESIDING OFFICER. Is there sufficient second? There is a sufficient second. The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, again my thanks to the distinguished Senator from Alabama.

Mr. President, I suggest the absence of a quorum pending the arrival of the distinguished Senator from Delaware.

Mr. ALLEN. May I first yield the floor?

Mr. MANSFIELD. Yes.

Mr. ALLEN. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair wishes to ask the distinguished Senator from Montana if in his unanimous-consent request he asks that the pending amendment be set aside so that there can be a discussion of the amendment by the Senator from Delaware?

Mr. MANSFIELD. I did not. I appreciate the suggestion of the Chair. I make that suggestion at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Now, Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is still the amendment of the Senator from Alabama.

Mr. MANSFIELD. Mr. President, I take it upon myself, with the approval of the acting Republican leader, to ask unanimous consent that the Roth amendment be laid before the Senate.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

The amendment is as follows:

TITLE VI—MAILING OF CAMPAIGN MATERIAL

DEFINITIONS

SEC. 601. For the purpose of this title—

(1) "candidate" means any legally qualified candidate for election who (A) meets the qualifications prescribed by the applicable laws to hold the office for which he is a candidate, and (B) is eligible under applicable State law to be voted for by the electorate directly or by means of delegates or electors;

(2) "Federal office" means the office of Senator or Representative;

(3) "Representative" means a Member of the House of Representatives, the Resident Commissioner from the Commonwealth of Puerto Rico, and the Delegates from the District of Columbia, Guam, and the Virgin Islands;

(4) "general election" means any regularly scheduled or special election held for the purpose of electing a candidate to Federal office; and

(5) "State" means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

AUTHORIZATION

SEC. 602. (a) Each candidate for election to a Federal office in a general election is authorized to make three mailings of his campaign material, free of postage, to persons registered to vote—

(1) in the case of a candidate for election as Senator, in the State in which he seeks election; and

(2) in the case of a candidate for election as a Representative, in the district in which he seeks election.

(b) Campaign material of such a candidate may be mailed free of postage only if the material—

(1) is mailed not earlier than sixty days preceding the date of the general election in which the candidate seeks election;

(2) bears on the outside in the upper right-hand corner the words "Campaign Material"; and

(3) sent to each registered voter each mailing does not exceed sixteen ounces.

(c) There are authorized to be appropriated to the United States Postal Service an amount equal to the postage that would have been paid on the campaign material mailed in accordance with this section if this section had not been enacted. In determining such amount, the campaign material shall be considered matter mailed by a qualified nonprofit organization under section 4452(b) of title 39, United States Code, as such section existed on August 11, 1970.

LIMITING USE OF FRANKED MAIL

SEC. 603. Section 3210(a)(5)(D) of title 39, United States Code, is amended—

(1) by striking out "or general"; and

(2) by inserting immediately after "runoff)", the following: "and less than one hundred and twenty days immediately before the date of any general election (whether regular, special, or runoff)".

PROHIBITION AGAINST OTHER MAILINGS

SEC. 604. (a) Except as authorized by section 602, no candidate for Federal office shall make a mass mailing of his campaign material less than one hundred and twenty days immediately before the date of a general election (whether regular, special, or runoff) in which he is a candidate.

(b) As used in this section, the term "mass mailing" shall mean mail matter the content of which is substantially identical but shall not apply to mailings—

(1) which are in direct response to inquiries or requests from the persons to whom the matter is mailed; or

(2) of news releases to the communications media.

Mr. TOWER. Mr. President, I suggest the absence of a quorum without the time consumed thereby being charged to either side on the Roth amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD TEMPORARILY AT THE DESK MESSAGE ON H.R. 12627 AND THE BILL

Mr. MANSFIELD. I understand this unanimous-consent request has been cleared on the Republican side.

Mr. President, I ask unanimous consent that when received from the House, the message on H.R. 12627 and the bill be held temporarily at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

Mr. TOWER. Mr. President, if the Senator will yield, would he amend the request so as not to charge the time to either the proponents or opponents of the Roth amendment?

Mr. MANSFIELD. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO LAY UNFINISHED BUSINESS BEFORE THE SENATE TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on tomorrow the unfinished business be laid before the Senate at the conclusion of the morning hour.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, without the time being taken out of anyone's time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceed to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON LABOR AND PUBLIC WELFARE TO FILE REPORT ON S. 3203 UNTIL MIDNIGHT TONIGHT

Mr. JAVITS. Mr. President, I ask unanimous consent that the report by the Committee on Labor and Public Welfare on S. 3203, to amend the National Labor Relations Act, may be filed by midnight tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ROTH obtained the floor.

Mr. TOWER. Mr. President, if the Senator will yield, I ask unanimous consent that the time on the Senator's amendment run from the time of the recognition of the Senator from Delaware.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I call up my amendment No. 1121.

The PRESIDING OFFICER. The amendment is already before the Senate.

Mr. ROTH. Mr. President, I ask unanimous consent that Ray Jacobsen, of my staff, be permitted the privilege of the floor during the consideration and votes on my pending amendment and others.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I am today offering the first in a series of amendments which I plan to offer to S. 3044, the Federal Elections Campaign Act Amendments of 1974.

Before proceeding to explain this amendment, however, I am compelled to state my general views concerning campaign reform on which each of these amendments are built.

Without a doubt, there must be a reform of the current methods of conducting and financing political campaigns. These campaigns are too long, they are too expensive, they force a potential candidate to raise large amounts of money to purchase television time, make mass mailings, or travel throughout the Nation, his State, or his district.

The bill now under consideration, S. 3044, corrects several of the abuses associated with improper campaign activities. It limits the amount of money which any candidate can spend on behalf of his campaign. It limits the amount of funds which any particular person can contribute to a candidate's campaign. It requires each candidate to disclose the identity of his contributors and the amounts received by each donor. Moreover, an independent Federal Election Commission will be created by this bill to enforce the reporting and disclosure requirements of the 1971 Election Act and the penalties for violating these provisions have been increased.

Yet, in addition to these salutary provisions, S. 3044 goes one step further by authorizing the use of Federal funds to pay the costs of all future campaigns for Federal office. I have opposed the concept of "public financing" because I believe that it makes a fundamental change in campaign financing which diminishes each citizen's role in the political process.

As an alternative to "public financing," I have introduced legislation to allow each taxpayer to take a 50 percent tax credit for a political contribution of $150 by a single taxpayer or $300 on a joint return.

It has been estimated that public financing would cost $200 million in a Presidential election year while the Treasury Department says my tax credit approach will cost only $152 million. Through a combination of my proposal and the present dollar checkoff, it is my estimate that over $200 million will be available for the financing of all Federal elections in 1976.

I intend to present this proposal to the Senate Finance Committee when the Committee considers each of the tax-related provisions of S. 3044.

Mr. President, it seems to me that the "public financing" provisions of S. 3044, in reality, place more, rather than less, emphasis on the use of money in political campaigns.

In addition, these provisions may tend to separate the candidate from his constituency. For, once a candidate learns that he can tap the Federal Treasury for his campaign funds, he will no longer be encouraged to seek the maximum amount of personal contact with prospective voters.

Instead of carrying his campaign to the people through personal appearances or on television debates, a candidate will be encouraged to allow an elite group of specialists—such as "campaign consultants"—to manage his campaign by "packaging" the candidate through use of the latest Madison Avenue techniques.

In the future, slick, well-rehearsed "spot" announcements will become even more prevalent once "public financing" becomes law.

In order to give each citizen the knowledge which is a prerequisite to an informed exercise of the right to vote, I am offering two amendments to the Federal Election Campaign Act.

One amendment will amend the Communications Act of 1934 to direct the Federal Communications Commission to develop regulations to require television licensees to grant free air time, on an equitable basis, to candidates for Federal office. This will help equalize campaign resources.

The second amendment—and the one which I am today submitting for the Senate's consideration—will permit all candidates for congressional office, whether incumbents or challengers, to mail, at Government expense, three mass mailings of their campaign material to their potential constituents in the 60 days prior to a general election.

In exchange for the authorization to make three mass mailings during the final 60 days of the campaign period, all congressional candidates will be prohibited from making any mass mailings of their campaign literature within the 120 days immediately preceding a general election day. This provision is in accordance with S. 343, the bill presented by Senator BYRD of West Virginia and passed by the Senate last June which would shorten the campaign period to approximately 8 weeks.

Included in my amendment is a change in the laws governing the use of the franking privilege by Members of Congress. At present, no Member of Congress can make a mass mailing to his constituents during the 28 days prior to a general election in which he is a candidate. My amendment lengthens this time period to 120 days in order to place both an incumbent and a challenger on equal terms.

As used in my amendment, the term "mass mailings" includes literature, such as newsletters, which are substantially identical in appearance or content. It excludes mailings which are in response to persons who have written to the candidate during the campaign period. In addition the term does not include news releases sent by the candidate to the members of the press.

Mr. President, by giving each candidate the opportunity to mail, without postage, these mass mailings to potential voters, each candidate will be encouraged to present his or her views to those whom they seek to represent without incurring the large postage costs which are associated with large-scale mailings. By adopting this amendment, I believe the Senate will have made a substantial contribution toward reforming our present methods of campaigning for Federal office. I urge the Senate to adopt this amendment.

Mr. PELL. Mr. President, I recognize the objective of the Senator from Delaware. It is an excellent objective. I recognize also his thinking here, that it would eliminate abuses, while I feel compelled to oppose it. However, I believe the principal cost of three mass mailings of this sort to every registered voter would be substantial and should not be paid for by the Public Treasury. It actually could amount to more than the present 10-cent allowance in a primary or a 15-cent allowance in a general election. We are just checking now with the Post Office for the actual figures as to what it would cost. I think these are expenses that should be properly borne by the candidates and committees. And the way to handle it is to make sure that the frank is not abused. And this we have done by stretching out the present 30-day prohibition to make it 60 days. Those are my reasons for objecting to the Senator's amendment.

For that reason, and recognizing the objective and the merits of the Senator's arguments, I feel compelled to oppose the amendment.

Mr. ROTH. Mr. President, I would like to make two or three observations with respect to my amendment.

As I stated, what I would like to see done is a deemphasis of money in the campaign rather than an emphasis on funds.

Of course, I feel that is the basic thrust and one of the basic criticisms that can be made about public financing and that what we are really saying is

that public funds should continue to be a major factor in the conduct of the campaign of any candidate.

What I am trying to do through the series of amendments I am offering not only with respect to this bill, but also in legislation which I have introduced in the past and will propose in the Finance Committee is to deemphasize money and the use of funds.

I would say to the Senator from Rhode Island that these mass mailings would go third class and they would not require, as they do not on the House side, the cost of addressing. I do not mean that it will not cost some money to the Government, because it will, but it will not involve the great cost that is envisioned.

In any event, it provides in an equitable manner for a fair means toward all candidates, whether they be incumbents or not, to communicate with their voters in such a way as to help deemphasize the use of money and bring back the campaign of the people directly to the candidates themselves.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I ask unanimous consent that my amendment be modified so as to provide for two, rather than three, mass mailings.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is so modified.

Will the Senator from Delaware send his modification to the desk?

Mr. ROTH. Yes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time be not charged to anyone.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I have ascertained what the cost of third-class postage rates would be. The bulk rate is 32 cents a pound. Since this amendment, as modified, would provide for the sending of up to 2 pounds to each registered voter, or 64 cents, which would actually be more than six times the allowance for primaries or four times the allowance for general elections, I would be compelled more strongly than I had believed to oppose the amendment, because of the cost to the Government.

Mr. ROTH. Mr. President, I would point out that those figures are, as I understand them, what the post office would charge. Is that correct?

Mr. PELL. That is what the post office charges; that is correct.

Mr. ROTH. That is not necessarily exactly what the out-of-pocket cost to the Government would be.

Mr. PELL. We have not been able to ascertain that, but knowing Uncle Sam's reputation, I cannot believe that he would charge many times the cost of delivery. Perhaps he makes a little profit.

Mr. ROTH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Delaware has 3 minutes plus.

Mr. ROTH. I just want to make one further observation. It seems to me that if we are willing to pay unlimited postage for incumbents, as we are—every Member of this body as well as every Member of the House of Representatives has no limit on the number of mass mailings he is permitted to make—this proposal would be well worth the cost to help the election process ase well as to deemphasize the need of money. I agree that while it would involve a certain amount of cost to the Federal Government, it seems to me that if we can justify it for our own use during our time in office, it is justifiable as well during the campaign period.

Mr. COTTON. Mr. President, will the Senator yield for a question?

Mr. ROTH. I am happy to yield to the Senator from New Hampshire.

Mr. COTTON. From my hasty reading of the amendment of the distinguished Senator from Delaware, I take it that it refers to mailings.

Mr. ROTH. That is right.

Mr. COTTON. To three mailings?

Mr. ROTH. That is correct.

Mr. COTTON. I am in sympathy with that, the purpose of the amendment, because I come from a State that depends on mailings, since we have no television that reaches the entire State. However, the postage is now 10 cents, and if I were running for reelection—with the 10-cent postage rate, and depending on direct mail, as I have in every one of my campaigns, I would find some way, through my own organization, to distribute from door to door such literature and campaign material as I wanted to distribute, because I would not want to pay 10 cents postage on even three mailings.

If the Senator really wants to accomplish the purpose and limit all candidates to the same policy, to only three pamphlets or three letters or three appeals, I would find a substitute for mail distribution, because with a 10-cent mailing rate I think you would find in many States, particularly in the smaller States, that even as a matter of just saving dollars and cents, the candidates would be able to devise and find some other way.

I know that the night before election——

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. ROTH. Mr. President, I ask unanimous consent to proceed for 5 more minutes.

Mr. PASTORE. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. PELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 5 minutes.

Mr. PELL. I yield it to the Senator from Delaware.

Mr. COTTON. As I was saying, I remember that just before an election recently, I think it was my distinguished colleague from New Hampshire (Mr. McINTYRE) who was running that year, I had a very beautiful brochure pushed under the front door of my residence. They were distributed by hand.

That is my inquiry.

Mr. ROTH. Let me answer the Senator quickly, as I wish to yield, if I may, the remaining time to the Senator from New York.

As I mentioned during my statement, what we are trying to do is deemphasize funds. I have a series of amendments. It seems to me that this provision, even though it would cost the Federal Government a certain amount of money, affords all candidates, whether officeholders or not, an opportunity to communicate directly with the voters. I understand there are other methods to communicate, and they still might use those, but I would hope that this means would decrease the demand for other media.

I yield whatever time I have remaining to the Senator from New York.

Mr. BUCKLEY. Mr. President, I thank my friend from Delaware for yielding me this time, and I thank my friend from Rhode Island for yielding the time to my friend from Delaware.

I do believe that this is a very important amendment. It is one of which I am very pleased to be a cosponsor. It goes to the heart of what has been one of my great concerns over this legislation; namely, the fact that incumbents have undeniable advantages, the advantages of incumbency.

I feel that we must recognize that one of the principal sources of the advantage of incumbents is their ability to communicate with their constituents at public expense. This is a necessary right of communication. I have no objection to that. But I believe we should also recognize that it is terribly difficult to draw the line between those communications that are, you might say, in the line of duty as a Senator or Member of the House of Representatives and those communications that undoubtedly begin poaching on the whole campaign process.

So I see in this amendment two elements of reform: first, drawing a dividing line beyond which an incumbent is not allowed to mail, on a basis that gives him an advantage that is not equally applicable to the opponent, so that it seems to me that equity, it seems to me that considerations of trying to give a challenger some of the advantages that accrue to incumbency, it seems to me the kind of convenience of access that the mails apply, which is not necessarily possible especially in the more rural areas to people to volunteer—all of these considerations taken together suggest that the amendment is necessary, that it is an amendment that will spare this body a great deal of criticism, and that it is an amendment that recognizes there are advantages of incumbency that should be neutralized and equalized.

I want to compliment the Senator from Delaware (Mr. ROTH) for offering the amendment. I hope that my colleagues will vote in favor of it.

Mr. PELL. Mr. President, I yield 2 minutes to my distinguished senior colleague, Mr. PASTORE.

The PRESIDING OFFICER (Mr. BIDEN). The Senator from Rhode Island is recognized for 2 minutes.

Mr. PASTORE. Mr. President, if I thought for 1 minute, without trying to impugn the motives of any sponsor of an amendment, that those sponsoring these amendments were amenable to the idea, the philosophy, and the ideology of public financing, I would be more reluctant to do what I intend to do, and that is to move that this amendment be tabled.

Mr. President, what we are doing here is imposing on the Postal Service. The Postal Service is more or less, a private institution today. Here we are, bringing up all these amendments in a debate that is fast becoming a charade to the people of this country, a charade essentially because these amendments are being sponsored by those who will vote against public financing.

Financing is the name of the game insofar as this bill is concerned. So that when the proper time comes, Mr. President, I am going to move that this amendment be placed on the table because I am afraid, with all the pressing problems that confront the people of this country today, here we are in the Senate, with the price of meat going up, with the price of food going up, and we are in this inflationary spiral—why only today I heard from my own Governor who told me that the fuel adjustment will cost the consumers of Rhode Island one third additionally on their heating bills. But here we are, fussing around whether we will have two mails, or three mails, on a bill that is not going to go anywhere once we pass it in the Senate. I think we can use our time to a more advantageous purpose. After all, if this Congress is against public financing, let us stand up and vote against it: If we are for it, then let us vote for it. But we are beginning to puncture it with holes. As the days go by, it begans to look more like a sieve.

These people who sit up in the galleries and watch us, will look down on this very austere body and to the last breath of their survival, they will say, "What are you doing down there? You are acting like a bunch of schoolboys."

We have been at this thing for 2 weeks now and we are going nowhere—and we are going nowhere pretty fast. I say, if we are for public financing, let us say so. If we are against it, then let us say so. Let us have it done with, regardless of how we decide it—it makes no difference to me. But we get up here and say we should do this, and then we should do that, and then we should do the other thing. We passed a similar bill a short time ago. It is lingering and languishing over in the House of Representatives. It will never see the light of day. Now we come along with this one. It will never see the light of day, either.

I say, we have got the no-fault insurance bill to consider, have we not? I say to my good friend, the distinguished Senator from Washington (Mr. MAGNUSON), that this is a bill which is very important to the people of this country. We have got a lot to do in education. There are many other pressing problems that will come before the Senate.

I say, let us begin to act like legislators and stop kidding ourselves, because the people of this country are not buying this charade for one moment.

Mr. ALLEN. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. ALLEN. Has not the Senator from Rhode Island just made a very fine argument for drawing the bill down and let us proceed to other matters more important?

Mr. PASTORE. I do not want to draw down the big issue, which is, are we for or not for public financing? Let us face it. That is what this bill is intended to do. That is the question.

The PRESIDING OFFICER (Mr. BIDEN). All time has now expired.

Mr. PASTORE. Mr. President, I move to lay the amendment on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island (Mr. PASTORE) to lay on the table the amendment of the Senator from Delaware (Mr. ROTH).

Mr. HRUSKA and Mr. PASTORE asked for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island (Mr. PASTORE) to lay on the table the amendment of the Senator from Delaware (Mr. ROTH).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD of West Virginia. I announce that the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Georgia (Mr. TALMADGE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON), is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from Oregon (Mr. HATFIELD), and the Senator from Maryland (Mr. MATHIAS), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN), is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD), would vote "yea."

The result was announced—yeas 55, nays 32, as follows:

[No. 105 Leg.]

YEAS—55

Abourezk	Hathaway	Muskie
Bartlett	Hollings	Nelson
Bayh	Hruska	Nunn
Bennett	Humphrey	Pastore
Bentsen	Inouye	Pearson
Bible	Jackson	Pell
Brooke	Javits	Proxmire
Burdick	Johnston	Randolph
Byrd, Robert C.	Kennedy	Ribicoff
Cannon	Long	Scott, Hugh
Cook	Magnuson	Stafford
Cotton	McClellan	Stevens
Cranston	McGee	Symington
Eagleton	McGovern	Taft
Eastland	McIntyre	Tower
Fong	Metzenbaum	Williams
Goldwater	Mondale	Young
Gurney	Montoya	
Haskell	Moss	

NAYS—32

Allen	Clark	McClure
Baker	Curtis	Metcalf
Beall	Dole	Packwood
Bellmon	Domenici	Percy
Biden	Dominick	Roth
Buckley	Fannin	Schweiker
Byrd, Harry F., Jr.	Griffin	Sparkman
Case	Hansen	Stennis
Chiles	Hart	Stevenson
Church	Helms	Thurmond
	Mansfield	Weicker

NOT VOTING—13

Aiken	Hartke	Scott, William L.
Brock	Hatfield	Talmadge
Ervin	Huddleston	Tunney
Fulbright	Hughes	
Gravel	Mathias	

So Mr. PASTORE's motion to table Mr. ROTH's amendment was agreed to.

CAMPAIGN SPENDING

Mr. PERCY. Mr. President, we now have the opportunity to debate and vote in the Senate on the type of financing of campaigns that we think best serves the interests of this country.

In studying this issue I keep three fundamental objectives in mind: First. Elections should be won and lost on the relative merits of the candidates and their positions, not on the basis of who can raise and spend the most campaign funds;

Second. No contributor should be in a position to extract special treatment from an office-holder; and

Third. Additional safeguards are needed to prevent self-enrichment through the improper use of public office.

I favor realistic, enforceable limits on campaign spending with insurance that credible challengers have a fair chance to obtain campaign funds. In my own case in 1972, committees for my reelection campaign raised and spent a total of $1,700,217, including $298,140 raised and spent prior to April 7, 1972, when the provisions of the Federal Election Campaign Act of 1971 became effective. This sum of money, though $1,000,000 less than a senatorial campaign for reelection also conducted in 1972 in a State of comparable population, still enabled me to far outspend my opponent in the 1972 Illinois Senate race, leaving him at a substantial disadvantage in getting his message across.

The Federal Election Campaign Act Amendments of 1974, S. 3044, currently being debated in the Senate, would limit a Senatorial candidate in Illinois to $756,800 in the primary and $1,135,200 in

the general election in 1974 for a total of $1,892,000. If this expenditure ceiling had been in effect in 1972, I would have been under the allowable spending total by $191,783.

I am aware that campaigns in other States may have been over the new proposed limits as they were more costly per capita due to other variables such as a hotly contested primary, the number of media markets, the viability of the State party organizations, and so forth, so Illinois may not be the best example of the effects that passage of S. 3044 would have in the future. However, I think Illinois is an instructive example.

Therefore, Mr. President, I have come to the conclusion that we need responsible legislation on campaign spending that will make the system fair for all who seek public office and a main concern of ours must be equity for the challenger.

To further elaborate my views on the subject of campaign spending, Mr. President, I ask unanimous consent that a speech I delivered before the Money/Politics Conference in Washington on February 27 be printed in the RECORD at this point.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

KEYNOTE ADDRESS BY SENATOR CHARLES H. PERCY

FEBRUARY 27, 1974.

I'm not sure that it's fair to ask me to cover the subject "Money—dash—Politics" in the brief time allotted. Alice Roosevelt Longworth, who is sharper than the rest of us, has been talking about money and politics for 90 years, and even she has barely dented the subject. Add gasoline lines, the Redskins and sex to money and politics, and you encompass 90 percent of the conversation in Washington on any given night.

The temptation and consequences of money in politics have been with us for a long time. While Washington's army starved at Valley Forge, Samuel Chase, a signer of the Declaration of Independence and later Chief Justice of the United States, tried to corner the flour market on the basis of inside information. Andrew Jackson's Postmaster General was forced from office for accepting kickbacks in awarding contracts for carrying the mail. President Lincoln had to remove his Secretary of War, Simon Cameron, who had arranged military contracts for companies in which he and his friends had an interest.

Two things, I suspect, have been responsible for transforming the dilemma of money in politics from a nuisance into a catastrophe:

1) Elected officials now often play the decisive role in both our personal and institutional financial affairs. If, for example, government did not have the power to influence milk prices and milk profits, it is doubtful that we would be concerned with the propriety of a political "milk fund" today.

And 2), the costs of gaining public office have reached stratospheric proportions. In 1956, it cost Dwight Eisenhower some $8 million to campaign successfully for re-election to the presidency; in 1972, Richard Nixon spent more than $60 million to do the same thing.

It has become expensive to run for almost any broad-based office, but staggeringly expensive to run for the presidency.

This year, as most of you know, I am exploring the feasibility of a '76 presidential race myself. Our proposed 1974 budget for this limited exploratory effort is $200,000—a puny amount compared with the cost of recent full-scale campaigns, but nonetheless an enormous sum of money—especially for those who have to raise it.

As more and more money oozed its way into the political process, it probably was inevitable that the irresistibly seductive nature of so much cash would one day take its toll. And in 1972, it finally did.

Today, it is not just the President who is paying a dreadful price for the perversion of money and power we call Watergate; we *all* are paying—Republicans, Democrats, big business, politicians at every level—and especially those of us in Congress. The entire country is paying a telling price in national self-esteem.

In a way, unhappily, we all deserve to pay. For much too long, we often turned away from obvious abuses of money in American politics.

When John Kennedy won Illinois' electoral votes in 1960 on the basis of some widely disputed returns from Chicago, much of the country winked at the triumph of good old fashioned machine politics.

In 1972, when burglars connected to the Nixon campaign were apprehended in the offices of the Democratic National Committee, much of the country—including most of the media—dismissed with a shrug the ominous implications. The nation had become so cynical about politics and politicians, in fact, that spying and break-ins were widely assumed to be commonplace facets of campaign strategy.

I, for one, do not believe they are politically commonplace at all, but the corrupting influence of big money in politics unquestionably *is*. If ever we are to reform the rickety apparatus which supposedly regulates the interaction of money and politics, surely this is the moment. In the aftermath of Watergate, public attention and concern at last are focused on the problem; we must act *now*, for if not now, then when?

The trouble is that while the malady is obvious, the sure cure is not. That is one reason I believe this conference is so timely and important.

In the weeks just ahead, Congress will be dealing with highly complex legislative initiatives in this area, some of which would reshape our politcial landscape. This is particularly true of taxpayer-financed federal election campaigns, which Common Cause and others believe is the only workable alternative to the present system.

I don't know if it is the *only* workable alternative, but some form of public financing seems the most sensible one that any of us have yet proposed if we are to preclude a repeat of 1972.

Public financing, like the other reforms now under consideration, deserve the most thorough possible airing, in floor debate, in the media and right here for the next two days.

Throughout this refining process of discussion and debate, I hope we all can keep in focus at least three fundamental objectives:

#1: Elections should be won and lost on the relative merits of the candidates and their stands, *not* on the basis of who can afford the most elaborate and costly campaign. In my 1972 senatorial race, my campaign committee far outspent that of my opponent. I like to think that I would have won on the basis of my record in any case, but obviously Congressman Pucinski was at a substantial disadvantage in trying to get *his* message across to the voters of Illinois. Not only must we place realistic, *enforceable* limits on campaign spending, but we must see that credible challengers somehow have a fairer chance to obtain sufficient campaign funds.

Objective #2: No financial contributor should be in a position to extract special treatment from an office-holder, which means that we must place *enforceable* ceilings on campaign contributions and ensure that all contributions and expenditures are matters of public record. I am reluctant to place an absolute prohibition on individual contributions, for I believe that widespread citizen participation in politics is a healthy and desirable thing. But Watergate is a harsh reminder of the perils of five- and six-figure political contributions. We ought to get rid of them once and for all and try the more reasonable upper limit of $3000 proposed in the Senate passed reform bill.

Objective #3: Additional safeguards are needed to prevent self-enrichment through the improper use of public office. In this regard, I regret that there was no time on the conference program for an examination of the entire question of disclosure.

Frankly, I do not like the loss of privacy that goes hand-in-hand with mandatory financial disclosure by candidates and office-holders. As the Hearst case demonstrates, public knowledge of a family's financial status can sometimes directly affect its very safety.

Nonetheless, the public trust has been so frequently and flagrantly abused that I am forced to conclude that some form of significant disclosure—especially by candidates for national office—is in the public interest. Therefore, should I decide to become a full-fledged candidate for the 1976 Republican presidential nomination, I will disclose the value of my assets, now held in a blind trust, and will release full tax data for all the years I have held office, whether the law then requires it or not.

As we grapple with such thorny issues as disclosure and campaign financing, those of us in Congress have a two-sided opportunity. We can pass legislation which will help prevent fast and loose money from further perverting the political process; that's one opportunity. Or—its reverse—we can fuel the contempt we already have earned by perpetuating the toothless guidelines which govern money in politics now.

Many national institutions are on trial today, some literally, some figuratively. So, too, Congress stands at the bar of public opinion as once again we assume responsibility for policing ourselves, a role we have performed with minimal distinction in the past.

Perhaps it has always been the case, but one of the roadblocks to genuine political reform is that those of us who devise the rules of the game are hardly disinterested spectators; one asumes the Redskins would have made it to the Super Bowl this year, if only George Allen had been the referee.

My hope is that time, we will look beyond our self-interest to the public interest. The country is understandably demoralized. Americans need a clear sign that their elected representatives remain capable of actually *doing something* about a given national problem. If we fail this time, we shall richly deserve the election-day consequences which are almost sure to follow.

Ultimately, of course, even the best legislation can not by itself stop pay-offs, unreported contributions, peddled ambassadorships, laundered money, and all the other shoddy political rip-offs to which America has become so cynically accustomed. With or without legislation, it is going to remain difficult to clean up American politics in an atmosphere of widespread public callousness. "Everybody does it" is hardly a maxim conducive to reform, much less national distinction.

Everybody does *not* do it—every politician does not flaunt the law or grow rich through public service. That is not our most common lapse within the American political community. Rather, our most pervasive failure, especially these past ten years, is in the realm of *intellectual* integrity, or the lack of it.

Most of us, myself included, are drawn too easily into the subtler deceptions of politics—

the 10-second spot, the groundless charge, the rainbow promise. Forever understating our ambitions, *over*stating our accomplishments, over-*rating* our "solutions", we hardly notice that we have created a nation of disbelievers through this process of indirection. Our political dialogue has become so laden with minideceptions that now they are completely taken for granted. It is as if deception is what is expected of us politicians. Score one for the "everybody-does-it" syndrome.

One result of all this is that something important and quite wonderful has slipped away from us in recent years—not so much innocence as mutual *trust*. We trusted our leaders in America, as indeed we trusted most of our institutions, and each other. Government has long been viewed as foolish, bureaucratic and hopelessly extravagant, but only recently has it become an object of national contempt.

I don't know if we can reverse these trends toward disgust, despair, and disbelief; some would say it's foolhardy to try. But I think we must make a determined effort if these United States are to remain united in any fundamental sense.

Political leaders can help . . . *must* help, really, if we are to regain what John Gardner calls "a sense of ourselves as a people . . . of our own worth and our own values."

A good way to start is by seeking an end to the kind of duplicity and secrecy in government which produced first Vietnam and then Watergate. Much too much of the public's business is stamped "Top Secret", or shrouded in a dubious cloak of national security, or carried on behind closed doors. Why be so secretive about the workings of a government, which, after all, still belongs to and serves the people?

The reforms you will be analyzing at this conference can do much to "declassify" the elective process. But those of us who run for office must do more than merely comply with the letter of the election laws. I think we must take our case to the voters in a much more straightforward way than either we or they are accustomed to. For if we don't level with voters as we seek an office, how can they possibly expect us to level with them once we get there?

Our campaigns ought to address themselves more to the often unspoken realities of government, chief among which is that *everything costs something*—usually money, sometimes freedom, too often human life. Whatever the costs, candidates are reluctant to discuss them. And because citizens have been promised so much—great societies, law 'n' order—at no apparent cost, they are understandably angry and disillusioned when the costs turn out to be staggering and the promises overblown.

Isn't it about time that we eliminated this shadow-dance we perform at election time? It's long past time we faced up to extremely difficult and complicated choices in this country. How can the American people be expected to choose wisely if they are continually uninformed and misinformed by their present and would-be representatives in government?

More critical still, how can political leadership be effective until people find cause again to trust politicians? We in political life must work to regain that trust, for the cynicism which today engulfs American politics makes it terribly difficult to recover our national momentum.

But trust must be earned. And to earn it, our commitment must go well beyond reform of campaign financing. We have got to revamp communications between candidate and voter, government and the governed. Our entire political dialogue in America has to be more open and direct. It is time, quite simply, to trust the people with the truth. Only then will we truly deserve the privilege of holding public office in a free society.

Mr. DOMINICK. Mr. President, I call up my amendment No. 1124 and ask that it be stated.

Mr. MAGNUSON. Mr. President, may we have order?

The PRESIDING OFFICER. There will be order in the Senate. Senators will please be seated. The Senate will be in order so that the Senator can be heard. The Senator has requested that his amendment be called up. Unanimous consent is required since it already has been agreed that the amendment of the Senator from Alabama is pending.

Mr. DOMINICK. Mr. President, I ask unanimous consent that amendment No. 1124 may be called up.

The PRESIDING OFFICER. Is there objection?

Mr. DOMINICK. Mr. President, if anyone wishes to object, I do not mind.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator explain the amendment first?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. Will the Senator explain the amendment?

Mr. DOMINICK. I am happy to.

Mr. MANSFIELD. It is the intention of the Senate to have no further votes tonight.

Mr. DOMINICK. Mr. President, I would like to have this measure as the pending business. I would be happy when we come back in to take it up. It may be there will not be a vote. There is a possibility the amendment will be accepted. This amendment provides for a simultaneous poll closing throughout the country.

Mr. MANSFIELD. I have no objection, but I would call to the attention of the Senator that the pending business is the Allen amendment. An agreement has been reached to vote on that amendment at 12 o'clock tomorrow.

Mr. DOMINICK. That is fine.

Mr. MANSFIELD. So the Senator's amendment would follow the Allen amendment. I suggest if the Senator's amendment is not accepted, any rollcall vote be put over until tomorrow because I have gone out of my way and told Senators on both sides that there would be no further votes tonight.

Mr. DOMINICK. I am happy to comply with that request. If there is to be a rollcall vote maybe we could put this right after the Allen vote.

Mr. MANSFIELD. That is fine.

Mr. DOMINICK. I could talk about it tonight.

The PRESIDING OFFICER. Without objection, the Senator from Colorado is recognized.

The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

The amendment is as follows:

TITLE V—POLL CLOSING TIME

SEC. 501. SIMULTANEOUS POLL CLOSING TIME.—On every national election day, commencing on the date of the national elections in 1976, the closing time of the poling places in the several States for the election of electors for President and Vice President of the United States and the election of United States Senators and Representatives shall be as follows: 11 postmeridian standard time in the eastern time zone; 10 postmeridian standard time in the central zone; 9 postmeridian standard time in the mountain time zone; 8 postmeridian standard time in the Pacific time zone; 7 postmeridian standard time in the Yukon time zone; 6 postmeridian standard time in the Alaska-Hawaii time zone; and 5 postmeridian standard time in the Bering time zone: *Provided*, That the polling places in each of the States shall be open for at least twelve hours.

Mr. DOMINICK. Mr. President, I shall not take very long because I think this is a relatively simple amendment.

The other day the Senate adopted, and I might say against my vote, the amendment offered by the distinguished Senator from Oklahoma (Mr. BELLMON), which provides that none of the media can release any information on Presidential elections until midnight of the day that the election occurs. Well, it seems to me that there are a lot of difficulties with that measure. First of all, I do not think it is going to be possible to enforce, as the distinguished Senator from Nevada said. Second, I do not think it is constitutional. I think there is really grave doubt as to whether we in the Senate can pass a law stating that no one can do something of that kind.

Therefore, this amendment, which has been accepted before as part of the American Bicentennial deal, was proposed, first, to take the sting out of the Bellmon amendment and, second, because it is advisable in and of itself.

The different time zones have a great effect on elections, as the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Arizona (Mr. GOLDWATER) said the other day; and I shall not mention New Hampshire, but I have, and New York, for instance, can influence votes and in other time zones, particularly when predictions are made on a nationwide basis.

It seems to me that the easy way to get out of this situation would be to have simultaneous closings of the polls. This would be difficult unless the people are given enough time to vote, so we have required that the polling places would be open for 12 hours, starting in the eastern zone from 11 until 11, the central zone from 10 to 10, mountain time from 9 to 9, the Pacific time zone from 8 to 8; then we go to the Yukon, Alaska, Hawaii, the Bering Straits, which would be 5 to 5. But I do not think that an awful lot of people will be voting out there anyway. But they do get up earlier than we do in the Eastern zone and they would have plenty of time to vote. So it does not create a problem for anyone. If it does not create a problem, then it would take some of the sting we have as a result of the Bellmon amendment. It is advantageous that we seek a solution to this matter.

Mr. President, I have felt for a long time that predictions made on the basis of computer projections before people go to the polls create a difficult situation for many voters. Many stay home, saying, "It is not worth voting," and others get mad and say, "I am going to vote because I do not like the computer system," and still others simply want to be on the

winning side, if the computers show that that is the way people feel about it.

This provision would be effective in 1976, not in 1974, so we would have plenty of time before the next Presidential election to see if there are any serious difficulties in it, other than the preemption of the right of the States to set their polling times. That is the only defect I see, but if we are going to have major elections it seems to me advisable to close the polls at the same time regardless of whether the States say it is easier for their people to get up at 10 o'clock, or whatever it may be.

I hope my friend, the Senator from Nevada (Mr. CANNON), who I am sure has run into this problem in his State as I have in Colorado, will agree to the amendment.

I remember during the debate on this matter—I think it was last year or early this year—the Senator from Kentucky said he thought this was a far better approach than the Bellmon approach. It would be my hope, therefore, in view of the fact that the Bellmon approach has been accepted, that we can take some of the sting out of it by putting this particular amendment on the bill.

Mr. CANNON. Mr. President, I yield myself 3 minutes.

I think there are a lot of practical problems in this amendment. The Senator has suggested that the polling places would close, for example, in this area at 11 at night and open at 11 in the morning. There are many people who prefer to vote as they go to work, in the morning. This has been traditional throughout the country. Therefore, most of the people, before they go to work, would have the opportunity to vote. If this amendment were adopted, it would mean there would be complete shifts of people working at the polling booths, on the election boards, and so on, or else there would be a whole series of overtime problems, if the polls should open early in the morning and then remain open until 11 in the evening.

I wonder if the Senator has explored what cost might be involved with respect to the various States that would have to make this kind of shift, increasing the number of hours, and going into nighttime hours.

Mr. DOMINICK. No, I can say to the Senator; I have not explored that.

Mr. CANNON. I suppose it would be quite difficult. Basically, the Constitution provided that this would be a matter that the States would determine, although it provides that Congress may make such changes as it deemed advisable, except as to the places of holding elections. However, I think it is quite clear that at least the intent of the Constitution was this was an area in which the States will make a determination.

While I recognize the problem posed by the amendment that was adopted the other day—and I, too, voted against it; I think it was bad legislation; I do not think it should have passed through this body; I do not think it will ever get through conference—I do not know whether we ought to compound one piece of bad legislation by substituting for it another bad piece of legislation, because I am not at all convinced in my own mind that this is the kind of legislation we ought to be adopting to get at the problem that the Senator is very much concerned with.

Mr. DOMINICK. I can say to the Senator that, under the circumstances, I guess I had better get a yea and nay vote on it to see how the whole Senate feels about it. I do not think there are enough Senators here to order the yeas and nays on it at the present time, but let me say this to the Senator from Nevada. Let us say that there is a plan with a two-shift arrangement. There is plenty of time for them to go home in the daytime, and if they happen to have the early morning shift, they can vote before they go to work. Under present circumstances, it is perfectly easy for them to do it right after supper. If it goes from 11 to 11, there is more time, generally speaking, than there is otherwise, although most of the States now have a 12-hour polling time. Certainly they do in my State. I believe they have a 12-hour polling time in Nevada.

My guess is that it would not be any more expensive, and it would far more equitable.

If one wants to put it this way, in a horse race, we would like to be there at the finish line. A person is not there at the finish line under present circumstances, because all he is doing now is picking up a television projection. It does not always turn out right, but the Senator from Arizona (Mr. GOLDWATER) has said it did hurt him, and the Senator from Minnesota (Mr. HUMPHREY) said he thought it hurt him in 1968. All I can say to the Senator is that I cannot see how there could be much additional expense, and I think this is a far more equitable way to handle it than any way we have now.

Mr. COOK. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. COOK. I wonder if I may make a suggestion. The Senator knows how I have felt on this for some time.

Mr. DOMINICK. Yes.

Mr. COOK. My chairman and I differed on the Bellmon amendment.

In view of the fact that the Senator from Colorado wishes to have a rollcall, and therefore that would occur after the vote on the Allen amendment, I wonder if the Senator, if he has completed his discussion, would withdraw his amendment now, and we could agree that his amendment could be disposed of after the Allen amendment.

To make a further suggestion, if the Senator would take the language of S. 372, we have already provided in that bill that Election Day would be a holiday. If that provision were in his amendment, along with the time zones, I think it should be a holiday. I think we are probably the only major country in the world that does not have a holiday in general elections. That is why in our history we have never even gone as high as 70-percent participation of the qualified voters, which I think in itself is nothing to brag about.

If the Senator were to combine those two provisions into his amendment, I think it would be more palatable.

Mr. DOMINICK. I thank the Senator from Kentucky for his courtesy. I think the first part of his suggestion would be something I would be happy to comply with, namely, to withdraw the amendment and put it off for a vote after the Allen amendment.

As far as making election day a holiday is concerned, I went into that at some length. There were enormous problems connected with that proposal. One of the problems that everybody cited was that this was a Tuesday. If it were a holiday, immediately there would be a demand for a long weekend, upon which occurrence everybody would take off, some to go South and go fishing, and some to go North and go hunting.

Mr. COOK. There is merit in the Senator's remarks. I do not know why we in the Congress and we who are responsible for the conduct of elections should find a great deal of magic in Tuesday. Again, I think we would have many more people participating in the elections in the United States if the election were held on a Saturday.

Somehow or other, it is very easy to sit here in Congress and decide to shift birthdays and decide to make someone's birthday on a weekend, when that was not his birthday at all, and then we get accolades from the people because of a long weekend. Perhaps the best thing we could do about elections is to have them held on a weekend, so the people could get another long weekend. There is nothing magical about Tuesday. I think we make a mistake when we do that. I think the question ought to be considered on the basis of the fulfillment of our responsibility and seeing to it that the biggest percentage of the American people possible—95, 96, 99.44 percent—who are registered and who are eligible to vote participate in the American electoral process. That is really what we ought to be looking for. If that cannot happen on a Tuesday, then it ought to be our responsibility to find a time when we could get the greatest number of people who have the greatest amount of time to participate in a national election.

Mr. DOMINICK. I can say to the Senator from Kentucky that I wrestled with the problem of changing the whole structure and trying to have an election earlier and the primary earlier and the convening of Congress earlier, so that we do not come into session in January and that we try to comply with the school law. I did all kinds of things in this area. The difficulty I ran into is that part of it requires a constitutional amendment, part of it requires a law, and after 18 months of it I gave up, realizing that I was not getting anywhere.

Mr. COOK. OK. When the Senator from West Virginia, who is present on the floor, discussed an amendment to have all primaries in the United States for Federal elections take place in August, and moved the date for the general election from November to October, unfortunately he and I were still traditionalist, because we stuck with Tuesday. Yet we were perfectly willing to move the primary dates, we were perfectly willing to move the general election dates, but we still stuck to Tuesday. Yet I think the Senator would honestly agree with

me that we could move that date for the election.

Mr. DOMINICK. I agree with the Senator. It has been done for years, that is all.

And I hesitate to change it at this point and make it a holiday and undoubtedly give a lot of people a long week end when they would not do much about voting.

Mr. COOK. That was merely a suggestion.

Mr. DOMINICK. I would say to the Senator that much as I would like to comply with him, I will comply with him at this time and withdraw my amendment at this time and offer it after the Allen amendment in the morning.

Mr. President, I ask unanimous consent that I may withdraw my amendment and call it up right after the Allen amendment with a one-half hour time limitation, the time to be equally divided in accordance with the original order.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FRANK S. HOGAN

Mr. JAVITS. Mr. President, I wish to announce to the Senate the passing of Frank S. Hogan, a man who served for three decades as a district attorney of New York County.

There can be no greater tribute to a man than that he carried out his duties in the service of the law and its equal application to all with a single-minded devotion to the tradition and purity of that law unmatched in his time.

The death of Frank S. Hogan today marks the end of a legendary career which for more than 30 years stood for integrity, competence, and fairness in the administration of justice.

From his earliest days as an assistant to the late Thomas E. Dewey, Mr. Hogan sought to make the Manhattan District Attorney's Office a model for the Nation and he succeeded greatly in this endeavor. The independence or the integrity of his office was never in question. Assistant district attorneys were chosen on a nonpartisan, merit basis. Many alumni of Mr. Hogan's office went on to distinguished careers in law, Government, and business. Examples are: Former Secretary of State William P. Rogers, former judge and Ambassador to the Paris Peace Talks, Lawrence E. Walsh, Judges Stanly Fuld, Charles Breitel, Murray Gurfein, William Herlands, Whitman Knapp, Charles Tillinghast, chairman of the board of TWA and many State Supreme Court Justices, members of the State legislature and law professors.

Especially in times like this when the integrity of the administration of justice and of the legal profession are constantly an issue before us Frank Hogan's career stands as a model inspiration.

For Mrs. Javits and myself I extend our most profound condolences to Mary Hogan.

DEATH OF PRESIDENT POMPIDOU, OF FRANCE

Mr. JAVITS Mr. President, I feel certain that Senators have heard of the announcement from France that President Pompidou has died. I know that many will join in the expression of sympathy for the people of France, who have lost their Chief of State, which is always a tragic moment in the life of any people.

It is uniquely applicable, because death merges all the cares of life and allows restatement of the tremendous bonds of friendship which exist between the French people and ourselves. This goes back in our history to the most perilous, earliest days, when France, through its great military leaders, helped to win the Revolutionary War and to bring into being American independence. All of our difficulties—and they are many and are serious—become very small when compared with the bonds of friendship and the love of freedom and our comradeship in arms, including comradeship in arms in World War II, in which I had the inestimable privilege, as a military officer, to serve.

I express the hope that in France, as here, the really profound values of freedom and justice, of civilization and culture, which we share with France, may bring us both to a better understanding of our respective positions, and may enable us to work out our immediate problems and continue under our auspices for all mankind.

France is a great nation with a proud history. I knew President Pompidou personally. Nothing could in any way be of more benefit in the effort toward the peace and prosperity of all mankind to rekindle as a result of President Pompidou's untimely death this new attitude of cooperation and common striving. That, I believe, would be President Pompidou's finest memorial.

Mrs. Javits and I extend our deepest sympathy to Madam Pompidou and the Pompidou family.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 11 a.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with a 3-minute time limitation on each speech made therein, at the conclusion of which the Senate will resume consideration of the unfinished business, S. 3044. The pending question at that time will be on the adoption of the Allen amendment (No. 1059), on which there is a division of time with a vote to occur on the Allen amendment at 12 noon. The yeas and nays have been ordered thereon.

Upon the disposition of the Allen amendment, the Dominick amendment, Amendment No. 1124, will be called up again with a time limitation of 30 minutes thereon after which a vote will occur. And we have been notified that it will be a rollcall vote.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 o'clock tomorrow morning.

The motion was agreed to; and at 5:48 p.m. the Senate adjourned until tomorrow, Wednesday, April 3, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate April 2, 1974:

DEPARTMENT OF STATE

Henry E. Catto, Jr., of Texas, Chief of Protocol for the White House, for the rank of Ambassador.

John E. Murphy, of Maryland, to be Deputy Administrator, Agency for International Development, vice Maurice J. Williams.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

James L. Mitchell, of Illinois, to be Under Secretary of Housing and Urban Development, vice Floyd H. Hyde, resigned.

DEPARTMENT OF STATE

Robert Strausz-Hupé, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

The following-named persons to be Representatives of the United States of America to the Sixth Special Session of the General Assembly of the United Nations:

John A. Scali, of the District of Columbia.
William E. Schaufele, Jr., of Ohio.
John H. Buchanan, Jr., U.S. Representative from the State of Alabama.
Robert N. C. Nix, U.S. Representative from the State of Pennsylvania.
Clarence Clyde Ferguson, Jr., of New Jersey.
Barbara M. White, of Massachusetts, to be the Alternate Representative of the United States of America to the Sixth Special Session of the General Assembly of the United Nations.

DEPARTMENT OF AGRICULTURE

Richard L. Feltner, of Illinois, to be an Assistant Secretary of Agriculture, vice Carroll G. Brunthaver, resigned.

IN THE MARINE CORPS

The following-named (Navy Enlisted Scientific Education Program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Capoot, Michael
Graves, William C.
Kane Thomas G.

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Bausch Dan O.
Keffer, James C.
Moore, Charles
Potocki, Mark L.
Thomas, James P.
Wade, Joel M.

The following-named temporary disability retired officer for reappointment to the grade of colonel in the Marine Corps, subject to the qualifications therefor as provided by law:

SENATE
FLOOR DEBATES
ON
S.3044
APRIL 3, 1974

year ending June 30, 1975; $300,000,000 for the fiscal year ending June 30, 1976; and $400,000,000 for the fiscal year ending June 30, 1977.

SEC. 602(a) Not more than 5 percent of the funds appropriated annually for the purposes of this act shall be used for the purposes authorized under Title III.

(b) Not more than 15 percent of the funds appropriated annually for the purposes of this act shall be used for purposes authorized under Title V.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HASKELL) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on April 2, 1974, he presented to the President of the United States the following enrolled bills:

S. 969. An act relating to the constitutional rights of Indians;

S. 1341. An act to provide for financing the economic development of Indians and Indian organizations, and for other purposes;

S. 1836. An act to amend the act entitled "An act to incorporate the American Hospital of Paris," approved January 30, 1913 (37 Stat. 654); and

S. 2441. An act to amend the act of February 24, 1925, incorporating the American War Mothers to permit certain stepmothers and adoptive mothers to be members of that organization.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume the consideration of the unfinished business, S. 3044, which the clerk will state.

The legislative clerk read as follows:

S. 3044, to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to the amendment of the Senator from Alabama (Mr. ALLEN) No. 1059. Time for debate on this amendment is equally divided and controlled between the Senator from Alabama (Mr. ALLEN) and the Senator from Nevada (Mr. CANNON), with a vote thereon to occur at 12 o'clock noon.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time taken from both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from Alabama, No. 1059.

Mr. ALLEN. Mr. President, the time is under control until 12 o'clock. Is that correct?

The PRESIDING OFFICER. Each side has 15 minutes. The vote will take place at 12 o'clock.

Mr. ALLEN. I yield myself 5 minutes.

Mr. President, the purpose of this amendment is to reduce the amount of permissible contributions to Presidential primary or Presidential general elections and House and Senate primaries and general elections.

Under present law, the existing law, there is no effective limit on the amount of contributions, and I feel that therein lies much of the problem, and that by limiting the amount of total overall contributions, the amount of total overall expenditures, and by limiting of the amount of individual contributions, the election process can best be reformed, and not by turning the bill over to the taxpayer and requiring that individual taxpayer, in half the cases, probably, to support the views and philosophies of candidates with whom they disagree, and taking out of the election process the voluntary participation by the electorate. That is the evil of public financing.

The bill, S. 3044, as it comes to us, provides that in Presidential nomination contests, the contributions can be matched, provided they are $250 or less in Presidential races and $100 or less in House and Senate races, and permitting candidates for the nomination for the Presidency to receive up to $7.5 million of public funds to aid them in their campaigns. But the bill, S. 3044, permits contributions far beyond the matchable contributions.

We have heard so much talk about, "Well, you have got to take care of the challenger in these various races. You have got to protect the challenger." It is admitted all the while that the incumbent, by reason of his being known, by reason of his name identification in the minds of the voters, by reason of the many favors he may have done for his constituents through the years, would be in better shape to attract larger contributions, and the challenger would be at a disadvantage in this country.

So this bill, while it matches contributions up to $250 for the President and $100 for the House and Senate, allows contributions to be made up to $3,000——

The PRESIDING OFFICER. The 5 minutes of the Senator have expired.

Mr. ALLEN. I yield myself an additional 3 minutes.

And in the case of a man and his wife, up to $6,000. That is something that is going to benefit the incumbent. That is not going to take care of the challenger.

The purpose of the amendment that is now pending, cutting contributions down to $250 for the President and $100 for the House and Senate, is to broaden the base of those participating in our elections. The proponents of reform say they want to eliminate the large contributions. I believe the $250 limit is going to eliminate the so-called large contributor. The $100 contribution for the House and Senate is going to eliminate the large contributor. That would put the incumbent and the challenger on exactly the same basis.

This whole process can be solved inside the framework of private financing, by the small contributor and still allow Federal matching. It seems Members of the Senate are going to insist on having their campaigns subsidized by the taxpayer. That vote is quite evident here in the Senate. Members of the Senate want to see the taxpayers finance their campaigns, because I had an amendment knocking Members of the House and the Senate out of the subsidy, and that amendment was voted down. So it is evident Senators are going to want public financing.

Therefore, let us limit the public financing to the amounts set out, $250 and $100, but let us chop off all amounts above that, because there seems to be something evil or sinister about contributions that are over $250 for the President and over $100 for the House and the Senate, because we are not allowing the Government to match these excessive contributions.

So if Senators want reform and not just public subsidy, let us cut these contributions down to where the campaigns can be financed by the average citizen of our country, which will encourage citizen participation in our election process. That is what the amendment does. It drastically cuts the amount that can be contributed.

We have heard a lot from Common Cause to the effect that, "Well, we want to cut these contributions down." Let us see if Senators who seem to be influenced by that plea—or demand, would be a better word—by Common Cause——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ALLEN. I yield myself 1 minute.

Let us see if they are going to be for cutting contributions down to a realistic amount, an amount that would lead the average citizen to feel he has a part in the election process. Let us see if they want election reform or if they want Federal subsidy. That is the issue presented by this amendment.

I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 5 minutes.

Mr. President, the problem of campaign reform is certainly not a black-and-white issue. It is not susceptible of very easy solutions. It requires a long time and a lot of lessons need to be learned before something is actually accomplished.

As a matter of fact, since I have been in the Senate, I have been involved in campaign reform bills. Since 1959 the Senate has either passed in the Senate or has reported to the Senate out of the committee a bill in 1960, another one in 1961, another one in 1967, which I may say passed the Senate by a vote of 87 to 0 and went to the House side, and then amendments were passed in August of 1971.

On top of that, S. 372 that we passed by an overwhelming vote last year and sent to the House, has not been acted on as yet.

I might say frankly, Mr. President, to the Senator from Alabama that I believe that had S. 372 been acted on by the House last year, I believe we would not have had the pressures we now have to get into the area of public financing. But we have had pointed out, as a result of the Watergate hearings, the unfortunate aspects of big money in campaigns. That is what we have tried to resolve. We have not done it completely, but we have tried to do it an an equitable fashion in the pending bill. We have left it so that the candidate need not go to public financing if he does not desire to.

On the other hand, we have limited the effect of big contributions and have made it so that only small contributed amounts can be used in computing the triggering factor in determining whether a person would be entitled to match the difference if he went the public funds route. We believe it is fairer, in that fashion, to a nonincumbent than to an incumbent, because it would give the challenger an opportunity to procure small contributions to get up to his triggering amount on an equal basis with an incumbent who might not have any trouble going out and raising larger amounts. But we do not let the incumbent use those larger figures in determining eligibility.

Much can be said on both sides of this issue. There is no special magic in many of the figures we have used.

For example, in the limit on expenditures, the Senator from Alabama correctly pointed out yesterday that last year was the first time we limited expenditures and then only as to a portion of the expenditures. In this bill we have tried to limit the overall expenditures. I must say frankly that I am certainly not wedded to the formula we have used here. If Senators feel the figure is too high, we ought to have a vote on an amendment to reduce it. We used the figure somewhat arbitrarily, I might say, but by looking at past experience in trying to determine what expenditures had been made, and recognizing the fact that too much money has been spent in Federal campaigns, not only in the congressional races, but most certainly in presidential and Vice-Presidential races.

So we came up with a formula of 10 cents per voter in a primary election for an eligible voter of voting age, and then 15 cents in a general election. We used a somewhat arbitrary figure of $90,000 in the House races. Actually, I felt, and I am sure some other members of the committee felt, last year, that this is a matter that the House itself ought to determine. So we used the arbitrary figure, as has been pointed out in the argument. Some Members of the House used less than that figure; some used much more.

So we used an arbitrary figure, hoping that the House would make a determination as to what the correct figure should be. I am not wedded to any of these figures. I would be willing to go along with a reduction in both the amount that could be spent in the primary or the amount we have in the bill, and the amount that could be spent in the general election, if that is consistent with the wishes of a majority of this body.

But we have seen, as a result of the Watergate hearings, the inherent danger of large contributions and the undue influence that is exerted, or at least is attempted to be exerted, by the making of tremendous contributions. Those are the sorts of things we want to do away with.

I do not often quote from the New York Times. But I read an editorial in the April 2 issue from which I shall read a part into the RECORD, because it expresses my views on this matter:

Although small contributions are important, experience has shown that they are easier to raise at the Presidential level than in many Senatorial and Congressional contests. Even in Presidential races, the candidate who appeals to a passionate minority, a George McGovern or a George Wallace, is likely to have an easier time of it than a middle-of-the-road candidate.

I may say that in the discussion on this matter last year, the Senator from South Dakota (Mr. MCGOVERN) on the floor of the Senate admitted that he had, or was forced, to take some large contributions—seed money—to get himself into a position to make a large solicitation for funds at a low level, because most of his money came from small contributors.

I continue to read from the editorial:

Even those with devoted followings do not escape the need for large gifts or loans from wealthy individuals or interest groups to pay for campaign start-up costs, for direct mail solicitation of small givers, and to tide campaigns over rough spots. In short, if large contributions are not a wholly reliable substitute, there has to be an alternate source of funds, and that can only be public money.

The choice is not between exclusive reliance on private money or on public money. In the best pluralistic tradition, the Senate reform bill provides a mixed system in which small and medium sized contributors perform a critical function but in which public money is available as the necessary alternative and supplement. It is a plan that deserves the support of all those such as Senators Weicker and Baker who genuinely favor cleaner elections.

Mr. President, I must say that I agree with the assessment of the importance of making some contributions available and providing access to public funds if we are going to do away with larger contributions. If we are going to rely on large contributions, as we have done in the past, then we could very well forget about public financing because some people could go out and raise large sums of money, and they will continue to do so if we do not have a limit.

We tried to get at that to some degree in S. 372 last year by fixing the amount of expenditures in the campaign. We used roughly the same formula in the bill in determining, this year, the amount that could be spent.

Yesterday the distinguished Senator from Alabama pointed out that what we ought to do is to try to shorten the campaign. The Senate has already acted on that point. I hope that the House will act on it. I am all for shortening the time of the campaign. That will do more to reduce the cost of a campaign, perhaps, than any other one thing, other than providing free time and free mailing privileges, which would certainly reduce the cost to the candidate as the Senator from Alabama suggested yesterday.

But even a former Member of the Senate, whom the distinguished Senator from Alabama quoted yestreday, pointed out that small contributions are the backbone of political financing.

The PRESIDING OFFICER. The 5 minutes of the Senator have expired.

Mr. CANNON. Mr. President, I yield myself additional time.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, I agree with that statement. That is why we reduced the matching amounts to $100 in congressional races and to $250 in a presidential race. However, we do permit contributions up to $300 limit per person so that the person can get seed money and have an opportunity to start his campaign which is so important, as pointed out in the editorial from which I have just quoted.

One of the suggestions he made yesterday was to increase the tax credit or tax deduction and to make possible a gift tax deduction for this purpose.

We did not go that far on the gift tax. We did under title V, that has now been taken out of the bill, and I support the doubling of the tax deduction and/or the tax credit, and doubling the checkoff.

I might say the distinguished Senator from Alabama has found some fault with the checkoff provision by saying that in order not to be—that you have to check if you do not want the money used. I agree with him on that. I think it ought to be an affirmative action on the part of the taxpayer, so that if he wants his money used for that purpose, to go into the political fund, the $1, which I support increasing to $2 per person, then I think he ought to have the affirmative obligation of making a check to so indicate, and have that money go into the fund.

But I hope the Senate will not support the Allen amendment on this particular issue, even though I find myself in agreement with him to a very high degree on the basic principles of what we are trying to do. We just differ on some of the procedural aspects, as to what would get the job done.

Mr. President, I reserve the remainder of my time.

Mr. ALLEN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. ALLEN. I yield myself 5 minutes.

Mr. President, the distinguished Senator from Nevada has not said one single thing that would detract from the wisdom of the amendment that is before the Senate. He speaks of cutting out large contributions, and that is just exactly what this amendment seeks to do. The question is, what is a large contribution?

Well, I feel like a $3,000 contribution is a large contribution. Under the bill, a $6,000 contribution would be permitted for a couple. I think that is a tremendous contribution, and I think that campaigns can be run on $100 limits for the House of Representatives and the Senate, and $250 for the Presidency.

If we do not limit all contributions in this fashion, we are going to have the incumbents able to get these $3,000 and $6,000 contributions, and the challengers will not be able to get them.

The purpose of this amendment is to cut the size of the incumbent's advantage down to where he would be on the same basis with the challenger.

Even at that, the challenger will have a disadvantage, because the incumbent can get more in contributions, even small contributions, than can the challenger. The challenger would be way behind the incumbent in contributions of up to $100, because the incumbent would get those contributions, and then the Government would compound that advantage by doubling the amount that the incumbent had received.

This amendment would go a long way toward eliminating the influence of large contributions. So if what we want is to limit the influence of large contributions—and the proponents say that is what it is—why not reduce drastically the amount of the contributions that can be made? That is all that can be matched, so what is the use of having this wide area between $250 and $3,000 or $6,000, as the case might be, and between $100 and $3,000 or $6,000, as the case might be? Why have that area where the incumbent would have this tremendous advantage of greater ability to obtain funds?

Mr. President, let us have true reform. Let us not just mouth a few pious platitudes, that this is the only way to reform the system and this is the way to get the influence of big money out of the campaigns, by turning the cost over to the taxpayers.

I have been interested to note that five out of the seven Watergate Committee members—and the Watergate Committee was charged with making recommendations for campaign reform—are opposed to public financing. They do not think it is such a good idea.

I believe the answer is in the realm of private financing, where a person has the right to contribute to the candidate of his choice. He will not have that right under the public financing feature in the general elections, where the money is paid by the taxpayers through the Federal Government.

As I pointed out yesterday, in the State of California the nominees of the two parties will receive from the Federal Government to conduct their general election campaigns for the Senate, from the public treasury, to each of those two nominees, $2,121,000, which is more than nine times what a Senator would earn as a U.S. Senator in the entire 6 years of his term.

If that is reform, I do not believe I know the meaning of the word, to just write a check, Mr. President, with no control over it whatsoever except post-election auditing.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLEN. I yield myself 1 additional minute.

Mr. President, I do not believe that we ought to permit contributions of $6,000 to be made. I believe we should limit Presidential campaign contributions to $250, and House and Senate campaign contributions to $100. That is the amount that can be matched, and that is all that ought to be permitted to be contributed. That will get the influence of large contributions and large contributors out of the election process.

So I hope the amendment will be agreed to.

The PRESIDING OFFICER. The Senator from Nevada has 2 minutes remaining.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

The Senator has made one proposition that I think does not truly represent the situation, when he says that an incumbent would be able to get $1,000 or $3,000 contributions, and then go to the Federal Government and get the matching funds. That is simply not true. Whatever amount——

Mr. ALLEN. Mr. President, if the Senator will yield, the Senator from Alabama did not say that. I said he would have greater ability to get the contributions up to $3,000. What I am trying to do is cut the permissible contributions down to what can be matched. The Senator must have misunderstood. The record will show.

Mr. CANNON. Perhaps I did. But I want to make it absolutely clear that the challenger and the incumbent would be on an equal footing with respect to the matching funds, the contributions which could be matched at the Federal level. If the candidate of either party receives funds in excess of the matching formula funds, those moneys then go to offset moneys that the Federal Government would not necessarily have to match, would not be able to match, as a matter of fact, and the overall expenditure limit would still be in effect. That would include moneys over and above the matching formula triggering funds, as well as those within those limits, for the purpose of the overall limitation.

So I would simply suggest to my colleague that if he supports this concept, we ought to have amendments to get the bill in the proper form. For example, if he feels that the amounts of expenditures permissible are too high, we ought to have amendments along that line, rather than try to add the type of amendments such as this one, which would make it impossible for a person to carry on a campaign without being able to get contributions of more than that amount, even according to Senator McGOVERN's own testimony, and he has had more experience than any other one person in raising tremendously large campaign funds from small contributors.

Mr. MATHIAS. Mr. President, will the distinguished chairman yield on that point for a brief comment?

Mr. CANNON. I yield.

Mr. MATHIAS. While I cannot claim to rival the scope of Senator McGovern's experience, I have perhaps the most recent experience. I announced earlier this year that I would take no contributions of over $100.

I am speaking in support of the amendment. Since December 21, 1973, it is interesting to note that more than 2,700 individuals have contributed to my campaign. No contribution has exceeded $100. The total amount has been over $45,000. Thus, the total average contribution has been approximately $16.25.

I could only say to the distinguished chairman that I have to be enormously encouraged by this kind of response.

Mr. CANNON. Let me ask the Senator, that is a period of 4 months. Is the Senator saying, then, that if he collects twice that amount in the next 4 months, which would be $90,000, and he adds that to the present $45,000, would that be enough to run his campaign, $135,000?

Mr. MATHIAS. I wish I could say yes to that, but there is another rule here, that in the course of a campaign public interest tends to rise, and the number of contributions, and perhaps the average size of the contribution, would rise with the interest as we come closer to the campaign.

Mr. CANNON. I would simply say to the Senator, based on his experience up to the present time, that if it continues in that fashion up to the primary, he will not have raised much more than half the amount that would be needed in Maryland.

Mr. MATHIAS. I thank the Senator from Nevada for his comments.

The pending amendment would limit contributions from any individual to $100 for congressional races and $250 for Presidential races. This amendment would not affect the public financing provisions of this bill, and thus must be considered in the context of the entire bill.

In such a context, the question is raised: Can candidates raise a substantial amount of funds in congressional contests from contributions in amounts of $100 or less?

Last December I announced on the Senate floor that I would make my reelection campaign this year an experiment to test that proposition, as well as a number of other reforms which have been proposed, debated, passed by the Senate in some cases, but not yet enacted into law.

Although the fundraising efforts for my campaign have not yet really gotten underway in a substantial way, the very early returns clearly show that the peo-

ple will respond, and that sufficient funds can be obtained from small contributions.

Since December 21, 1973, more than 2,700 individuals have contributed to my campaign organization. No contribution exceeded $100. The total amount donated in this time has been over $45,000. Thus, the average contribution has been approximately $16.25.

I am enormously encouraged by these totals. They result principally from voluntary, unsolicited contributions and from returns on a preliminary test mailing which was sent out just before Christmas. The percentage of responses from this test mailing are more than double what is normally considered an excellent response. I am told that the percentage of responses may well exceed any other similar political mailing in our history. So, while the total number of persons solicited was small, the results clearly indicate that if the people believe in the candidate, know that their contribution is important, and feel that their small donation is significant, then they will respond.

I recognize, of course, that all candidates may not have the advantage of incumbency that I enjoy, having served 5 years in the Senate and 8 years in the House. And so I would not favor to impose by law such severe restrictions on candidates unless there were a realistic state of equality among candidates or some sort of compensatory public funding available to make up part of the money which a candidate sacrifices by refusing large gifts. In the context of a bill such as this, however, where significant public funds would be available, I believe we should all seriously consider whether political expenditures cannot be curtailed and therefore whether all contributions cannot be limited to the amounts suggested in the amendment of the Senator from Alabama.

The PRESIDING OFFICER. (Mr. HASKELL). At this time, the hour of 12 o'clock having arrived, under the previous order, the Senate will proceed to vote on the amendment of the Senator from Alabama (Mr. ALLEN) No. 1059.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), and the Senator from Iowa (Mr. HUGHES), are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON), is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), and the Senator from Illinois (Mr. PERCY), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN), is absent due to illness in the family.

On this vote, the Senator from Vermont (Mr. AIKEN) is paired with the Senator from Illinois (Mr. PERCY).

If present and voting, the Senator from Vermont would vote "yea" and the Senator from Illinois would vote "nay".

The result was announced—yeas 19, nays 73, as follows:

[No. 106 Leg]

YEAS—19

Allen	Fong	Pell
Baker	Hart	Stennis
Bennett	Helms	Taft
Biden	Hollings	Thurmond
Byrd, Robert C.	Mathias	Weicker
Cotton	McClellan	
Ervin	Pastore	

NAYS—73

Abourezk	Fannin	Mondale
Bartlett	Goldwater	Montoya
Bayh	Griffin	Moss
Beall	Gurney	Muskie
Bellmon	Hansen	Nelson
Bentsen	Hartke	Nunn
Bible	Haskell	Packwood
Brooke	Hatfield	Pearson
Buckley	Hathaway	Proxmire
Burdick	Hruska	Randolph
Byrd, Harry F., Jr.	Humphrey	Ribicoff
	Inouye	Roth
Cannon	Jackson	Schweiker
Case	Javits	Scott, Hugh
Chiles	Johnston	Sparkman
Church	Kennedy	Stafford
Clark	Long	Stevens
Cook	Magnuson	Stevenson
Cranston	Mansfield	Symington
Curtis	McClure	Talmadge
Dole	McGee	Tower
Domenici	McGovern	Tunney
Dominick	McIntyre	Williams
Eagleton	Metcalf	Young
Eastland	Metzenbaum	

NOT VOTING—8

Aiken	Gravel	Percy
Brock	Huddleston	Scott, William L.
Fulbright	Hughes	

So Mr. ALLEN's amendment (No. 1059) was rejected.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Colorado is recognized.

AMENDMENT NO. 1124

Mr. DOMINICK. Mr. President, I call up my amendment No. 1124.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

TITLE V—POLL CLOSING TIME

SEC. 501. SIMULTANEOUS POLL CLOSING TIME.—On every national election day commencing on the date of the national elections in 1976, the closing time of the polling places in the several States for the election of electors for President and Vice President of the United States and the election of United States Senators and Representatives shall be as follows: 11 postmeridian standard time in the eastern time zone; 10 postmeridian standard time in the central time zone; 9 postmeridian standard time in the Pacific time zone; 7 postmeridian standard time in the Yukon time zone; 6 postmeridian standard time in the Alaska-Hawaii time zone; and 5 postmeridian standard time in the Bering time zone: *Provided*, That the polling places in each of the States shall be open for at least twelve hours.

Mr. DOMINICK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me for a unanimous consent request?

Mr. DOMINICK. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the amendment by Mr. DOMINICK, Senator STEVENSON be recognized to call up his amendment No. 977, and that there be a time limitation thereon of 40 minutes, to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, I yield myself 5 minutes, and I say to my colleagues I think this is an interesting amendment. I talked a little about it last night.

The purpose of the amendment is to try to make Senator BELLMON'S amendment inoperative insofar as criminal penalties are concerned and constitutional insofar as the rest of it is concerned. What the amendment does in accomplishing this is to say that in every time zone, the polling will be staggered, so that all the polls throughout the entire United States, including the Bering Straits area and Hawaii, will close at the same time.

In order to do that, and in order to be able to give everybody a proper chance to vote, we have a provision in the amendment that all the polls in each time zone must be open for 12 hours.

So that on the eastern seaboard, with eastern standard time, for example, it specifies that the polls would open at 11 in the morning and close at 11 at night. By the time you get to the Bering Straits, they would open at 6 in the morning and would close at 6 at night.

The effect of this is to say to the media or television, or whatever it might be, that there is no way by which you can predict what the results are, because you will not know what the results are until the closing time in any precinct, unless everybody has voted in one precinct by noon.

I suppose they can predict on that basis, but that is pretty unreliable, and by so doing there would not be the obvious opportunity, that there would be in the Bellmon amendment, of someone dropping off a sheet somewhere for money or otherwise, and have someone go ahead and publish it and then have someone try to enforce the law with criminal penalties. I voted against the Bellmon amendment beacuse I thought it was unenforceable and that it was not in keeping with the rights of the news media under the first amendment.

This amendment means that the information will not be available, not by law but by circumstance. All polling places will be closing at the same time and no one will know the results in any time zone until all polls are closed. They will be open from 11 until 11 in the eastern standard time zone, from 10 to 10 in the central standard zone, from 9 to 9 in the Rocky Mountain area, where

I come from, from 8 until 8 in the Pacific zone, and so on through Hawaii and the Bering Straits.

In order to make this effective it seems to me we should concentrate, first, probably on the presidential election of 1976 rather than trying to do it in the senatorial and congressional elections of 1974. I say this because although predictions are made in senatorial and congressional races, those races do not influence as many voters as the presidential election. It would be effective in every national election starting with the national election in 1976.

Last night the distinguished Senator from Nevada, my good friend Howard Cannon, brought up the question of expense. Frankly, most of the States that lie in a specific time zone have 12 hours of polling time, anyway. This happens in Colorado, it happens in Kansas, and in New York. I have been a watcher in many of these places on various occasions in the past, and unless they have changed the laws recently there are still 12 hours available and so there will be no additional expense, and if there is additional expense, it will be minimum.

It is interesting that in our election process, for reasons I am not sure of, we probably have less people voting that in any other affluent and economically viable free state in the world. Our average is extraordinarily low. I wish to give some figures in that regard. In 1964, the year Senator GOLDWATER ran for the presidency, only 62 percent of eligible Americans cast a ballot for one of the presidential candidates, that is, either Lyndon Johnson or BARRY GOLDWATER.

In the off year congressional elections, the record is even worse. Less than 50 percent of Americans over 21 voted. On the other hand, in Europe, where uniform, nationwide voting hours are common practice—and granted in most of those countries there is a much smaller population—the percentages range from 87 percent in Denmark, which is quite small, to 72 percent in France, a country with which, as everyone knows, we are having some difficulty at the moment.

This might increase the number of people who feel they have the opportunity and privilege of going to vote when the horserace has not been decided by the electronic news media after the results are in from precincts.

The other day during the debate on the Bellmon amendment, the Senator from Minnesota (Mr. HUMPHREY) said that he felt the predictions made after polling places in the eastern time zone had closed affected his election for President in 1968. The Senator from Arizona (Mr. GOLDWATER) said that the news media had predicted after three precincts were in in the eastern time zone that he was going to be clobbered, and he said they were right.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOMINICK. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Colorado may proceed.

Mr. DOMINICK. Nevertheless, what I am saying in general is that we have a provision which, in my opinion, is a very bad provision. Second, we will not need that provision in force and we can get away from all enforcement problems if this amendment is agreed to. Third, it will not cost any more money. Fourth, we might get away from the problem of what is going to happen.

As the Senator from Rhode Island said in previous colloquy, some years ago the National Governors Conference recommended this provision in 1966. In addition, the chairman of the board of ABC, surprisingly enough, also has come out in favor of this type resolution of the problem.

Mr. President, when the National Governors' Conference favors this provision, when the chairman of the board of ABC favors the provision, and we have the criticism of people throughout the country who do not know whether it is worthwhile to vote after there have been electronic predictions, it seems to me that here we have an inexpensive way to take care of the problem.

Mr. President, I reserve the remainder of my time.

Mr. COOK. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. COOK. Mr. President, in the absence of the chairman of the committee, speaking of the ranking minority member of the committee, and speaking with respect to the amendment, it was interesting that last night on ABC News Mr. Reasoner and Mr. Howard K. Smith discussed this matter.

Mr. President, will the Senator from Nevada yield to me 3 minutes of his time?

Mr. CANNON. I yield.

Mr. COOK. I was amazed because they went back to the election of 1972 to sustain their point. At no time during the discussion between Mr. Reasoner and Mr. Smith did they give actual voting figures. They talked about the fact that "based on our predictions we have predicted so and so will carry such and such a State." This is the very point we got into in a discussion with the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Oklahoma (Mr. BELLMON) the other day. Mr. Howard K. Smith proceeded to say that their studies showed there was no problem. I thought to myself what a lacing we would get if we stated that based on a study we had made it was shown that it does have an effect. It reminds me that they would have their own fox in their own chickenhouse.

I must say to the Senator from Colorado that one of the things they did say at the conclusion of their remarks blasting the Bellmon amendment and giving them right, not to make any fiat figures, but to make predictions, and the president of ABC now is on the side of the Senator from Colorado, because he said if they wanted to resolve that problem they would stagger the voting hours so all returns would come in at the same time. So I do not know whether the Senator from Colorado wants a major network on his side in regard to his amendment, but I would have to say, in all fairness, he now has one.

Mr. CANNON. Mr. President, I yield myself 3 minutes.

I sort of have mixed emotions about this amendment, because I agree with the author of the amendment in principle as to what he is trying to do. I just have some reluctance about imposing these restrictions on the States. Again, I voted the same way he did on the Bellmon amendment. I think it was bad legislation, but the majority of our colleagues did not agree with us, even though some of them agreed with us last year, and some of them changed their positions, because it was defeated last year two to one, but it was passed a few days ago.

I cannot help but refer back to section 4 of article I of the Constitution, which says:

> The time, places and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof.

It is true that the section goes on to say:

> But the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

I hearken back to the initial statement there, where it was quite clear that it was the intent of the framers of the Constitution to leave it to the States to make their own determination as to the times of holding elections.

I personally do not find any fault with the Senator's amendment with respect to my own State, because it coincides somewhat with the times that we use, but I am thinking about the eastern part of the United States, where the polls could not open until 11 o'clock in the morning, in the State of Maryland, for example, unless Maryland decided it wanted to open them more than 12 hours a day, and, if it did that, it would have the problem of having to have another shift of workers or paying overtime to the people who were working.

So my basis of opposition to this amendment solely is that it ought to be left to the States to make the determination as to what hours will be set for holding the election, a time best suited to their needs.

I am fully cognizant of the fact that I did not support the Bellmon amendment, which precluded making any of that information public, and making it a criminal offense to do so. I can imagine someone being prosecuted because he called a friend on the phone in California and told him that the results of the election are such and such. There is a worse penalty for violation of that law than for transmitting illegal gambling information, I may say.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. DOMINICK. Mr. President, I yield myself 30 seconds.

I ask unanimous consent that the Senator from Arizona (Mr. GOLDWATER) be added as a cosponsor of the amendment,

along with the Senator from Tennessee (Mr. BAKER).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr GOLDWATER. This is a subject to which, naturally, I have given quite a bit of thought. I would go further than the Senator's amendment; however, I am happy and honored to be a cosponsor.

I had thought of making election day a national holiday, which we did at one time, and making the day 20 hours long, starting at 6 one morning and ending at 6 another morning, and having the whole country on central time for that 1 day. That would eliminate all of the problems that seemingly would have come up in the reporting of early results from the East.

I think anything we can do to point up the importance of election day, regardless of how we go about it, is really the important thing.

If we can get only a bare majority of our people to vote, it would be well. Other nations, which have holidays on their election days, get 75 or sometimes 95 percent of the vote. That is a sad reflection on the state of apathy and disinterest of the citizens of this country. Frankly, we in politics have caused a lot of that, but we have to do everything we can to revitalize the interest of the people in the subject of politics.

I am very hopeful the amendment will be agreed to. I am happy the Senator has offered it.

I might say, by way of information for my colleagues, the only study I have ever seen on the subject of the influence of Eastern election results on Western voting was a doctor's thesis that was done at the University of Colorado. I long ago lost the paper, but he came out with some rather surprising results that are contrary to what we in politics believe to be the truth. He found it had very little effect, but I frankly believe it has a lot of effect. I think when people begin to hear how New York, Pennsylvania, and Ohio are voting, the people out in the boondocks of Arizona, Colorado, and California are likely to be influenced by that. I do not like to believe that Eastern thinking has that effect on the West, but, with all due respect, I think that is what happens.

Mr. DOMINICK. Mr. President, I thank the Senator, and I yield myself 1 minute.

This amendment would not restrict the polling hours to 12 hours. Any State can make it 24 hours or whatever amount it wants to. All it provides is that each time zone has to close at the same time. That is all it says.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Colorado (Mr. DOMINICK). The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from New Hampshire (Mr. MCINTYRE), are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON), is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK) and the Senator the Illinois (Mr. PERCY) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

The result was announced—yeas 48, nays 42, as follows:

[No. 107 Leg.]

YEAS—48

Allen	Eastland	McGovern
Baker	Fannin	Nelson
Bayh	Fong	Nunn
Beall	Goldwater	Packwood
Bennett	Griffin	Pastore
Biden	Hansen	Pearson
Buckley	Hart	Randolph
Byrd, Robert C.	Haskell	Roth
Case	Hatfield	Schweiker
Church	Helms	Sparkman
Cook	Hollings	Stafford
Cotton	Hruska	Stennis
Cranston	Humphrey	Stevens
Curtis	Javits	Taft
Domenici	Mathias	Thurmond
Dominick	McGee	Tunney

NAYS—42

Abourezk	Gurney	Moss
Bartlett	Hartke	Muskie
Bellmon	Hathaway	Pell
Bentsen	Inouye	Proxmire
Bible	Jackson	Ribicoff
Brooke	Johnston	Scott, Hugh
Burdick	Kennedy	Stevenson
Byrd, Harry F., Jr.	Long	Symington
Cannon	Magnuson	Talmadge
Chiles	Mansfield	Tower
Clark	McClure	Weicker
Dole	Metcalf	Williams
Eagleton	Metzenbaum	Young
Ervin	Mondale	
	Montoya	

NOT VOTING—10

Aiken	Huddleston	Percy
Brock	Hughes	Scott, William L.
Fulbright	McClellan	
Gravel	McIntyre	

So Mr. DOMINICK's amendment was agreed to.

Mr. DOMINICK. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE PRESIDENT'S TAX RETURNS

Mr. LONG. Mr. President, I ask unanimous consent to file with the Senate a report of the Joint Committee on Internal Revenue Taxation, transmitting a report of the committee staff to the committee.

The PRESIDING OFFICER (Mr. HASKELL). Without objection, it is so ordered.

Mr. LONG. I might add, Mr. President, that the document I have just submitted is a staff analysis of the President's tax returns, as requested of the committee by the President. This document is not fully available to the press at this point. We believe that it will be available at 2 o'clock and that there will be copies made available in the caucus room of the Senate Office Building at that time.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois is recognized to offer an amendment.

AMENDMENT NO. 977

Mr. STEVENSON. Mr. President, I call up my amendment No. 977, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistance legislative clerk proceeded to read the amendment.

Mr. STEVENSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON's amendment (No. 977) is as follows:

On page 79, strike lines 6 and 7 and insert the following in lieu thereof:

"SEC. 401. (a) Any candidate for nomination for or election to Federal office who,".

On page 79, following line 21, insert the following new subparagraph and renumber subsequent subparagraphs accordingly:

"(1) the amount of each tax paid by the individual, or by the individual and the individual's spouse filing jointly, for the preceding calendar year: *Provided*, That for purposes of this subparagraph 'tax' shall mean Federal, State, or local income tax and any any Federal, State, or local property tax;".

On page 81, line 9, strike the words "of political parties" and insert the following in lieu thereof: "for nomination for or election to Federal office".

On page 84, strike lines 3 through 5 and insert the following in lieu thereof:

"(1) The first report required under this section shall be due thirty days after the date of enactment and shall be filed with the Comptroller General of the United States, who shall, for purposes of this subsection, have the powers and duties conferred upon the Commission by this section."

Mr. STEVENSON. I ask unanimous consent that Mr. Basil Condos of my staff be granted the privilege of the floor during the debate and the vote on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. STEVENSON. Mr. President, title IV of S. 3044 requires financial disclosure by all elected Federal officials, highl paid Federal employees, and candidates for Congress in general elections.

Its provisions are a vast improvement over existing law, and I commend the

Committee on Rules and Administration for reporting them out. This amendment would strengthen disclosure requirements in three important respects.

First, and perhaps most important, my amendment requires disclosure of the amounts of all income and property taxes paid. Recent revelations about the tax affairs of the President and former Vice President have created the impression that there are two sets of tax laws, one for the politicians and one for everybody else. There is only one way to convince the public that Federal officials pay their fair share of taxes, and that is by disclosing the amount of taxes they pay.

Second, this amendment expands the dislcosure requirements to include nonincumbent candidates for President and primary candidates for all Federal elective office. This will discourage persons with questionable financial backgrounds from seeking Federal office and will make available to the electorate information about the finances of all—not just some—candidates in Federal primary and general elections. It would place all candidates for Federal office on the same footing.

Finally, the amendment advances the effective date of the first disclosure from May 15, 1975, to 30 days after enactment. This maximizes the chances that financial disclosure will occur prior to the November elections.

This amendment strikes a fair balance between the public's right to know and the candidate's right to privacy. It does not require disclosure of each charity to which every candidate makes a contribution or his tax return. It requires disclosure of the amounts of taxes; and that is all. And that, Mr. President, ought to be enough to assure the public that the candidate has in fact paid his share of State and Federal taxes.

Financial disclosure is needed not so much, because of the wrongdoing it may expose or prevent, but because of the doubts it will lay to rest. The overwhelming majority of public officials abide by the laws they make and administer. The primary purpose of financial disclosure to convince the public that it can trust its elected representatives. There is no other way. Trust must be earned with facts; it cannot be elicited with empty words.

Watergate and other sordid events of recent months have shown us politics at its worst. In the actions of Judge Sirica, Elliot Richardson, Archibald Cox, and Leon Jaworski, it has also shown us public service at its best. Watergate could have occurred anywhere in the world, but only in a great and good nation could the subsequent effort to find the truth and do justice have been made.

The legacy of Watergate can be either lingering public cynicism and governmental drift, or more open and effective self-government. I believe we have the will and the vision to make the right choice, and that the enactment of financial disclosure legislation is an important part of that choice.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I yield myself 3 minutes.

I have sort of mixed emotions about this amendment. The full disclosure provision that is in the bill now before us was my amendment, and I thought it was quite comprehensive. It related, I thought, to every item that would reflect on a person's public life, that is, the source of each item of income, of reimbursement, of any gift that they might receive outside of the immediate family, the identity of assets held, the amount of liabilities, all transactions in securities, all transactions in commodities, and the purchase or sale of homes, and I thought we did everything in there that was necessary to have a full and complete disclosure. I did stop short of an amendment requiring them to file the income tax return which would carry with it the items the Senator from Illinois has suggested. I did that because many people have felt and still feel that everyone is entitled to some privacy and perhaps the only privacy left is that which is covered on the income tax return. But I may say, if this amendment is adopted, then the only thing that would be omitted would be contributions to charity. That would be the only thing I can think of that would not be covered under this disclosure feature.

I do not feel very strongly about it but I think it is a question of whether Congress wants to include all these people—not simply Congress—but to include civil servants with grade 16 and above, to include the military, and to include all members of the judiciary.

So I am prepared to yield back the remainder of my time and, at such time as it is appropriate, I intend to move to table the amendment, because it is just a straight up and down issue of whether we want to have complete disclosure to include the income tax return, or whether we do not, because, as I see it, the only thing remaining after we have this, is contributions to charity. I can well understand the reasons for the amendment. It arises out of the publicity given to the report filed here a few minutes ago.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON FRIDAY, APRIL 5, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Friday next, the distinguished Senator from Wisconsin (Mr. PROXMIRE) may be recognized for 15 minutes, after the two leaders or their designees have been recognized under the standing order.

Mr. GRIFFIN. Mr. President, reserving the right to object—may I inquire of the distinguished majority whip, is it the intention at that time that the vote on cloture will occur at 1 o'clock?

Mr. ROBERT C. BYRD. The vote on cloture will occur after the call to establish a quorum, which would begin at 1 o'clock.

Mr. GRIFFIN. I thank the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. HUGH SCOTT. Mr. President, an excellent, comprehensive editorial in today's Christian Science Monitor wraps up the entire campaign finance reform picture. In view of our continuing debate on this subject, I offer this outstanding article for the review of my colleagues.

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE MONITOR'S VIEW: CAMPAIGN FINANCE REFORM

Campaign reform, made daily more imperative by the continuing flood of disclosures of massive abuses during the 1972 campaign, is not moving ahead through the Congress as fast as we would like. But it is moving. And prospects are reasonably good for a healthy reform bill.

The legislative situation is as follows:

The Senate has before it a comprehensive reform bill which was approved by the Rules Committee last month. It has been on the floor of the Senate for the last week. Sen. James Allen of Alabama, who was outvoted by the Rules Committee 7-to-1, is running a sophisticated filibuster effort on the floor. The first stage of his delay campaign was to offer a series of amendments. Fortunately these were defeated. He may next try to provoke a series of cloture votes and delay action long enough so the senators may feel compelled to move on to something else. The public should support a cloture move to cut short delay and let the Senate vote on the bill on its merits.

In the House, too, public backing is needed to keep campaign reform action going. The House is considering two bills. The first, the Anderson-Udall bill which was submitted to the House last year, embraces most of the Senate bill's desirable campaign reforms. The second bill is that emerging from the House Administration Committee under Chairman Wayne Hays. The Hays bill appears to be shaping up as a version asking the least change—but unfortunately it, not the Anderson-Udall bill, will be the basis for House action. Thus the task in the House will be to beef up the eventual Hays bill in the three areas it appears likely to be weak—in providing for a strong enforcement arm under an independent Federal Election Commission; in making sure campaign spending limits are set high enough so that rivals will have a fair chance to unseat incumbents; and in providing public financing for congressional as well as presidential races.

Representative Hays only a couple of weeks ago seemed determined to clamp procedural restrictions on his bill so the House would have to pass it or reject it, without demo-

cratic debate and amendment. Fortunately, after a stiff public rebuke catalyzed by a full-page Common Cause ad, Representative Hays has reportedly decided to let his committee's bill get the review by the House that it needs.

ITS SHAPE

What are the campaign finance reforms it is now hoped Watergate will bring?

Reform advocates put them into four main groups:

1. An independent enforcement body. Both the Senate bill and the Anderson-Udall bill would create a Federal Election Commission (FEC) with its own power to prosecute offenders. The Hays bill would omit the FEC and would leave enforcement in the Justice Department. The Nixon proposal would create an FEC, but would follow the Hays bill in leaving enforcement to the Justice Department. A conflict is posed by having the Justice Department—a Cabinet department within the executive branch shown vulnerable to political pressure by Watergate—police election finances. Reform advocates think the Senate/Anderson-Udall provision for independent enforcement will likely be passed.

2. Limits on contributions. The amount individuals or interest groups could contribute to campaigns varies in the Senate, Anderson-Udall, Hays, and Nixon versions. But limits appear likely to pass. The Senate bill would allow individuals to give a candidate $3,000 for a primary race, another $3,000 for the general election, for a total of $6,000 per candidate. An individual could give no more than $25,000 for all campaigns he wanted to cover. In the various versions, interest groups—such as the political action committees of business, labor, and public interest organizations—could be limited to a ceiling ranging from $2,500 to $6,000 in contributions to single candidates. But they could give in all House and Senate as well as presidential contests, without the $25,000 aggregate limit individuals would face.

3. Limits on campaign spending. The Nixon administration is against limits on campaign spending; the Hays and Senate versions include them, using different formulas. The Hays bill would set a $20 million limit on a presidential race, which appears a sufficient sum. But it would set a low House race ceiling, say of $50,000 or $60,000. Since in most recent tight House races spending passed the $100,000 mark, the low ceiling has been dubbed an "incumbents protection act" by reform advocates. Ironically, then, reformers want to keep campaign spending high enough so that incumbents don't swap the 2-to-1 advantage they now hold in attracting funds, for a law that would keep challengers from mounting a viable campaign.

4. Public subsidies for primary and general elections. Emerging proposals vary on this issue. The administration opposes any mandatory or voluntary public financing for any election. The Hays bill would make public financing of presidential general elections mandatory, the revenue to come from the existing tax checkoff system; but it would skip public financing for presidential primaries or for congressional races. The Senate bill would allow full public funding for presidential and congressional general elections, plus public funds in primaries on a matching basis. Some compromise is likely to develop.

The healthy inflow of tax-checkoff money on federal income tax returns now indicates there would be plenty in the Treasury to pay for a presidential primary and general elections in 1976. Raising the money for public funding of all federal elections thus should be no problem.

AND PURPOSE

The purpose of campaign finance reform is to reduce the influence of special interest money-givers to tolerable limits.

Reducing the amount an interest group can give any officeseeker to, say, $2,500 in a $100,000 campaign should keep politicians from being pocketed by big givers. When contributors can give as much as $20,000 or more as they do now, it is much harder for office holders to ignore their wishes.

The purpose of campaign finance reform is not to do away with influence groups, however. Lobbies presenting the views of business or labor or of the environmentalists should have the right to petition congressmen openly and to present their cases to the public. This is democratic procedure.

Nor is the purpose of campaign reform to weaken the present political system and eliminate entirely such rites as the fund-raising dinner. Abuses should be stopped. Interest groups should not be able to buy up seats at party dinners or earmark gifts for specific candidates. Functions like dinners help in rallying the faithful. But with such events as the $1,000-a-plate Republican and $500-a-plate Democratic fund-raising bashes in recent days; with most giving coming from interest groups, rallying the voters seems less the goal than raking in the dollars.

Nor need parties be weakened because candidates would be less dependent on them for financial support. The two major parties have been losing voter allegiance as it is, under the present system. They could perhaps regain influence among thoughtful voters if the parties stressed platform and policies more, and financial power less.

Again, the purpose of campaign finance reform is to hold the influence of money-giving to tolerable limits. When 90 percent of campaign contributions come from only 1 percent of the people, as is now the case, too much influence is clearly in too few hands.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on each of the two amendments to be offered by the Senator from Tennessee (Mr. BAKER), No. 1126 and No 1075, there be a time limitation of 1 hour, to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, the pending amendment No. 977, does not require the disclosure of income tax returns. As the Senator from Nevada mentioned, it does not require disclosure of charitable deductions. It does not require disclosure of any other deductions; it requires only the disclosure of the amount of income taxes and property taxes.

The reason for the disclosure requirement should be painfully obvious to every Member of the Senate. The reason is that the public wants to make sure of the integrity of its tax system, it wants to make sure of the integrity of the political institutions in this country, and of its public men and women. Doubts in the public mind about whether all Federal officials are really paying their fair share of taxes are understandable; and the American people have a right to be reassured on that score. I do not expect the amendment will prevent wrongdoing or expose wrongdoing. I am sure that most public officials pay their taxes. This is for the benefit of the vast majority of public officials who are law abiding and who do abide by the laws which they make and administer, as well as for the public's benefit. Its primary purpose is to put to rest those suspicions and those doubts about not only the integrity of men and women in public office, and candidates running for public office, but about the institutions of this country, including its tax system.

Mr. CANNON. On the matter of property taxes, that is already a matter of public record so the Senator has not asked for anything that is not a matter of public record. The only thing the Senator is asking for is the amount of the income tax they file. The question is, does the Senator want to require everyone to make public the amount of his income tax? If the Senator does, he might just as well have them file the entire income tax return and make it public.

So far as I am concerned, I would just as soon make everyone's public and I may offer an amendment to that effect.

Mr. STEVENSON. If it is true that property taxes are a matter of public record, then there should not be any objection to that portion of the amendment. The fact is that information on property taxes is very difficult to obtain. In some States it is more difficult than in other States. This amendment would collect that information in one central place and make it easily available to the public.

On the other point, I feel strongly that public officials do have a right to privacy, and that their privacy should be protected. Disclosure of the income tax return would invade that right. This amendment is intended to strike the balance between the right of privacy on the one hand and the American public's right to know.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

Mr. STEVENSON. Mr. President, I yield back the remainder of my time.

Mr. CANNON. Mr. President, I move to table the amendment of the Senator from Illinois (Mr. STEVENSON).

Mr. STEVENSON. Mr. President I ask for the yeas and nays.

There was not a sufficient second.

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada to table the amendment of the Senator from Illinois (Mr. STEVENSON).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), and the Senator from Texas (Mr. BENTSEN) are necessarily absent.

I further announce that the Senator

from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "nay."

The result was announced—yeas 34, nays 55, as follows:

[No. 108 Leg.]

YEAS—34

Baker	Eastland	McClure
Bennett	Ervin	McGee
Bible	Fannin	Moss
Buckley	Fong	Nunn
Byrd, Harry F., Jr.	Goldwater	Pell
Cannon	Hansen	Sparkman
Church	Hart	Stennis
Cotton	Hartke	Taft
Curtis	Helms	Talmadge
Domenici	Hruska	Tunney
Dominick	Long	Young
	McClellan	

NAYS—55

Abourezk	Haskell	Nelson
Allen	Hatfield	Packwood
Bartlett	Hathaway	Pastore
Bayh	Hollings	Pearson
Beall	Humphrey	Proxmire
Bellmon	Inouye	Randolph
Biden	Jackson	Ribicoff
Brooke	Javits	Roth
Burdick	Johnston	Schweiker
Byrd, Robert C.	Kennedy	Scott, Hugh
Case	Magnuson	Stafford
Chiles	Mansfield	Stevens
Clark	McGovern	Stevenson
Cook	McIntyre	Symington
Cranston	Metcalf	Thurmond
Dole	Metzenbaum	Weicker
Eagleton	Mondale	Williams
Griffin	Montoya	
Gurney	Muskie	

NOT VOTING—11

Aiken	Gravel	Percy
Bentsen	Huddleston	Scott, William L.
Brock	Hughes	
Fulbright	Mathias	Tower

So the motion to table was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. CANNON. Mr. President, does the distinguished Senator from Illinois ask for a rollcall vote?

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the yeas and nays be vacated.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I call up amendment No. 1052 and ask that it be stated by the clerk.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Amendment No. 1052 is as follows:

SEC. 402. No Member of Congress shall accept or receive any honorarium, fee, payment, or expense allowance other than for actual out-of-pocket travel and lodging expenses from any source whatsoever for any speech, article, writing, discussion, message, or apearance other than in payment of his official salary and for official reimbursements or allowances from the United States Treasury.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. Yes; I am delighted to yield.

Mr. ROBERT C. BYRD. It is my understanding the Senator would want the yeas and nays on this amendment.

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. Having discussed this amendment with the distinguished Senator, I understand it is agreeable with him if we get consent to vote on the amendment at the hour of 2:30 p.m. today.

Mr. ALLEN. That would be entirely satisfactory to me.

Mr. ROBERT C. BYRD. Mr. President, I propose a unanimous-consent request, without any division of time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. COOK. Does the Senator have any idea how long he wishes to take on this amendment?

Mr. ALLEN. Well, I will speak all the time that another Senator does not wish to speak. If the Senator would wish to use the entire time, it would be satisfactory to the Senator from Alabama. I will yield any time the Senator desires to speak.

Mr. COOK. All I wish to do is clear up the time situation. I have no objection to the amendment. From my standpoint, I would be perfectly willing to accept the amendment. I was wondering, with the vote not occurring until 2:30, whether the Senator would wish to dwell on this subject until 2:30, or recess until a convenient time.

Mr. ALLEN. No, I do not think we ought to recess. I think this is a very important matter, which should be fully debated. I do not think we should recess. I think it would be well if the Senator could encourage other Senators to come in and listen to this discussion.

Mr. COOK. I would suggest that this is his amendment. I appreciate the suggestion that I encourage other Senators to come in and hear the debate, but it is his amendment, and I am sure he would want other Senators to come here.

Mr. ALLEN. I appreciate the distinguished Senator from Kentucky's sitting through the discussion. I hope he will lend his approving voice to the amendment. I understood him to say he was for the amendment.

Mr. COOK. That is right.

Mr. ALLEN. I apppreciate that position of the distinguished Senator. I believe it would be about the first amendment that we have agreed upon since this bill has been under discussion for the last 7 or 8 days.

Mr. COOK. I am not sure whether it is or not.

Mr. ALLEN. The Senator is for public financing, and the Senator from Alabama is not; many of the amendments have had that context in them.

Mr. COOK. I am not here to get into a colloquy with the distinguished Senator about the rest of the bill; it was just about this amendment.

Mr. ALLEN. I thank the Senator.

Mr. President, I think it might be well, in accordance with the custom, inasmuch as the clerk did not read the amendment except by title, to read what is in the amendment. The amendment proposed by the junior Senator from Alabama would add a new section to the bill, section 402, which is to be inserted on page 85, between lines 5 and 6. The following new section would be added:

No Member of Congress shall accept or receive any honorarium, fee, payment, or expense allowance other than for actual out-of-pocket travel and lodging expenses from any source whatsoever for any speech, article, writing, discussion, message, or appearance other than in payment of his official salary and for official reimbursements or allowances from the United States Treasury.

That would include a Member of the House of Representatives or a Member of the Senate.

The figures that I noticed in a memorandum just the other day—I do not have the memorandum with me at the time, but this would be an important point—indicated that in 1972, Members of the Senate received more than $600,000 in honoraria or payments for speeches or appearances.

I have no hesitancy in offering this amendment, because the Senator from Alabama, since he first entered politics as a member of the Alabama State Legislature in 1939, has never accepted any fee, payment, honorarium, expense payment, or anything else of value whatsoever for any appearance or speech that the Senator from Alabama has ever made.

The Senator from Alabama takes the position that if he feels that it is a part of his duty and responsibility as a Member of the U.S. Senate to accept an invitation to speak or appear on a program, that appearance should be at the expense of the Senator from Alabama. That is the invariable custom the Senator from Alabama has followed for some 35 years, and he expects to continue that custom.

Much more important, though, than this amendment, which I anticipate will get a fairly good vote, was an amendment that the Senator from Alabama introduced some time ago. That amendment received very little notice in the media. It was an amendment that would have prevented——

Mr. COOK. Mr. President, will the Senator yield, so that we might ask for the yeas and nays?

Mr. ALLEN. Yes, I yield for that purpose.

Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. COOK. I thank the Senator.

Mr. ALLEN. Mr. President, the amendment the Senator from Alabama offered would have prevented any Member of the 93d Congress, the Congress which we are now in, from receiving any matching funds, or any Federal subsidy, in connection with a race for the Presidential nomination of either of the political parties for the Presidential term commencing January 20, 1972, which, of course, will be the position that will be at stake in 1976. A fairly good vote was cast for that amendment.

The Senator from Alabama took the position that if the public taxpayer subsidy was an idea whose time had come, then certainly a Member of Congress who favored the subsidy plan would have no objection, in order to get the principle enacted, to waiving his right or claim to any subsidy payment by the taxpayers which would aid him in furthering his political ambition in the race for the presidential nomination of one of the two major parties.

The Senator from Alabama felt that surely what was involved was not money, but principle. He felt certain that those who are pushing the bill—and it is quite obvious that some of the people who are pushing the bill are perpetual candidates for President—the Senator from Alabama thought that since there was so much interest in this principle, they would be willing to waive their claim to a subsidy in their race for the presidential nomination. But he was wrong about that. There was not a single Member of the Senate who was regarded as a possible or probable potential candidate for the Presidency who voted for the amendment of the Senator from Alabama—not a single one of them.

Mr. DOLE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield.

Mr. DOLE. Let me say, as a part of the question, that I share the view that the Senator expressed with reference to the amendment. I was wondering whether the Senator could not modify his amendment to include a Member of Congress, so as to prevent a Senator or Member of the House from receiving any such income. It might be fair to prevent him from receiving any other income, whether it be stocks, bonds, interest, or whatever else it may be.

Mr. ALLEN. If the Senator wishes to offer an amendment, the amendment will be open to amendment at 2:30 o'clock. There would be nothing to prevent the Senator from offering an amendment of that sort.

Mr. DOLE. The question is whether there might be any income different from an honorarium.. There might be income from some other source.

Mr. ALLEN. I have no opinion, one way or the other, on the Senator's proposal. But anything which makes use of the office of the U.S. Senator or Member of the House of Representatives is, I think, subject to regulation by Congress.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. TOWER. As the Senator from Kansas has said, the outside income part would be waived.

Mr. ALLEN. I do not know about outside income.

Mr. TOWER. Would the Senator from Alabama agree to accept such an amendment?

Mr. ALLEN. I woud have to see the amendment.

Mr. TOWER. It occurs to me that what the Senator is proposing means that perhaps the people who, before they came to the Senate, had never accumulated any of the world's wealth, will not be allowed to make any additional income, while those who have inherited wealth may continue to enjoy such wealth. I hope that that never occurs.

Mr. ALLEN. The Senator from Alabama does not see it that way. The fact is that no Member of Congress should use his office for the purpose of obtaining outside honoraria or payments that he would not receive if he were not a Member of Congress.

Mr. TOWER. What about Members of Congress who were lecturers for honoraria before they came to Congress.

Mr. ALLEN. This does not control that. This just seeks to control the actions of Members of Congress while they are Members of Congress. Obviously that is all that can be controlled.

The Senator from Texas, on the expiration of his term of office, would be abel to obtain all the honoraria that anyone is willing to accord to him.

Mr. TOWER. What the Senator's amendment does is deny a professional lecturer or writer income from that profession after he becomes a Senator, but it does not deny a business man, lawyer, or farmer his income after he comes to the Senate.

Mr. ALLEN. Yes, but the Senator seems to overlook the fact that service in Congress is public service, whereas these other services the Senator is talking about are private services, and one private service added to another private service is all right. A private service added to a public service does not come out just right, in the opinion of the Senator from Alabama.

Mr. TOWER. Could a Senator use his public office to enhance his personal wealth by using the office to enhance his business interests?

Mr. ALLEN. This Senator does not have any business interests.

Mr. TOWER. This Senator does not, either.

Mr. ALLEN. What is the Senator arguing about, then?

Mr. TOWER. I am simply pointing out what I consider to be the shortcomings in the Senator's amendment.

Mr. ALLEN. The Senator has a right to argue against it, and also vote against it, and I imagine the Senator will be in the majority.

Mr. TOWER. Because he is prorich and antipoor, is that it?

Mr. ALLEN. That is what the Senator says. The Senator from Alabama does not see it that way.

Mr. President, going on with the amendment forbidding Members of the 93d Congress from running for President on the political subsidy provided by this bill: I say, Mr. President, that if we knock out of this bill—and the Senator from Alabama has tried to do that and failed—this tremendous subsidy for candidates for the Presidential nominations of the two parties, we would find practically all the wind out of the sails of this bill. This is a monumental subsidy, Mr. President, that is given to potential candidates for the Democratic nomination and the Republican nomination for the Presidency.

Mr. President, there are more candidates for the Presidency here in the halls of Congress than in any other area. From reading in the newspapers from time to time about the various candidates of potential candidates, it appears that there are some 8 or 10 in Congress that are regarded as candidates for the Presidency. None of them have made any outright announcements, but every single one of them will have the right to get from the Public Treasury up to $7.5 million, each.

Is that campaign reform? That adds a new element: in order to get that $7.5 million, it would be necessary for one of these candidates—and do not forget that this subsidy provisions is going to increase greatly the number of candidates—to receive in contributions of up to $250 a like amount, because the matching is on a 50–50 basis.

I thought the argument had been made that one of the reasons that political campaigns are not conducted properly is that there is too much money being spent. Well, if that be stricken, why add this $7.5 million to the campaign funds of the various candidates for the Presidency? That would be doubling, I assume in most cases, what had been raised from private sources.

What ought to be done, Mr. President—and earlier today the Senator from Alabama offered an amendment that would have done so—is cut the amount of contributions to be made down to a maximum of $250 for Presidential races and $100 for congressional races. But it got mighty few votes, because there is no interest in cutting down on overall expenditures. There is no interest in that, as witness the Presidential nomination contests, adding $7.5 million to the $7.5 million that the candidate collects.

Another danger that I foresee, Mr. President, in this tremendous subsidy given to Presidential candidates, is in the fact that they do not have to go into these Presidential preference primaries. All they have to do is receive contributions and get them matched by the Federal Government, matched by the taxpayers. They could refrain from going into the primaries, conserve these tremendous sums of money, and go to the national conventions of the parties with a campaign fund for expenditures at the convention of up to $15 million.

Well, I do not say that anything improper would take place with a candidate or two candidates or three candidates being in Chicago or Miami at the

national convention armed with $15 million in cash. That is possible under this bill. I do not know that a sinister use would be made of that $15 million. But I do not see that the Federal Government, the taxpayers of the country, should be called on to put up a subsidy of $7.5 million to everyone who wants to run for President and who can get out and raise a quarter of a million dollars. That is the requirement.

I guess you have to be 35 years old to get this money, but that would be the only requirement—that and getting $250,000 in contributions of not more than $250. So it could all be raised in one State; it could all be raised in one county, or it could all be raised in one city. It could all be raised by members of a pressure group, and once they raise the $250,000, they apply to the Federal Government to match them. It backs up and takes that in, and acts prospectively and retrospectively. It takes them all in, everything they have collected and everything they will collect in the future, on matching.

I believe that that amendment, if properly presented to the country, would receive the support of the American people, not making that money available to Members of Congress to set up the subsidy plan.

There has been talk about the danger of big contributions. Well, if Senators have any worry about big contributions, they ought to support the amendment I introduced earlier today—to limit the contribution to $250 to a Presidential fund for House and Senate. They are not worried so much about that. It seems to me that they are worried about wanting tremendous sums on which to run. That is what they want.

A time or two I have used the example of the State of California. I use that because that is a large State. Not only do they provide for matching half the contributions in the Senate race up to a $100 contribution, not only do they provide for matching all those contributions up to a total of $1,400,000 in a Senate race, which would be, potentially, possibly $700,000 from the Federal Government and $700,000 from the candidate—that is, in the primary—but once they get to the general election, what do they do?

The Federal Government writes them a check for each one of the candidates in the major parties. They may have financed half a dozen or a dozen candidates in the two primaries, but once that shapes down and it gets down to one on each party, they write each one of those candidates a check for $2,121,000. That is a pretty nice little "kitty" to be paid out of the taxpayers' pockets.

Mr. President, earlier this year, the Senate, when a proposal was submitted to it of raising the salaries of Members of Congress, House and Senate, by some $2,500—and the Senator from Alabama voted against that—the Senate by a top-heavy vote, as a result of strong public opinion against it, voted down that pay raise, even though it provided for only a $2,500-a-year raise for Members of the House and Senate.

Mr. President, what is the public going to think—if they are ever advised, and of course the news media are not going to do a great deal about advising the public—when they find out that we are setting up a fund of up to $7.5 million for each Member of the House and Senate that wants to run for President—$7.5 million, up to that amount?

I do not believe that the public will look with much favor on that. I do not believe the public, and I do not believe the citizens of California, would favor it for every candidate in both primaries out there running for the Senate, and then $2,121,000 for each candidate for the Senate in the general election.

If they balk at raising a Senator's salary by some $2,500, do you not think, Mr. President, they would choke on a $7.5 million fund for a Presidential candidate who is a Member of Congress?

I believe that they would. Do you not think, Mr. President, that they would look with disfavor on setting up a general election campaign financed to the extent of $2,121,000 for each party candidate for the Senate?

Why should such tremendous sums be spent, Mr. President, in taking the election process and removing it far from the grassroots, far from the people back home, at a time when we need to take more interest in our campaigns, when we need more voluntary participation, and not this mandatory contribution by the taxpayers?

Mr. President, on the general election subsidy, it would require the taxpayer—as a member of the great body of taxpayers throughout the country to help finance, because every taxpayer and every citizen has an interest in the condition of the Treasury and where the tax money goes—to pay for the campaign expenses of a candidate with whose views and political philosophy he is in strong disagreement.

Is that democracy? Is that reform, to put that burden on the taxpayer and say; "Whether you like it or not, your funds will be used to support a candidate whether you agree with his views or not"?

A dyed-in-the-wool conservative would be paying the campaign expenses, or helping to pay them, or an ultraliberal taxpayer would be required to help pay the expenses of an ultraconservative candidate.

I would much prefer the approach of the Senator from North Carolina (Mr. ERVIN) and the Senator from Tennessee (Mr. BAKER). Later on today, as I understand it, they will propose an amendment to knock out title I and substitute a provision giving the taxpayer a credit of half his contribution up to $300. In other words, that would be in effect a rebate of $150. That would let the taxpayer make contributions to anyone he saw fit, someone whose views more nearly coincided with his own.

So that sort of approach appeals to the Senator from Alabama. Certainly he would support that amendment.

Mr. President, getting back to the case of the situation in California—and it is the same picture throughout the country, although to a lesser degree, but naturally the figures are higher in California—the subsidy that the taxpayer would be giving each of the candidates for the Senate in the general election, this subsidy of $2,121,000—and I get that figure from information prepared by the Committee on Rules and Administration—I did not furnish it myself—after consulting the information, I see that my memory was right on it—the figure is $2,121,000.

Let us compare that with the salary of a U.S. Senator. There should be some relationship, I would assume, between the compensation paid to the holder of an office and the amount of his campaign funds. Let us see how that compares with the Government paying each of the Senate candidates $2,121,000. There is no provision about prudent management of this money. It is turned over to him, apparently, just in one big check. He can go out and hire his brother-in-law to be his campaign manager, at a big salary. He can give some cousin in the advertising business an override on his expenditures. He can set up a high-salaried campaign staff. The Government is paying it all, every dime of it. There is no requirement whatsoever for prudent management of this money. It just hands it over to him.

According to my arithmetic, a U.S. Senator would make, during his 6-year term, in the neighborhood of a quarter of a million dollars, slightly more. But the Government, the taxpayer—the regimented taxpayers, I might say, not the voluntary taxpayers—would be paying for his campaign fund 9 times as much as the Senator would earn in his entire 6-year term. There is something wrong somewhere with a situation such as this. That is what this bill provides. I am not making this up; I am not advocating it; as a matter of fact, I am condemning it. The Government would pay 9 times as much money to the Senator as he would earn in 6 years of service in the U.S. Senate, with not a single bit of control over that money, except that it is required to go for campaign expenses.

MR. TOWER. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield.

Mr. TOWER. I agree with the Senator and his argument against public financing. I am strongly opposed to it. I do not quite see the relationship between the amendment the Senator has offered now to the issue of public financing, and I am wondering whether the Senator would accept an amendment in this form.

At the end of line 7, strike the period and insert in lieu thereof a comma and the following language:

nor shall he accept any subsidy payment from the U.S. Treasury, nor shall he accept any income from any enterprise that is regulated or financed either wholly or in part by the government of the United States.

Mr. ALLEN. I am sorry; I did not hear the first two words. Would the Senator read it again or let me have a copy?

Mr. TOWER. I will be glad to provide the Senator with a copy.

At the end of line 7, strike the period and insert a comma and the following:

nor shall he accept any subsidy payment from the U.S. Treasury, nor shall he accept any income from any enterprise that is regu-

lated or financed either wholly or in part by the government of the United States.

Mr. ALLEN. I would suggest to the Senator that I would like to have a vote up and down on the amendment I have offered. If the Senator would like to offer it as an amendment, he would certainly have a right to do so; and I would be willing at this time, inasmuch as we have a vote scheduled at 2:30, to yield to him, if we can get unanimous consent, so much of that time as he would like to have in order to advocate his amendment.

Mr. TOWER. If I might ask the Senator a further question——

Mr. ALLEN. I would not want to dilute the amendment I have offered.

Mr. TOWER. This would not dilute it; it would strengthen it.

Mr. ALLEN. If the Senator feels that way about it, he is at liberty to offer an amendment.

Mr. TOWER. Does not the Senator feel that this is consistent with the amendment he is offering?

Mr. ALLEN. What the Senator from Alabama is seeking to reach is one thing. If the Senator from Texas wishes to reach something else, he has a right to offer an amendment.

Mr. TOWER. It is my understanding of the thrust of the Senator from Alabama's amendment that a Senator should not use his office to make additional money. What about a Senator who votes on an agricultural subsidy and yet receives that subsidy? What about a Senator who votes on the regulation of the securities industry and has income from securities?

Mr. ALLEN. Is the Senator talking about a Senator using his office to obtain additional funds? The Senator is talking about a Senator using his vote.

Mr. TOWER. Is he using his office to lecture, if perhaps it is a professional lecture? Why is it necessary that he use his office for a lecture fee?

Mr. ALLEN. I ask the Senator if he thinks that a Senator is as much in demand for lectures after leaving the U.S. Senate as he is while he is a Member of the Senate?

Mr. TOWER. It is very probable that membership in the Senate enhances one's ability to be invited to speak for honoraria. But it also occurs to me that a Senator does have the opportunity to vote on matters from which he may derive income. That is the thrust of this amendment.

Mr. ALLEN. I suggest to the Senator that he offer his own amendment. The Senator from Alabama has offered his. It would be up to the Senator from Texas to offer his amendment, if he thinks well of it.

Mr. TOWER. I am sorry; I did not hear the Senator.

Mr. ALLEN. Did the Senator offer an amendment?

Mr. TOWER. I will offer it as an amendment when the time of the Senator from Alabama has expired.

Mr. ALLEN. As I told the Senator, if he wishes time, the Senator from Alabama will yield him such time as he wishes, in order that he might offer his amendment and discuss it.

Mr. TOWER. All right.

Mr. President, I send to the desk an amendment and ask that it be stated.

Mr. ALLEN. How much time does the Senator wish?

Mr. TOWER. 3 minutes.

Mr. ALLEN. Mr. President, I ask unanimous consent that I may yield 3 minutes to the distinguished Senator from Texas.

The PRESIDING OFFICER. The Chair advises the Senator from Alabama that he has no time under his control.

The amendment will be stated.

The assistant legislative clerk read as follows:

On page 1, line 7, strike the period and in lieu thereof insert a comma and the following:

nor shall he accept any subsidy payment from the U.S. Treasury, nor shall he accept any income from any enterprise that is regulated or financed either wholly or in part by the Government of the United States.

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. Inasmuch as this is an amendment to the amendment of the Senator from Alabama, on which the yeas and nays have been ordered, is it necessary to get the yeas and nays on this amendment, specifically?

The PRESIDING OFFICER. The answer is "Yes."

Mr. COOK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COOK. If the Senator asks for the yeas and nays, he may have the yeas and nays.

The PRESIDING OFFICER. The Senator is correct.

Mr. COOK. But am I not correct, from a parliamentary point of view, that the yeas and nays on his amendment cannot take place until 2:30?

The PRESIDING OFFICER. The vote on the amendment of the Senator from Texas can come right now, if he has finished speaking.

Mr. TOWER. Mr. President, I ask for the yeas and nays on my amendment. I will ask for them as soon as we get enough Senators in the Chamber to provide a second.

Mr. President, while other Senators are coming to the floor, let me say that if we are going to bar one form of outside income from Members of Congress, I think we should bar other forms. I do not believe that anybody I know in the U.S. Senate uses his office in an untoward or unethical or illegal way to line his pockets. I believe there are a hundred honorable men here. But if the intent of this amendment is to remove any suspicion from Members of the Senate, it seems to me that we should go all the way.

It appears to me that the amendment I offer is entirely consistent with the letter and the spirit of the amendment offered by the Senator from Alabama.

Mr. COOK. Mr. President, will the Senator yield so we may ask for the yeas and nays?

Mr. TOWER. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

Mr. PELL. Mr. President, will the Senator yield for a question?

Mr. TOWER. I yield for a question?

Mr. PELL. In the Senator's amendment when it is stated that no Senator may accept a subsidy, would that include the subsidy of public financing?

Mr. TOWER. It would not include public financing, and that is explicit, in that public financing is expressly authorized. The subsidy would be such matters as agricultural subsidies, and other funds the Government offers as an inducement to do or not to do something, or to pursue or not to pursue a certain enterprise.

Mr. PELL. I thank the Senator.

Mr. COOK. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. COOK. In other words let us take this example. This Senator voted in favor of the so-called Lockheed bill. I have no stock in any airline, any airline company, or anywhere else but if he had had voted in favor of such a thing that would be in the nature of receiving a subsidy from the United States. Is that correct?

Mr. TOWER. In connection with that legislation I was the minority floor manager. I maintained that was not a subsidy but that it was a Government guarantee to them. But had someone here been a stockholder in Lockheed he could have been a beneficiary in that the Government guaranteed loans and keep the company from falling to its knees.

Mr. COOK. If we take that situation to be in the category of a loan guarantee, which I am willing to accept, let us take the receipt of a direct benefit. Take the so-called farm pond programs where they build ponds all over the United States.

Mr. TOWER. That would be included in the purview of my amendment. In addition, the interstate sales of securities in this country is restricted by the Securities and Exchange Commission, which would deal with any money from securities.

Mr. COOK. I know there are many types of direct agricultural subsidies. Would the Senator say this would be included in parities? As long as he sold his goods on the open market it would not be included.

Mr. TOWER. It would not be included, if he took the market regulated price. But if he took the subsidy, this would bar taking the subsidy, and he would have to go to the open market.

Mr. PELL. Mr. President, will the Senator yield further?

Mr. TOWER. I yield.

Mr. PELL. So that I can understand what the amendment provides, would this mean that if a Senator were a stockholder in a corporation and that corporation received a direct benefit of one sort of another from the Federal Government he would be prohibited by law from being in that position?

Mr. TOWER. He would not, provided that the corporation was not regulated or financed by the U.S. Government.

Mr. PELL. This really provides that

all Senators must be sure that their investment portfolios do not include any industry affected by actions of the Federal Government, and that is every industry.

Mr. TOWER. I specify directly affected, through regulation or financing. I assume it would not apply to some business that is wholly without Government regulations, loans, financing, or funding.

Mr. HART. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. HART Would a Senator who had on deposit funds in a savings account in a federally insured bank be subject to this provision?

Mr. TOWER. He would be subject to it because banks are regulated by the Federal Reserve System.

Mr. HART. Does the Senator think that that reaches a little broader than is needed or that is required in order that the people have confidence that we are not being influenced in our role here?

Mr. TOWER. I admit it is extreme, but Where does one start? What should be considered legitimate and what should not be considered legitimate. To obviate doubt in anyone's mind we should go all the way.

Mr. PELL. Mr. President, will the Senator yield at that point?

Mr. TOWER. I yield.

Mr. PELL If the Senator goes all the way, as this amendment would do, it would mean that a Senator who has 100 shares in the XYZ corporation is not going to benefit; it would be impossible to count up the benefit to the infinitesimal part of a penny and he would be hard put, if he were lucky enough to have money, to know where to invest it.

Mr. TOWER. That is true. We make it difficult for people we confirm for the executive departments and agencies. We require them to put everything in a blind trust that might result in a conflict of interest. We virtually made Mr. David Packard take an oath of poverty before confirming him. I do not know why we cannot use that standard ourselves.

Mr. President, I am prepared to yield the floor.

Mr. COOK. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. COOK. Would the Senator accept an amendment to his amendment, in the last sentence, which would say that the purchase of Government bonds and securities would be exempt from the amendment? I am a great believer in the purchase of Government bonds. I have bought them almost all my adult life and during a great deal of my young life. I try the best I can to get all the employees in my office to purchase them, to the best of their ability.

I am wondering because I feel strongly about making an investment in one's country and Government.

Mr. TOWER. I think the Senator has made an excellent point. I would be prepared to modify my amendment to that extent. If the Senator will frame such an amendment for me I would accept it.

Mr. President, in the interim, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection to the Senator modifying his amendment?

Mr. TOWER. We have to draft it first.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COOK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I ask unanimous consent that I may modify my amendment by adding a comma after the words "United States" and the words:

Provided that any income from U.S. Government securities shall be exempt from this provision.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. TOWER's amendment, as modified, to Mr. ALLEN's amendment is as follows:

Nor shall he accept any subsidy payment from the U.S. Treasury, nor shall he accept any income from any enterprise that is regulated or financed either wholly or in part by the Government of the United States, provided that any income from U.S. Government securities shall be exempt from this provision.

Mr. ALLEN. Mr. President, I move to table the amendment offered by the Senator from Texas.

Mr. COOK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Tower amendment, as modified, to the Allen amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), and the Snator from Iowa (Mr. HUGHES) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Illinois (Mr. PERCY) is necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

The result was announced—yeas 44, nays 49, as follows:

[No. 109 Leg.]

YEAS—44

Allen	Cannon	Hartke
Bartlett	Case	Haskell
Bellmon	Chiles	Helms
Bennett	Cranston	Hollings
Bentsen	Eagleton	Humphrey
Bible	Eastland	Inouye
Brooke	Ervin	Johnston
Byrd, Robert C.	Fong	Kennedy
Long	Muskie	Stafford
Magnuson	Nunn	Stennis
Mathias	Packwood	Symington
McClellan	Pell	Taft
McGee	Proxmire	Talmadge
Montoya	Randolph	Young
Moss	Sparkman	

NAYS—49

Abourezk	Dominick	Metzenbaum
Baker	Fannin	Mondale
Bayh	Goldwater	Nelson
Beall	Griffin	Pastore
Biden	Gurney	Pearson
Brock	Hansen	Ribicoff
Buckley	Hart	Roth
Burdick	Hatfield	Schweiker
Byrd, Harry F., Jr.	Hathaway	Scott, Hugh
Church	Hruska	Stevens
Clark	Jackson	Stevenson
Cook	Javits	Thurmond
Cotton	Mansfield	Tower
Curtis	McClure	Tunney
Dole	McGovern	Weicker
Domenici	McIntyre	Williams
	Metcalf	

NOT VOTING—7

Aiken	Huddleston	Scott, William L.
Fulbright	Hughes	
Gravel	Percy	

So Mr. ALLEN's motion to lay on the table Mr. TOWER's amendment, as modified, to Mr. ALLEN's amendment was rejected.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Texas, as modified, to the amendment of the Senator from Alabama. On this question the yeas and nays have been ordered.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the yeas and nays be vacated and that we be permitted to have a voice vote.

Mr. ALLEN. I object.

The PRESIDING OFFICER. Objection is heard. On this question the yeas and nays have been ordered, and the Clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska Mr. GRAVEL), and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Illinois (Mr. PERCY) is necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

The result was announced—yeas 56, nays 37, as follows:

[No. 110 Leg.]

YEAS—56

Abourezk	Cotton	Jackson
Baker	Curtis	Johnston
Bayh	Dole	Kennedy
Beall	Domenici	Long
Bellmon	Dominick	Magnuson
Biden	Fannin	Mansfield
Brock	Goldwater	McGee
Buckley	Gurney	McGovern
Burdick	Hansen	McIntyre
Byrd, Robert C.	Hart	Metzenbaum
Cannon	Hartke	Mondale
Church	Hatfield	Moss
Clark	Hathaway	Muskie
Cook	Hruska	Nelson

Pastore	Schweiker	Tower
Pearson	Scott, Hugh	Tunney
Randolph	Stevens	Weicker
Ribicoff	Symington	Williams
Roth	Thurmond	

NAYS—37

Allen	Ervin	Montoya
Bartlett	Fong	Nunn
Bennett	Griffin	Packwood
Bentsen	Haskell	Pell
Bible	Helms	Proxmire
Brooke	Hollings	Sparkman
Byrd, Harry F., Jr.	Humphrey	Stafford
	Inouye	Stennis
Case	Javits	Stevenson
Chiles	Mathias	Taft
Cranston	McClellan	Talmadge
Eagleton	McClure	Young
Eastland	Metcalf	

NOT VOTING—7

Aiken	Huddleston	Scott, William L.
Fulbright	Hughes	
Gravel	Percy	

So Mr. TOWER's amendment, as modified, was agreed to.

Mr. ABOUREZK. Mr. President, I have an amendment to the Allen amendment at the desk which I ask be stated.

The PRESIDING OFFICER. The amendment to the Allen amendment will be stated.

The assistant legislative clerk read as follows:

On line 5, following "appearance", insert the words:

"or any other compensation including but not limited to income from a law practice, stock and bond dividends and rentals,

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota (Mr. ABOUREZK) to the Allen amendment.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA) and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the famliy.

The result was announced—yeas 24, nays 67, as follows:

[No. 111 Leg.]

YEAS—24

Abourezk	Clark	Mansfield
Baker	Dole	McGovern
Bellmon	Domenici	McIntyre
Biden	Gurney	Moss
Brooke	Hart	Pearson
Buckley	Hartke	Stevens
Byrd, Robert C.	Hatfield	Tower
Church	Hathaway	Tunney

NAYS—67

Allen	Fong	Nelson
Bartlett	Goldwater	Nunn
Bayh	Griffin	Packwood
Beall	Hansen	Pastore
Bennett	Haskell	Pell
Bentsen	Helms	Proxmire
Bible	Hollings	Randolph
Brock	Humphrey	Ribicoff
Burdick	Inouye	Roth
Byrd, Harry F., Jr.	Jackson	Schweiker
	Javits	Scott, Hugh
Cannon	Kennedy	Sparkman
Case	Long	Stafford
Chiles	Magnuson	Stennis
Cook	Mathias	Stevenson
Cotton	McClellan	Symington
Cranston	McClure	Taft
Curtis	McGee	Talmadge
Dominick	Metcalf	Thurmond
Eagleton	Metzenbaum	Weicker
Eastland	Mondale	Williams
Ervin	Montoya	Young
Fannin	Muskie	

NOT VOTING—9

Aiken	Huddleston	Scott, William L.
Fulbright	Hughes	
Gravel	Johnston	
Hruska	Percy	

So Mr. ABOUREZK's amendment to the Allen amendment was rejected.

Mr. McCLURE. Mr. President, few people question the conclusion of public opinion polls which show that the citizens of this country do not have a very high regard for the Congress, as an institution. We are all aware that recent ratings show the Congress in less favor than the President, despite his massive difficulties. I suggest that cynical political maneuvers such as the one we just witnessed do little to dispell this attitude. The people of this country are not stupid, Mr. President. They demand a degree of candor in our public dealings which is not met by political posturing. I do not mean to question the motives of any individual Senator, but the effort to load the amendment of the Senator from Alabama (Mr. ALLEN) in order to kill it should be too evident to pass notice. I am opposed to the Allen amendment, but I am not going to hide that behind a motion to table. Let those who voted for the substitute of the Senator from Texas (Mr. TOWER) now reveal their motive by voting on adoption of the amendment as amended. Let no one be misled by looking only at one vote or the other by itself.

Mr. President, this kind of silly schoolboy activity does not lend great credit to our institutions which are under such constant attack today. I am sorry we sometimes act in a way which justifies the accusations of our critics.

Mr. BUCKLEY. Mr. President, I want the record to be clear as do why I am supporting the Allen amendment, and the amendments thereto, that would outlaw honoraria and other sources of outside income. I personally see no reason why a Senator should not supplement his income in such spare time as he may have. It is no secret that many of us need supplementary income to cover the full cost of servicing our constituents. Expense allowances for larger States simply are inadequate to cover all expenses. But if it takes adoption of this kind of pious and hypocritical nonsense to scuttle a bill that I am convinced will do profound harm to our political system, I will gladly cooperate.

Mr. CANNON. Mr. President, now that the folly of the last few minutes has had an opportunity to sink into my colleagues, may I pose a parliamentary inquiry?

The PRESIDING OFFICER (Mr. HELMS). The Senator will state it.

Mr. CANNON. Does the question now occur on the Allen amendment as modified, as amended by the Tower amendment as modified?

The PRESIDING OFFICER. That is correct.

Mr. CANNON. And would the Chair advise whether a motion to table would now be in order?

The PRESIDING OFFICER. It would not be in order.

Mr. CANNON. Would the Chair state the reason why the motion to table would not be in order?

The PRESIDING OFFICER. A unanimous-consent agreement was entered into to vote on the Allen amendment. Therefore, a motion to table is not in order.

Mr. CANNON. Mr. President, was the unanimous-consent agreement to vote on the Allen amendment as modified, as amended and modified?

The PRESIDING OFFICER. The Chair is advised that the answer is "No," but the precedent prevails since there was unanimous consent on the Allen amendment, regardless of whether it was modified or not.

Mr. CANNON. Mr. President, I ask unanimous consent that it be in order to move to table the Allen amendment as modified, as amended by the Tower amendment, as modified.

The PRESIDING OFFICER. Is there objection?

Mr. ALLEN. I object.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. What is the ruling of the Chair?

The PRESIDING OFFICER. Objection is heard.

Mr. PASTORE. No; I mean with respect to the question of laying it on the table.

The PRESIDING OFFICER. The motion to table is not in order.

Mr. PASTORE. I make an appeal from the ruling of the Chair. I appeal the ruling of the Chair.

Mr. ALLEN. Mr. President, I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered. The question is, Shall the ruling of the Chair stand?

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. If a Senator wishes to uphold the ruling of the Chair, does he vote yea or nay?

The PRESIDING OFFICER. He would vote "Yea."

Mr. MANSFIELD. And if he does not, he votes "Nay."

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, the Chair is correct in its ruling. The unanimous-consent request earlier was to vote on the Allen amendment at the hour of 2:30 p.m. By virtue of that order, a tabling motion would not be in order.

I hope, with all due deference to my distinguished friend from Rhode Island, that the Senate will not now vote to overrule the ruling of the Chair because if we do that we are going to overrule precedents going back a long way, and I think it is a very dangerous thing for the Senate to do.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PASTORE. We had a unanimous-consent agreement to vote at 2:30 p.m. Why have we waited until 3:20 p.m. to do it?

Mr. ROBERT C. BYRD. Because amendments were offered to the amendment.

Mr. PASTORE. Why were they in order?

Mr .ROBERT C. BYRD. Because under the precedents, even though a vote is to occur at a given time on an amendment, any Senator is entitled to offer an amendment when the time has expired and have a vote on his amendment without debate.

Mr. PASTORE. Did the distinguished majority whip agree with the Senator from Alabama that this would be the situation on the unanimous-consent agreement?

Mr. ROBERT C. BYRD. The whip, and I am sure the Senator from Alabama, did not foresee all the amendments, but in accordance with precedent, may I say to my distinguished friend that I hope we do not overrule the ruling of the Chair.

Mr. PASTORE. Would it please my distinguished friend the whip if the Senator from Rhode Island were to withdraw his motion?

Mr. ROBERT C. BYRD. I wish the distinguished Senator would do that.

Mr. PASTORE. Mr. President, in order to accommodate the distinguished whip, I withdraw my motion.

Mr. COOK. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. COOK. Mr. President, I would suggest that the Senator ask unanimous consent to do so because he asked for the yeas and nays.

The PRESIDING OFFICER. It will take unanimous consent.

Mr. PASTORE. Mr. President, I ask unanimous consent to do so.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I wonder if the distinguished Senator from Alabama would now allow the Senator from Nevada (Mr. CANNON) to propound anew his unanimous-consent request that a tabling motion be in order.

Mr. HUMPHREY. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. ROBERT C. BYRD. I yield.

Mr. HUMPHREY. I think that while we are discussing rules we should go a little further.

The unanimous consent agreement was to vote on the Allen amendment on an hour certain. There was not a unanimous consent to vote on the Allen amendment, as amended and as modified.

Mr. ROBERT C. BYRD. No, because no Senator could foresee that the amendment would be amended. When consent of the Senate is given to vote on a designated amendment at a designated time any Senator can offer an amendment, when time has expired, without debate and get a vote on it; but when the Senate gives consent to vote on an amendment at a given time, there has to be a vote on the amendment up and down, and there can be no motion to table.

Mr. HUMPHREY. Just to develop the record further because the rules are important, there was unanimous consent to vote on the Allen amendment.

Mr. ROBERT C. BYRD. That is correct.

Mr. HUMPHREY. Not the Allen amendment, as modified, as amended by the Tower amendment, as modified.

Mr. ROBERT C. BYRD. That is correct.

Mr. HUMPHREY. I wonder if we might not develop some record for future guidance: that when you get unanimous consent like this, it includes anything that might happen along the way. I do not think the unanimous-consent agreement prevails in light of all that has happened here.

Mr. ROBERT C. BYRD. If we did not follow the precedents, it would mean that in the future, if we got an agreement to vote on the Allen amendment at a certain hour, we would have a vote on it, and if the Senator from Minnesota came in at the last minute and wanted to offer an amendment to the Allen amendment he would be deprived of offering the amendment. Under the precedent he can now offer an amendment, even though without time to debate it.

There is one way to meet the situation the Senator is talking about. We could get unanimous consent to vote on the Allen amendment at 2:30, with the understanding that no amendments to that amendment be in order.

Mr. HUMPHREY. The only other point, I would say, is that it is also understood at the time you get the unanimous consent to vote on the Allen amendment, that it be as it may be modified because otherwise you are not establishing a clear line.

Mr. PASTORE. Is the Senator saying the unanimous consent agreement on the Allen amendment was made on the Allen amendment as introduced?

Mr. HUMPHREY. Exactly.

Mr. PASTORE. And now the Allen amendment has been changed; it is no longer the amendment agreed to. Something has been added. Does not that break the unanimous consent agreement?

Mr. ROBERT C. BYRD. No, because the Senator from Rhode Island, if he wished, would be entitled at 2:30 p.m., after all time has expired on the Allen amendment, to offer an amendment. He has that right.

I wonder if the Senator from Alabama would allow the Senator from Nevada (Mr. CANNON)—now that the Senator from Rhode Island has yielded on his point, which was very gracious of him—to make a motion to table?

Mr. ALLEN. Mr. President, reserving the right to object and I shall not object, in view of the request of the assistant majority leader, it occurs to me that two things evoke the most interest in the Senate in addition to public financing: Matters having to do with the pay of Senators and something having to do with the honorarium system. So I have no illusions that this amendment is going anywhere. Whether it is voted up or down, or up or down on a motion to table is not of too much concern, so I withdraw my objection.

Mr. McCLELLAN. Mr. President, I ask that the amendment that we are to vote on now be stated so that we may understand what it is.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 85 between lines 5 and 6 add the following new section 402, as follows:

SEC. 402. No Member of Congress shall accept or receive any honorarium, fee, payment, or expense allowance other than for actual out-of-pocket travel and lodging expenses from any source whatsoever for any speech, article, writing, discussion, message, or appearance other than in payment of his official salary and for official reimbursements or allowances from the United States Treasury, nor shall he accept any subsidy payment from the U.S. Treasury, nor shall he accept any income from any enterprise that is regulated or financed either wholly or in part by the Government of the United States, provided that any income from U.S. Government securities shall be exempt from this provision.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Does that include income from a bank where he may have been drawing interest?

SEVERAL SENATORS. Yes.

Mr. HUMPHREY. How ridiculous can one get?

Mr. CANNON. Mr. President, I ask unanimous consent that it be in order for me to make a motion to table the Allen amendment, as modified, as amended by the Tower amendment as modified.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

Mr. CANNON. Mr. President, I make such a motion. I move to table and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of Mr. CANNON to lay on the table the amendment of Mr. ALLEN, as amended by the modified Tower amendment. The

yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN), is absent due to illness in the family.

The result was announced—yeas 61, nays 31, as follows:

[No. 112 Leg.]

YEAS—61

Bayh	Ervin	Muskie
Beall	Fannin	Nunn
Bennett	Fong	Packwood
Bentsen	Griffin	Pastore
Bible	Hartke	Pell
Brock	Haskell	Proxmire
Brooke	Hatfield	Ribicoff
Byrd, Harry F., Jr.	Hathaway	Scott, Hugh
	Hollings	Sparkman
Cannon	Humphrey	Stafford
Case	Inouye	Stennis
Chiles	Javits	Stevenson
Church	Johnston	Symington
Cotton	Kennedy	Taft
Cranston	Long	Talmadge
Curtis	Mathias	Thurmond
Dole	McClellan	Tower
Domenici	McGee	Tunney
Dominick	McIntyre	Williams
Eagleton	Montoya	Young
Eastland	Moss	

NAYS—31

Abourezk	Goldwater	Metzenbaum
Allen	Gurney	Mondale
Baker	Hansen	Nelson
Bartlett	Hart	Pearson
Bellmon	Helms	Randolph
Biden	Jackson	Roth
Buckley	Magnuson	Schweiker
Burdick	Mansfield	Stevens
Byrd, Robert C.	McClure	Weicker
Clark	McGovern	
Cook	Metcalf	

NOT VOTING—8

Aiken	Hruska	Percy
Fulbright	Huddleston	Scott, William L.
Gravel	Hughes	

So Mr. CANNON'S motion to lay Mr. ALLEN'S amendment, as amended, on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following Senate bills, each with an amendment, in which it requests the concurrence of the Senate:

S. 1585. An act to prevent the unauthorized manufacture and use of the character "Woodsy Owl," and for other purposes; and

S. 2770. An act to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services.

The message also announced that the House had passed the following bills in which it requests the concurrence of the Senate:

H.R. 2537. An act for the relief of Lidia Myslinska Bokosky;

H.R. 3534. An act for the relief of Lester H. Kroll;

H.R. 4438. An act for the relief of Boulos Stephan;

H.R. 4590. An act for the relief of Melissa Catambay Gutierrez;

H.R. 5667. An act for the relief of Linda Julie Dickson (nee Waters);

H.R. 5907. An act for the relief of Capt. Bruce B. Schwartz, U.S. Army;

H.R. 7207. An act for the relief of Emmett A. and Agnes J. Rathbun;

H.R. 7682. An act to confer citizenship posthumously upon Lance Corporal Federico Silva;

H.R. 7685. An act for the relief of Giuseppe Greco;

H.R. 8101. An act to authorize certain Federal agencies to detail personnel and to loan equipment to the Bureau of Sport Fisheries and Wildlife, Department of the Interior;

H.R. 8586. An act to authorize the foreign sale of the passenger vessel steamship Independence;

H.R. 8823. An act for the relief of James A. Wentz;

H.R. 9393. An act for the relief of Mary Notarthomas;

H.R. 10942. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the Convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded at the city of Tokyo, March 4, 1972;

H.R. 10972. An act to delay for 6 months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects;

H.R. 11223. An act to authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam;

H.R. 12208. An act to confer exclusive jurisdiction on the Federal Maritime Commission over certain movements of merchandise by barge in foreign and domestic offshore commerce;

H.R. 12627. An act to authorize and direct the Secretary of the Department under which the U.S. Coast Guard is operating to cause the vessel Miss Keku, owned by Clarence Jackson, of Juneau, Alaska, to be documented as a vessel of the United States so as to be entitled to engage in the American fisheries;

H.R. 12925. An act to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce; and

H.R. 13542. An act to abolish the position of Commissioner of Fish and Wildlife, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 1321. An act for the relief of Dominga Pettit;

H.R. 5106. An act for the relief of Flora Datiles Tabayo; and

H.R. 7363. An act for the relief of Rito E. Judilla and Virna J. Pascaran.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. HUGH SCOTT).

HOUSE BILLS REFERRED

The following House bills were severally read twice by their titles and referred as indicated:

H.R. 2537. An act for the relief of Lidia Myslinska Bokosky;

H.R. 3534. An act for the relief of Lester H. Kroll;

H.R. 4438. An act for the relief of Boulos Stephan;

H.R. 4590. An act for the relief of Melissa Catambay Gutierrez;

H.R. 5667. An act for the relief of Linda Julie Dickson (nee Waters);

H.R. 5907. An act for the relief of Capt. Bruce B. Schwartz, U.S. Army;

H.R. 7207. An act for the relief of Emmett A. and Agnes J. Rathbun;

H.R. 7682. An act to confer citizenship posthumously upon Lance Corporal Frederico Silva;

H.R. 7685. An act for the relief of Giuseppe Greco;

H.R. 8823. An act for the relief of James A. Wentz; and

H.R. 9393. An act for the relief of Mary Notarthomas; to the Committee on the Judiciary.

H.R. 8586. An act to authorize the foreign sale of the passenger vessel steamship *Independence;*

H.R. 10942. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the Convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded at the city of Tokyo, March 4, 1972;

H.R. 10972. An act to delay for 6 months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects;

H.R. 11223. An act to authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam;

H.R. 12208. An act to confer exclusive jurisdiction on the Federal Maritime Commission over certain movements of merchandise by barge in foreign and domestic offshore commerce; and

H.R. 12925. An act to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce; to the Committee on Commerce.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stands in adjournment until 11 o'clock a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIVISION OF TIME FOR DEBATE ON CLOTURE MOTION TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time for debate on the motion to invoke cloture tomorrow be equally divided between the Senator from Nevada (Mr. CANNON) and the Senator from Alabama (Mr. ALLEN).

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT AMENDMENTS AT DESK BEFORE CLOTURE VOTE QUALIFY UNDER RULE XXII

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow all amendments at the desk at the time the vote on the motion to invoke cloture begins, be considered as having been read by the clerk so as to qualify under the rule.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 1102

Mr. BROCK. Mr. President, I call up my amendment No. 1102 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 75, between lines 4 and 5, insert the following:

"(3) This subsection does not apply to the Democratic or Republican Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee."

On page 77, between lines 5 and 6, insert the following:

"(e) This section does not apply to the Democratic or Republican Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee."

On page 77, line 6, strike out "(e)" and insert in lieu thereof "(f)".

Mr. BROCK. Mr. President, I offer this amendment to exempt in a limited fashion the two campaign committees of the Senate and the two campaign committees of the House simply because I do not believe that as the bill is written we could literally operate in support of our candidates under the existing language. I am not sure that that was the intent, but it is a matter of great concern to me, and I think it is important that we know the potential hazard for our two major parties in the proposed legislation as it may finally be enacted.

I think it is important that our parties not be weakened, but strengthened, by whatever action Congress takes. I would hope that in writing this particular bill we can provide that kind of sense of purpose with this amendment. The amendment simply exempts the House and Senate campaign committees from the specific limitations established for other political committees.

I have discussed the amendment at length with my colleagues, both those on the committee and those who are involved in campaign activities. I would hope the amendment will find favor on both sides of the aisle and that it can be expeditiously handled. I do not see the need for extended debate, so I reserve the remainder of my time.

Mr. DOMINICK. My immediate impression, when my colleague was offering his amendment, was that I would like to be added as a cosponsor.

Mr. BROCK. I thank the Senator.

Mr. President, I ask unanimous consent that the name of the Senator from Colorado be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROCK. I thank the Senator very much for his support.

Mr. CANNON. Mr. President, would the Senator explain just what he intends by this amendment now, in order that the RECORD may be clear?

Mr. BROCK. Mr. President, this amendment is to page 75, between lines 4 and 5. We are dealing here with a section—if I may find the place in the bill—which relates to limitation on expenditures generally. This limits expenditures made on behalf of any candidate for national office—in essence, limitations on contributions by political committees.

We have an exemption, under subsection (5)(b) on page 73, for the national committees, of 2 cents per voter, and an exemption for the State committees of 2 cents per voter, which is not counted toward the sum total. But under subsection (c)(1):

No person may make any expenditure (other than an expenditure made on behalf of a candidate under the provisions of subsection (a)(4)) advocating the election or defeat of a clearly identified candidate during a calendar year which, when added to all other expenditures made by that person during the year advocating the election or defeat of that candidate, exceeds $1,000.

Mr. President, that simply is impossible for us to comply with. The purpose of these committees is to afford people an opportunity to give to a large agenda of candidates, and we cannot adequately support a House or a Senate candidate who is a viable candidate in any other sense of the word with that limitation.

What I am trying to do is simply say that the dollar ceiling on committee giving shall not apply to the Senate and House committees, but I would say to the chairman that this has nothing to do with the limit on how much a candidate can spend. We leave that as it is, intact. We simply are trying to afford to the committees an opportunity to support the candidates of their party, and the effort here is to strengthen the parties involved.

Mr. CANNON. So the net effect, as I understand it, then, would be that the Democratic or Republican Central Campaign Committee and the Democratic National Congressional Committee or Republican National Congressional Committee could collect funds through contributions or dinners or otherwise, but would not be held to the limit imposed on the amounts committees could contribute to a candidate?

Mr. BROCK. That is right.

Mr. CANNON. They would be exempt from the $6,000 limit that we have in here now, that a committee could contribute to a candidate, in the light of the fact that these contributions collected would have come from a total source or a great number of people; is that correct?

Mr. BROCK. Exactly.

Mr. CANNON. And it is not the intention to attempt to vary the limit on expenditures that a candidate can spend, nor would it change the amount of money that a person himself could contribute to a candidate or to a political committee?

Mr. BROCK. By no method whatsoever would it affect either of those.

Mr. CANNON. Mr. President, in the light of that, I personally would have no objection to the amendment.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. BROCK. I am delighted to yield the floor.

Mr. ALLEN. I commend the distinguished Senator from Tennessee for the concern that he is manifesting with regard to the party system. The party system, it occurs to the Senator from Alabama, will be a near casualty if not a casualty of public financing, and I can certainly understand, since the Senator is an organization member, that he would be concerned about the party system.

But I am concerned that this amendment would constitute a great big loophole being created before this bill is even passed, and I would envision that as time goes on other loopholes will be created.

To create a loophole right at this time, before the bill even becomes law, seems to me to be unwise. I would like to inquire of the distinguished Senator if there would be any limitation whatsoever on a congressional campaign committee, either Republican or Democratic, on receipts that it may receive or expenditures it may make. Would there be any ceiling at all?

Mr. BROCK. I would assume, and I believe I am correct—if the chairman of the committee disagrees, he may correct the impression—that there are ceilings given under other sections of the bill. There would be no ceiling on what the committee could receive in sum total, nor would there be any ceiling on what the committee could spend, except as it applies to a specific candidate and the limitation in that particular candidate's campaign.

Mr. ALLEN. In other words, theoretically, then, the campaign committees could take in and disburse literally millions of dollars in furtherance of the candidacies of House and Senate Members; is that correct?

Mr. BROCK. I would say so.

Mr. ALLEN. And this money could be spent separate and apart from the campaigns of the Members of Congress, could it not?

Mr. BROCK. No, it is still subject, as the chairman has pointed out, to the limitations the bill imposes on an individual candidate.

Mr. ALLEN. Very well. But this money could be used to supplement the campaigns or the campaign funding of any candidate for the House of Representatives or the Senate that these committees selected?

Mr. BROCK. That is correct.

Mr. ALLEN. But that could add millions of dollars of receipts and expenditures, could it not?

Mr. BROCK. Well, I do not know that it would be added, because what the committees do is afford a vehicle for people to give broadly rather than specifically, if there are a few individuals left in the country who would prefer to give to the political party of their choice rather than trying to seek out candidates individually.

Mr. ALLEN. Well, would it be possible for an individual to give, say, $1 million to one of these campaign committees?

Mr. BROCK. No. Under other sections of the bill, that would be prohibited. We exempt here, by this amendment I have offered, the committees only from that section which limits the giving by a particular committee to a particular candidate. It does not change the limitation on political contributions on the part of any individual at all.

Mr. ALLEN. Well, it adds a section there under the provisions for limitations on contributions, and another one——

Mr. BROCK. They are both to the same section.

Mr. ALLEN. To the section on limitation on expenditures.

Mr. BROCK. No; the amendment here applies only to section 615, which is limitations on contributions. It does not affect the limitation on expenditures at all, as the Senator from Nevada has pointed out.

Mr. ALLEN. Well, what would be the maximum amount that could be received by a campaign committee, a senatorial or House campaign committee, from any contributor?

Mr. BROCK. There have been so many amendments that I may be a little confused on what is the present limit, but the same limit that would apply to giving to a campaign or to the national committees would apply here. I am not sure what the amendment says with respect to that—was it a $3,000 or a $6,000 limit?

Mr. ALLEN. If the committee is authorized to make contributions in any size, would the House or Senate Member be authorized to receive a contribution in any size?

Mr. BROCK. From these committees?

Mr. ALLEN. Yes.

Mr. BROCK. That is correct.

Mr. ALLEN. In other words, the senatorial or congressional campaign committees could get money from all over the country within certain limits and then funnel that without limitation as to the amounts into the campaigns of the various Members of the House and Senate; is that not correct? Provided it did no run over the amount he could spend, of course.

Mr. BROCK. That is right. If I may say to the Senator, the purpose of the section as originally written was to diminish and, hopefully, to eliminate the possibility of undue influence on the part of special interest groups who form committees for the purpose of legislative advocacy on a particular issue and raise a great deal of money and then give to those candidates who would support, say, a consumer protection bill, or who would be opposed to such a bill. For example, there is no similar situation as it relates to House and Senate campaign committees. These are party committees. They receive their funds from a broad base. We have thousands of contributors—hundreds of thousands—and the average contribution would be well under $100, I am sure, from both committees. I am sure I can speak for the Republican Party.

The contribution would be on a broad base, to incumbent and challenger alike. In the sense that this bill must preserve and enhance the party structure, as I know the Senator feels, and we share this concern with the bill as it is written, the bill, unless amended further, impinges on our ability as parties to support our own candidates.

Mr. ALLEN. Would it be impossible, as the Senator from Alabama sees it, then, for a candidate who has a legal right to spend $1 million in his campaign but, having collected only one-half that amount from private sources and from the party, could apply to one of these committees for a contribution—that is, theoretically—of half a million dollars; is that not correct?

Mr. BROCK. I think it is.

Mr. ALLEN. I am just wondering if that would be in the public interest, to allow these contributions to come in to a big fund there and have it parceled out without any limitation as to the amount. That is what worries me.

Mr. BROCK. May I say, there is a limit on the individual candidates and on how much he can spend.

Mr. ALLEN. Yes; but if he is running short, then the committee can give him a present of tremendous sums of money under the Senator's amendment; is that not correct?

Mr. BROCK. That is correct, I would say to the Senator, and I think that he would agree with the statement that this is far preferable to receiving a check from the Federal Treasury.

Mr. ALLEN. Yes; if he would accept this instead of the other provisions, that would be fine; but I am afraid that we will have the other provisions and what the Senator is adding to. If I thought his amendment would help defeat the bill, I would be for the amendment, but as it is now, it looks like a tremendous loophole to provide a method of making large contributions not otherwise permitted under the bill to various candidates for the House and Senate.

I wonder whether the same objective could not be accomplished, possibly, by increasing the amount that the committee can receive and expend rather than leaving it with the sky as the limit.

Mr. BROCK. Perhaps I have an unwarranted faith in our two parties. I do have that faith. I have enormous respect for both parties, for their adherence to their basic principles, in their belief in their own party philosophy and their belief in this country. I frankly fear no conflict of interest with the parties disbursing the money. I have a great deal of fear of a conflict of interest when the Federal Government, or when we, enhance vested interests. That is what I am trying to avoid.

I would point out to the Senator, if my figures are correct—and I think they are fairly close—that as of a month ago, our average contribution was something on the order of $23.75 in the Republican Party. We have survived and sustained ourselves simply because we have a huge number of people willing to participate in support of the party. By no definition can that $23.75 be sufficient to influence the election or the vote of an individual running for the Senate. But individual Senators do not have the capacity to establish that broad base in sufficient magnitude to warrant the confidence that they can finance their own campaigns.

It is the purpose of the committees not to finance a candidate's campaign. That must come essentially from his own State. But it is supportive in the early stages—at the genesis—of a campaign so that it will attract a broad level of support. The candidate must have a chance to win. Unless this exemption is given to Senate and House Campaign Committees, I think that what we will do will be to run the terrible risk of making the bill worse than it is. I share this concern with the Senator from Alabama, in the public aspect of it. But we will make the bill worse unless we afford the party some opportunity to support the people who adhere to the party's philosophy.

Mr. ALLEN. Would it be possible for contributors who might not want to appear on the report of a given candidate to make a contribution to the congressional committee, and then the congressional committee makes a contribution to the candidate without the identity of the contributor being made known?

Mr. BROCK. No contributor can, either directly or indirectly, overtly or covertly or even implicitly, imply that he wants his funds to go to a particular candidate, without its being reported as a donation by the committee for the candidate. Even under current law in our own committee—I am not sure about my colleague's committee, but I would assume it is similar—we will take a campaign contribution for a particular Senator or challenger and report it forthwith. But we tell the contributor and the challenger that we do not operate a laundry in the Republican Party and have no interest in it whatsoever. We adhere religiously not only to the letter but the spirit of the law as it is today. We do report those, and we should.

Mr. ALLEN. Under the Senator's amendment, would a contribution to the committee be limited to $3,000?

Mr. ROTH. Yes, as I understand the bill, that is correct.

Mr. COOK. Yes, that is correct.

Mr. ALLEN. What would be the value of getting the same contributor to contribute to the candidate direct? What magic is there in going through congressional committees?

Mr. BROCK. I would say to the distinguished Senator from Alabama, for whom I have such enormous respect, that

nothing at all is wrong with that. In many cases, this Senator would so advise a particular contributor. We do not have many $3,000 contributors. That is not the problem. What we are trying to do is to broaden the base of the party. As I said, the average contribution is $23.75 and we are trying to enlist large numbers of people. That, frankly, is not to give to the candidate broadly. Certainly we can support our candidate broadly. That is the kind of contribution I want to attract, and I think we can attract. If we do, then we have to have some method of exemption so that we can get the contributions in bulk. We could not physically handle the volume of each one individually, as the Senator was suggesting the $3,000 contribution, which we could do quite readily.

Mr. ALLEN. I thank the distinguished Senator for giving me this information. I will not stand in the way of the amendment. Rather, I would say, I should like to be recorded as voting "nay" on the amendment.

Mr. BROCK. I have nothing further, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

S. 71. An act for the relief of Uhel D. Polly;

S. 205. An act for the relief of Jorge Mario Bell;

S. 507. An act for the relief of Wilhelm J. R. Maly;

S. 816. An act for the relief of Mrs. Jozefa Sokolowska Domanski;

S. 912. An act for the relief of Mahmood Shareef Suleiman; and

S. 2112. An act for the relief of Vo Thi Suong (Nini Anne Hoyt).

The enrolled bills were subsequently signed by the President pro tempore.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. BAKER. Mr. President, I call up my amendment No. 1126 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 78, line 16, strike the closing quotation marks and the second period.

On page 78, between lines 16 and 17, insert the following:

"§ 618. Prohibition of contributions other than by individuals

"Notwithstanding the provisions of sections 615 and 616, no person other than an individual may make a contribution. Violation of the provisions of this section is punishable by a fine of not more than $50,000 imprisonment for not more than five years, or both.".

On page 78, at the end of the matter appearing below line 22, insert the following:

"618. Prohibition of contributions other than by individuals.".

Mr. BAKER. Mr. President, this amendment would allow only individuals to make contributions to political campaigns. It would strictly prohibit contributions by organizations, associations, co-ops, caucuses, committees, or any other group which aggregate funds from its members and gives those funds in the name of a cause, interest, or section of the country.

Having served for over a year as vice chairman of the Senate Select Committee on Presidential Campaign Activities, I can conceive of no more effective way to eliminate the distortive influence of special interests than by banning group contributions altogether. Obviously, not all contributions by groups distort or, in any way, influence the political process. However, there is no effective way to eliminate the groups that do, short of prohibiting group contributions or segregated funds completely—and that is precisely what I propose to do.

I do not think corporations or labor unions should be permitted to contribute. They cannot now, but they do through AMPAC, BIPAC, COPE, and a half dozen other devices. Moreover, I do not think purely political action groups should be permitted to contribute.

They cannot vote. The American Medical Association cannot vote. The U.S. Chamber of Commerce cannot vote. Common Cause cannot vote—except as individuals. So, why should they be allowed to contribute. Only individuals can vote, and I believe only individuals should be allowed to contribute.

I do not wish to infringe upon the freedom of association. That freedom is guaranteed by the first amendment to the Constitution; and I do not believe that my amendment would diminish that right in the least. However, it would diminish the ability of groups to assert influence beyond what they wield by virtue of their numbers and that, in my judgment, is the way it should be.

Throughout the debate on S. 3044, I have heard repeated references to the inordinate influence of special interests as a primary defense for public financing. But, according to the study released last week by Common Cause, I was the top recipient of political contributions in 1972 from business committees; and I am positive that I could have raised the same amount of money from individual contributions if I had been required to by the law. The fact of the matter was, and is, that I am not.

The study released last week by Common Cause states that at least $14.2 million has already been raised this year by various groups and special interests to support candidates in the House and the Senate.

Mr. President, I might say that the aggregation of contributions by special interest groups is a matter that has been discussed widely in public forums and in private. There is a great distinction between those contributions which are legal, and those to which I refer as legal, but undesirable.

In my case, it was stated that $50,000 or thereabouts had been contributed by business interests. That is roughly 5 percent of the total amount of the money collected from over 10,000 individual contributors to my campaign in 1972. That 5 percent, I do not believe, is going to have any distortive effect by its numerical value and weight on my position on issues of the day. It should be eliminated.

In colloquy with the distinguished senior Senator from Massachusetts (Mr. KENNEDY) the other day he said:

How would you eliminate the force and effect of business money and labor money if you did not go to public financing?

Mr. President, this is my answer. I would simply prohibit any contribution by any special interest group, and require instead that financial contributions be a matter of individual initiative, and only those qualified to vote, individual human beings, as distinguished from legal entities, organizations, associations, co-ops, and committees, be able to add their support for any candidate.

The Associated Milk Producers has collected $1.4 million; the American Medical Association has collected $889,000; the United Automobile Workers have collected $717,000.

These figures have been quoted by sponsors of the bill as proof of the need for public financing. And yet, even if we have public financing under the provisions of S. 3044, the ability of these groups to contribute to various campaigns will not be impaired. In fact, an amendment adopted narrowly last week doubles the contribution limitation imposed on groups of $6,000, applied separately to primaries, runoffs, special, and general elections. I understand that to mean that special interests can then contribute $6,000 to a candidate in the primary and an additional $6,000 in the general election, or a total of $12,000.

Virtually all public officeholders are not influenced in the least by $12,000.

However, I suspect that some might be if that $12,000 were matched by three other committees or corporations of similar interest—interests which would then be represented by $48,000, and probably far more influence than they deserve. This is what I mean by the distortive effects of special interests.

The sponsors of the bill argue that S. 3044 is the only reasonable answer to this most serious problem. But, I respectfully urge them to tell me how they can make such a claim. Granted, S. 3044 imposes a limit on the amount individuals and groups can give to political candidates. But, S. 372 did that; and we could impose such limits without ever having to resort to partial or full public financing. Under S. 3044, any special interest can contribute up to $12,000 to a candidate if it is given separately in the primary and general election campaigns.

I realize that if a major party candidate reaches the required threshold during the primary campaign, he is eligible for a grant from the Treasury to the tune of 15 cents times the voting age population of the State or district. However, individuals or groups can still contribute if they wish, so long as their contribution is deducted from the subsidy provided by the Government. Moreover, in cases where an incumbent is contested, but not seriously challenged, and that incumbent decides against public financing, the special interests can contribute $6,000 in the primary and another $6,000 in the general election. So what has been done to protect the political process from special interests in this bill? They can still contribute at least $6,000, and possibly $12,000.

Limiting the total amount of their contributions is a significant improvement over what we have had in the past and what we have today; but I do not think it is enough to convince the American people that the financial influence of the special interests has been diminished, much less eliminated. That is why I propose that only individuals be allowed to contribute and that group contributions, particularly special interest contributions, be strictly prohibited. Otherwise, the $14.2 million which Common Cause reports has already been raised for House and Senate races will be given and public suspicion about corporations, labor unions, and others wielding inordinate political influence will continue.

In disclosing the study last week, a spokesman for Common Cause said:

> Anyone who thinks the Watergate scandals have put special interest givers out of business had better take a close look at these figures." He went on to say that there is "no way to restore confidence in this system when the same old thing is going on.

This is precisely my point. The special interest givers are alive and well in 1974, Watergate and potential indictments not withstanding. Moreover, I could not agree more that confidence will only be restored if we correct the glaring abuses of past campaigns. Nevertheless, S. 3044, with the avid support of Common Cause, allows the same old things to continue. It will allow groups or organizations, whether they are occupational or otherwise, to distort the most sensitive of all processes. It will perpetuate the worst part of our electoral process. And it will continue the serious erosion of public trust in our major governmental institutions.

I cannot accept the argument that group contributions are necessary to adequately fund an effective two-party system. But even if they were necessary in the past, they certainly should not be under a new system of public financing, or even under a refined form of private financing through realistic tax incentives such as I have proposed with Senators ERVIN, TALMADGE, GURNEY and others.

I would be willing to bet, though, that under the provisions of S. 3044, in which the role of private contributors has been substantially reduced, the reduction will not be felt so much by the special interests as by the individual contributor. In fact, I doubt very serious whether S. 3044 will reduce at all the number of special-interest givers. It may only reduce slightly the amount of money they can give to individual candidates.

Now, is that real reform? It seems to me that the only realistic way to eliminate the distortive effects of special interests is to prohibit contributions by groups altogether. They cannot vote. Only individuals can vote; and I, therefore, propose that only individuals be allowed to contribute. In my view, it would be the single most constructive improvement we could make in the political process, in the wake of the events of the past 2 years.

Mr. CANNON. Mr. President, I yield myself 3 minutes.

Mr. President, while the amendment of the Senator from Tennessee is very laudable in its objective—all of us want to see a reduction in the influence of special interest groups—it is sort of like throwing the baby out with the bath water. It is an overkill situation. It would put all political committees out of business, as well as other types of groups, over and above that of individuals I do not think it is practical. I do not think a campaign could be carried on in this fashion, under the terms of the bill, as we have drafted it, if we are to prohibit any contributions from committees. And I do not see that it really achieves an objective that would be very helpful to the process.

I think the main thing that is going to result in a lessened influence in the political giver field is the fact that we have not required a complete and full disclosure and have limited the amount, so that a person cannot give more than $3,000, and in turn we have limited the expenditures.

So I would hope my colleagues would not support the amendment. As I said, I do not think it is a practical one. I think we are gradually getting ourselves into a position where it is going to be impossible to carry on political campaigns.

Mr. COOK. Mr. President, will the Senator yield me some time?

Mr. CANNON. I yield.

Mr. COOK. Mr. President, after my discussion the other day with the Senator from Connecticut, I find myself in a strange position with the amendment of my good friend and colleague from Tennessee. I, as he knows, have very serious reservations about the Federal Government's subsidizing and paying for political campaigns, but I also know that what the Congress giveth, the Congress can taketh away, and I think somewhere along the way we have to at least attempt to give things a try. I guess I find myself in the kind of situation where maybe we should try.

I know that we on this side of the aisle, as Republicans, are always told that all the big givers in the United States somehow or other are Republicans. I have just got to say, Mr. President, that in my State that "just ain't so."

Mr. BAKER. Mr. President, will the Senator yield so I may ask for the yeas and nays on the amendment?

Mr. COOK. I yield.

Mr. BAKER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BAKER. I thank the Senator.

Mr. COOK. In my part of the country that just is not so. Somehow or other that is a much used and I must say, in all fairness, a much maligned remark, and I think my good friend from Minnesota would say there are some pretty good givers in the South other than Republicans, and they are Democrats.

Mr. HUMPHREY. Not so many.

Mr. COOK. They are not nearly enough, I am sure.

I ran my last campaign on a third of the money that the last two candidates, Democrat and Republican, ran on in my State, and I would like to feel this could work. I would like to feel that some day, if we try and we fail, this is what we will do. I do know that we passed a bill last year and we sent it over to the House, and it got nowhere, and I am sure there are those who say the Republicans are trying to do something about it and are against Government financing, but I think even the gentlemen in the news gallery would have to say it is not the Republican leadership position that is stopping the movement of the political campaign bills in the House of Representatives.

So I have just kind of taken the position that I want to send the House as much as I can so I can at least get something. Maybe that is a poor excuse. Maybe that is an easy way out. But I am awfully tired of being, somehow or other, blamed, and when we read an article in the morning paper we read that the Republicans attempt to stall something else. I hate to be grouped together in that way. I stand for what I stand, and we are here on the floor to stand up for the basic concepts and basic principles in which we believe. Somehow or other, I resent those kinds of characterizations that occur.

But I must say to the Senator from Tennessee that I wish he were right. He may very well wind up being right. I think in the meantime, as the process closes and as the process subjects itself to criticism, there are times when we have to look to different answers and at least try.

I have convinced myself that maybe we ought to try. I do not like it too much. I think what I dislike the most is the idea

that we are really building two political parties, as we know them—the Democratic Party and the Republican Party. But nowhere does the Constitution say that there shall be two political parties in the United States. I think that we are saying that a third party will never see the light of day in this country, because the biggest portion of the money will go to the two principal parties, and that those who really wish to seek reform and make a major impact on the country will not be able to do it.

Abraham Lincoln was not a Republican all of his life. It was in 1854 that he joined another group and established the Republican Party. It was a minority party, because he came from the Whig Party. But he decided to change and that he should do something about the basic philosophy in this country. I really cannot see that happening, and it bothers me.

I look to the future. I look to 1976 and to 4 years later, and I see ourselves in this situation. We discussed it the other day. One party will get 40 percent and the other will get 50 percent. That is 90 percent. The other party gets one-ninth of that 90 percent, or 10 percent. That means that if there is $19 million, one party would get $9 million and the other party would get $9 million. That would leave $1 million for the other party.

How can a third party be an effective party in the United States philosophically, to impress its desire and philosophies on the American people, when only $1 million is going to be applied as against the parties with $9 million each at the polls?

This bothers me. It truly bothers me as to how we will freeze in something that the writers of the Constitution never intended us to do. My salvation is that what Congress can do, Congress can undo. If we can find a better way, we will find a better way. However, I do not honestly believe that in looking for a better way, maybe we will have to try this way. Maybe we will have to try to find a more equitable solution for equitable distribution in what we do.

I just cannot see how we can say to the American people that we have made honest givers out of them so that each one will give $100, and only $100, and that no organization can give more.

We have done this so many times that we cannot count them. We have said we have the Corrupt Practices Act saying how much Members of Congress can spend on our campaigns. It has not been done for 40 or 50 years or more. So if this is the route we are to take, I am afraid it will not be long before we do not know what we are to do. What are we to do? Are we to put a person in jail because we gives $50? Reports that have failed to be filed, and nobody is even concerned over doing anything about it.

So maybe we have to make a stark change, as bad as it may sound to me, adn maybe find a way out of this to a better way. Maybe we have to go all the way over the hill before we find a way to get back. That would be a terrible thing. However, every time we make a slight change, we find a way to violate it, knock holes in it, and get around it.

So, Mr. President, I am going to vote against this amendment purely and simply because I think we have to reflect a consideration of the American people. Rightly or wrongly, we have made a remarkable change. Some people may totally dislike it. We may be putting the system in jeopardy. But then it is their system that is changed, and if they do not like it, it will be reflected in this Chamber.

Whether they like this system or not, we are not trying to make a change for our convenience. Certainly, some politicians have cheated. For everyone who made a contribution, somebody cheated.

Mr. President, I am opposing the amendment of the Senator from Tennessee because I think, on reflection, that we have tried, at least, to send to the House of Representatives a change that will be tremendous, but by now we have gotten no action at all. We will get some action, and up to now we have gotten no action at all.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. BAKER. Mr. President, I yield to the Senator from Kansas as much time as I have.

Mr. DOLE. Mr. President, I do not know how much time the Senator has, but I want to propound a question to the Senator from Tennessee.

In the discussion he defined the word "contribution." Is that limited only to money, or is it limited to so-called volunteer services? What is the meaning of "contribution" under the amendment?

Mr. BAKER. The definition of "contribution" in the body of the bill itself is unchanged As I understand the bill, that would include many things of value. It would not include, as I understand the description in the bill, the efforts of volunteer workers. It would include office rent, stationery, and things of that sort. The amendment in no way changes the definition in any section of the bill itself.

Mr. DOLE. Mr. President, a recent article of the Wall Street Journal—which I do not have before me—which speaks about the money spent in Cincinnati, Ohio, and Grand Rapids, Mich., where labor through paid volunteers, was used to work for the candidates and for the telephone banks.

It occurs to the junior Senator from Kansas whether it is a labor organization or one of the organizations mentioned by the Senator from Tennessee, whether or not they are paid volunteers, paid by the associations or paid by COPE or paid by the unions or paid by the milk producers, we are getting into another area that deserves some attention.

As I understand the amendment, I think it is a step in the right direction. This problem may be addressed in another amendment, but, as I understand the amendment, I think it is a step in the right direction.

I do not share the views expressed by my friend the Senator from Kentucky that we ought to do this because nothing else has worked, and that we will not have a first party, let alone a second or a third party. If we adopt such a financing plan, I think that the amendment of the Senator from Tennessee is a big step in the direction not only of disclosure, but also of limiting contributions to an individual. As far as I am concerned, this goes a long way toward cleaning up the process.

I support the amendment of the Senator from Tennessee.

The PRESIDING OFFICER. Who yields time?

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. ERVIN. Mr. President, I am strongly in favor of this amendment. I think it is the right approach. I think it has a twofold virtue. It enables a party's candidates to get sufficient campaign funds if they have sufficient public appeal.

Furthermore, it interests the American citizens in the electroal process voluntarily, and not involuntarily as the bill does. I sincerely believe that this will come nearer to solving this problem than any suggestion that has been made at any time prior to this amendment, and I strongly support it.

Mr. BAKER. Mr. President, I am certain that the Senator from North Carolina has more experience on this problem than any other Member of this body. I appreciate his remarks.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. BROCK. I commend the Senator for this amendment. I have great sympathy with it.

I would like to clarify one point, for the purpose of establishing legislative history, and that is, does the amendment inhibit the right of the Senate or House of Representatives Democratic or Republican campaign committees to support the candidates of their choice?

Mr. BAKER. It is my understanding that the effect of this amendment on the bill as a whole—has to do solely with those who can legally contribute; the amendment would require that only qualified voters be allowed to contribute to those committees. It would not prevent those committees, however, such as the Democratic or Republican congressional committees or campaign committees, from performing their function.

Mr. BROCK. And the committees could support the candidates of their choice?

Mr. BAKER. That is my intention. That is the way I interpret the amendment when read in context with the rest of the bill.

Mr. BROCK. I thank the Senator.

Mr. COOK. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. COOK. If only qualified voters can contribute to that fund, which then, in turn, contributes to a candidate, if that fund is not a qualified voter how can it contribute to a candidate?

Mr. BAKER. Because there is another section of the bill which recognizes campaign committees.

Mr. COOK. In other words, the section the Senator is amending allows not only qualified voters, but campaign committees, to contribute to a candidate?

Mr. BAKER. That is right. The committees which are described in the bill itself, the central campaign committees, for instance, in section 310, and congressional and senatorial campaign committees which are referred to in the bill as well. We do not change that section, therefore we do not change their rationale, their reason for being, or the legitimacy of contributions by them.

Mr. DOLE. I thank the Senator very much, and I appreciate his intent and purpose.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. HUMPHREY. Do I correctly understand, in other words, that the COPE organization of the AFL–CIO, under the amendment, would be able to make a contribution?

Mr. BAKER. No, it would not.

Mr. HUMPHREY. What is wrong with that? It is a committee.

Mr. BAKER. Yes, but neither COPE, the Anti-Defamation League, the U.S. Chamber of Commerce, nor anything of that sort could contribute to one of the committees involved, except the senatorial or House committee of either party or its central campaign committee.

Mr. HUMPHREY. Why not, if the workers want to contribute $2 apiece, let the committee write out a receipt showing that they contribute $2, and put it into a fund? Why cannot someone make a contribution under the limitations of the bill? I do not think they ought to have an unlimited right, but if I understand, under the bill the maximum amount would be $6,000.

Mr. BAKER. That would be $12,000 for a primary and a general election; $6,000 if it is only one.

Mr. HUMPHREY. Yes.

Mr. BAKER. My reason for it, in answer to the question of the distinguished Senator from Minnesota, is that I think the aggregation of money in that way creates an enormous sum of money, in many instances, that has a distortive impact far beyond the importance of the individual committee, whether it is a labor organization, a business association, a cooperative, or COPE.

I think it is perfectly appropriate and much to be desired that the individual worker make his $2 contribution, but he should send that $2 contribution to the central campaign committee of a candidate, or a congressional or senatorial campaign committee, and not under the aegis or auspices of his company, his union, or any other group that itself is not a bona fide member of society.

This strikes at the very reason and rationale for this amendment, I might say to the Senator.

It is my belief that only individuals should contribute, and that special interest groups, whether they are business-oriented, labor-oriented, industry-oriented, geography-oriented, ethnic-oriented, or whatever kind of groups, should not be able to make these huge contributions that they do frequently make.

Mr. HUMPHREY. What about the Democratic or Republican Central Campaign Committees?

Mr. BAKER. They are specifically referred to in another section of the bill, and would continue to function, except that this amendment would preclude the receipt by those committees of contributions except from individuals.

Mr. HUMPHREY. Except from individuals?

Mr. BAKER. Yes.

Mr. HUMPHREY. But it would not prohibit those committees, as such, after they have garnered in the money from individuals, which is exactly basically what they do, from contributing up to the maximum of $6,000; is that right?

Mr. BAKER. It would not prohibt them from functioning as they now function.

The distinction, and the reason for it, is that the party system itself contemplates that the party will contribute to its nomineees and candidates, but that is distinguished from special interest groups, whether it be the milk industry, labor unions, or whatever.

Mr. HUMPHREY. Or the AMA?

Mr. BAKER. Or the ABA, or the Sierra Club. There is a legitimate reason for a party to try to elect its candidates.

Mr. HUMPHREY. The Senator does not call the Democratic National Committee a party as such, does he?

Mr. BAKER. Yes; there are two, one Democratic and one Republican.

Mr. HUMPHREY. Well, it is not a party, it is a national committee.

Mr. BAKER. I think that the party system in the United States is a blessing in many respects, and one of its great blessings is that it is so loosely knit that it is not inflexible, but it is strong enough and identifiable enough so that we know, for instance, that the Democratic National Committee, the Democratic Central Campaign Committee and the Democratic Congressional Committees are in fact a part of the Democratic Party.

No one doubts that. I think they add strenth to the party system, and I have a great deal of respect for the two-party system, and believe this amendment will strengthen it rather than diminish it.

Mr. HUMPHREY. Just to get the record clear, then, once again, this amendment would eliminate, for example, any campaign funds from, let us say, the political action committee of the American Medical Association?

Mr. BAKER. That is correct.

Mr. HUMPHREY. Or the Chamber of Commerce?

Mr. BAKER. That is correct.

Mr. HUMPHREY. Or the insurance industry?

Mr. BAKER. Yes.

Mr. HUMPHREY. Or the labor movement?

Mr. BAKER. That is correct.

Mr. HUMPHREY. Or all the dairy cooperatives?

Mr. BAKER. Yes.

Mr. HUMPHREY. Or the Friends of the Wilderness?

Mr. BAKER. That is correct.

Mr. HUMPHREY. Or you name it; in other words, if they went out and solicited their membership for voluntary contributions, and they were truly voluntary contributions, they would still not be eligible under this particular amendment?

Mr. BAKER. This is absolutely correct.

Mr. President, I yield back the remainder of my time, if the chairman is prepared to yield back his.

Mr. CANNON. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HELMS). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Tennessee. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Illinois (Mr. PERCY), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

The result was announced—yeas 36, nays 53, as follows:

[No. 113 Leg.]

YEAS—36

Allen	Domenici	McClure
Baker	Dominick	Montoya
Bartlett	Ervin	Nunn
Beall	Fannin	Packwood
Bellmon	Fong	Pearson
Bennett	Goldwater	Randolph
Brock	Griffin	Roth
Byrd, Harry F., Jr.	Gurney	Taft
Chiles	Hansen	Thurmond
Cotton	Helms	Tower
Curtis	Hollings	Weicker
Dole	Hruska	
	McClellan	

NAYS—53

Abourezk	Haskell	Muskie
Bayh	Hatfield	Nelson
Bentsen	Hathaway	Pastore
Bible	Humphrey	Pell
Biden	Inouye	Proxmire
Brooke	Jackson	Ribicoff
Burdick	Javits	Schweiker
Byrd, Robert C.	Johnston	Scott, Hugh
Cannon	Long	Sparkman
Case	Magnuson	Stafford
Church	Mansfield	Stennis
Clark	Mathias	Stevens
Cook	McGee	Stevenson
Cranston	McGovern	Symington
Eagleton	McIntyre	Talmadge
Eastland	Metcalf	Tunney
Hart	Mondale	Williams
Hartke	Moss	

NOT VOTING—11

Aiken	Huddleston	Percy
Buckley	Hughes	Scott, William L.
Fulbright	Kennedy	Young
Gravel	Metzenbaum	

So Mr. BAKER's amendment (No. 1126) was rejected.

THE INCOME TAX MATTER OF THE PRESIDENT

Mr. CURTIS. Mr. President, this morning I made a statement before the Joint Committee on Internal Revenue Taxa-

tion which outlines my position in reference to the income tax matter of the President of the United States, which had been referred to the Joint Committee on Internal Revenue Taxation. I ask unanimous consent that the statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR CARL T. CURTIS BEFORE THE JOINT COMMITTEE ON INTERNAL REVENUE TAXATION, APRIL 3, 1974

Mr. Chairman, as you are aware, I have devoted a substantial amount of time to careful line-by-line study of the draft of the Staff's report on the gift of pre-presidential papers and the brief which Messrs. Rose and Gemmill submitted on behalf of the President, which I received last Saturday.

Let me say at the outset that to me it is clear that the Staff has made an exhaustive examination into the facts surrounding the controversy over the propriety of the income tax deductions claimed with respect to the papers. This task assigned to the staff was an onerous and extremely difficult assignment, in the performance of which the staff clearly has devoted an enormous amount of time and effort. I have always had a high regard for this staff. I therefore trust that neither you, my colleagues, nor the members of the staff will in any way view my comments as a criticism of the staff.

Having said that, however, I do have a few observations that I think must be made if we are to carry out our task to fairly and impartially seek the truth.

When we agreed to undertake a review of this question, I believed, and I think others did as well, that, by careful investigation, we could arrive at an agreement as to what the true facts were and then proceed to apply to those facts sound legal principles. It is now apparent to me that this is impossible. The facts are in dispute and competent lawyers are in apparent disagreement as to the proper legal principles.

Let us look at the factual disputes first. As I reviewed the staff's report, certain items of testimony literally cried out for cross-examination under oath. For example, questions have been raised about Mr. Erlichman's recollection of the President's statements of donative intent. For further example, take the testimony of Mr. Newman, the appraiser. He has modified his earlier statements of the facts. Was his subsequent recollection in fact more accurate than his original one, or was it the other way around? We don't know and we can't know absent his testimony under oath, and subject to the rigors of cross-examination. Similarly, there seems to be a question as to the understanding under which the GSA and the National Archives accepted possession of the President's papers on March 26 and 27, 1969. Some of the evidence indicates that the papers were received on those dates "for gift purposes." The staff has apparently gained the impression that the papers were perhaps received only for custodial purposes. Again, we cannot simply pick one version over another. The need for sworn testimony with full opportunity for cross-examination is clear.

There is another facet of the factual problem which troubles me. The staff's report calls into question whether the President intended to make a gift of some $500,000 worth of papers or whether he merely intended a gift which would give him the maximum tax benefit for 1969. Do we know that we have all of the facts on the critical question of donative intent? I respectfully suggest that we may not have in the staff report which was delivered to me last Saturday all of the information on this and other questions of fact. For instance, there is no mention of the letter from Mr. James E. O'Neill, Acting Archivist, to former Senator John Williams of Delaware dated December 7, 1973, which states that President Nixon's gift of papers was made on March 27, 1969. For further example, I found no reference to the Foundation which the President was reported to have formed in the forepart of 1969 which, I assume, was to be a Presidential Library such as Presidents Johnson, Eisenhower and Truman created. This might have a bearing on the issue of donative intent.

What all this means to me is that there are legitimate factual disputes and that we have no proper way to resolve them. Let me explain. It apepars that the staff's report was based on interviews not under oath and at which the President's representatives were not present and thus had no opportunity for cross-examination. In my view, therefore, all we have accomplished with certainty so far is to establish that there are fundamental disputes as to the facts. The resolution of such factual controversies, particularly where the facts have legal significance as they do here, has, in our legal system, long been a function of the judiciary. This is proper. The courts are equipped to receive testimony under oath and to subject that testimony to cross-examination. Equally important, in resolving factual disputes the courts permit only that testimony which is competent and material to be admitted in evidence. For example, testimony which is hearsay and that which is unfounded opinion is disregarded because history has taught us that such testimony may be entirely wrong.

We are legislators and our procedures are not equipped to gather evidence under such standards. In short, as to the facts, a judicial approach, and nothing less, is required. We are not the persons to do so.

I also now appear that, even if we had an agreed statement of facts, which we do not have, we could not simply apply well-established principles of law to those facts as we originally thought we could do. This is because it now has become apparent there are honest differences of opinion as to what the law requires.

Let me illustrate. The staff's report states that a deed was required to effect the 1969 gift of papers because there were restrictions on their use. The President's counsel disagreed. They say that there was no need for a deed since it should have been assumed that the restrictions attached to the 1968 gift were equally applicable to the 1969 gift. As a matter of common sense, this is persuasive to me. Moreover, if I recall the principles of the law of gifts correctly, a deed is not an essential element of a gift of personal property. Additionally, the Presidential Libraries Act suggests a strong public policy in favor of gifts of papers. The President's counsel make much of this fact. It seems to me that some of their points are well-taken. Yet, it seems to me that the staff may disagree. I could go on, but these two examples illustrate to me that the legal principles are not as clear-cut as we had supposed they would be.

Since there are both fundamental factual disputes and disagreements over legal principles, what course of action should we take? In my view, there is only one proper course. We should let the matter be decided in a proper judicial forum. In fairness to the public, to the President, and to the truth, I see no other alternative. If the facts were undisputed and complete, and they are neither, perhaps we might make a judgment. But, at present, we have no basis for such a judgment.

I therefore propose that we let the IRS make its assessment and, if the President disagrees with the assessment, he, like any other taxpayer, may have his recourse to the courts. The Staff's exhaustive report may be forwarded to the IRS. If a majority of the Committee so desires, it may be made public together with an explanation of why, contrary to our original expectation, we could not properly reach a definitive conclusion.

If we cannot at this time agree on a decision to follow the course which I have outlined in the above paragraph, we should take ample time to study the Staff report and meet at a later date to determine our course of action.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. CANNON. Mr. President, I move to reconsider the vote taken on amendment No. 1102, for a technical correction.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to.

Mr. CANNON. Mr. President, that amendment appeared to remove the calendar limit on the $25,000 which an individual may contribute to all candidates and committees, as applied to Senate and House campaign committees. The colloquy showed that that was not the intent.

We have discussed the matter with the Parliamentarian and the legal counsel in order to get the correct wording; and I therefore move to amend that amendment as follows: On line 7, after the word "to" insert the following: "contributions made by".

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 1, line 7, after the word "to" insert "contributions made by".

Mr. CANNON. Mr. President, I say to my colleagues that all this does is to make absolutely clear that this does not remove the $25,000 overall contribution limit that we had written in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 1075

Mr. BAKER. Mr. President, I call up my amendment No. 1075.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 35, line 14, strike out "tenth" and insert in lieu thereof "fifth".

On page 36, line 9, after "other than", insert the following: "the fifth day preceding an election and".

On page 36, line 15, after "filed on" insert the following: "the fifth day preceding an election or".

On page 63, beginning with line 11, strike out through line 5 on page 64.

On page 64, line 7, strike out "318." and insert in lieu thereof "317.".

On page 64, line 14, strike out "319." and insert in lieu thereof "318.".

On page 75, line 19, strike out "(a)" and insert in lieu thereof "(a)(1)".

On page 75, between lines 23 and 24, insert the following:

"(2) No person may make a contribution to, or for the benefit of, a candidate for that candidate's campaign for nomination for election, or election, during the period which begins on the tenth day preceding the day of that election and which ends on the day of that election.".

On page 76, between lines 2 and 3, insert the following:

"(2) No candidate may knowingly accept a contribution for his campaign for nomination for election, or election, during the period which begins on the tenth day preceding the day of that election and which ends on the day of that election.".

On page 76, line 3, strike out "(2)" and insert in lieu thereof "(3)".

On page 76, line 6, strike out "paragraph (1)." and insert in lieu thereof "paragraph (1) or (2).".

On page 77, between lines 5 and 6, insert the following:

"(e) No candidate, or person who accepts contributions for the benefit or use of that candidate, may accept a contribution which, when added to all other contributions accepted by that candidate or person, is in excess of the amount which is reasonably necessary to defray the expenditures of that candidate.".

On page 77, line 6, strike out "(e)" and insert in lieu thereof "(f)".

Mr. BAKER. Mr. President, it is my intention, if it is agreeable to the managers of this bill and the leadership, now that the amendment has been laid before the Senate, to reserve until tomorrow the debate on the amendment and the vote. It is 5:20 p.m., and if the leadership or the managers of the bill wish, I will be happy to proceed; but it appears now more appropriate to make this the pending business after the cloture vote tomorrow.

Mr. MANSFIELD. The Senator will be doing us a favor if he does that. I wish he would.

Mr. ROBERT C. BYRD. Regardless of the outcome of the cloture vote.

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Does that require a unanimous-consent agreement? If it does, I so propound that request.

The PRESIDING OFFICER. It does not require unanimous consent.

Mr. BAKER. I thank the Chair.

Under those circumstances, I reserve my time until the appropriate point during the proceedings on tomorrow.

AMENDMENT OF DISTRICT OF COLUMBIA REVENUE ACT OF 1974—CONFERENCE REPORT

Mr. EAGLETON. Mr. President, I submit a report of the committee of conference on H.R. 6186, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. PELL). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (H.R. 6186) to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of March 27, 1974, at p. H2271.)

Mr. EAGLETON. Mr. President, this conference has been cleared with both sides.

I rise in support of the conference report on H.R. 6186. This legislation must be viewed in the context of the Home Rule Act. The need for this legislation arose when the Civil Service Commission rendered an opinion indicating that the current appointed Mayor-Commissioner, Chairman, and members of the City Council of the District of Columbia would have to resign their offices in order to seek one of the elective offices created under the Home Rule Act. The legislation has a twofold purpose. First, it prevents a possible hiatus in governance in the District of Columbia by allowing the current appointed officials to run for elective office without resigning. Second, the legislation is intended to actively promote the widest possible participation in the first elections held under the Home Rule Act.

This legislation provides that persons employed by the U.S. Government or by the government of the District of Columbia shall be permitted to be candidates in the first elections for the offices of Mayor, Chairman, or member of the Council. Without this legislation, the Hatch Act, which prohibits Federal and District employees from taking an active part in political management or political campaigns, would have prevented such persons from being candidates. The legislation provides that an individual who works for the U.S. Government or the government of the District of Columbia who becomes a candidate may take an active part in political management or political campaigns in the elections for the office of Mayor, Chairman, and member of the Council. The exemptions apply only to candidates.

The exemptions are very limited and are intended to allow Federal and District employees to be candidates for these offices without resigning their employment. It is important to stress that participation in political management and political campaigns will still be prohibited by persons who do not qualify as bona fide candidates. It is also important to stress that all of the other provisions of the Hatch Act will continue to apply to both candidates and noncandidates.

The conference report limits the duration of the candidacy so as to insure as far as possible that only bona fide candidates will qualify for and continue to operate under the exemption. Candidacy is specifically defined as the period of time from which the candidate secures a nominating petition until: First, the day following the day he does not qualify to be a candidate by failing to secure the appropriate number of signatures; second, 30 days after he loses in the primary election; third, 30 days after he loses in the general election; or fourth, if elected, on the day he takes office.

The exemptions contained in the conference report applying to Federal and District employees will take effect on the day the residents in the District ratify the charter, May 7, 1974. These provisions will terminate, however, on January 2, 1975. This will insure that the exemptions will be available for only Federal or District employees who intend to run for office in the first elections held under the Home Rule Act.

In order to have the fullest assessment of the impact of this legislation, it is the sense of the managers of the conference that the U.S. Civil Service Commission should review the administration and operation of this legislation to determine its effect on elections in the District of Columbia and to report to the Congress on its findings and recommendations.

The conference report also adopts language which would exempt the offices of Mayor, Chairman, and member of the Council as established under the self-government legislation from the prohibitions against active participation in political management and political campaigns contained in the Hatch Act. The intent of this provision is to put these elected officials in the same position as elected State and local officials nationwide, and thereby allow them to be politically active.

In order to specifically deal with the possible hiatus in governance in the District of Columbia, the Commissioner of the District of Columbia and the members of the District of Columbia Council, including the Chairman and Vice Chairman, are exempted from the provisions of the Hatch Act prohibiting participation in political management and political campaigns for the first election. The operative effect of this section will be that the current appointed Mayor-Commissioner and City Council members would not have to resign their positions in order to run for elective office under the Home Rule Act.

This legislation is very limited in what it does do and intentionally so. Allow me to indicate specifically what the legislation does not do. The legislation does not exempt anyone from any provisions of the Hatch Act except that section which prohibits active participation in political management or political campaigns. The limitations on political contributions and services, political use of authority or influence, and influencing elections still stand.

SENATE
FLOOR DEBATES
ON
S.3044
APRIL 4, 1974

ernment in Britain holds a majority of unprecedented small proportions. Chancellor Brandt is said to be facing serious political difficulty within his own party which places added pressure on his coalition government. The Italians are continuing to have many of the same problems they have been experiencing over the years and with the death of Georges Pompidou, there is new political uncertainty in France as the election process begins.

The clear lack of political stability in Europe, combined with the uncertain economic climate on both sides of the Atlantic, makes the coming months a particularly inauspicious time to embark on unilateral troop reductions. Some European experts of the political process see the very likely possibility that an American unilateral troop reduction would greatly "radicalize" European politics. Whether this is the case, it is clear that the political implications of an abrupt American move would add new and troubling uncertainties to the European political scene at a time of existing economic and political difficulties.

If a unilateral American troop withdrawal would cause increased political uncertainty, it would surely heighten nationalistic sentiment in Western Europe. I have little doubt that greater European nationalism could, in turn, trigger an increase in economic protectionism in the United States. Ultimately, the alliance would suffer from such a deterioration of economic and political relations. It is important to realize that security is not to be found in military power alone. It is also to be found in economic and political cooperation in a context of greater consultation.

Almost every member of our alliance at one time or another has complained because its allies were not giving it material or moral support in some area outside of the geographical limitations described as the treaty area. This is another fundamental issue which must be faced and discussed openly.

The Dutch had their complaints about the U.S. attitude toward the former East Indies. The Belgians have often believed that the United States somehow promoted the loss of the Congo. Above all, the French have complained bitterly about inadequate U.S. support in Southeast Asia and virtually nonexistent support with respect to North Africa. The United States for its part turned right around and complained about the lack of enthusiasm of its alliance partners for the struggle in Southeast Asia when we took it over from the French. There is a certain irony and a certain justice involved in that proposition.

Most recently and most importantly, the United States and its Western European Allies have had a very real difference of opinion over developments in the Middle East. This is a matter of profound regret to me personally because of my deep interest in a Middle East settlement. I have been disappointed that the weight of the Atlantic Alliance has not been placed in the scales alongside us in helping to bring about such a settlement.

At the same time, I can intellectually, if not emotionally, appreciate a number of the arguments made by our European friends about their desire for noninvolvement. Considering the more fortunate position of the United States with respect to energy, and the dominant role played by American companies in the oil business, I can even understand why Western Europeans should have parted company with us to some degree in their rather frantic efforts to deal with the energy crisis. The fact is they had some reason to feel frantic because of their higher collective rate of inflation, their far greater exposure to Arab blackmailing efforts, and their already enormously high cost for energy. I can only hope and express the belief that we have been making substantial progress in remedying the breach caused within the alliance by these very important disagreements. I am not just being an instinctive optimist in expressing the view that we will overcome any such problems; as we have overcome others in the past.

But I must state that on almost every occasion one NATO member or another has been disappointed by the behavior of other allies when efforts are made to transfer the moral and political authority of the alliance outside of the European context. Despite these understandable differences, the NATO alliance remains strong and durable.

During the past few weeks both Americans and Europeans have spoken more bluntly and frankly about European-American relations both within and outside of the NATO alliance than at any other time in the postwar period. I have expressed my dissatisfaction with the remarks made by President Nixon and others which seemed to threaten our allies and demand certain behavior from them in order to insure our participation in their defense.

I want to restate my strong belief that these tactics do not strengthen a military alliance and surely do little to encourage greater economic and political cooperation across the Atlantic. If the American presence in Europe is indeed a key element in our national security, then using this fact as a bargaining chip in economic and political negotiations among allies does little to convince Europeans of our desire to see the defense of Europe and the United States as one and the same. It is an unfortunate way of behaving when time and time again we have heard that our commitment to Europe is nonnegotiable.

It is clear that we must search for a way to increase the consultation procedures both in and outside of the alliance. Both the United States and its NATO allies have been guilty of failing to consult one another. Without the development of formalized consultation procedures, I fear that we will be continually faced with recurring crises as a result of precipitous action taken without consultation. The tendency for action without consultation to occur in the economic and political context is much greater than in the military context. But it is impossible to contain the resulting ill feelings and hostility among allies solely in the original area in which the crisis occurred. There is, of course, spillover which damages the entire range of European-American relations.

These are only some of the complicated areas we must deal with on a daily basis in order to maintain and improve our alliance relationships.

In conclusion, Mr. President, I believe we must continue to deal with the Soviet Union and the countries of Eastern Europe in ways approaching normal relationships as closely as possible, while simultaneously remembering that we cannot help but express and act in consonance with our opposition of the totalitarian rule of societies to the East. We are going to have to deal more vigorously with the question of creating a more coherent policy governing the use of nuclear weapons, in all their varieties and in all their menace. The critically important SALT talks must be fostered and assisted to the best of our abilities, as well as the current MBFR negotiations.

These are all great and challenging tasks. And the road ahead assuredly cannot be regarded as a smooth one. On both sides of the Atlantic we face serious economic and political dislocations which only serve to exacerbate tensions within a military alliance. But I am confident that both Europeans and Americans will be able to work together to assure their mutual security as they have done over the last quarter of a century. NATO continues to be the shield of our defense, and a vital force for peace and cooperation.

THE PRESIDENT'S TAXES

Mr. LONG. Mr. President, the Joint Committee on Internal Revenue Taxation has reviewed its staff report on the President's taxes for the years 1969 through 1972. While we have not completely analyzed all of the technical aspects of the report, the members agree with the substance of most of the recommendations made by the staff. Because of the President's decision to pay the deficiencies and interest for 1969 through 1972, as asserted by the Internal Revenue Service, whose determinations closely approximate the recommendations of the committee's staff, the Joint Committee on Internal Revenue Taxation has decided to conclude its examination of the President's returns. The committee commends the President for his prompt decision to make these tax payments.

The above statement was agreed to by all of the members of the joint committee present except the Senator from Nebraska (Mr. CURTIS).

Senator CURTIS expressed the view that he concurred in the motion to conclude the examination but dissented from the concurrence with the staff report.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 11 a.m. having arrived, the Senate will now resume the consideration of the unfinished business, S. 3044, which the clerk will state.

The legislative clerk read as follows:

S. 3044. To amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election

campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The Senate resumed the consideration of the bill.

The ACTING PRESIDENT pro tempore. Time for debate between 11 a.m. and 12 o'clock noon will be equally divided and controlled by the distinguished Senator from Nevada (Mr. CANNON) and the distinguished Senator from Alabama (Mr. ALLEN).

Who yields time?

Mr. ALLEN. Mr. President, I yield myself 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Alabama is recognized for 5 minutes.

Mr. ALLEN. Mr. President, the question now before the Senate is whether debate on this great and fundamental issue shall be brought to a close and the bill in its present shape, with little likelihood of amendments, will be rammed through the Senate. A vote in the negative—a vote against cloture—would allow the bill to remain before the Senate in order that amendments not now at the desk may be presented and considered by the Senate and acted on. Hopefully, one such amendment would be to remove the public financing feature from the bill and retain the other features, the features providing for limiting contributions to $3,000. That is too high. Hopefully, that will be reduced.

On yesterday, the Senator from Alabama sought to get that reduced to $250 in Presidential races and $100 in congressional races. But that amendment was voted down.

Mr. President, the pending bill in its public financing aspects is not campaign reform.

What atrocities have been committed in the name of liberty. What atrocities have been committed in the name of campaign reform. Turning a bill for political campaigns over to the taxpayer is not reform.

That is what this bill provides, for greatly accelerating the costs of many races, and providing subsidies for candidates for the nomination for the Presidency up to $7.5 million for each of the multitude of candidates.

You can rest assured, Mr. President, that there will be a multitude running, with the Government paying up to $7.5 million per candidate.

With the Government paying the bill, it will draw our Government farther away from the people. The Government is already too far away from the people. But, as the taxpayers are required to pay the costs of Federal elections, there will be less consideration on the part of the incumbents in Federal offices for the people they represent. They will be less in touch with them. They will be farther removed from them. They will be less responsive to the wishes of the people.

If the public treasury is financing their campaign, there will not be the voluntary participation on the part of the electorate, on the part of individual citizens, because they are coerced into contributing, by the provisions of this bill, requiring the Treasury to pick up the tab. That will create apathy and less interest in political campaigns. Also, Mr. President, with the Treasury paying the bill and the taxpayers—that is a synonym for the Treasury—with the taxpayers paying the bill, this of necessity would require the taxpayer as part of the Treasury, whose funds go to make up the Treasury, to support candidates with whose views and philosophy he disagrees.

Now, what reform is there in that? What reform is it to pay, for example, in the State of California, over $2 million to each of the senatorial candidates in the general elections to enable them to carry on their campaigns, after having contributed up to $"00,000 for each candidate in the primary?

A U.S. Senator from the State of California—and I notice both the California Senators are supporting this, and I use California obviously because it is a State with the largest population—but under this bill, if we do not have an opportunity to amend it, and I do have amendments that would cut these amounts down, but as the bill now stands, the public treasury would turn over to each of the candidates for the office of a U.S. Senator in California, each of the candidates of the two major parties, at the start of their campaigns, a check for $2,121,000.

When I talk about the evils of big contributions—and the Senator from Alabama has been trying to get them reduced, but the advocates of public financing do not want them reduced, they want it to be $3,000—I call that a big contribution myself—I would like to see it reduced to $250—what reform is there in financing half of the campaign of all the candidates in California, or any other State in the Union, and then paying a subsidy running up to over $2 million in the State of California for the senatorial campaign?

As I pointed out here on the floor, a U.S. Senator's compensation over a 6-year period would run about $250,000—about a quarter of a million dollars in 6 years; yet the Government, to enable the senatorial candidate under this bill—and I have tried to knock out House and Senate coverage in the bill, but Members of the Senate apparently want their campaigns financed by the taxpayers—and that is what this bill says—it provides that Senators and House Members will have their campaign in the general election financed 100 percent by the taxpayers.

Is that reform, Mr. President?

Reform comes from cutting down the overall amount of expenditures and contributions, with full disclosure of all the contributions and expenditures, and then cutting down on the amount of the individual contributors.

Now, Mr. President, on July 30 of last year the Senate passed a good reform measure, S. 372, and sent it over to the House. It did not have any public financing whatsoever in the bill. As a matter of fact, an amendment to put public financing in was rejected by the Senate by a substantial vote. We have not even waited on the House to act on that bill before changing the entire theory of our legislation.

I believe we are acting too hurriedly in this matter, Mr. President. I believe we need to consider this further, rather than to adopt a gag rule that will prevent the submission of any other amendments not now at the desk. There is no amendment at the desk that would try again to knock the public financing feature out of this bill; and if cloture is adopted, no such amendment can be offered.

I am hopeful that the Senate will not cut off debate and go ahead and ram this bill through, because the solution of the problems arising from political campaigns and the financing of political campaigns lies in true reform, not merely in public subsidy.

The issue presented here, as the Senator from Alabama sees it, is whether by extending the debate we might end up with a true reform measure, or whether we are going to settle for a solution of handing the bill to the taxpayer. Handing the bill to the taxpayer would require an "aye" vote on the cloture motion. Holding out for further consideration and possible true reform would call for a "no" vote on cloture. That is the issue here, as the Senator from Alabama sees it.

The issue is whether we are going to pass a measure, a so-called reform, which in actuality is for a Federal subsidy. We already have Federal subsidy to a great extent—Federal subsidy in every field one can think of, for that matter—and we are now getting around to subsidizing the politicians directly. There has been a great deal of talk about subsidizing them indirectly. This would subsidize them directly.

Mr. President, earlier this year, the Senate rejected an effort to increase the compensation of the Members of the House and the Senate by $2,500. The Senator from Alabama voted against that effort. How can we consistently say that we are not going to pay the House and the Senate Members $2,500 more in salary, but that we are going to make it possible for them to reach into the Federal till and pull out up to $2.1 million in the State of California, on the part of Senators, and lesser amounts on down? I am not saying it is that amount in all States. It is going to enable the candidates for the Presidency—and there are approximately 10 of them in the Senate—to reach into the public till and pull out up to $7.5 million each. Is that reform? I submit that it is not.

If the public is unwilling to compensate the Members of the House and the Senate by an additional $2,500, once the media is willing to make this issue known, do you think they are going to look kindly on a bill that provides up to the neighborhood of a half billion dollars every 4 years for the politicians of this country, those who are in the House and the Senate, or want to be in the House and the Senate, and those who want the Presidency? I do not believe that the people of this Nation will do so, if this issue is properly presented, not presented as a reform measure. It is reform, all right, in the sense that it reforms. It reforms the law; it reshapes the law; but it is not reform. Yes, it changes the law by taking it out of the private sector and reforming the law to make the Public Treasury pay for it.

If the public ever finds out the true

issues involved here, they are not going to look kindly on this effort to saddle the taxpayers of this land with the campaign expenses of all the politicians in the country who aspire to serve in the House and the Senate or in the Presidency.

Mr. President, I reserve the remainder of my time, and I yield 5 minutes to the distinguished Senator from Michigan (Mr. GRIFFIN).

Mr. GRIFFIN. Mr. President, I shall cast my vote today against the cloture motion, although I realize full well that my position may be misunderstood. It is likely, I fear, that the public will be misled into the belief that campaign reform is being filibustered to death in the U.S. Senate.

Tragically, in my view, the American people will find it difficult to get the facts. Three of the four titles left in this bill can be described as genuine campaign finance reform. But unfortunately, title I, which would establish public financing of campaigns—financing directly out of the Public Treasury—does not contribute reform at all. It represents, instead, a raid on the Treasury and a huge escalation of the levels of campaign spending.

However, aside from the merits of public financing—there is also an important procedural question: whether it is appropriate at this point to cut off debate, particularly in light of the fact that there are some 86 proposed amendments pending at the desk which have not yet been considered.

Needless to say, this subject is not only controversial, but it is very complex. It is not surprising that many Senators have many ideas concerning amendments that should be adopted.

Now that the Senate has turned its attention to the subject of campaign reform, it seems to me that we should take the time necessary to fully and adequately consider all the proposals and options. If cloture were invoked, there would be no way that the Senate could give that kind of consideration to the 86 amendments still pending.

Aside from the merits, then, it seems to me that even those who may favor public financing should vote against cloture today. That would be a vote for orderly and careful deliberation of a most important and complex subject.

Returning to the merits of title I, taxpayer financing, I find it interesting—although I have not read this in the news report—that five out of the seven Senators who serve on Watergate Investigating Committee have registered opposition to public financing. The members of that committee have uncovered and exposed the abuses we are supposed to be seeking to correct. The Watergate Committee has been charged with the responsibility, not only of investigating but also of recommending needed reforms to correct the abuses.

Senate attention should be taken, by the Senate as well as the press, of that fact that a substantial majority of the committee best qualified to pass judgment does not view public financing as reform.

I wonder how many people know that. The Senator from Tennessee (Mr. BAKER), for example, has an amendment which will be considered later. It is my understanding that his amendment which would strike from the bill the title I public financing provisions and insert in lieu thereof a more liberal income tax allowance for individual contributions.

The ACTING PRESIDENT pro tempore. The Senator's 5 minutes have expired.

Mr. ALLEN. Mr. President, I yield the Senator an additional 2 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Michigan may proceed.

Mr. GRIFFIN. Mr. President, the amendment to be proposed by the Senator from Tennessee (Mr. BAKER), is a very meritorious and important amendment, in my opinion. It can be said that to give tax recognition to an individual contribution is a form of public financing—and that is so. To that extent, the Government is being denied an amount of tax that otherwise would be paid into the Treasury. But there is a very important difference between this approach and the approach of title I in the bill.

The ACTING PRESIDENT pro tempore. The Senator's 2 minutes have expired.

Mr. ALLEN. Mr. President, I yield the Senator 2 additional minutes.

Mr. GRIFFIN. Under the Baker amendment, the individual citizen retains the important right of contributing to and supporting the candidates of his choice.

As I have pointed out before, one of the most serious defects in title I, as it appears in the bill, is that, instead of holding campaign spending in check or reducing the level of campaign spending, it would greatly escalate the levels of campaign spending. And, of course, the additional dollars to be spent would come out of the Treasury—which means that they would be taken involuntarily out of the pockets of the taxpayers.

As I have said before, looking at races for the House of Representatives alone, if title I should become law, the level of campaign spending for House races would increase from $39 million—which was the total for 1972 according to records on file with the clerk of the House—to a total of over $100 million, according to an official estimate by the General Accounting Office.

If the taxpayers of America ever become fully informed taxpayers on this point, and if they regard that as campaign reform, I will be a "monkey's uncle." I urge the Senate to vote today against the cloture motion.

Mr. CANNON. Mr. President, I yield myself 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, I was delighted to hear the distinguished Senator from Michigan say that he supported the other provisions of the bill except for title I, and thought that was, indeed, campaign reform. That is exactly what we were attempting to achieve in the Committee on Rules and Administration. I may say, to respond to his statement concerning title I on public financing, that the Committee on Rules and Administration was charged with that responsibility by the Senate last fall, wherein we were to attempt to report to the Senate a bill on public financing within 30 days after the new session commenced.

This bill is the result of that charge which the Senate gave to us by a vote of Senators. The Senator has spoken at some length against title I, and said that he is opposed to the concept of public financing. The Senate already has voted on this issue and said, in effect, they want some form of public financing.

I do not know whether this is the correct formula for public financing, but it is quite clear that the majority of the Senate wants some form of public financing, not as a raid on the Treasury of the United States, but in an attempt to cure a greater evil, that of tremendously large contributions from private sources to individual campaigns, and to eliminate so far as possible the danger of undue influence as a result of those large contributions to particular candidates, or to particular committees for the candidates.

Now, we could argue a lot about the formula. The distinguished Sentor from Michigan said the amount for Members of the House is too big. It may well be that it is too big. There is no magic in the figure of $90,000 maximum. We arrived at that because it was a figure we had used in S. 372 last year. But basically, I, for one, felt, and I think the remainder of the committee members felt, this is a matter that the House should determine. So let the bill go over to the House, and whatever figure they decide is reasonable for Members of the House we can go along with, but we did try to arrive at a formula that would determine the races for President and Vice President and would determine senatorial races.

I am not wedded to the figures there. When we use the figure 10 cents per voting age population in the primary, that may not be the correct figure. Perhaps 8 cents is more correct, with a maximum and a minimum floor to cover small States and small districts. I do not know whether 15 cents per voting age population is the correct formula or not on the general election. But I say the way to decide that is not to try to kill the bill. The way to decide that is to try to offer amendments to this particular bill to change the formula if one does not like that particular formula.

Last year the Senate voted 58 to 34 for some form of public financing of presidential primaries and general elections and congressional general elections only. In this bill we went further than that. We made one-half matching in the primary election if the person reached the threshold amount, so we would attempt to discourage persons who were not really serious candidates and who had no widespread appeal. We did include the primary elections based on that matching amount in this bill.

So, Mr. President, I find myself in a rather unusual position this morning. I am a person who has traditionally opposed cloture in the Congress, because

I felt these matters should be debated at length. On the other hand, as floor manager of the bill here, I would like to get at the issue. I have not voted for cloture many times in the period I have been in the Congress. While I did not join in signing the cloture motion, I do intend to vote for cloture in this instance, in the hope that we can go through the other amendments, that we can adopt amendments that may vary the formula we have adopted, may change some particulars of the bill itself, but mainly so that we can carry out what has now been determined on at least two occasions by the Senate—that we do want some form of public financing bill, and that we can get it to the House so they can work their will on it.

Mr. President, I suggest the absence of a quorum.

Mr. ALLEN. Mr. President, on whose time?

Mr. CANNON. On my time.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I yield 4 minutes to the Senator from California (Mr. CRANSTON).

Mr. CRANSTON. Mr. President, I thank the Senator from Nevada very much for yielding, and I also thank him for the very effective work he has been doing in handling this measure on the floor.

I want to say to the Senator from Alabama that I am delighted he is on the floor, because I wanted to cover one point while he was present, since he has been mentioning one aspect of the bill as it relates to the State of California from time to time.

As I listened to his remarks a couple of days ago, I found myself in some agreement with him in his references to the amount of funding which would be available to a candidate from California under this bill.

This aspect of public financing of election campaigns has given me real concern. I am troubled by the amount of Federal funding which would be available to me personally as a candidate for the U.S. Senate in the Nation's most populous State, although, obviously, there is almost no chance that a public financing proposal might be enacted in time to affect this year's election.

So, as far as I am concerned, if I am reelected, we are looking ahead to the 1980 election.

Mr. CANNON. Mr. President, will the Senator yield on that precise point?

Mr. CRANSTON I yield.

Mr. CANNON. One of the amendments we have already adopted now is to completely eliminate the 1974 election, so if the bill is passed with that amendment in it, it would preclude the Senator himself from being involved in it in any way.

Mr. CRANSTON. I thank the Senator very much. So, whether or not I will ever be affected by it depends on what will happen in this year's election.

My first reaction—and this was when I developed a similar bill affecting California campaigns as well as the rest of the Nation—was that I should propose a ceiling lower than 15 cents per eligible voter in Senate and Presidential races in such large States as California and New York—so that my proposal would not appear to be self-serving, monetarily, and also to reduce the total cost of public financing.

My second reaction was that such a ceiling in itself could be self-serving, since it might deny a potential opponent adequate funds to overcome whatever built-in advantage I have as an incumbent.

On Monday, I had the opportunity to vote with the distinguished Senator from New York (Mr. BUCKLEY) on his amendment to reduce by 30 percent the amount of money available to an incumbent. I supported that amendment, because I believe that incumbents do have a substantial advantage in their efforts for reelection.

A number of Senators in the course of this debate have commented on the inconsistency between recent polls showing that though Congress is held in extremely low esteem, a number of individual incumbents are running stronger in polls taken on their own races, and the majority of incumbents are expected to win reelection.

Possibly fewer incumbents will be reelected this year, but a majority will be reelected—that is normal insofar as incumbents seeking reelection is concerned.

This inconsistency, it seems to me, illustrates the enormous advantage to holding public office, which enables an incumbent to overcome this public doubt about the legislative body in which he serves. Clearly, it is reasonable to allow nonincumbents more campaign funds in order to try to equalize the imbalance in the present system.

Even though that amendment was defeated, the bill before us, which provides equal funding for incumbents and nonincumbents, will be of greater advantage to the challenger than the present system. The reason for this is fairly obvious: an incumbent usually finds it easier to raise campaign funds than does a nonincumbent. When I support public financing, I do so knowing full well that almost surely public financing will help my opponents more than it will help me.

The $2.1 million which a senatorial candidate in California would receive under the present bill is a lot of money. I, for one, indicated yesterday my willingness to reduce that $2.1 million by better than $600,000 for an incumbent.

But for a nonincumbent—a challenger who has not campaigned to the enormous constituency of a State of 21 million people—$2.1 million is in line with the amounts normally spent in major statewide elections under the present system of private financing.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. CRANSTON. Mr. President, may I have 3 or 4 additional minutes?

Mr. CANNON. Mr. President, I yield 4 additional minutes to the Senator from California.

Mr. CRANSTON. Mr. President, I believe a challenger must reasonably, under normal conditions and under present law, face the task of raising such sums to finance a successful campaign against an incumbent. And let us remember that California's $2.1 million is still based upon only 15 cents per voting age person—the same amount which would be available for a candidate in Alabama or any other State.

I do not know how much or how little my opponent this November will be able to raise for his campaign against me. But I do know that if this bill had been enacted, my November opponent would have $2.1 million to spend against mine.

Nevertheless, I support the principle of public financing and I support this bill—not because it is to my own political advantage, for it clearly is not.

I support the bill because it will end the corrosion big money brings to our system of representative democracy.

Mr. CANNON. Mr. President, is it not also very true that if a person does not want to go the public financing route, he has the option of remaining with private financing, if that is something that he prefers to do? It seems to me that public financing would help the challenger more than it would help the incumbent, which is quite contrary to the objection of the distinguished Senator from Alabama.

Mr. CRANSTON. Yes, I believe that to be the case.

Mr. CANNON. Mr. President, I yield 5 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the central issue in the struggle for cloture on the election reform bill now before the Senate is who owns Congress? Put another way, the question is whether we in Congress are going to put our own house in order by adopting public financing for our own elections.

We already have public financing for Presidential elections. In fact, we enacted it into law 7 months before the Watergate break-in. Yet, today, nearly 2 years after that break-in, Congress is still trying to decide whether public financing is right for its own elections.

If any set of facts can tip the balance in favor of public financing for Senate and House elections, it ought to be the news of the unconscionable warchests that special interest groups have already put together for the 1974 congressional elections. By the end of February, as reported recently by Common Cause, registered political committees affiliated with special interest groups had already amassed the enormous sum of 11.6 million, or more than the entire amount spent by such committees in all of 1972.

The message from that list is unmistakable. The lobbyists and special interest groups are alive and well in Washington. They haven't missed a stride over Watergate. Their pockets are already bulging with contributions to be made. They are on the prowl today in the halls of Congress, assessing Senators and Representatives for possible investment in the fall elections. Take but two examples:

One might have thought that after Watergate and the furor over the milk deal, the Associated Milk Producers, Inc.,

would have been gun-shy about campaign contributions. Hardly. Not when vast benefits worth hundreds or thousands or even millions of dollars are to be gained for the bargain price of a well-placed campaign contribution. And so, AMPI's political action arm, TAPE, leads the list of all special interest groups in the size of the warchest for 1974—$1.4 million by the end of February and still counting. The price of a quart of milk is already higher than Skylab. Who knows how much more the forgotten American consumer will be paying, once AMPI's 1974 war chest works its way into the mainstream of Federal legislation.

Or take the American Medical Association. The AMA has a warchest of $889,000. Is there any doubt that this AMA money will be used in the fall elections to subvert national health insurance and to support candidates who oppose health reform?

Undoubtedly, anyone in Congress who goes down the list of special interest committees and their warchests knows what each group wants from Congress.

The issue is an ancient one. No man can serve two masters. No Senator or Congressman can serve both the people of America and his big campaign contributors. So long as we in the Congress continue the practice of financing our campaigns with the dollars of a wealthy few who have a stake in the laws we pass, corruption will keep increasing and democracy will keep decaying.

The names of future scandals will be different, but the problem will be the same, because the laws we pass will always bear the brand of the special interest groups.

We can end this shameful spectacle by which Congress puts itself up for auction every second year. We can wash away the growing stain on America's democracy. But we can do so only by making a clean break with our corrupt and discredited system of private financing of elections.

It is time for Congress to change its spots. It is time we held up the mirror of Watergate to ourselves—if we take an honest look, we will recognize ourselves. And when we do, we will realize that we owe our constituents a better deal. Then, cloture will be invoked, and the Nation will begin a new era of clean and honest elections to Federal office.

Mr. President, the Senate itself first voted for public financing for presidential elections in 1966. Now, almost a decade later, we are trying to decide whether to have public financing for our own elections. I don't think we need more debate. This issue has been extensively debated. It was debated in 1966, in 1967, and in 1971, when the dollar checkoff was enacted into law. It was debated last year, as a major amendment to the debt ceiling bill. That is when the filibusters first began. We heard at that particular time that the reason why we needed extended debate was that we had not had hearings; that Congress must have a chance to consider public financing more fully, and must give people of differing views a chance to speak out.

Now, under the distinguished leadership of the Senator from Nevada (Mr. CANNON), we have had extensive committee hearings. Different groups put forward their ideas and suggestions. The committee has acted. We are ready to vote.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. KENNEDY. I ask for 3 more minutes.

Mr. CANNON. I yield the Senator 3 additional minutes.

Mr. KENNEDY. Nonetheless, after we have come through this extensive and exhaustive procedure in the Senate, we find ourselves embroiled again in a full and extended debate that cannot go by any other name than filibuster. The overwhelming majority of Members of this body, want to face up to this issue. The overwhelming majority of the American people want Congress to face up to the issue. Still, we are being frustrated in facing up to it by a filibuster.

Many Members of this body recognize extended debate as the means of protecting a minority who feel strongly about an issue. Traditionally, a minority of one-third of the Members of this body is able to prevent the majority from acting. And so, the vote today presents a difficult decision and a difficult moral judgment because all of us in the majority want to respect the strong views of the minority among us, but all of us also want the Congress to get back on the path of truly representing all the people. It is not just today's vote we look at, but the road ahead for Congress in the Nation's future.

Few issues have been debated and discussed as extensively as this one has. There is a very clear mandate for this proposal from the American people. That mandate has been expressed here by past votes and during the course of this debate by the Members of this body. What we are asking is an opportunity to face up to the issue, and not to be prohibited from doing so by those who are unalterably opposed to this reform. I am hopeful that we will invoke cloture on this issue.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. ALLEN. Mr. President, how much time remains to the Senator from Alabama?

The ACTING PRESIDENT pro tempore. The Senator has 3 minutes.

Mr. ALLEN. I yield myself 2 minutes.

Mr. President, the distinguished Senator from Massachusetts has said that the issue is who owns Congress, indicating, I assume, that some Members of Congress are subservient to special interests. He did not bother to name any, and I wonder who those Senators are.

The Senator from Alabama is not one of them. I daresay that the Senator from Alabama, in the upcoming race in his home State this fall, will not spend one-twentieth of the amount of money that would be available to him under this public financing, so it would be interesting to know who some of these Senators are who are subservient to special interests.

Also, Mr. President, there is the nonsequitur that the distinguished Senator from Nevada has used and the distinguished Senator from Massachusetts is using that the way to remove the influence of the special interests is to provide for public financing, and hand the bill to the taxpayers.

That is not necessary at all. All that is necessary is to cut down on the amount of permissible contributions. That is what the Senator from Alabama has been trying to do. But I notice that the Senator from Massachusetts and the Senator from Nevada voted against my amendment to cut permissible contributions to $250 in Presidential races and $100 in House and Senate races. That is the way to remove any sinister influence, if there be any sinister influence.

Also, the Senator from Nevada said:

> Well, we ought to improve the bill by offering amendments.

The Senator knows that if cloture is invoked in a few minutes, there will be no way to offer any other amendments; so the way to get perfecting amendments offered and considered would be to vote down cloture, Mr. President, so that other amendments can be presented.

The issue here is whether we will continue to have the process of voluntary participation by the American people in elections, or whether we are going to turn the bill over to the taxpayers, and let the taxpayers pay the bill.

I was somewhat amused by the doubts of the distinguished Senator from California, who said he was disturbed about this $2.1 million that would be handed to a candidate for the Senate out there. He was troubled about it, but he has resolved his doubts and is willing to see a candidate for the Senate received $2,121,000 to make his general election campaign.

Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. CANNON. What is the time situation, Mr. President?

The ACTING PRESIDENT pro tempore. The Senator from Nevada has 3 minutes remaining. The Senator from Alabama has 1 remaining minute.

Mr. CANNON. At 12 o'clock, does a quorum call ensue?

The ACTING PRESIDENT pro tempore. A quorum call is automatic under the rules.

Mr. CANNON. To be immediately followed by the cloture vote?

The ACTING PRESIDENT pro tempore. When there is a quorum, that is correct.

Mr. CANNON. Mr. President, I do not know that there is much I can add to what has already been said on this matter. The issue is simply whether we do or do not want campaign reform, and with that reform, whether we have it include the public financing of campaigns on a matching basis in the primaries and on a complete basis in the general elections.

As I said before, the Senate has already spoken on that particular issue. A majority of the Senators have voted at least twice that that is what the Senate desires. So this is an opportunity, now, to make a determination of whether the percentage is high enough that cloture can be invoked, in order that this

bill can come to a vote of the Senate and the Senate can invoke its will.

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. CANNON. I yield.

Mr. KENNEDY. Do I correctly understand that if cloture is invoked today, various amendments—of which I understand there are about 80 at the desk, dealing with a range of public and private financing issues—will be considered by the Senate, and that the Senate will have an opportunity to debate these amendments and vote on every one of them, and get an expression by Members of the Senate on each amendment? Is that correct?

Mr. CANNON. The Senator is correct. It is my understanding that there are about 86 amendments at the desk, each of which would be available to be called up and for a vote to be had on them in the process after the conclusion of the cloture vote, so that those particular issues certainly could be considered over and above the issues that have already been considered in the bill.

I do not know just how many amendments we have adopted so far, but I know we have had a considerable number of votes on the bill thus far.

Mr. KENNEDY. Would the Senator not agree with me that it would be surprising if any new issues are introduced, since this matter has been thoroughly discussed over the last 2 weeks?

Mr. CANNON. This issue has been before us for a long time, and it would seem to me that Senators who have issues about which they feel strongly would have them at the desk by now. I cannot conceive of many new issues that would come up by this late date.

The ACTING PRESIDENT pro tempore. All time of the Senator from Nevada has expired. The Senator from Alabama has 1 minute remaining.

Mr. ALLEN. I yield my 1 minute to the Senator from Michigan (Mr. GRIFFIN).

Mr. GRIFFIN. Mr. President, if this bill passes in its present form, the public may be fooled by the reports into thinking that the abuses of Watergate have been corrected—that Congress has voted for reform.

It is important, I believe, to state again that five out of the seven members of the Senate's Watergate Investigating Committee have positioned themselves against public financing. They do not regard public financing as the reform needed to take care of Watergate.

Furthermore, while the bill dips deep into the Treasury, it does not eliminate special interest contributions and influence. Indeed, the other day, an amendment which I opposed, was adopted to increase the ceiling on a contribution from a special interest group to a candidate from $3,000 to $6,000. So, we have been going in the wrong direction.

Mr. WILLIAMS. Mr. President, the campaign reform bill pending before the Senate today may well be more important than any other legislation to come before this Congress, in terms of its long-range ramifications for our country. In my judgment, it is essential that we overcome the delaying tactics being employed by opponents of this bill; I for one certainly will vote to limit debate so that we may take a final vote on this bill, and I urge my colleagues to do the same.

Every responsible American citizen has recoiled in revulsion at the disclosure of the abuses of our political system committed during the 1972 Presidential election campaign. These acts, lumped together generically as "The Watergate Scandal," represent an alien and diabolic perversion of our political system. Nevertheless they did occur, they occurred within the very highest levels of our governmental and political structures, and they occurred despite laws which prohibit such behavior.

The aftermath of Watergate has been a national trauma that continues to this day, and is likely to become even more serious before it is ended. It is a tribute to the American people that they have insisted on a full airing of this dismal business, despite the pain involved. It is a testament to our system of justice that those guilty of crimes are being called swiftly to account. And it is confirmation of the strength of our political and governmental systems that they will survive Watergate, perhaps stronger than before.

The Watergate scandal is the disgrace and tragedy of a handful of cynical men. But, it would be a national disgrace, and perhaps a national tragedy, if we as a people failed to learn from this experience and act to prevent it from happening again.

The mail I get from constituents, personal contacts, and the public opinion surveys, all tell the same story; Americans are disillusioned with elected officials, and are demanding steps be taken to guard against future Watergates. The bill before us today, S. 3044, is the single most important step we can take to both restore confidence, and prevent future political scandals.

As a member of the Committee on Rules and Administration, where this bill was developed, I can say it was carefully drafted with both the lessons of Watergate, and the guiding principles of our democracy, firmly in mind. It is certainly not a panacea, but no legislation is. However, I think nearly all Senators would agree that most provisions of this bill are necessary reforms that would be effective in insuring high standards of political conduct.

The provision that some Senators strongly disagree with is public financing of election campaigns. It is appropriate that this be the greatest point of controversy, since it is assuredly the most important reform contained in this bill.

I am not sure whether I would agree that "money is the root of all evil." But, it was unquestionably the root of much of the evil associated with Watergate, and much of the evil exposed in many other areas of political activity. Furthermore, we have seen that no number of laws to regulate the matter of political contributions can be effective in eliminating all abuses in this area. The only way we will ever effectively eliminate the abuse of political contributions as a deterrent to good politics and good government is to finance campaigns for public office, from the public treasury.

This bill establishes the principle of public financing in both primary and general elections for Federal office. At the same time, it allows for gradual transition by offering candidates for Congress and for President the option of relying entirely on public financing, or on private contributions, or on a mix of both. Furthermore, it is carefully designed to preserve the two-party system, while allowing for challenges from serious third-party, or independent candidates. And, it contains safeguards against the public financing of frivolous candidates.

Mr. President, the provisions of this legislation, the reasons why it is needed, and the arguments for and against it, are well known to Members of the Senate. If we are to behave responsibly and respond to the demands by our constituents for reform, we must turn away from further debate and get quickly to a vote on the merits of this legislation.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore (Mr. NUNN). The hour of 12 o'clock noon having arrived, under the unanimous-consent agreement, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will read.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the pending bill S. 3044, a bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mike Mansfield, Warren G. Magnuson, James B. Pearson, Robert Dole, Hugh Scott, Claiborne Pell, Frank Church, Quentin N. Burdick, Marlow W. Cook, William Proxmire, Clifford P. Case, Henry M. Jackson, Daniel K. Inouye, Hubert H. Humphrey, Joseph R. Biden, Jr.,

Ted Stevens, Stuart Symington, Floyd K. Haskell, Birch Bayh, William D. Hathaway, Edmund S. Muskie, Jennings Randolph, Dick Clark, Jacob K. Javits.

CALL OF THE ROLL

The ACTING PRESIDENT pro tempore. Under rule XXII, the Chair directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 114 Leg.]

Abourezk	Bible	Case
Aiken	Biden	Chiles
Allen	Brock	Church
Baker	Brooke	Clark
Bartlett	Buckley	Cook
Bayh	Burdick	Cotton
Beall	Byrd,	Cranston
Bellmon	Harry F., Jr.	Curtis
Bennett	Byrd, Robert C.	Dole
Bentsen	Cannon	Domenici

Dominick	Johnston	Percy
Eagleton	Kennedy	Proxmire
Eastland	Long	Randolph
Ervin	Magnuson	Ribicoff
Fannin	Mansfield	Roth
Fong	Mathias	Schweiker
Goldwater	McClellan	Scott, Hugh
Gravel	McClure	Sparkman
Griffin	McGee	Stafford
Gurney	McGovern	Stennis
Hansen	McIntyre	Stevens
Hart	Metcalf	Stevenson
Hartke	Metzenbaum	Symington
Haskell	Mondale	Taft
Hatfield	Montoya	Talmadge
Hathaway	Moss	Thurmond
Helms	Muskie	Tower
Hollings	Nelson	Tunney
Hruska	Nunn	Weicker
Humphrey	Packwood	Williams
Inouye	Pastore	Young
Jackson	Pearson	
Javits	Pell	

Mr. ROBERT C. BYRD. I announce that the Senator from Iowa (Mr. HUGHES), and the Senator from Arkansas (Mr. FULBRIGHT) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON), is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The PRESIDING OFFICER (Mr. HATHAWAY). A quorum is present.

The question before the Senate is, Is it the sense of the Senate that debate on S. 3044, a bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns, shall be brought to a close?

The yeas and nays are mandatory under the rule, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT) and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The yeas and nays resulted—yeas 60, nays 36, as follows:

[No. 115 Leg.]

YEAS—60

Abourezk	Haskell	Muskie
Bayh	Hatfield	Nelson
Beall	Hathaway	Packwood
Bentsen	Humphrey	Pastore
Biden	Inouye	Pearson
Brooke	Jackson	Pell
Burdick	Javits	Percy
Byrd, Robert C.	Kennedy	Proxmire
Cannon	Long	Randolph
Case	Magnuson	Ribicoff
Church	Mansfield	Schweiker
Clark	Mathias	Scott, Hugh
Cook	McGee	Stafford
Cranston	McGovern	Stevens
Dole	McIntyre	Stevenson
Domenici	Metcalf	Symington
Eagleton	Metzenbaum	Tunney
Gravel	Mondale	Weicker
Hart	Montoya	Williams
Hartke	Moss	Young

NAYS—36

Aiken	Bible	Cotton
Allen	Brock	Curtis
Baker	Buckley	Dominick
Bartlett	Byrd,	Eastland
Bellmon	Harry F., Jr.	Ervin
Bennett	Chiles	Fannin
Fong	Hruska	Stennis
Goldwater	Johnston	Taft
Griffin	McClellan	Talmadge
Gurney	McClure	Thurmond
Hansen	Nunn	Tower
Helms	Roth	
Hollings	Sparkman	

NOT VOTING—4

Fulbright	Scott,
Huddleston	William L.
Hughes	

The PRESIDING OFFICER. On this vote the yeas are 60 and the nays are 36. Fewer than two-thirds of the Senators present and voting having voted in the affirmative, the motion is rejected.

The pending question is on the amendment by the Senator from Tennessee (Mr. BAKER), No. 1075, on which there is a 1-hour limitation.

Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, would the Chair state the pending question?

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk proceeded to read amendment No. 1075.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendments No. 1075 are as follows:

On page 35, line 14, strike out "tenth" and insert in lieu thereof "fifth".

On page 36, line 9, after "other than", insert the following: "the fifth day preceding an election and".

On page 36, line 15, after "filed on" insert the following: "the fifth day preceding an election or".

On page 63, beginning with line 11, strike out through line 5 on page 64.

On page 64, line 7, strike out "318." and insert in lieu thereof "317.".

On page 64, line 14, strike out "319." and insert in lieu thereof "318.".

On page 75, line 19, strike out "(a)" and insert in lieu thereof "(a)(1)".

On page 75, between lines 23 and 24, insert the following:

"(2) No person may make a contribution to, or for the benefit of, a candidate for that candidate's campaign for nomination for election, or election, during the period which begins on the tenth day preceding day of that election and which ends on the day of that election.".

On page 76, between lines 2 and 3, insert the following:

"(2) No candidate may knowingly accept a contribution for his campaign for nomination for election, or election, during the period which begins on the tenth day preceding the day of that election and which ends on the day of that election.".

On page 76, line 3, strike out "(2)" and insert in lieu thereof "(3)".

On page 76, line 6, strike out "paragraph (1)." and insert in lieu thereof "paragraph (1) or (2).".

On page 77, between lines 5 and 6, insert the following:

"(e) No candidate, or person who accepts contributions for the benefit or use of that candidate, may accept a contribution which, when added to all other contributions accepted by that candidate or person, is in excess of the amount which is reasonably necessary to defray the ependitures of that candidate.".

On page 77, line 6, strike out "(e)" and insert in lieu thereof "(f)".

Mr. BAKER. Mr. President, I yield myself such time as I may utilize.

I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, the purpose of this amendment is to purify the process of public disclosure of campaign contributions by requiring the completion of that process before rather than after the election has taken place. In other words, my amendment would require political candidates to disclose the size and source of all contributions a time certain before each election. In this way the public is afforded their full and legitimate right to examine the sources of a particular candidate's financial support, and then draw their own conclusion prior to voting.

The mechanics of my amendment are quite simple. A deadline is established 10 days before each election. No contributions can be received by candidates after that deadline, from any source. This means that unless a contribution was either personally delivered or postmarked prior to the deadline, it would have to be returned to the contributor by the candidate.

Five days after the deadline, and 5 days before the election, each candidate is required to file a final report of all campaign contributions, including, of course, the sources and amounts. This better enables the public to review relevant disclosure data, so as to base their ultimate judgments on the complete record. That is the point of public disclosure, and we mislead ourselves and the American people if we give the impression that all the financial cards are on the table before the election. The fact of the matter is that they are not under the present system and will not be under the reforms embodied in S. 3044. That is why I have offered this amendment.

As of now, any candidate can postpone disclosure of potentially damaging information on political contributions until after the election and after it is too late to make a difference. My amendment would not permit this. The only circumstances under which contributions could be received after the 10-day period leading up to and including the election would be to defray debts incurred during the campaign.

I am aware that the establishment of a deadline 10 days before an election with the final report due 5 days preceding the election will require a massive amount of accounting at a very critical time in most campaigns. However, I believe, as I am sure most of my colleagues do, that public disclosure is essential to the success of any system of private financing of political campaigns, regardless of how limited the role of the individual contributor might be. This was

evidenced by the unprecedented public disclosure requirements enacted in the Federal Election Campaign Act of 1971. Moreover, it now appears obvious that we might have avoided a great deal of the campaign finance abuses associated with the 1972 campaign for President, and other races, had these provisions been in effect long before the spring of that year. For that reason, I have proposed an amendment which would not only seek to avoid the abuses of earlier campaigns, but also enhance the public's right to know.

That right is significant as it relates to the matter of public disclosure, because normally, a great deal can be learned from examining the sources of individual contributions. The names and occupations of the individual contributors tells the public where a particular candidate's strongest support lies; and it can often imply how that candidate would vote on a particular issue without knowing the candidate's personal view.

For example, if it were disclosed that a candidate had received contributions, regardless of the amount, from a dozen or two dozen individuals who all happened to work for various veterans organizations, then it might be assumed that those individuals considered that candidate generally sympathetic to veterans' concerns; and the same example could be applied to countless other occupations. The point is that public disclosure plays a very important role in assisting the voters to make up their minds, whether it is for a primary or general election.

And yet, that role is substantially hindered by the present reporting procedures. The question is not so much whether those procedures are used to purposefully deceive the public, but rather whether they actually retard the public's ability to base their judgment on all the facts. I believe clearly the present procedures and the reforms proposed in S. 3044 do retard that ability and that they are not consistent with the true intent of public disclosure. Thus, I urge that we amend that procedure by prohibiting the receipt of additional contributions after 10 days preceding the election, and require a full and final reporting of those contributions 5 days before the election takes place. It is the only way I know of to guarantee the public's right to know, and it is for this reason that I urge the support of my colleagues.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I am opposed to this amendment. In the first place, with respect to the contributions, it is completely unrealistic, because the rough part of the campaign, insofar as the need to have funds available is concerned, occurs in about the last 10 to 15 days. The prohibition in the amendment would make it so that no contribution could be made within 10 days of an election, and the candidate could not accept a contribution within that period of time. So really, if we are going to do this, we may just as well move the election up 10 days. That, for all practical purposes, is what it means.

With respect to the reporting provisions, we have checked carefully with the peope who have had some experience in the field of reporting and making the information available on some useful basis, and they advise us that this type of reporting is not long enough for a report to be mailed in and for them to put out that information and make the information public as it should be made.

Therefore, I am opposed to the amendment. I think that page 3 subsection 6, is completely redundant. It provides that a person cannot accept a contribution in an amount in excess of the amount reasonably necessary to defray the expenditure. We will never know what the expenditures are until they have been incurred. Sometimes the expenditures occur late, at the last minute. Sometimes bills come in even after the campaign is over. We have in the bill a provision for payment to the Treasury over the excess amount that may have been collected. That provision is in the bill. I think it is adequate.

This amendment is vague and uncertain and would impose an undue burden on a candidate and those working in his behalf to determine what is reasonably necessary to defray the expenditures of the candidate, so that he will not have excess money and be in violation of that particular provision.

Mr. BAKER. Mr. President, I am virtually prepared to yield back the remainder of my time and proceed to a vote. I have one brief remark in response to the observations of the distinguished chairman, the manager of the bill.

Briefly stated, the rationale of the amendment is that if there is to be public disclosure, it has to be an integral part of the system if it is to attract importance in the eyes of the public, and if it is to have something to do with whether one votes for or against a candidate. It seems essential to make that final report before the election, because between the time 10 days before the election and January 31, a candidate could collect a million dollars, and the public would never know it. The sole purpose of the amendment is that if we are going to have full disclosure, let us make it before the election, not after the election.

Mr. President, I yield back the remainder of my time.

Mr. CANNON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Tennessee. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), the Senator from North Carolina (Mr. HELMS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent an official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. HELMS) would vote "yea."

The result was announced—yeas 33, nays 57, as follows:

[No. 116 Leg.]

YEAS—33

Aiken	Dole	Metzenbaum
Allen	Domenici	Nelson
Baker	Dominick	Packwood
Bartlett	Ervin	Proxmire
Bellmon	Fong	Ribicoff
Bennett	Griffin	Roth
Biden	Gurney	Schweiker
Brock	Hollings	Stevens
Byrd, Harry F., Jr.	Hruska	Thurmond
Cotton	Mansfield	Weicker
Curtis	McClure	
	McGovern	

NAYS—57

Abourezk	Hansen	Moss
Bayh	Hart	Muskie
Beall	Hartke	Nunn
Bentsen	Haskell	Pastore
Bible	Hatfield	Pearson
Brooke	Hathaway	Pell
Buckley	Humphrey	Percy
Burdick	Inouye	Randolph
Byrd, Robert C.	Jackson	Scott, Hugh
Cannon	Javits	Sparkman
Case	Johnston	Stafford
Chiles	Kennedy	Stennis
Church	Magnuson	Stevenson
Clark	Mathias	Symington
Cranston	McClellan	Talmadge
Eagleton	McIntyre	Tower
Eastland	Metcalf	Tunney
Fannin	Mondale	Williams
Gravel	Montoya	Young

NOT VOTING—10

Cook	Huddleston	Scott, William L.
Fulbright	Hughes	Taft
Goldwater	Long	
Helms	McGee	

So Mr. BAKER's amendment (No. 1075) was rejected.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CLARK). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

REPORTS OF SIX RIVER BASIN COMMISSIONS—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. HATHAWAY) laid before the Senate a message from the President of the United States, which, with the accompanying reports, was referred to the Committee on Interior and Insular Affairs. The message is as follows:

To the Congress of the United States:

I am happy to transmit herewith the annual reports of the six river basin commissions, as required under section 204

(2) of the Water Resources Planning Act of 1965.

The act states that commissions may be established, comprised of State and Federal members at the request of the Governors of the States within the proposed commission area. Each commission is responsible for planning the best use of water and related land resources in its area and for recommending priorities for implementation of such planning. The commissions, through efforts to increase public participation in the decisionmaking process, can and do provide a forum for all the people within the commission area to voice their ideas, concerns, and suggestions.

The commissions submitting reports are New England, Great Lakes, Pacific Northwest, Ohio River, Missouri River, and the Upper Mississippi. The territory these six commissions cover includes all or part of 32 States.

The enclosed annual reports indicate the activities and accomplishments of the commissions during fiscal year 1973. A brief description of current and potential problems, studies, and approaches to solutions are included in the reports.

RICHARD NIXON.

THE WHITE HOUSE, *April 4, 1974.*

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. HATHAWAY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ALLEN. Mr. President, I call up an amendment at the desk and ask that the clerk please state the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 75, line 23, strike out "exceeds $3,000." and insert in lieu thereof "exceeds—".

On page 75, between lines 23 and 24, insert the following:

"(1) in the case of a candidate for the office of President or Vice President, $2,000.; and

"(2) in the case of any other candidate, $1,000.".

On page 76, line 2, strike out "exceeds $3,000." and insert in lieu thereof "exceeds—".

On page 76, between lines 2 and 3, insert the following:

"(A) in the case of a candidate for the office of President or Vice President, $2000; and

"(B) in the case of any other candidate, $1000.".

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Alabama yield for a unanimous-consent request?

Mr. ALLEN. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on the pending amendment be limited to 35 minutes, to be controlled and divided as follows: 25 minutes under the control of the distinguished author of the amendment (Mr. ALLEN), and 10 minutes under the control of the distinguished manager of the bill (Mr. CANNON).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I thank the distinguished majority whip.

Mr. ROBERT C. BYRD. I thank the Senator from Alabama.

Mr. ALLEN. Mr. President, the argument has been made time and again here on the floor that in order to remove the influence in Government of large contributors to Federal election campaigns, it is necessary to resort to public financing. It occurs to the junior Senator from Alabama that this is certainly a non sequitur, that it is not necessary to resort to public financing in order to remove the influence of large contributors or to prevent the making of large contributions. All that is necessary is to reduce the amount of the contribution.

The bill provides the limit that is a step in the right direction, because under the present law there is no effective limitation on a contribution. There is a limit as to how much can be contributed to one committee. I believe that is $5,000. There is a limit to how much can be contributed without incurring the gift tax liability. I believe that is $3,000. But we have seen that many candidates set up multiple committees—in some cases, a hundred or two hundred. The Senator from Alabama does not have but one committee during a campaign. Some candidates apparently find it necessary to have 100 or 200 or 300 committees so that these massive contributions can be split up among all those committees. So there is no effective limitation. But the $3,000 permitted by the bill and the $6,000 for a man and his wife are tremendous contributions, in the view of the Senator from Alabama, and should be cut drastically.

Earlier this week, the Senator from Alabama offered an amendment to cut the maximum permissible amount of a contribution in Presidential campaigns to $250—that is, both the nomination race and the general election—and $200 for House and Senate races. How did we arrive at those figures? Very simply, Mr. President, because the bill before the Senate, S. 3044, provides that in primaries, contributions to Presidential races up to $2,500 shall be matched out of the Public Treasury and contributions up to $100 in House and Senate races shall be matched out of the Public Treasury by subsidizing, out of the pockets of the American taxpayers, the campaigns of politicians running for various Federal offices.

Apparently, the theory of the bill is that there must be something evil, something sinister about contributions in the area between $250 in the one case and $100 in the other case, and the $3,000 permissible contribution, because they do not match those amounts.

Where does that leave a challenger and an incumbent? Mr. President, it leaves the incumbent at a decided advantage—and I suppose this certainly could be called an incumbent's bill—because it provides matching funds for incumbents as well as challengers who run for the constituencies that they have or that they might hope to have. So only these amounts are matched. It gives the incumbent the decided advantage that since the amounts in the area from $100 to $250 up to $3,000 are not matched, the incumbent, on account of being better known and having accommodated, during the term of his office, many of his constituents, is in better position to get contributions in that area—from $250 up to $3,000—leaving the challenger at a decided disadvantage. Even as to the matching amounts, it is stacked in favor of the incumbent, because—I have used this example before—in the State of California, theoretically, they match up to $700,000 of contributions, of up to $100 in House and Senate races.

Let us assume that the challenger in a State, because of being less well known, is able to raise $100,000—or $125,000, since that is the threshold amount, but let us say $100,000 because it makes the arithmetic a little easier—and the incumbent raises $700,000. So there is a $600,000 spread.

Then public financing comes into the picture and matches the incumbent's $700,000 and then matches the challenger's $100,000. This is in the primary. The incumbent then would have $1.4 million, and the challenger would have only $200,000, which would give the incumbent a $1.2 million advantage over the challenger.

The Senate, in its wisdom, saw fit to strike down the amendment offered by the Senator from Alabama to cut the contribution down, to leave it in the private sector; but the amendment, of course, would not have accomplished that, and still kept the public financing. But it would have reduced the amount of permissible contribution. The Senate voted down the $250 and the $100 limits.

The pending amendment would raise the permissible contribution from those figures to $2,000 in Presidential races and $1,000 in House-Senate races, which would be a reduction from the flat $3,000 provided by the bill. That still would leave the right to make massive contributions, in the view of the Senator from Alabama—a $2,000 limit in a Presidential race and a $1,000 limit in the House and Senate races.

It is said that we should get rid of the big contributors. I submit that this amendment would do that to a greater extent than would the pending bill, which allows contributions of up to $3,000 a person or $6,000 for a couple. The figures in this amendment still would be capable of being doubled by a man and his wife. So, effectively, it would be $2,000, but it could be doubled by a man and his wife. Therefore, $4,000 really could be contributed in a Presidential race.

Then, doubling the $1,000 permitted by the bill in House and Senate races would

increase to $2,000 the amount that a couple could contribute. So these amounts are large enough if we want to get rid of the influence of so-called large contributors. I am not familiar with large contributors myself. I have not had the benefit—or detriment—of that situation. I would feel that these limits are ample. I might say that this bill does not cut down on campaign expenses. It greatly escalates the cost. It gives each candidate for the Presidential nomination of the two parties up to $7.5 million. They talk about that being campaign reform.

Mr. President, how much time does the Senator from Alabama have remaining?

The PRESIDING OFFICER. The Senator has 13 minutes remaining.

Mr. ALLEN. I thank the Chair.

Mr. President, these contributions offered by the amendment would still be ample. If we are going to try to clean up the political campaign, the way to do it is not to just hand a great big pile of money to these various candidates to office but to restrict the amount that individual contributors contribute.

A little later on I have an amendment I wish to bring up that would reduce by one-third the permissible overall expenditures.

For instance, in the State of California they would give a candidate for the Senate in a general election, a candidate from a major party, a check for—I guess he could ask for cash, I do not know, but he could get the check cashed if he were given a check—he is handed $2.1 million. I have another amendment that I shall call up later to cut that down to $1.4 million. That would seem quite adequate to the Senator from Alabama to present to the various candidates; $1.4 million in California, and lesser amounts on down as the population of States would decrease from that level.

So, Mr. President, the answer is not just giving tremendous sums to candidates out of the Public Treasury. The answer is limiting the overall amount that can be spent by a candidate and then reducing drastically the amount of individual contributions.

The amendment that we have before us now approaches one of those aspects, that is, reducing the amount of permissible contributions.

If Senators want reform, this is reform. I get a little displeased and frustrated sometimes when I read in newspapers that an effort is being made here to kill a campaign reform bill. Well, if this bill providing for paying for political campaigns out of the public treasury is reform, a different idea of what reform is must prevail from the idea that I have about reform.

This bill reforms the law, changes the law, changes it over from a voluntary participation by all the people to recommended payment out of the Public treasury. So this is no reform bill we have before us. It is another Federal subsidy bill. It is a bill that would remove Government and candidates away from the people they represent. How do we figure that? Well, if they give a candidate up to $2 million to run a general election campaign, do Senators think he is going to bother to ask for modest amounts of support from his constituents, or would his campaign committee bother to try to get voluntary participation from his constituents? Why, no.

The Senator from California earlier today was stating that he was a little bit worried about this $2.1 million. He thought maybe that was too much, but then he got to worrying about the challenger out there and thought he should be well funded and, therefore, he was not going to raise any point about the $2.1 million a senatorial candidate might receive.

I might say with respect to the Senator from California (Mr. CRANSTON), who was making the remarks, that the subsidy would not apply to his upcoming race, because it would go into effect January 1, 1976. But it would apply to all these candidates in Congress who are running for the Presidency.

As I read the various Gallup polls and Harris polls, there are about 10 candidates for the presidency here in the Halls of Congress, candidates eligible for up to $7.5 million in Federal subsidies. Is that campaign reform? That is a campaign handout, in the view of the Senator from Alabama.

Now, Mr. President, earlier today we had a vote in the Senate on the matter of whether the debate on this issue should be brought to a close. I believe that by a vote of 60 to 36, a two-thirds vote being required and that not being a two-thirds vote, the Senate refused to stop the debate. That is fine. The Senator from Alabama is glad to see that. But he recognizes and realizes from the analysis of that vote that this bill, this pernicious bill has not been defeated because there will be subsequent votes on the clotures issue. I understand another vote is coming, possibly next Tuesday, and the battle is far from being won. The task will be to encourage the 36 Senators who voted against stopping debate on this bill so it could be rammed through the Senate, to continue being against the bill, and pretty soon it is going to get down to the point where, if one is against public financing, he will vote against the invoking of cloture. If he is for public financing, he will vote for it. There is not going to be any middle position on it. Either one is for it or against it.

So the lengthy discussion and the lengthy amendment process that the bill is being subjected to might possibly result in agreeing on a true campaign reform bill, a bill leaving out the Federal subsidy provisions, provisions requiring that the taxpayers pay for the campaign of the politicians throughout the country, when the people realize that this is not a reform bill, but is a scheme whereby a large number of Members of Congress, a minimum of 10, would obtain massive financing for a race for the Presidential nomination. Knock that out of the bill and we would see the wind go out of the sails of this bill. That is the important feature of the bill, followed by the provisions giving Members of the Senate and Members of the House up to a 50-percent subsidy in primary campaigns and a 100-percent subsidy in general elections.

Mr. President, I do not see that. I do not see that it is in the public interest. I will have to oppose that, but I do feel that this amendment would be in the public interest, because it reduces to $2,000 the amount of permissible contributions for President and to $1,000 the amount of permissible contributions for House and Senate primary and general elections. It would not knock out the matching feature. Senators and Representatives would still be able to participate, to put the hand in the Federal till. They would still have that right. Members of Congress who want to run for President still have the right to get up to $7.5 million, but their ability to get matching funds would be reduced if we cut down the amount of permissible contributions.

I hope the amendment will be agreed to. It would improve the bill. It would not improve it to the point where the Senator from Alabama would go for it, but it would make it a better bill, and he is hopeful it will be agreed to by the Senate.

Mr. President, how much time does the Senator from Alabama have?

The PRESIDING OFFICER. Less than 1 minute.

Mr. ALLEN. Mr. President, I yield back my time.

Mr. CANNON. Mr. President, I find the Senator from Alabama's argument somewhat amusing in some particulars, in that he suggests we ought not to have public financing and then at the same time says that we ought to reduce the amount of financing from private sources. If we are not to have public financing, when there has to be some form of raising money to carry out a campaign. The committee considered that, and this is one of the reasons why we put in the alternative provision so a person could elect to go to public financing, if he could meet the matching money requirement in the primary and desired to do so, but, on the other hand, candidates were not forced to go to public financing if they did not desire to do so.

The Senator's amendment, if it were adopted, would force practically everyone to go to public financing, which is the very thing he opposes. The very thing he is speaking against is public financing. If his amendment were adopted, and if his amendment of the other day, which was more restrictive, had been adopted, there would have been no alternative, because it would have been impossible to raise funds for campaigns for these types of election and raise enough money to carry on a campaign.

He also indicated that the amendment was not really going to reduce the expenses of campaigns. I have made just a quick review of some of the States involved in the last campaign to see if it would, and I will read some of them. Here are 12 States, and I may say, they were States which had the most expensive campaigns last year: Texas, Michigan, Illinois, Alabama, Kentucky, Oklahoma, North Carolina, Tennessee, Louisiana, Georgia, Idaho, and South Dakota. Those States would not be able to spend as much under the limits of this bill as was spent in the last campaign, and some of

those States actually had no primary. There are others besides the ones I read; these just happen to be some on which I had statistics readily available, partly because the chart indicates that some of those States did not have primaries and partly because the chart indicates they were some of the most expensive States when it came to spending in the last general election.

I may say that in some of those very States, the reduction would be quite substantial in the amount that could be spent for a particular race.

The Senator has indicated that he is going to move later on to reduce the formula that we set as the limiting factor. I have already stated I find no particular magic in the formula. It was the best we could devise in committee. We tried to do it, based on some experience we had on what the previous races had cost, recognizing the fact that some of them had cost too much and there ought to be some limit imposed. The Senator has indicated he is going to make a move later to reduce authorized spending to 5 cents per voting-age population, and to 10 cents per voting-age population in the general election. Frankly, I think that is too low. I think it would overly restrict a campaign and would really make it an incumbent's bill if we cut it down to the area where a nonincumbent, a challenger, would not have an opportunity to go out and make himself known to the proposed constituency in order to compete against the incumbent.

If the Senator from Alabama were to increase that figure somewhat, I would be inclined to support it. If he were inclined to reduce the primary figure perhaps from 10 to 8 cents and the general figure from 15 to 12 cents, I myself would find no difficulty in going along with some sort of reduction along that line. I think that the people who really should be heard in that instance are those who come from some of the larger States that have problems peculiar to their own States and may feel that that limit may be too small.

So I think that issue should be thoroughly debated before the vote comes up and should be debated by those who have more of a personal interest in it than I have. As I said, we decided on this particular figure based on an overview of what campaigns had been costing and recognizing that the 10 States whose names I read a moment ago had campaigns that were entirely too costly, and that some of the States had no primaries but still had campaigns that were too costly. That was the basic information we considered in deriving the formula of 10 cents per voting age for the primary election and 15 cents per voting age for the general election.

I see my good friend from Texas (Mr. BENTSEN) in the Chamber. I read the definitions a few minutes ago under the formula. In the general election campaign in the State of Texas, the formula, at 15 cents per voting age population, would permit an expenditure of $1,167,750. According to our table, the expenditures in the general election in Texas, in the last election for the winning party, amounted to $2,301,870.

Mr. BENTSEN. Mr. President, will the chairman yield?

Mr. CANNON. I yield.

Mr. BENTSEN. Will the chairman also say that was not for this particular Senator? [Laughter.]

Mr. CANNON. Yes. I merely wanted to point out that the expenditure was considerably above the amount of the limit that would be imposed under this formula.

Mr. BENTSEN. Let me also say, so far as the limits are concerned, that I think that the committee has done a good job. I wanted to be sure that we did not have an incumbent's bill.

I know that when I was considering running for the Senate, running against an incumbent, we took a public opinion poll to see what my name identification was. It was a little under 1 percent. I was practically unknown. Most people confused me with Ezra Taft Benson, who was an unpopular Secretary of Agriculture. So, in effect, I had a negative recognition. I stayed well within the amount of money that is indicated by the committee. I ran against an incumbent; and to win in the general election means that one has to have enough money to spend. But this has not become an incumbent's bill. I commend the Senator from Nevada.

Mr. CANNON. I pointed out to the Senator from Alabama that that was the effect of an amendment he had offered, to reduce the amount to 5 cents in the general election. If the amount were to be reduced in that magnitude, it would really become an incumbent's bill. I said I would support something identical.

Mr. BENTSEN. I stayed within those limitations; but if they were dropped back to the limits here proposed, I think it would be very difficult to secure recognition by the public and interest them in what the issues are.

Mr. CANNON. We have gotten somewhat off the track of the amendment; but the Senator from Alabama had discussed these very issues. If his amendment were to be adopted, it would drive people away from the opportunity to use private financing, if they did not want to go the public financing route.

That is the reason we arrived at a somewhat arbitrary figure and used $3,000 in the bill. It is true that a husband and wife could give $6,000—$3,000 for each of them.

Mr. ALLEN. I appreciate the Senator's saying that he would personally favor a reduction in the figures; and possibly the Senator from Alabama will modify his amendment to conform to that.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. ALLEN. Mr. President, I thought we had until 12:45.

The PRESIDING OFFICER. Until 12:44. Debate started at 12:14.

Mr. ALLEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. CANNON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama (Mr. ALLEN). The yeas and nays have been ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 38, nays 53, as follows:

[No. 117 Leg.]

YEAS—38

Abourezk	Cotton	Nunn
Aiken	Dole	Packwood
Allen	Domenici	Pearson
Baker	Eagleton	Pell
Bartlett	Ervin	Proxmire
Beall	Griffin	Randolph
Biden	Gurney	Roth
Burdick	Hart	Stafford
Byrd Harry F., Jr.	Helms	Stennis
Byrd, Robert C.	Hollings	Stevenson
Chiles	McClellan	Symington
Clark	McGovern	Thurmond
	Metzenbaum	Weicker

NAYS—53

Bayh	Hansen	Mondale
Bellmon	Hartke	Montoya
Bennett	Haskell	Moss
Bentsen	Hatfield	Muskie
Bible	Hathaway	Nelson
Brock	Hruska	Pastore
Brooke	Humphrey	Percy
Buckley	Inouye	Ribicoff
Cannon	Jackson	Schweiker
Case	Javits	Scott, Hugh
Church	Johnston	Sparkman
Cranston	Kennedy	Stevens
Curtis	Magnuson	Talmadge
Dominick	Mansfield	Tower
Eastland	Mathias	Tunney
Fannin	McClure	Williams
Fong	McIntyre	Young
Gravel	Metcalf	

NOT VOTING—9

Cook	Hughes	Scott, William L.
Fulbright	Long	Taft
Goldwater	McGee	
Huddleston		

So Mr. ALLEN's amendment was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendments of the Senate to the bill (H.R. 12253) to amend the General Education Provisions Act to provide that funds appropriated for applicable programs for

fiscal year 1974 shall remain available during the succeeding fiscal year and that such funds for fiscal year 1973 shall remain available during fiscal years 1974 and 1975.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 5186) to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions.

INCREASES IN CERTAIN ANNUITIES

The PRESIDING OFFICER (Mr. STEVENS). Under the previous order, the hour of 2 p.m. having arrived, the Chair lays before the Senate the amendment of the House of Representatives to the bill (S. 1866) to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes which was to strike out all after the enacting clause, and insert:

That section 8345 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) Notwithstanding any other provision of this subchapter, other than this subsection, the monthly rate of annuity payable under subsection (a) of this section shall not be less than the smallest primary insurance amount, including any cost-of-living increase added to that amount, authorized to be paid from time to time under title II of the Social Security Act.

"(2) Notwithstanding any other provision of this subchapter, other than this subsection, the monthly rate of annuity payable under subsection (a) of this section to a surviving child shall not be less than the smallest primary insurance amount, including any cost-of-living increase added to that amount, authorized to be paid from time to time under title II of the Social Security Act, or three times such primary insurance amount divided by the number of surviving children entitled to an annuity, whichever is the lesser.

"(3) The provisions of this subsection shall not apply to an anuitant or to a survivor who is or becomes entitled to receive from the United States an annuity or retired pay under any other civilian or military retirement system, benefits under title II of the Social Security Act, a pension, veterans' compensation, or any other periodic payment of a similar nature, when the monthly rate thereof, is equal to or greater than the smallest primary insurance amount, including any cost-of-living increase added to that amount, authorized to be paid from time to time under title II of the Social Security Act".

"SEC. 2. (a) An annuity payable from the Civil Service Retirement and Disability Fund to a former employee or Member, which is based on a separation occurring prior to October 20, 1969, is increased by $240.

(b) In lieu of any increase based on an increase under subsection (a) of this section, an annuity payable from the Civil Service Retirement and Disability Fund to the surviving spouse of an employee, Member, or annuitant, which is based on a separation occurring prior to October 20, 1969, shall be increased by $132.

(c) The monthly rate of an annuity resulting from an increase under this section shall be considered as the monthly rate of annuity payable under section 8345(a) of title 5, United States Code, for purposes of computing the minimum annuity under section 8345(f) of title 5, as added by the first section of this Act.

SEC. 3. This Act shall become effective on the date of enactment. Annuity increases under this Act shall apply to annuities which commence before, on, or after the date of enactment of this Act, but no increase in annuity shall be paid for any period prior to the first day of the first month which begins on or after the ninetieth day after the date of enactment of this Act, or the date on which the annuity commences, whichever is later.

The Chair will state that one-half hour of debate is allowed. The Senator from North Dakota (Mr. BURDICK) is recognized.

Mr. BURDICK. Mr. President, it is my strong hope that the Senate will agree to S. 1866 as amended by the House. The House amendments are minimal, so that the measure before us is very similar to the bill to which the Senate has already agreed.

There are three main purposes of the bill. The first of these would establish a minimum civil service retirement annuity equal to the minimum social security benefit. Under present law, this is $84.50 per month, with increases provided for under the provisions of Public Law 93-182.

Second, the bill would increase the annuities of those who retired prior to October 20, 1969, by $240 annually—$20 per month—for a retiree and by $132 annually—$11 per month—for a retiree's surviving spouse. Members will recall that October 20, 1969, was the date on which the law liberalized the retirement-computation formula. Prior to that date, an annuity was computed upon the basis of the high-five highest salary; after that date, annuities were computed on the high-three average salary. With higher salary averages used as a computation base, retirees since October 20, 1969, enjoy substantially improved annuities. The thrust of this provision is to take a step toward redressing this inequal computation method.

Third, the bill provides that the surviving child of a deceased annuitant would receive a monthly minimum annuity of $84.50—the social security minimum—and provides that no more than three times $84.50 would be payable to the surviving children of any annuitant.

When I introduced S. 1866, it contained the $20 per month across-the-board benefit which I have described. In committee, the bill was amended to remove that provision because of its cost. In floor action, however, Senator GURNEY's amendment restored it by a vote of 70 to 20. This vote represents strong Senate approval; we know the provision was approved in the other body; and I am satisfied that it should remain, as being in accord with a substantial congressional consensus.

Mr. President, the merits of this measure speak for themselves— to help those Federal annuitants and their families who need help most, those struggling to subsist on small annuities based on the lower salaries of past decades and computed under a less liberal average-salary formula. Approximately 15 percent of current civil service annuity beneficiaries are receiving less than the present minimum social security benefit of $84.50. Included among these 145,000 people are 65,000 retirees, 75,000 surviving spouses, and 5,000 children. Many of these people live on the ragged line of poverty; they need and deserve congressional help.

Now, as to cost. Members are aware that, under law, increases in the unfunded liability of the civil service retirement and disability fund are amortized by payment of 30 equal annual installments. The annual cost of this bill over 30 years would amount to $119 million.

I mentioned earlier that the House amendments were minimal in their scope. Under the Senate bill, the $84.50 minimum would not apply to a retiree receiving social security benefits; the House version broadens this exclusion to a retiree receiving any other pension, including social security.

The effective date of the measure as amended by the House is upon enactment. In the Senate version, the effective date was 90 days after enactment.

For the surviving child, the House measure allows $84.50 per month, but limits the total amount payable to the children of a deceased retiree to $243.50 per month. The Senate bill allowed three-quarters of $84.50 or approximately $65 for the first child and $84.50 a month each for additional children.

Mr. President, the Senate has already enacted virtually the same measure. I move that the Senate concur in the amendment of the House.

Mr. FONG. Mr. President, in rising to oppose passage of S. 1866 as amended, I would like to cite the following reasons for my opposition:

First. This bill was originally unanimously reported from the Post Office and Civil Service Committee and I concurred in approving it. It came from the committee for one purpose, and one purpose only; namely to help about 70,000 Federal retirees and their survivors who are in dire financial need by raising the annuity of each retiree or survivor to the minimum amount payable to beneficiaries under social security.

It was felt that if a Federal retiree or his survivor was not receiving any social security benefits, his Federal annuity should at least match the minimum payment under social security, which is now $84.50 per month.

Second. The bill now before us, however, is greatly expanded, by amendment in the Senate and in the House of Representatives, so as to give a $20 monthly increase to pre-October 1969 retirees, even those receiving more than the social security minimum benefit. It would also give an $11 a month increase to their surviving spouses.

These additional retirees and their surviving spouses—numbering more than 500,000—have not been neglected by the Congress. They have been given automatic cost-of-living increases on their annuities. Since 1969, their annuities have increased by 35.4 percent. They will continue to receive cost-of-living increases according to law, all without contributions from them.

Third. Retirees benefiting from this

relating to members of the armed forces, and for other purposes, which were on page 2, line 16, strike out "$12,000," and insert "$15,000,".

On page 2, line 18, after "computation.", insert "Bonus authority provided under this section shall be administered in such a manner that no member reenlisting for two or more reenlistments may receive a total bonus amount that is larger than the amount to which he would have been entitled had his initial reenlistment or active duty extension been for a total period of additional obligated service equal to the two or more reenlistments."

On page 3, line 14, strike out "Navy.". and insert "Navy."

On page 3, after line 14, insert:

"(f) No bonus shall be paid under this section with respect to any reenlistment, or voluntary extension of an active-duty enlistment, in the armed forces entered into after June 30, 1977.".

On page 5, line 14, strike out "January 1, 1974." and insert "the first day of the month following the date of enactment."

On page 5, strike out all after line 14 over to and including line 4 on page 6.

Mr. STENNIS. Mr. President, I move that the Senate disagree to the amendments of the House and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. STENNIS, Mr. SYMINGTON, Mr. JACKSON, Mr. THURMOND, and Mr. TOWER conferees on the part of the Senate.

AMENDMENT OF CHAPTER 5, TITLE 37, UNITED STATES CODE

Mr. STENNIS. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2770.

The PRESIDING OFFICER (Mr. STEVENS) laid before the Senate the amendments of the House of Representatives to the bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services, which were to strike out all after the enacting clause, and insert:

That chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 302 is amended to read as follows and the item in the chapter analysis is amended to correspond with the revised catchline:

"§ 302. Special pay: physicians, dentists, veterinarians or optometrists

"An officer of the Army or Navy in the Medical or Dental Corps or in the Medical Service Corps if he is designated as an optometry officer, an officer of the Army in the Veterinary Corps, an officer of the Air Force who is designated as a medical, dental, veterinary, or optometry officer, or a medical, dental, veterinary, or optometry officer of the Public Health Service, who is on active duty for a period of at least one year is entitled, in addition to any other pay or allowances to which he is entitled, to special pay at the following rates—

"(1) $100 a month for each month of active duty if he has not completed two years of active duty in a category named in this section; or

"(2) $350 a month for each month of active duty if he has completed at least two years of active duty in a category named in this section.

The amounts set forth in this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay."

(2) That portion of the first sentence of section 311(a) preceding clause (1) is amended to read as follows:

"(a) Under regulations to be prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical or Dental Corps above the pay grade of O–6, an officer of the Air Force who is designated as a medical or dental officer and is above the pay grade of O–6, or a medical or dental officer of the Public Health Service above the pay grade of O–6 who—".

(3) By adding the following new section after section 312a and by inserting a corresponding item in the chapter analysis:

"§ 313. Special pay: medical, dental, veterinary or optometry officers who execute active duty agreements

"(a) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical or Dental Corps or in the Medical Service Corps if he is designated as an optometry officer, an officer of the Army in the Veterinary Corps, an officer of the Air Force who is designated as a medical, dental, veterinary or optometry officer, or a medical, dental, veterinary or optometry officer of the Public Health Service, who—

"(1) is below the pay grade of O–7;

"(2) is designated as being qualified in a critical specialty by the Secretary concerned;

"(3) is determined by a board composed of officers in the medical, dental, veterinary or optometry profession under criteria prescribed by the Secretary concerned to be qualified to enter into an active duty agreement for a specified number of years;

"(4) is not serving an initial active duty obligation;

"(5) is not undergoing intern or residency training; and

"(6) executes a written active duty agreement under which he will receive incentive pay for completing a specified number of years of continuous active duty subsequent to executing such an agreement;

may, upon acceptance of the written agreement by the Secretary concerned, or his designee, and in addition to any other pay or allowances to which he is entitled, be paid an amount not to exceed $15,000 for each year of the active duty agreement. Upon acceptance of the agreement by the Secretary concerned, or his designee, and subject to subsections (b) and (c) of this section, the total amount payable becomes fixed and may be paid in annual, semiannual, or monthly installments, or in a lump sum after completion of the period of active duty specified in the agreement, as prescribed by the Secretary concerned.

"(b) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, the Secretary concerned, or his designee, may terminate, at any time, an officer's entitlement to the special pay authorized by this section. In that event, the officer is entitled to be paid only for the fractional part of the period of active duty that he served, and he may be required to refund any amount he received in excess of that entitlement.

"(c) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer who has received payment under this section and who voluntarily, or because of his misconduct, fails to complete the total number of years of active duty specified in the written agreement shall be required to refund the amount received that exceeds his entitlement under those regulations. If an officer has received less incentive pay than he is entitled to under those regulations at the time of his separation from active duty, he shall be entitled to receive the additional amount due him.

"(d) This section does not alter or modify any other service obligation of an officer. Completion of the agreed period of active duty, or other termination of an agreement, under this section does not entitle an officer to be separated from the service, if he has any other service obligation.

"(e) The Secretary of Defense and the Secretary of Health, Education, and Welfare shall each submit a written report each year to the Committees on Armed Services of the Senate and House of Representatives regarding the operation of the special pay program authorized by this section. The report shall be on a fiscal year basis and shall contain—

"(1) a review of the program for the fiscal year in which the report is submitted; and

"(2) the plan for the program for the succeeding fiscal year.

This report shall be submitted not later than April 30 of each year, beginning in 1975.".

(4) By repealing sections 302a and 303 and the corresponding items in the chapter analysis.

SEC. 2. The amendments made by this Act become effective on April 1, 1974. Except for the provisions of section 313 of title 37, United States Code, as added by section 1(3) of this Act, which will expire on June 30, 1976, the authority for the special pay provided by this Act shall, unless otherwise extended by Congress, expire on June 30, 1977.

And amend the title so as to read: "An Act to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers and other health professionals of the uniformed services."

Mr. STENNIS. Mr. President, I move that the Senate disagree to the amendments of the House and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. STENNIS, Mr. SYMINGTON, Mr. JACKSON, Mr. THURMOND, and Mr. TOWER conferees on the part of the Senate.

Mr. STENNIS. I thank the Senator from Nevada for his courtesy in yielding.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. STEVENS). The matter before the Senate is the unfinished business, which will be stated.

The assistant legislative clerk read as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for

public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. Pursuant to the previous order, the Senator from Tennessee (Mr. BAKER) is to be recognized to call up an amendment.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I call up my amendment No. 1134 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAKER. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment ordered to be printed in the RECORD is as follows:

On page 3, beginning with line 1, strike out through line 4 on page 25 and insert in lieu thereof the following:

"TITLE I—INCREASE IN POLITICAL CONTRIBUTIONS CREDIT AND REPEAL OF PRESIDENTIAL ELECTION FINANCING

"TAX CREDIT

"SEC. 101. (a) Section 41 of the Internal Revenue Code of 1954 (relating to contributions to candidates for public office) is amended by—

"(1) striking out 'one-half of' in subsection (a) and inserting in lieu thereof thereof 'the sum of'.

"(2) amending section 41(b)(1) of such Code (relating to maximum credit for contributions to candidates for public office) to read as follows:

"'(1) MAXIMUM CREDIT.—The credit allowed by subsection (a) for a taxable year shall not exceed $50 ($100 in the case of a joint return under section 6013).'.

"(b) The amendments made by this section apply with respect to any political contribution the payment of which is made after December 31, 1973.

"PRESIDENTIAL ELECTION FINANCING

"SEC. 102. (a) Subtitle H of the Internal Revenue Code of 1954 (relating to financing of Presidential election campaigns) is repealed.

"(b) Part VIII of subchapter A of chapter 61 of such Code (relating to designation of income tax payments to Presidential election campaign fund) is repealed.

"(c) The amendments made by this section apply to taxable years beginning after December 31, 1973.".

On page 26, lines 2 and 3, strike out "under section 504 of the Federal Election Campaign Act of 1971, or".

On page 54, lines 3, 4, and 5, strike out "A candidate shall deposit any payment received by him under section 506 of this Act in the account maintained by his central campaign committee.".

On page 63, lines 14 and 15, strike out "(after the application of section 507(b)(1) of this Act)".

On page 64, line 9, strike out ", title V,".

On page 71, beginning with line 20 strike out through line 2 on page 73 and insert in lieu thereof the following:

"(a)(1) Except to the extent that such amounts are changed under subsection (f)(2), no candidate (other than a candidate for nomination for election to the office of President) may make expenditures in connection with his primary election campaign in excess of the greater of—

"(A) 10 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election for such nomination is held, or

"(B)(i) $125,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2)(A) No candidate for nomination for election to the office of President may make expenditures in any State in which he is a candidate in a primary election in excess of two times the amount which a candidate for nomination for election to the office of Senator from that State (or for nomination for election to the office of Delegate in the case of the District of Columbia, the Virgin Islands, or Guam, or to the office of Resident Commissioner in the case of Puerto Rico) may expend in that State in connection with his primary election campaign.

"(B) Notwithstanding the provisions of subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to 10 cents multiplied by the voting age population of the United States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(b) Except to the extent that such amounts are changed under subsection (f)(2), no candidate may make expenditures in connection with his general election campaign in excess of the greater of—

"(1) 15 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election is held, or

"(2)(A) $175,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(B) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(c) No candidate who is unopposed in a primary or general election may make expenditures in connection with his primary or general election campaign in excess of 10 per centum of the limitation in subsection (a) or (b).

"(d) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(e)(1) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice-Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure, or

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate to make the expenditure.

"(4) For purposes of this section an expenditure made by the national committee of a political party, or by the State committee of a political party, in connection with the general election campaign of a candidate affiliated with that party which is not in excess of the limitations contained in subsection (i), is not considered to be an expenditure made on behalf of that candidate.

"(f)(1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1975), as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Federal Election Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsections (a) and (b) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(g) During the first week of January 1975 and every subsequent year, the Secretary of Commerce shall certify to the Federal Election Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"(h) Upon receiving the certification of the Secretary of Commerce and of the Secretary of Labor, the Federal Election Commission shall publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, and for each State and congressional district under this section."

On page 73, line 3, strike out "(b)" and insert in lieu thereof "(i)".

On page 73, line 24, strike out "section 504" and insert in lieu thereof "subsection (g); and".

On page 74, strike out lines 1 and 2.

On page 74, line 6, strike out "that Act" and insert in lieu thereof "the Federal Election Campaign Act of 1971".

On page 74, line 8, strike out "(c)" and insert in lieu thereof "(j)".

On page 74, line 10, strike out "(a)(4)" and insert in lieu thereof "(e)(3)".

On page 75, line 6, strike out "(a)(5)" and insert in lieu thereof "(d)".

On page 75, line 11, strike out "(a)(4)" and insert in lieu thereof "(e)(3)".

The PRESIDING OFFICER. There is a 1-hour limitation on this amendment. Who yields time?

Mr. BAKER. Mr. President, I yield myself such time as I may require. I would advise the Chair, before I begin to discuss the merits of the amendment, that I wish to yield briefly to the distinguished senior Senator from West Virginia, chairman of the Committee on Public Works, so that we may have a brief colloquy on another matter, the time for the

colloquy to be charged to my time. But first, I ask unanimous consent that the Senator from Kansas (Mr. DOLE) be added as a cosponsor of my amendment No. 1134.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISASTER RELIEF

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. RANDOLPH. Mr. President, a large section of the United States was struck yesterday by tornadoes which whipped through the countryside.

Mr. BAKER. Mr. President, will the Senator yield at this point, so that we may ask for the yeas and nays on my amendment before we lose that capability?

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. RANDOLPH. Mr. President, the exact number of persons reported as having been killed by this disaster runs well over 300, the exact number not being known yet. But destruction and hardships follow in the wake of such a disaster.

The able Senator from Tennessee, who is the ranking minority member of the Committee on Public Works, will speak in a colloquy, as he has indicated.

I have just been given the latest figures. As of 2:30 p.m. the number of dead is 338.

Agencies of the Federal Government have responded, and they are providing relief services. Our Committee on Public Works has jurisdiction over disaster relief legislation. Since early morning, we have been contacting several Senators from States ravaged by the tornadoes of yesterday. Members of our subcommittee, and other members of the full committee, will visit disaster sites in four States tomorrow and Saturday.

They will examine the extent of the damage and evaluate the implementation of disaster assistance measures by the Federal Government. It will be a first-hand inspection, and it will take place under the leadership of the Senator from North Dakota (Mr. BURDICK), who is the chairman of our Subcommittee on Disaster Relief.

There are damaged areas in Tennessee, in Indiana, in Ohio, and in Kentucky, and in response to requests of Senators BAKER and BROCK, BAYH and HARTKE, METZENBAUM and TAFT, COOK and HUDDLESTON we shall go into those States. The Senator from New Mexico (Mr. DOMENICI), the ranking Republican member of our subcommittee, will, of course, participate.

I think that the tour is necessary. The information that can be obtained by an on-the-ground check into the matter will provide important guidance, not only for this committee and subcommittee, but for the Senate as well.

The subcommittee is at the present time considering major revisions of the Disaster Relief Act of 1970. Many Members of the Senate will remember the devastation wrought in several States during the period when that act was being developed. Alabama, I will say to Senator ALLEN, was one of the States struck at that time.

We have tried to set in motion a response mechanism to disasters at the Federal level that will assure us the quickest possible relief to the victims of these disasters—tornadoes, hurricanes, floods, or whatever, because they strike suddenly, without warning.

The Federal role must also include an effective recovery effort, so that the communities can be rebuilt as quickly as possible and the persons who live there can go back to their occupations and their normal lives. I think we all agree that while there is no way that we can prevent natural disasters from occurring, we can provide the relief and rebuilding programs which are necessary.

So, Mr. President, I think it is the duty of the Senate to see that any suffering and any disruption that result from such tornadoes as struck yesterday be minimized, and that the problems that ensue be kept to an absolute minimum.

Mr. BAKER. Mr. President, I thank the Senator from West Virginia, the distinguished chairman of the Committee on Public Works. I might add to his remarks by pointing out that according to the Weather Bureau this is the worst tornado disaster in 49 years; that in Kentucky there are 98 known dead, in Tennessee 58, in Ohio 40, and in Indiana 43 known dead; and that 91 tornadoes were reported sighted by the U.S. Weather Bureau in just the eastern part of Tennessee last night.

It is hard to imagine the destruction that accompanied these untimely and unfortunate deaths, and I commend the chairman for authorizing this first-hand field examination into the disaster by a subcommittee chaired by the Senator from North Dakota (Mr. BURDICK), the ranking Republican Member of which is the Senator from New Mexico (Mr. DOMENICI), to begin in the morning and to cover the affected States.

Mr. ALLEN. Mr. President, will the Senator yield? And I ask unanimous consent that if the Senator does yield the time not be charged against his amendment. Will the Senator from Tennessee yield in order that I might question the chairman of the Committee on Public Works a moment?

Mr. BAKER. I am happy to yield. Mr. President, I ask unanimous consent that the time not be charged against my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, we all recognize the vast compassion that the distinguished Senator from West Virginia always manifests when the American people are in distress and when they sustain tragedies such as have befallen many of our people in the last 36 to 48 hours.

The Senator mentioned the damage to Alabama back in 1970. I call to his attention that Alabama this time also was one of the hardest hit States, and that already there are 70 known dead in Alabama, with the likelihood, inasmuch as some of the buildings have been destroyed to such an extent that they have not been able to ascertain what bodies are still in the buildings, that many more dead are anticipated, a larger number injured, and tens of millions of dollars in property damage sustained.

I appreciate the interest that the Senator from West Virginia and the Senator from Tennessee (Mr. BAKER) are manifesting in this tragedy, and I am hopeful that the subcommittee will be able to get into Alabama, in the northern tier of counties there, and see our ravaged areas firsthand, also.

I do feel that we should have some permanent legislation that will do the necessary job and will provide the mechanics for doing the necessary job to alleviate the suffering that our people have sustained. We feel that the present legislation is inadequate, and I am pleased that the President has declared Alabama and the other States mentioned by the distinguished chairman as disaster areas, which will allow public facilities, public utilities, and public improvements to be restored and will make available loans for assistance. I am pleased with the reaction that we understand has taken place among the Federal agencies in rushing to aid our people. We hope that that is taking place throughout the damaged area.

I commend the distinguished Senator from West Virginia, the Senator from Tennessee (Mr. BAKER), his full committee, and particularly his subcommittee which is going to travel over large portions of the country examining the extent of the damage.

I wonder if the members of the committee might have Alabama on their itinerary.

Mr. RANDOLPH. Mr. President, I appreciate the concern that the Senator from Alabama has expressed for the people of all the affected areas. He correctly calls attention to the very heavy damage in his own State of Alabama, and to the very high death toll there.

We are not certain of just how our trip can move, but I have a feeling that we will want to inspect other disaster areas.

Mr. ALLEN. Yes.

Mr. RANDOLPH. While it might not be possible this week it would be our intention to inspect, insofar as we can, the area the Senator has spoken of in Alabama.

I know that Senator DOMENICI and, of course, Senator BURDICK identify with these matters in subcommittee leadership. As I have indicated earlier, they are working with the staff very carefully, and we want to do a thorough job.

Mr. ALLEN. Yes, I know.

Mr. RANDOLPH. Hopefully we will not miss those areas that need to be covered.

I want to indicate this before I finish: I have noted that the Senator spoke about the inadequacy of the present law.

Mr. ALLEN. Yes.

Mr. RANDOLPH. There was a time not so many years ago when, frankly, all we did, when disaster came by way of tornado, flood, hurricane, or earthquake, was to come into the Senate Chamber and appropriate money to be spent on relief and on rebuilding. But we did, back in 1970, set in motion a good——

Mr. ALLEN. I agree.

Mr. RANDOLPH (continuing). Program, by which we have been able to give relief and to rebuild in a very realistic and helpful manner. Thus, I respond again to the Senator from Alabama, that I am sure we will give attention to the areas which have been devastated. I appreciate his understanding of our problem and the words that he has spoken.

Mr. ALLEN. Mr. President, I should like to say, on behalf of my senior colleague (Mr. SPARKMAN), that he shares the concern that I feel for the plight of our people and also on behalf of our distinguished Governor, George C. Wallace; so that if the subcommittee will come to Alabama and it can project its plans in such a way as to provide for a visit by the subcommittee or the full committee to our State, such transportation by State trooper car, or by State airplane will be made available to the committee, and all the necessary lodging requirements of the committee will be arranged for. We would certainly welcome the committee with open arms.

Mr. RANDOLPH. That offer of cooperation at the local level is very valuable and necessary oft times. We will keep that in mind. I thank the distinguished Senator from Alabama.

Mr. DOMENICI. Mr. President, I should like to comment on the dialog which has proceeded between the Senator from West Virginia and the Senator from Alabama. I am the ranking Republican member of the subcommittee, and I should like to tell the Senator from Alabama that our schedule is still indefinite. Our chairman is not here to explain it. But to the best of my knowledge, we will start out early tomorrow morning and for at least 2 days we will plan our itinerary. Whether we will continue to travel on Sunday and Monday is still indefinite, but I personally will confer with Senator BURDICK, and will ask about plants for next week, about going into other States if we cannot complete it this week. The subcommittee, as the Senator knows, has had numerous hearings around the country. By coincidence, we are scheduled to mark up the bill on April 9. There are two parts of the bill that are major improvements and we must do something about them quickly. Certainly we will be able to act, immediately after the trip, to carry out what everyone thinks is the implementation of two shortcomings. One, I might say, is what do we do to take the place of the $5,000 forgiveness loan area. We have under serious consideration a $2,500 grant program to be administered by the State with Federal money to the people who have become needy; that is, needy not by definition of economic circumstances but by definition of what the emergency has caused that makes them needy. We have about agreed on it. I do think it will take more than 4 or 5 days to come up with it. The history of the Senate, I am sure, is such that the bill will be acted on immediately and given every consideration. The long-term aspect must be adequate. We will arrive at a better long-range implementation for improvements to group communities, or a community, in addition to the public facilities which have always been covered. I think we have several improvements to that which can be done rather quickly. I assure the Senator and others interested that we are on the verge of producing a bill and this will expedite it.

We will be able to give due consideration to the new kinds of facts that we find here because we find them in every kind of disaster. We will do this at the earliest possible time.

Mr. ALLEN. I want to state to the distinguished Senator that I hope he will use his good offices to see that the committee or the subcommittee does come to Alabama. This Senator hopes that the Senator, the ranking minority member, or the chairman, will notify the junior Senator from Alabama and my distinguished senior colleague (Mr. SPARKMAN) if a plan can be arranged to include Alabama so that one or both of us can be on hand to greet you and accompany you throughout the State.

The PRESIDING OFFICER (Mr. STEVENS). If the Senator from Alabama will yield to the Chair to intervene at this point, the Chair would state that the unanimous consent agreement was that the Senator from Tennessee yielded to the Senator from Alabama for the purpose of engaging in colloquy with the Senator from West Virginia. It is not to be charged to the Senator from Tennessee. The Chair is constrained to note that this colloquy has extended beyond the unanimous consent agreement.

Mr. BAKER. Mr. President, to make sure that this worthwhile colloquy does not gobble up all of my time on my amendment, I ask unanimous consent that this and any further colloquy regarding tornadoes, and so forth, not be charged against my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, so far, the documenation given by the able Senator from New Mexico is very helpful. I had said at the hearing today, as we began this discussion, that the work of the subcommittee in strengthening the present legislation has been in process, and we will, of course—the leadership, Senators BURDICK, DOMENICI, and with the cooperation of all the other members of the subcommittee and the committee—give attention to these matters.

I want to tell you, Mr. President, that when we had the trouble with the earthquake in California, there was literally documentation of hundreds of people who took advantage of that situation. So that we have to be very careful when we set a sum of money, that is, money like that. That is a side issue, of course.

I yield now to my colleague from Illinois.

Mr. STEVENSON. Mr. President, I want to commend also the distinguished Senator from West Virginia for his vigilance and the way in which his committee instantaneously responded to the plight of the people whose homes have been damaged by recent tornadoes. Many of those people reside in Illinois. Illinois was not so severely damaged as other States, such as Ohio, Indiana, Kentucky, but there are people in the State of Illinois who are suffering some damaged property. There has also been some loss of life.

So, in addition to commending the distinguished Senator from West Virginia, I simply want to express the hope that in the deliberations of the committee, it might try to find some time to visit the districts damaged in Illinois. It would be helpful to the committee's understanding of the suffering caused in Illinois, as to the division of relief and also, perhaps, in the preparation of legislation for a longer term.

I am sure our Governor and all of our local officials would be more than grateful and delighted to provide every accommodation possible for the convenience of the committee, if it were possible to include a visit to the State of Illinois in forthcoming trips by the subcommittee.

Mr. RANDOLPH. I thank the able Senator from Illinois. We do know that the President is now declaring certain States as disaster States or areas within those States. As the Senator indicated, the death toll in his State is no so large as that compared with other States but the impact in many ways is felt in West Virginia. There was the death of one small child in West Virginia, which of course saddens us all very much, especially the little community of Meadow Creek, which I know very well and have visited there dozens of times. The damage was quite severe in the community. But we have the responsibility, certainly as a Congress, the committee, and especially, the subcommittee, in moving quickly and earnestly to discharge our duties as responsible legislators.

Mr. BAKER. ~~Mr. President, I thank my chairman for his remarks about this important matter and the opportunity to listen to the colloquy by so many other Senators, including the distinguished occupant of the Chair, Mr. DOMENICI, who is the ranking minority member on the subcommittee. This is an important matter, one to which the committee, Congress, and the Senate have responded very quickly~~.

Mr. President, turning my attention now to amendment No. 1134, I yield myself such time as I may use.

Mr. President, this amendment would strike all of title I of the bill regarding public financing of campaigns for Federal office. In its place, I would substitute a refined form of private financing designed to broaden the base of participation and prevent the abuse of earlier campaigns.

Specifically, I would propose a 100-percent tax credit on all political contributions made in a calendar year up to $50 for an individual return and $100 for a joint return. As it is now, an individual can claim a tax credit of 50 percent of all contributions made in a calendar year up to $12.50. On a joint return, the credit is up to $25. In S. 3044, the tax credit is still 50 percent; but the amount is increased to $25 on an individual return and $50 on a joint return. Once again, my amendment would allow a 100-percent tax credit on all contributions made in a calendar year up to $50 on an indi-

vidual return and $100 on a joint return. In this way, the small contributor is offered a clear and realistic incentive to contribute between $50 and $100 to the candidate of his or her choice.

Moreover, we can avoid most of what I consider to be the intrinsic liabilities of partial or full public financing of campaigns for Federal office. What are those liabilities, in my view? I shall attempt to list them.

The question of public participation in our political process is one which concerns me greatly, as I am sure it does most of my colleagues. In the past few years, that participation has declined steadily, as has public trust and confidence in our major governmental institutions. In the wake of Watergate and related events, it becomes increasingly incumbent upon us to ascertain the key to increasing public participation and promoting public trust in elected officials.

Those who advocate public financing argue that the only way to prevent further erosion of public confidence is to remove the opportunity for financing that process from the hands of the special interests, and to entrust a substantial portion of that responsibility in the Federal Government. I do not quarrel with the need to eliminate the inordinate influence of special interests. In fact, I believe that only individuals should be allowed to contribute to political campaigns; and even then, not in excess of the limits prescribed in S. 3044. But, I strongly disagree with the presumption that eliminating the financial influence of special interests necessitates granting that influence of responsibility to the U.S. Treasury. It seems to me the American people should be given the option of assuming that prerogative rather than the Federal Government. It is not just a question of whether we need the power of the Government to enforce the relevant statutes, nor whether we need an effective means of prosecuting those who violate those statutes; for clearly, the Government must play a major role in this regard. But, the question is really how necessary is it that the Government directly involve itself in financing political campaigns. If it were the only viable means of funding a clean and competitive two-party system, then I might support public financing. But it is not, in my judgment, for the following reason.

To the present day, the Congress has never successfully sought to effectively limit the amount of money an individual or group could contribute to a political campaign. In fact, I believe S. 372 was the first time that either House had passed legislation which actually sought to bring this about. Thus, rather than political candidates being compelled to raise 50 contributions of $100 each, they have always opted in favor of the single $5,000 contribution when they could find it.

It is only natural; and as a politician, I can certainly understand why candidates find it easier to raise a specific amount of money in large contributions rather than small ones. But we should also realize what influence this has had on our respective fundraising techniques. For reasons of expedience, we have traditionally geared our fund-raising efforts to the so-called fat cats and sought small contributions when the big money was not available. Thus, we are comparatively inexperienced when it comes to undertaking a broad, low-level solicitation effort.

Under the expenditure limitations of S. 3044, a Presidential candidate can spend up to 15 cents times the voting age population of the country in the general election campaign. If my calculations are accurate, that comes out to about $24 million. Pursuing this arithmetic argument a little further, that translates into 8,000 contributions of $3,000 each. I realize that we are talking about only one Presidential candidate during the general election campaign, but this can be extrapolated into other races for Federal office; and I submit that a thorough examination of the actual number of contributions required to adequately fund campaigns for Federal office would shock a great many people. In fact, that number is infinitesimal in light of a voting-age population of over 140 million people. Nevertheless, a great many of my colleagues in the Congress are convinced that we cannot raise sufficient funds so long as we limit the size of individual contributions. It is proposed, therefore, that we enlist the aid of the Federal Government through a system of partial, but substantial public financing.

But I cannot accept that alternative. I cannot accept it because there seems to me something politically incestuous about the Government financing, and I believe inevitably then, regulating the day-to-day procedures by which the Government is selected. It is extraordinarily important, in my judgment, that the Government not control the machinery by which the public expresses the range of its desires, demands, and dissent. And yet, that, in a sense, is what we are debating here. I do not question the motives of those who drafted this legislation, but rather the possible consequences of its enactment.

Indeed, I can even visualize a scenario in which bureaucrats, empowered to write checks on the Public Treasury—checks essential to the success of various political campaigns—can abuse, manipulate, or otherwise influence the outcome of those elections by generating the kind of bureaucratic red tape which is characteristic of our burgeoning Federal Government.

For these reasons, I would urge that we avoid delegating significant funding authority to the Government until it is absolutely necessary. The American people should retain exclusive responsibility for funding political campaigns, and they should be encouraged to do so on a much broader scale.

The amendment which I have offered proposes to vastly expand the base of public participation and increase, by literally millions, the number of people who have a personal stake in political campaigns. This would be done by offering the kind of clear tax incentive required to prompt small contributions from concerned Americans. Moreover, it would entitle those Americans to choose the individual to whom they wish to contribute. Under the present dollar checkoff, as well as the provisions of S. 3044, the individual taxpayer is unable to determine who receives his or her tax dollars. However, under my approach, the taxpayer is not only able to designate the particular recipient, but also the amount involved, thereby leaving complete discretion to the individual contributor. This brings me to my final argument in opposition to public financing.

Although S. 3044 does not specifically prohibit private contributions during any phase of a political campaign, it certainly discourages them, particularly between the primary and general elections. It is during that time that private contributions are subtracted from the Government subsidy available for major party candidates who have reached the required threshold. The thrust of the bill is that once the threshold has been reached, private contributions are no longer sought nor needed; and this would seem to clearly infringe upon the individual's first amendment right of freedom of political expression.

Not only does that right include the option of contributing to a political campaign at the appropriate time, but it also includes the option not to participate at all if the individual so chooses. And yet, under S. 3044, $2 on an individual return and $4 on a joint return is automatically paid into the Federal election campaign fund unless the taxpayer indicates to the contrary. In other words, the only option available to the individual is a negative one; and this, in my judgment, is wrong. Morover, if insufficient funds are raised by the proposed $2 or $4 checkoff system, the Congress is required to appropriate the necessary difference, thereby negating the decision of taxpayers not to have their tax dollars used for political campaigns. This, too, is wrong, in my opinion, and abridges still further the individual's first amendment right of freedom of political expression.

However, this amendment would avoid all of these constitutional questions by protecting the freedom of political expression and by encouraging that expression through a realistic tax credit system.

At a time when public confidence in our Government is at an all-time low, it is difficult to resist the temptation to throw the baby out with the bath water. And it is equally difficult to enact constructive and meaningful reform. But, going from one extreme, that is, essentially unrestricted private financing, to another, that is, public financing of all campaigns for Federal office, is not the answer. Rather, we should consider a refined form of private financing in which the size of individual contributions is strictly limited, and in which there is full public disclosure and an effective enforcement mechanism. That would seem to be the most logical next step, and that is what I am proposing with a majority of my colleagues on the Senate Watergate Committee as well as a number of other Senators.

Mr. President, in a word, I am not prepared to say we have reached the place where we can no longer discuss the po-

litical process. We can and we should refine, refurbish, and redesign our political system so that it is fully supported by voluntary contributions of individuals. We should eliminate contributions of special interest groups and restrict contributions to those made by qualified voters only. We should have timely disclosure of all contributions, and by "timely" I mean to have the final report on contributions before the election and not after.

Mr. President, S. 3044 provides for the final report to be filed on January 31 in the year following an election, when it is of precious little importance to the average voter.

We should limit the amount of contribution that an individual can make. We should limit the dollar amount that can be expended.

There is a range of other options which will bring more representative government to the people and together they form a package infinitely more attractive to this Senator than the present system.

Mr. President, I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, I find myself in agreement with the distinguished Senator from Tennessee on a good many points he made. However, there are a number of points I cannot support in this amendment for reasons I shall enumerate.

First, the most recent point he made, that he thought a final report should be filed prior to election so voters could know about it. This is a practical impossibility, because the final report is intended to finalize everything that was transacted from a reporting standpoint, in the campaign. Obviously, one cannot file any report that would take care of those details in the 2 or 3 days of the campaign. It would be a physical impossibility. A written report has to be prepared, it has to be filed with a receiving officer, and it has to be made available and publicized. One cannot even get something in the newspapers unless it involves something of a headline nature these days. So the practicality of that suggestion is out of the question.

Now, we have required a number of reports in the reporting process. The latest one would be a complete report of everything that happened up to 10 days before election day. We felt that was as close to election day as we could go and still make information available to the public so that they could be informed and make an informal judgment with respect to the voting process.

The distinguished Senator made some reference to the checkoff provision in title V. I would point out that title V has been eliminated from this bill and is no longer a part of the bill. Therefore, we should not discuss the matter in the context of title V, except as he proposes to put it back in in his amendment and have it called title I.

I agree with the Senator on the provision as it was originally in title V on the checkoff. I think a person should take affirmative action if he desires his money to be contributed to the political process rather than to have it go to this purpose unless it were checked off otherwise.

When that proposal comes up in the proper form from the Committee on Finance on the finance bill I would expect to vote with the Senator from Tennessee and others on that point.

I would hope that the Senator would not press for proposals here today related to the tax credit, tax deduction, and checkoff. I say that, because there is a serious constitutional question involved as to the propriety of that issue on this bill.

We have discussed this on the floor on numerous occasions before. There is no question that it would be subject to a point of order in the House. We have had that ruling from the Parliamentarian on three occasions, and on this occasion we have had the motion of the distinguished Senator from Louisiana that title V be referred to the Committee on Finance with the assurance from him that they would attach that to an appropriate revenue bill from the House and report it to the floor of the Senate so that we would have an opportunity to vote thereon.

With respect to the compensation, I completely agree with the distinguished Senator from Tennessee on the compensation, doubling, or increasing the amount. I am in favor of increasing the tax credit; I am in favor of increasing the deductions; and I am in favor of the checkoff position. But I am very fearful that if we leave it on this bill we are going to run into some serious difficulties. We have voted already on the floor of the Senate on one occasion to strike that from this bill and refer it to the Committee on Finance. So I would be quite hopeful that the Senator from Tennessee would at least modify his amendment to take out that particular portion. If that is done, then we have remaining only the bill S. 372, which we passed last year without public financing added.

So we get back to the issue we voted on earlier with the Senator from Alabama. If one is for public financing, he should vote against the amendment; if one is against public financing, he should vote for the amendment.

The Senate already has expressed its judgment overwhelmingly on S. 372, which is a good bill, and the House acted on it. Had the House acted on it last year, I do not think we should be here going through this exercise at this time, because the pressure would have been relieved somewhat. It was a good bill although it did not have the feature of public financing and other features in this bill.

So, Mr. President, I again say to my colleague that I would be very hopeful he would not press his amendment with respect to the financing items. The issue already has been determined once. It is not properly on the bill and will create more difficulties for us. If that is the Senator's objective, we might have a vote on it. I would vote for the tax credit, the tax deduction, and the checkoff, but I cannot vote for them in his amendment which would delete public financing.

Mr. BAKER. Mr. President, before I yield to my distinguished colleague from North Carolina, I would like to make a brief remark. If I were to withdraw the amendment, if I were to fail to insist on this alternative, it seems to me it would deprive the Senate of an effective reform measure as an alternative to public financing.

All the Senate could vote for would be for public financing or nothing. Therefore, I feel a strong obligation to insist on this amendment. I might point out that there is no tax deduction included in this amendment.

I yield now to the Senator from North Carolina (Mr. ERVIN).

Mr. ERVIN. Mr. President, in furtherance of the remarks of the Senator from Tennessee, if the Watergate affair indicates anything, it indicates that we need some reform in raising of campaign funds for Federal officers.

Despite my great respect for my good friend from Nevada, I cannot agree that there is any constitutional question involved here. The constitutional provision which is germane to a claim of that nature is in section 7 of article I, which says:

> All bills for raising revenue shall originate in the House of Representatives.

There is not a syllable in the amendment offered by the distinguished Senator from Tennessee, of which I am a cosponsor, that undertakes to raise a single penny of revenue. It does not undertake to raise revenue. It does not impose any taxes. But it not only does provide a method whereby we can reform the financing of Federal elections in such a way as to leave the power to make voluntary contributions to the taxpayers of this country, but is also calculated to stimulate the political parties and candidates for political office to insist on further involvement by the people of the United States in the election processes—and that is the crying need, along with the need for reform.

We have gotten into an unfortunate state in this country—when anything goes wrong, we say, "Go down to the bottom of that empty hole we call the Treasury of the United States and get some money out of that empty hole to cure the problem." In my judgment, it would multiply the problems, because here is an indirect encouragement to anybody who wants to have a lot of money at his disposal to have a good time traveling through this country by becoming a candidate for the Presidency of the United States. This bill is going to be a stimulation to get more money out of the Treasury of the United States so people can indulge their political fantasies, and I do not think that is something to be encouraged.

I think the Senator from Tennessee should insist on having a vote in the Senate on this amendment, since this is not an amendment which would raise a single penny of revenue, but, on the con-

trary, would form a method by which the taxpayers could voluntarily make a contribution to the candidates of their choice and to the parties of their choice. I think it is a highly desirable amendment, and I sincerely hope the Senate will adopt it.

Mr. BAKER. I thank my colleague from North Carolina, who not only is a great constitutional authority in the country and the Senate, but I point out, has a greater familiarity with the very abuses we are trying to prevent in this country than anybody in this Chamber.

The point he makes with respect to the constitutionality of this legislative situation is entirely correct. The point he makes with respect to the awesome authority of the anonymous bureaucracy being brought to bear against the political system, the most delicate of all its governmental devices, is one that must commend itself to this body for consideration. I thank the Senator from North Carolina for his support.

Mr. ROTH. Mr. President, will the Senator yield?

Mr. BAKER. I am happy to yield to my colleague from Delaware.

Mr. ROTH. I would like to compliment the Senator from Tennessee for offering his amendment. I think it is a highly desirable alternative to the public financing approach.

I would just like to emphasize a point he made a few minutes ago. Those of us who support the "tax credit" approach to campaign reform, as opposed to public financing of elections, are placed in a very difficult position. We are told that this option of a tax credit is parliamentary not feasible. I was happy to hear the arguments made by the Senator from North Carolina, but there are editorials, for example, including in my own paper, which say those of us who support the other options should nevertheless vote for cloture, so there is an up-and-down vote on "public financing."

What this means, in effect, if it is ruled that the "tax credit" amendment is out of order, is that we really have no opportunity to debate an alternate approach to "public financing."

I would just say that one of my great concerns with public financing is that we are emphasizing money, rather than deemphasizing it. It seems to me that if we are really going to restore public confidence and get greater citizen participation in campaigns, we have to use another approach than just to vote into law big spending.

I do not intend at this stage to debate either the merits or demerits, but I want to point out that the parliamentary situation, if this amendment is not proper, puts those of us who support an alternate way in the position of having to vote up and down on public financing without a full opportunity to debate another way, which comes closer to correcting the problems of campaign spending.

Mr. BAKER. Mr. President, I am grateful for the remarks of the Senator from Delaware.

I am prepared at this time to yield back the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 2 minutes for an observation.

There has been considerable discussion about the constitutional question here. I correctly stated the proposition that this matter had been raised, I believe in 1961, and it was on a campaign reform bill, an amendment of which I was a sponsor and which was before the Senate at that time. The then distinguished Senator from Virginia, Harry Byrd, who is no longer with us, made the point that the amendment would be subject to a point of order, and it was for a tax credit similar to the tax credit in this particular amendment, and the Senate was advised at that time that the House would not even consider a bill with this type of provision in it for that reason.

So my statement with respect to the point of order has been borne out historically here by what happened on the floor of the Senate, and I was the author of the particular amendment that was offered.

As I said earlier, I support that provision of the distinguished Senator's amendment, and when I have the opportunity, in the proper forum, I expect to vote for it.

Mr. BAKER. I thank the Senator.

Mr. ERVIN. Mr. President, will the Senator yield me 3 or 4 minutes?

Mr. BAKER. I yield.

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. BAKER. I yield that 1 minute to the Senator from North Carolina.

Mr. ERVIN. Mr. President, I have already read to the Senate the provision in the Constitution which states:

> All bills for raising revenue shall originate in the House of Representatives . . .

This amendment does not propose to raise a single penny of revenue. The House has some rules over there, but I think the Senate ought to assert its right to legislate under the Constitution, irrespective of House rules, and I am not willing, as far as I am concerned, to let the Senate take a subordinate position as a legislative body. There is nothing in the Constitution that would prevent the Senate from adopting this amendment, and I think the Senate ought to insist that it is at least an equal body with the House of Representatives in every respect that the Constitution does not deprive it of the privilege of so doing, and this amendment has no constitutional implications whatsoever.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

Mr. BAKER. Mr. President, my time has expired.

The PRESIDING OFFICER. All time on the amendment having expired or been yielded back, and the yeas and nays having been ordered, the question is on agreeing to the amendment of the Senator from Tennessee. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. LONG), the Senator from Texas (Mr. BENTSEN), and the Senator from Indiana (Mr. HARTKE) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT) is necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 34, nays 58, as follows:

[No. 119 Leg.]

YEAS—34

Aiken	Dole	Hollings
Allen	Dominick	Hruska
Baker	Eastland	McClellan
Bartlett	Ervin	McClure
Beall	Fannin	Nunn
Bellmon	Fong	Roth
Brock	Goldwater	Sparkman
Buckley	Griffin	Stennis
Byrd, Harry F., Jr.	Gurney	Talmadge
Cotton	Hansen	Thurmond
Curtis	Hatfield	Tower
	Helms	

NAYS—58

Abourezk	Humphrey	Pastore
Bayh	Inouye	Pearson
Bible	Jackson	Pell
Biden	Javits	Percy
Brooke	Johnston	Proxmire
Burdick	Kennedy	Randolph
Byrd, Robert C.	Magnuson	Ribicoff
Cannon	Mansfield	Schweiker
Case	Mathias	Scott, Hugh
Chiles	McGee	Stafford
Church	McGovern	Stevens
Clark	McIntyre	Stevenson
Cook	Metcalf	Symington
Cranston	Metzenbaum	Taft
Domenici	Mondale	Tunney
Eagleton	Montoya	Weicker
Gravel	Moss	Williams
Hart	Muskie	Young
Haskell	Nelson	
Hathaway	Packwood	

NOT VOTING—8

Bennett	Hartke	Long
Bentsen	Huddleston	Scott, William L.
Fulbright	Hughes	

So Mr. BAKER's amendment (No. 1134) was rejected.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, a number of States, including Indiana, Iowa, Tennessee, Alabama, Kentucky, and two or three others—especially Kentucky—have been hit rather hard by tornadoes, windstorms, and the like within the past 24 to 36 hours.

It is imperative, in my judgment, that Senators from those States return to their States to assess the damage, to see what can be done to alleviate the situation, and in that manner to carry out their responsibilities.

Therefore, after discussing the matter

with the distinguished Republican leader, the joint leadership has decided that while we will be on the pending business tomorrow, there will be no votes tomorrow, and that any votes which may arise will be carried over until Monday.

Mr. HUGH SCOTT. Mr. President, if the distinguished majority leader will yield, I think it is essential that Senators from the affected States have the opportunity to return home for the reasons cited, and for the further reason that they can best estimate the role of the Federal Government in applying such legislation as we have already enacted, whether we need additional legislaion, or what Congress may do to assist in the relief of those people who have suffered from the effects of the tornado damage; and if legislation is needed, they can best advise it.

Moreover, they can advise the Executive, as we did in the case of Hurricane Agnes, where the Federal Government moved both on the legislative and executive sides very promptly indeed. For example, mobile trailers and other equipment may be very promptly needed, and Senators, as representatives of their people back home, are needed there.

Mr. MANSFIELD. I would agree with what the distinguished Republican leader has just said. To reiterate, there will be no votes tomorrow. If there are any votes, they will be carried over until Monday, and no votes will occur before the hour of 3:30 p.m. on Monday, which should give the affected Members a reasonable opportunity to assess the damage and to come to their own conclusions as to what should or could be done.

It is the intention of the leadership to lay down a cloture motion tomorrow. It is the hope of the leadership that the Senate will agree that a vote will occur on the cloture motion, which will be laid down tomorrow at 4 o'clock, on Tuesday afternoon next.

That is about it, I think.

Mr. MAGNUSON. Mr. President, will the Senator yield for just a moment?

Mr. MANSFIELD. Yes.

Mr. MAGNUSON. This has been, apparently, a more serious thing that we estimated. I do not think legislation might be necessary. I will say to the Senator from Pennsylvania. But it gets down to the question of appropriations and money. I see the distinguished chairman of the committee here and I would think that we might suggest to our colleagues that we would be available for maybe some special meeting on Monday to discuss the matter of what appropriations may be made.

Mr. MANSFIELD. That is a good idea and include it in the supplemental now before us.

Mr. MAGNUSON. In the supplemental now before us, yes. But I do not think that legislation is necessary.

Mr. McCLELLAN. Mr. President, of course, any appropriation will have to originate in the House of Representatives. I think we would want to wait until Senators return from their respective States and bring us some concrete information as to probable need. If that is done, why the subcommittee under the Senator from New Mexico can hold immediate hearings or if he requests it, we will hold full committee hearings. In other words, the Appropriations Committee is ready to act. All we are awaiting is adequate and necessary information to inform us, so that we can act intelligently and effectively.

Mr. HUGH SCOTT. Mr. President, I am informed that the Subcommittee of the Senate Public Works Committee is considering comprehensive disaster relief legislation much of which involves the consolidation—I know we have other information on that—of existing disaster relief legislation. The subcommittee, as I understand it from the distinguished Senator from West Virginia (Mr. RANDOLPH), consists of Senator BURDICK and ranking Republican Member, Senator DOMENICI. Senator BAKER also has been active in this regard, I am informed.

Mr. MANSFIELD. I might say that they will look at the distressed areas on Friday, Saturday, and Sunday if need be and part of Monday.

Mr. ALLEN. Mr. President, reserving the right to object—and I shall not object—I wish to express my sincere and deep thanks to the distinguished majority leader and the distinguished minority leader for working out this plan that will enable Senators to return to their home States and be with their people—the people they represent here in this body—during their time of tragedy and travail.

Certainly, I could do nothing less than to agree with the distinguished majority leader's request that the cloture vote be set, I believe the majority leader said, for 4:30?—for 4 o'clock?

Mr. MANSFIELD. Four o'clock.

Mr. ALLEN. Four o'clock. Certainly I would not object, but I wish to commend the distinguished majority leader and the distinguished minority leader for working out this plan that will accommodate Senators. It is very kind of them.

Mr. MANSFIELD. I thank the Senator from Alabama very much.

ORDER FOR ADJOURNMENT FROM TOMORROW TO MONDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business tomorrow, it stand in adjournment until the hour of 12 o'clock noon on Monday next.

The PRESIDING OFFICER (Mr. McCLURE). Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM MONDAY NEXT, APRIL 8, 1974, TO TUESDAY, APRIL 9

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business on Monday next, it stand in adjournment until 12 o'clock noon on Tuesday, April 9, 1974.

The PRESIDING OFFICER. Without objection, it is so ordered

Mr. MANSFIELD. Mr. President, I also ask unanimous consent that the time for the 1-hour debate on the cloture motion begin at 3 p.m. on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I thank the Senator from Tennessee (Mr. BAKER) for yielding us this time.

Mr. BAKER. I thank the distinguished majority and minority leaders for working out this schedule so that those of us who are affected will be able to make the trip.

SOLAR ENERGY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be an extension of 30 days from April 12, 1974, to file the report on H.R. 11864, to permit the committees having jurisdiction to complete their work on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ERVIN. Mr. President, I ask unanimous consent that the distinguished Senator from Tennessee (Mr. BAKER) may yield to me so that I may proceed for 5 minutes, with the understanding that by so doing the Senator from Tennessee will not lose his right to the floor.

Mr. BAKER. Mr. President, I will be glad to do that but may I ask my distinguished colleague from North Carolina to permit me to lay down my amendment and ask for the yeas and nays while there are still a sufficient number of Senators in the Chamber?

Mr. ERVIN. Of course.

AMENDMENT NO. 1135

Mr. BAKER. Mr. President, I call up my amendment No. 1135 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

S. 3044

On page 3, line 6, strike out "FEDERAL" and insert in lieu thereof "PRESIDENTIAL".

On page 4, line 6, strike out the comma and insert in lieu thereof a semicolon.

On page 4, beginning with line 7, strike out through line 12.

On page 4, line 13, strike out "(5)" and insert in lieu thereof "(4)".

On page 4, line 17, strike out "(6)" and insert in lieu thereof "(5)".

On page 5, line 6, strike out "any".

On page 5, line 21, immediately before "Federal", strike out "a".

On page 7, line 3, strike out "(1)".

On page 7, beginning with "that—" on line 5, strike out through line 7 on page 8 and insert in lieu thereof "that he is seeking nomination for election to the office of President and he and his authorized committees have received contributions for his campaign throughout the United States in a total amount in excess of $250,000.".

On page 9, line 6, after the semicolon, insert "and".

On page 9, strike out lines 7 and 8 and in-

sert in lieu thereof the following: "(2) no contribution from".

On page 9, beginning with "and" on line 13, strike out through line 19.

On page 10, beginning with "(1)—" on line 3, strike out through line 16 and insert in lieu thereof the following: "(1), no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election.".

On page 13, beginning with line 16, strike out through line 18 on page 14 and insert in lieu thereof the following:

"SEC. 504. (a)(1) Except to the extent that such amounts are changed under subsection (f)(2), no candidate may make expenditures in any State in which he is a candidate in a primary election in excess of the greater of—

"(A) 20 cents multiplied by the voting age population (as certified under subsection (g)) of the State in which such election is held, or

"(B) $250,000.".

On page 14, line 19, strike out "(B)" and insert in lieu thereof "(2)" and strike out "subparagraph" and insert in lieu thereof "paragraph".

On page 14, line 20, strike out "(A)" and insert in lieu thereof "(1)".

On page 15, line 8, beginning with "the greater of—", strike out through line 17 and insert in lieu thereof "15 cents multiplied by the voting age population (as certified under subsection (g)) of the United States.".

On page 18, beginning with line 10, strike out through line 20.

On page 19, line 11, strike out "Federal" and insert in lieu thereof "Presidential."

On page 25, between lines 4 and 5, insert the following:

"INCREASE IN TAX CREDIT

"SEC. 102. (a) Section 41 of the Internal Revenue Code of 1954 (relating to contributions to candidates for public office) is amended by—

"(1) striking out 'one-half of' in subsection (a) and inserting in lieu thereof 'the sum of'.

"(2) amending section 41(b)(1) of such Code (relating to maximum credit for contributions to candidates for public office) to read as follows:

"'(1) MAXIMUM CREDIT.—The credit allowed by subsection (a) for a taxable year shall not exceed $50 ($100 in the case of a joint return under section 6013).'

"(b) The amendments made by this section apply with respect to any political contribution the payment of which is made after December 31, 1973.

"REPEAL OF PRESENT PRESIDENTIAL ELECTION FINANCING LAW

"SEC. 103. (a) Subtitle H of the Internal Revenue Code of 1954 (relating to financing of Presidential election campaigns) is repealed.

"(b) The amendment made by this section applies to taxable years beginning after December 31, 1973."

On page 26, lines 2 and 3, strike out "under section 504 of the Federal Election Campaign Act of 1971, or".

On page 71, beginning with line 20, strike out through line 2 on page 73 and insert in lieu thereof the following:

"(a)(1) Except to the extent that such amounts are changed under subsection (f)(2), no candidate (other than a candidate for nomination for election to the office of President) may make expenditures in connection with his primary election campaign in excess of the greater of—

"(A) 10 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election for such nomination is held, or

"(B)(i) $125,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2)(A) No candidate for nomination for election to the office of President may make expenditures in any State in which he is a candidate in a primary election in excess of two times the amount which a candidate for nomination for election to the office of Senator from that State (or for nomination for election to the office of Delegate in the case of the District of Columbia, the Virgin Islands, or Guam, or to the office of Resident Commissioner in the case of Puerto Rico) may expend in that State in connection with his primary election campaign.

"(B) Notwithstanding the provisions of subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to 10 cents multiplied by the voting age population of the United States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(b) Except to the extent that such amounts are changed under subsection (f)(2), no candidate may make expenditures in connection with his general election campaign in excess of the greater of—

"(1) 15 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election is held, or

"(2)(A) $175,000, if the Federal office is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(B) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(c) No candidate who is unopposed in a primary or general election campaign in excess of 10 percent of the limitation in subsection (a) or (b).

"(d) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(e)(1) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice-Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure, or

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate to make the expenditure.

"(4) For purposes of this section an expenditure made by the national committee of a political party, or by the State committee of a political party, in connection with the general election campaign of a candidate affiliated with that party which is not in excess of the limitations contained in subsection (i), is not considered to be an expenditure made on behalf of that candidate.

"(f)(1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1975), as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Federal Election Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsections (a) and (b) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(g) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Federal Election Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"(h) Upon receiving the certification of the Secretary of Commerce and of the Secretary of Labor, the Federal Election Commission shall publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, and for each State and congressional district under this section."

On page 73, line 3, strike out "(b)" and insert in lieu thereof "(i)"

On page 73, line 24, strike out "section 504", and insert in lieu thereof "subsection (g); and".

On page 74, strike out lines 1 and 2.

On page 74, line 6, strike out "that Act" and insert in lieu thereof "the Federal Election Campaign Act of 1971".

On page 74, line 8, strike out "(c)" and insert in lieu thereof "(j)".

On page 74, line 10, strike out "(a)(4)" and insert in lieu thereof "(e)(3)".

On page 75, line 6, strike out "(a)(5)" and insert in lieu thereof "(d)".

On page 75, line 11, strike out "(a)(4)" and insert in lieu thereof "(e)(3)"

Mr. BAKER. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, I am happy to yield 5 minutes to the Senator from North Carolina (Mr. ERVIN).

AMENDMENT NO. 1068

Mr. ERVIN. Mr. President, I ask unanimous consent that I may call up my amendment No. 1068, which can be disposed of in less than 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, I call up my amendment No. 1068 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ERVIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without

objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The text of the amendment (No. 1068) is as follows:

S. 3044

On page 3, beginning with line 1, strike out through line 4 on page 25.

On page 26, lines 2 and 3, strike out "under section 504 of the Federal Election Campaign Act of 1971, or".

On page 54, lines 3, 4, and 5, strike out "A candidate shall deposit any payment received by him under section 506 of this Act in the account maintained by his central campaign committee.".

On page 63, lines 14 and 15, strike out "(after the application of section 507(b)(1) of this Act)".

On page 64, line 9, strike out ", title V,".

On page 71, beginning with line 20, strike out through line 2 on page 73 and insert in lieu thereof the following:

"(a)(1) Except to the extent that such amounts are changed under subsection (f)(2), no candidate (other than a candidate for nomination for election to the office of President) may make expenditures in connection with his primary election campaign in excess of the greater of—

"(A) 10 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election for such nomination is held, or

"(B)(i) $125,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2)(A) No candidate for nomination for election to the office of President may make expenditures in any State in which he is a candidate in a primary election in excess of two times the amount which a candidate for nomination for election to the office of Senator from the State (or for nomination for election to the office of Delegate in the case of the District of Columbia, the Virgin Islands, or Guam, or to the office of Resident Commissioner in the case of Puerto Rico) may expand in that State in connection with his primary election campaign.

"(B) Notwithstanding the provisions of subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to 10 cents multiplied by the voting age population of the United States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(b) Except to the extent that such amounts are charged under subsection (f)(2), no candidate may make expenditures in connection with his general election campaign in excess of the greater of—

"(1) 15 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election is held, or

"(2)(A) $175,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(B) $90,000, if the Federal office sought is that of a Representative from a State which is entitled to more than one Representative.

"(c) No candidate who is unopposed in a primary or general election may make expenditures in connection with his primary or general election campaign in excess of 10 percent of the limitation in subsection (a) or (b).

"(d) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(e)(1) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purpose of making any expenditure, or

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate or an agent of the candidate to make the expenditure.

"(4) For purposes of this section an expenditure made by the national committee of a political party, or by the State committee of a political party, in connection with the general election campaign of a candidate affiliated with that party which is not in excess of the limitations contained in subsection (i), is not considered to be an expenditure made on behalf of that candidate.

"(f)(1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1975), as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Federal Election Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsections (a) and (b) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(g) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Federal Election Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the 1st day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"(h) Upon receiving the certification of the Secretary of Commerce and of the Secretary of Labor, the Federal Election Commission shall publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, and for each State and congressional district under this section.".

On page 73, line 3, strike out "(b)" and insert in lieu thereof "(i)".

On page 73, line 24, strike out 'section 504" and insert in lieu thereof "subsection (g); and".

On page 74, strike out lines 1 and 2.

On page 74, line 6, strike out "that Act" and insert in lieu thereof "the Federal Election Campaign Act of 1971".

On page 74, line 8, strike out "(c)" and insert in lieu thereof "(j)".

On page 74, line 10, strike out "(a)(4)" and insert in lieu thereof "(e)(3)".

On page 75, line 6, strike out "(a)(5)" and insert in lieu thereof "(d)".

On page 75, line 11, strike out "(a)(4)" and insert in lieu thereof "(e)(3)".

On page 84, between lines 9 and 10, insert the following:

"SEC. 501. (a) Section 41(a) of the Internal Revenue Code of 1954 (relating to contributions to candidates for public office) is amended by striking out 'an amount equal to one-half of all political contributions', and inserting in lieu thereof 'an amount equal to the sum of all political contributions'.".

On page 84, line 10, strike out "SEC. 501. (a)" and insert in lieu thereof "(b)".

On page 84, line 15, strike out "$25" and insert in lieu thereof "$125".

On page 84, line 16, strike out "$50" and insert in lieu thereof "$250".

On page 84, line 17, strike out "(b)" the first time it appears, and insert in lieu thereof "(c)".

On page 84, line 21, strike out "$100" and insert in lieu thereof "$250".

On page 84, line 21, strike out "$200" and insert in lieu thereof "$500".

On page 84, between lines 22 and 23, insert the following: "(d)(1) Section 41(c)(1)(C), (D), and (E) of such Code (relating to definition of political contribution) are each amended by striking out 'national political party' and inserting in lieu thereof 'political party'.".

"(2) Section 41(c)(3) of such Code (relating to definition of political party) is amended by—

"(A) striking out 'NATIONAL POLITICAL PARTY.—' and inserting in lieu thereof "POLITICAL PARTY.—";

"(B) striking out "national"; and

"(C) striking out 'ten or more States' in subparagraph (A) and inserting in lieu thereof 'at least one State'.".

On page 84, line 23, strike out "(c)." and insert in lieu thereof "(e)".

On page 85, beginning with line 1, strike out through line 17 on page 86.

Mr. ERVIN. Mr. President, this is an amendment which I drafted to eliminate from the pending bill, S. 3044, the Federal financing provisions to provide for financing of Federal elections through the voluntary contributions of taxpayers who would receive substantially increased rights to a deduction from their income tax and a substantial increase in their tax credit.

The vote on the amendment just offered by Mr. BAKER, with my cosponsorship, and that of other Senators, that is, amendment No. 1134, convinces me by the overwhelming nature of the vote that the Senate would not be exercising good judgment by adopting my amendment.

For that reason, I withdraw the amendment and thank my distinguished friend from Tennessee for yielding me this time.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. BAKER. Mr. President, I will not take very long with this amendment. It would simply eliminate public financing for Members of Congress and substitute an increased tax credit.

That is the sole purpose of the amendment. It leaves the bill intact otherwise.

I am prepared to yield back the remainder of my time.

Mr. CANNON. Mr. President, do I correctly understand that this amendment is the same as the prior amendment, except that it would eliminate public financing in congressional campaigns only?

Mr. BAKER. That is correct.

Mr. CANNON. The tax credit would remain at $50 or $100 on a joint return, but there would be no tax checkoff provision and no tax deduction; is that not correct?

Mr. BAKER. There would be as to a Presidential race but not a congressional race.

Mr. CANNON. In the Senator's previous amendment he struck out the tax checkoff provision. He also struck out the tax deduction. Is that out of this amendment as well?

Mr. BAKER. No; those provisions as the relate to Presidenial races would remain intact, but as they might relate to congressional relations, they would be deleted.

This amendment simply takes leave of the presidential situation as the Senator has stated in S. 3044 but eliminates the congressional races from the coverage and puts a tax credit in its place.

Mr. CANNON. I thank the Senator from Tennessee.

Mr. President, I yield back the remainder of my time.

Mr. BAKER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the senator from Tennessee (Mr. BAKER) No. 1135.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT) and the Senator from New Jersey (Mr. CASE) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from New Jersey (Mr. CASE) would vote "nay."

The result was announced—yeas 37, nays 54, as follows:

[No. 120 Leg.]

YEAS—37

Aiken	Buckley	Eastland
Allen	Byrd, Harry F., Jr.	Ervin
Baker	Byrd, Robert C.	Fannin
Bartlett	Cotton	Fong
Bayh	Curtis	Goldwater
Beall	Dole	Griffin
Bellmon	Dominick	Gurney
Brock	Eastland	Hansen
Hatfield	McClellan	Stennis
Helms	McClure	Talmadge
Hollings	Nunn	Thurmond
Hruska	Packwood	Tower
Johnston	Roth	

NAYS—54

Abourezk	Inouye	Pearson
Bible	Jackson	Pell
Biden	Javits	Percy
Brooke	Kennedy	Proxmire
Burdick	Magnuson	Randolph
Cannon	Mansfield	Ribicoff
Chiles	Mathias	Schweiker
Church	McGee	Scott, Hugh
Clark	McGovern	Sparkman
Cook	McIntyre	Stafford
Cranston	Metcalf	Stevens
Domenici	Metzenbaum	Stevenson
Eagleton	Mondale	Symington
Gravel	Montoya	Taft
Hart	Moss	Tunney
Haskell	Muskie	Weicker
Hathaway	Nelson	Williams
Humphrey	Pastore	Young

NOT VOTING—9

Bennett	Hartke	Long
Bentsen	Huddleston	Scott, William L.
Case	Hughes	
Fulbright		

So Mr. BAKER's amendment (No. 1135) was rejected.

Mr. STEVENSON. Mr. President, I have joined today in submitting three amendments to S. 3044 with Senators TAFT and DOMENICI which would authorize partial, but substantial, public financing of Federal general elections and eliminate from the bill public financing of congressional primaries.

The first amendment is directed at Federal general elections. In place of the 100-percent public financing provided for major party candidates, our amendment provides for not less than 25 percent nor more than 50 percent public financing for such candidates. Major party candidates would become eligible for a 25-percent formula grant upon nomination. They could also qualify for up to an additional 25 percent in Federal matching payments against small contributions, but no candidate could receive Federal payments totaling more than 50 percent of the applicable campaign expenditure limit. It is probable that all major party general election candidates for Federal office could qualify for 50-percent public financing. It is also probable that the amounts "checked off" by taxpayers would more than equal the cost to the Treasury over the 4-year election cycle of 50-percent public financing for the Federal general election campaigns.

The small contributions eligible for matching are the same as those which the committee bill applies to primary elections, that is, $250 in Presidential campaigns and $100 in congressional campaigns. The relative size of the maximum subsidy available to minor party candidates in general elections is the same as in the committee bill.

This amendment also lowers the contribution limit for congressional general elections, now at $3,000 for individuals and $6,000 for political committees ,to $1,000 for all donors. The contribution limits for primaries and Presidential general elections are not changed.

This amendment endeavors to strike a fair and sensible balance between a host of competing considerations, including the need to replace big money with unquestionably clean money, the need to encourage citizens to make—and candidates to seek—small contributions, the need to assure the less well-known candidate enough start-up funds to mount an effective campaign, and the need to minimize the cost to the Treasury.

The second amendment combines all of the features of the first amendment with a provision that would eliminate public financing of congressional primaries. While I believe that a good case can be made for the principle that public funds should be made available to encourage greater and more equitable competition at the prenomination stage, particularly in connection with Presidential elections, I am convinced that the risks are so great in regard to congressional primaries and experience so slight that there exists a substantial possibility that the extension of public financing to congressional primaries at this time would do more harm than good. I prefer not to run what I regard as a serious risk of weakening the political system in the name of reform.

Among the problems I see in public financing of congressional primaries are the following: First, it is not at all clear that a candidate's ability to raise the threshold amount is a good measure of his popularity or legitimacy. It may merely measure the sophistication of his fund-raising operation, or it may be a reflection of the amounts of big money he or she was able to raise early.

Second, the matching system magnifies the amounts by which one primary candidate is able to outspend another. Assume, for example, that in a Senatorial primary in a State where the total contribution limit is $1.5 million there are two candidates, one who has raised $400,000 and one who has raised $700,000. Without matching the second candidate can outspend the first by $300,000. If all the funds raised by both candidates are eligible for matching, the first candidate will have a total of $800,000; the second, $1.4 million. The result is that the first candidate is outspent by $600,000 instead of $300,000. It is not at all clear that such a system promotes more equitable competition between primary contenders; it may well have the opposite effect.

Third, matching may encourage a proliferation of primary candidacies, some insincere, all of which will be more heavily funded. The cumulative effect could well be heightened public confusion and irritation, lower turnouts, less well-informed decisions in the voting booth, and the nomination of candidates unrepresentative of the party as a whole. The result could be a weakening of the two-party system.

By no means does this exhaust the doubts about public financing of primaries on a matching basis. I do not contend that the prenomination stage of the electoral process is perfect, or that it is impossible to design a system of public financing which will improve that stage. I do maintain that the criticisms of public financing of congressional primaries are serious enough—and the risks of irreversible damage great enough—that the issue is best left for another day, a day when, through the experience with public financing in general elections, we will be in a better position to act constructively.

We have also joined in introducing a third amendment which does not contain the partial public financing scheme and would simply eliminate public financing of congressional primaries.

I believe that these amendments could substantially improve S. 3044. They would eliminate the corruptive influence of large contribution, but not the healthy influence of small contributions by citizens seeking a voice in their Government. Indeed, to go that far, as does S. 3044, raises doubts about its constitutionality.

Mr. CLARK. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on my amendment No. 1152 at any time, which vote will not occur until Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I ask for the yeas and nays on my amendment No. 1152.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Do I understand the order included an order for the vote to occur on Monday?

The PRESIDING OFFICER. No, it did not.

Mr. ROBERT C. BYRD. He just stated that the vote would occur on Monday.

Mr. BAKER. I thank the Chair and the Senator from West Virginia.

AMENDMENT OF GENERAL EDUCATION PROVISIONS ACT—CONFERENCE REPORT

Mr. PELL. Mr. President, I submit a report of the committee of conference on H.R. 12253, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 12253) to amend the General Education Provisions Act to provide that funds appropriated for applicable programs for fiscal year 1974 shall remain available during the succeeding fiscal year and that such funds for fiscal year 1973 shall remain available during fiscal years 1974 and 1975, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of April 2, 1974, at pages H2434–2435.)

Mr. PELL. Mr. President, I am pleased to report to the Senate that the conference was amiable, and the theory of the Senate amendments to the House-passed bill was accepted. The filed report goes through the exact recessions and amendments point by point.

Suffice it to say that the portion which has aroused the most interest, the clarification for subsidized loans under the guaranteed student loan program, has been adopted in the following manner. Youngsters from families with an adjusted gross income of less than $15,000 will be eligible for a subsidized loan of $2,000 without a needs analysis. The yearly loan limitation will remain at the $2,500 level, and those same youngsters could get an additional $500 subsidized loan if they show a need; that need can only pertain to the $500 in excess of the $2,000. Students from a family with an adjusted gross income of $15,000 and above will still be eligible for a subsidized loan of up to $2,500 but must show need.

To my mind, what the conference has done is to make clear what we in the Senate thought we had adopted in the 1972 Education Amendments. It was then, and still is, our contention that under the language there was no authority for the Department of Health, Education, and Welfare to require a needs test from students from families with an adjusted gross income of less than $15,000. However, the intransigence of the agency made necessary legislation of an emergency type.

Mr. JAVITS. Mr. President, the conference report has been signed by all conferees on both sides. Is that correct?

Mr. PELL. That is correct.

Mr. JAVITS. Mr. President, the minority, therefore, commends it to the Senate, as does the majority.

Mr. PELL. Mr. President, I move the adoption of the conference report.

The motion was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HENRY AARON HITS HOMERUN NO. 714—TIES RECORD OF BABE RUTH

Mr. TALMADGE. Mr. President, I am very proud to notify the Senate that in today's 1974 baseball season's opening game between the Atlanta Braves and Cincinnati Reds, Henry "Hank" Aaron hit his 714th home run—tying the record of Babe Ruth.

This is indeed a momentous day in baseball history, and I extend my personal congratulations to Hank Aaron and the Atlanta Braves. It is my understanding that Aaron may be benched for the other two games in Cincinnati, and I hope that this is true. As a Georgian, I would like to see "Hank" hit the big one—the one to break Babe Ruth's record—in Atlanta Stadium Monday night in the Braves' game against Los Angeles.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. TALMADGE. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. TALMADGE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD is as follows:

On page 71, between lines 12 and 13, insert the following:

DEFAMATORY STATEMENTS ABOUT CANDIDATES FOR FEDERAL OFFICE

SEC. 304. Section 612 of title 18, United States Code, is amended—

(a) by adding at the end of the section caption a semicolon and "defamatory statements about candidates for Federal office";

(b) by designating the first paragraph thereof as subsection (a); and

(c) by adding at the end thereof the following new subsection:

"(b) No person shall cause to be published a false and defamatory statement about the character or professional ability of a candidate for Federal office with respect to the qualifications of that candidate for that office if such person knows that such statement is false. Violation of the provisions of this subsection is a misdemeanor punishable by a fine not to exceed $1,000, imprisonment not to exceed six months, or both."

On page 71, line 16, strike out "304." and insert in lieu thereof "305.".

Mr. TALMADGE. Mr. President, this amendment is designed to correct the situation that we observed during the Watergate hearings, where people go around the country issuing defaming documents that are knowingly false and willfully sending them throughout the country. We have seen several instances of that.

A man named Segretti was hired to perform dirty tricks and dirty tricks alone. Two of our colleagues in the Senate were victimized by that practice.

The cutting edge of this amendment states:

(b) No person shall cause to be published a false and defamatory statement about the character or professional ability of a candidate for Federal office with respect to the qualifications of that candidate for that office if such person knows that such statement is false. Violation of the provisions of this subsection is a misdemeanor punishable by a fine not to exceed $1,000, imprisonment not to exceed six months, or both

I have discussed this amendment with the manager of the bill (Mr. CANNON) and the assistant majority leader, and I understand they are prepared to accept the amendment.

Mr. JAVITS. Mr. President, will the Senator answer a question on the amendment?

In every case of this character, it would always be a question of first amendment rights and constitutionality.

Mr. TALMADGE. Yes.

Mr. JAVITS. I think it would be ex-

tremely useful. It sounds intelligible and sounds right and does not sound contrary to the Constitution.

Mr. TALMADGE. I may say I checked out the very question the Senator raises with the legislative counsel, and was informed that the first amendment did not protect a person knowingly publishing false and defamatory statements. The amendment is drawn so it must be willfully and knowingly done.

Mr. JAVITS. As I say, it sounded right to me, but I think it would be useful to us if we could get the legislative drafting services to get a legislative memorandum which the Senator could put into the RECORD.

Mr. TALMADGE. I think I have one in my office. I did not anticipate offering the amendment at this time.

At this time I would like to make the following statement as a part of my remarks.

Mr. President, during the so-called Watergate Committee's investigation into the 1972 Presidential campaign, what has since come to be known as the "dirty tricks" escapades came to light. An extreme case involved the actions of one witness who deliberately put together a false and malicious letter accusing two prominent candidates of deviancy. Other campaign workers prepared and circulated brochures and letters grossly misrepresenting prior remarks of opposition candidates. Major candidates became the targets of calculated half-truths and complete falsehoods.

American politics has always been rough and tumble. Campaigns are often highly partisan and, in many ways, this is a healthy sign of a free society. Certainly, none of us advocates a one-party system, or even a system where the major parties closely resemble one another. Most people want and all of us are entitled to hear both sides of the issues. But I do not think that people ought to be misled by fraud and deception.

Tricks and pranks in political life have been with us since the early days of our Republic. Americans enjoy humor, and humor has a legitimate place in the give-and-take of political campaigns. So does criticism. If a candidate or party has a weak point, I agree that other candidates should be able to lampoon or criticize it. Democrats have done it to Republicans, and Republicans have done it to Democrats. Anyone who stands for election realizes that you have to take the heat, or else you should get out of the kitchen.

Mr. President, the right to vote is sacred. I do not ever want to see the election process in our country subverted. There is no need and there is no place for outright lying in campaigns, especially when such lies carry strong and sensational charges. The law should be strengthened to deter and, if necessary, to punish those who would use the calculated falsehood to take unjust advantage of the voting public.

For this purpose, I am proposing an amendment which makes it a Federal crime to prepare or otherwise participate in unscrupulous "dirty tricks" aimed at destroying the character of political candidates on untrue grounds. We should take sensible steps to stop such grossly unethical practices.

In so doing, we must be ever mindful of the first amendment, which protects free speech. The Constitution says that you have a right to speak your piece. It protects those who, in good faith, verbally blast or put on satires or criticisms of political candidates. It protects those who, in good faith, attack the views of candidates. I know of no other country on Earth whose citizens enjoy such broad freedom.

Still, in my view, there is a point at which speech becomes unprotected conduct. Political speech is usually protected, but calculated lies are not. The Supreme Court has recognized this in a wide variety of cases.

My amendment attempts to clarify just where that point is in Federal political campaigns. It makes it unlawful to knowingly and willfully prepare or send out clearly false and defamatory information about recognized candidates for elected Federal office. For example, my amendment makes it unlawful to write a letter to a newspaper falsely stating that a candidate has been in a mental institution when the letter writer knows this assertion is not true.

On the other hand, this statute does not extend to the good faith preparation or distribution of material reflecting the author's views, no matter how controversial they might be. If a man honestly disagrees with a candidate or that candidate's positions, he can write what he will, so long as he does not send out what he either knows is or has deliberately and maliciously arranged so as to be defamatory and untrue. If Congressional Candidate X constantly socializes with corporate executives, a critic could print an advertisement a picture of X shaking hands with these corporate officials and caption it "Do You Want Fat Cats Running the Country?" But it would be unlawful for that advertisement to say "X" Accepts Big Contribution from Fat Cats" if that was known by the author to be untrue.

Mr. President, actual knowledge and deliberate lying are the keys to this crime. It does not extend to reckless or negligent conduct, which is already adequately covered by the libel and slander laws. It does not extend to the press' innocently printing a spurious or false letter to the editor. It does not make it unlawful for the media to transmit a candidate's speech, even though that speech might misrepresent the facts or be laden with inaccuracies. It is a carefully drafted proposal which permits the free flow of ideas in the political marketplace. It forbids outright lying and intentional misrepresentations.

In Garrison versus Louisiana, the Supreme Court stated that:

"The use of calculated falsehood, however, would put a different cast on the constitutional question. Although honest utterance, even if inaccurate, may further the fruitful exercise of the right of free speech, it does not follow that the lie, knowingly and deliberately published about a public official, should enjoy a like immunity. At the time the First Amendment was adopted, as today, there were those unscrupulous enough and skillful enough to use the deliberate . . . falsehood as an effective political tool to unseat the public servant or even topple an administration. That speech is used as a tool for political ends does not automatically bring it under the protective mantle of the Constitution. For the use of the known lie as a tool is at once at odds with the premises of democratic government and with the orderly manner in which economic, social, or political change is to be effected. Calculated falsehood falls into that class of utterances which "are no essential part of any exposition of ideas, and are of such slight social value as a step to truth that any benefit that may be derived from them is clearly outweighed by the social interest in order and morality. . . ." Hence the knowingly false statement do[es] not enjoy constitutional protection."

This amendment is not a cure-all for "dirty tricks." I recognize the right to dissent and to speak out. I have no quarrel with those who "shoot from the hip" when they speak. But, there is no right to prepare calculated falsehoods. My amendment shuts the door on a tiny minority of people who would sit down and deliberately write a defamatory lie concerning a candidate for elected Federal office. I hope it will be adopted.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. GRIFFIN. I support the amendment offered, and I think it is a valuable contribution. It goes without saying—and I want to establish this—that the amendment would apply to a newspaper reporter, a newspaper publisher, just as much as it would apply to someone else who caused to be published matters that were knowingly false. Is that not true?

Mr. TALMADGE. I think it perhaps would. However, it is aimed at mails shipped in interstate commerce, and I think it would.

Mr. GRIFFIN. It says, "No person shall cause to be published a false and defamatory statement about the character or professional ability of a candidate."

Mr. TALMADGE. That is right.

Mr. GRIFFIN. "No person" is an all-inclusive category, and I would assume that if there were a newspaper reporter or a newspaper publisher who caused to be published a false and defamatory statement about a candidate, knowing it to be false, this amendment would apply to them. I want to be sure that is a proper understanding.

Mr. TALMADGE. I think that is right.

Mr. GRIFFIN. I thank the Senator.

Mr. TALMADGE. I thank my distinguished colleague.

Mr. PELL. Mr. President, there is a question I would like to raise here, and that is, would this amendment apply to books as well as articles or campaign literature?

Mr. TALMADGE. The amendment reads:

No person shall cause to be published a false and defamatory statement about the character or professional ability of a candidate for Federal office with respect to the qualifications of that candidate for that office if such person knows that such statement is false.

I think it would. However, it is not a common practice to publish books in political campaigns. What this amendment is aimed at is some fellow circulating around the country, creating an instance like we had in New Hampshire, where they said Senator MUSKIE has said something derogatory about some particular ethnic group in the State of Maine.

Also, the distinguished Senator from Minnesota was victimized in the State of Florida by the same group. Also, the distinguished Senator from Washington was victimized.

This amendment is intended to provide a prohibition against that kind of action. I think it would be applicable to anyone who published it, but he must publish it knowing it to be false at the time.

Mr. PELL. It is my understanding that, under Sullivan against New York Times, if one is a public figure—and that includes any candidate for public office—there is virtually no law of libel that is applicable.

Mr. TALMADGE. They reduced severely, as I understand the Sullivan case, the ability to recover in a libel suit by anyone in public office. I believe it must be proved that it was malicious and false and done with a malicious motive.

Mr. PELL. To prove a motive—the Senator from Georgia as a lawyer is much more familiar with this than I am—is a very difficult thing.

Mr. TALMADGE. This does not relate to motive.

Mr. PELL. That is correct.

Mr. TALMADGE. It relates to whether or not the man who makes the publication knew it to be false at the time.

Mr. PELL. I completely support the objective of the Senator from Georgia. I am wondering if this amendment would run counter to the Supreme Court ruling in Sullivan versus New York Times.

Mr. TALMADGE. Of course, that was a suit in libel. This does not deal with libel cases at all.

Mr. PELL. So there would be no conflict with constitutionality?

Mr. TALMADGE. There would be no conflict with respect to libel at all under this amendment as it is written. This creates a new penalty, a misdemeanor, for someone who publishes a false and defamatory statement about the character or professional ability of a candidate and introduces it into a campaign, if he knew the publication to be false at the time he made it.

Mr. PELL. I think it is an excellent idea, and, at the moment, I look forward to recommending to my colleagues that it be approved.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. GRIFFIN. Is it the intention of the Senator from Georgia to have this amendment adopted without a rollcall vote? I think it is unfortunate——

Mr. TALMADGE. I understood, after conference with the floor manager (Mr. CANNON) at the time, and also his Republican counterpart, that they were prepared to accept the amendment.

Mr. GRIFFIN. I have no doubt about that.

Mr. TALMADGE. I never ask for a rollcall when I can get a default judgment.

Mr. GRIFFIN. I do not doubt that. I think it is unfortunate that we do not have a rollcall vote so the Senate could express itself overwhelmingly in favor of this amendment; and I am thinking that it might possibly have some side effect on the Supreme Court when they have another case coming up and they are considering the constitutionality of it, but maybe not.

Mr. TALMADGE. I have no objection to a rollcall vote.

I understood one Senator to tell other Senators a few minutes ago that there would be no more rollcall votes tonight. It could go over until Monday. I would have no objection to that. If the distinguished acting majority leader would set a time certain for a vote, I would have no objection.

Mr. ROBERT C. BYRD. Mr. President, may I ask the distinguished Senator, along with the assistant minority leader and the acting manager of the bill, how much time they think they would want to debate this amendment?

Mr. TALMADGE. Thirty minutes, 15 minutes to a side.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after conclusion of the routine morning business, the Senate resume consideration of the unfinished business, S. 3044, and that at that time the amendment of the distinguished Senator from Georgia (Mr. TALMADGE) be made the pending question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. And I ask unanimous consent that there be a time limitation on the amendment by the distinguished Senator from Georgia (Mr. TALMADGE) of 30 minutes, to be equally divided between Mr. TALMADGE and the manager of the bill, or if the manager of the bill supports the amendment, then the time in opposition thereto be under the control of the distinguished minority leader or his designee, and that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield to the distinguished Senator from Minnesota.

HANK AARON AND HIS HOME RUN RECORD

Mr. HUMPHREY. Mr. President, we listened with great interest—and I did with excitement—to the announcement made by our distinguished colleague from Georgia (Mr. TALMADGE) about the spectacular feat of Henry "Hank" Aaron, of the Atlanta Braves, tying the home run record of the great George Herman "Babe" Ruth on this day of April 4.

I have consulted with my good friend from Georgia, who is always a charitable and considerate gentleman, and he knows I am a real baseball enthusiast and cheer even when my Minnesota Twins lose, and refuse to admit that they lose. On this occasion he has permitted me to initiate, on his behalf and on behalf of his colleague Senator NUNN, and the distinguished acting minority leader (Mr. GRIFFIN), and the distinguished majority whip (Mr. ROBERT C. BYRD), to submit a resolution, for which I shall ask immediate consideration. The resolution reads as follows:

S. RES. 303

Whereas, baseball is a great American sport;

Whereas, baseball is a great American sport;

Whereas Hank Aaron of the Atlanta Braves has brought great honor to his team, his race, and himself;

Whereas Hank Aaron on the date of April 4, 1974, has tied the home run record of George Herman (Babe) Ruth;

Be it hereby Resolved, That the United States Senate expresses its congratulations to Hank Aaron on hitting home run number 714 on the date of April 4, 1974, in the game between Atlanta Braves and the Cincinnati Reds, at Cincinnati, Ohio.

Mr. TALMADGE. Mr. President, will the distinguished Senator from Minnesota yield?

Mr. HUMPHREY. I am happy to yield.

Mr. TALMADGE. I congratulate the Senator on his leadership in submitting the resolution, and I am happy to be a consponsor thereof.

A few moments ago we heard remarks on the Senate floor congratulating Hank Aaron. I urge the Senate to approve overwhelmingly the resolution that has been submitted by the distinguished Senator from Minnesota (Mr. HUMPHREY), of which I am proud to be a cosponsor.

Mr. HUMPHREY. Mr. President, as in many other instances in my life, I have received inspiration and guidance from the distinguished Senator from Georgia. In this instance, I did so again. The Senator from Minnesota, who loves baseball night or day, win or lose, has had wholehearted cooperation from these remarkable men of the Senate, who are baseball fans—our two friends from Georgia (Mr. TALMADGE and Mr. NUNN), the distinguished Senator from Michigan (Mr. GRIFFIN), and the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD).

Mr. President, I ask unanimous consent that we proceed to the consideration of the resolution and that it be approved.

The PRESIDING OFFICER (Mr. MCCLURE). Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 303) was considered and agreed to.

Mr. GRIFFIN. It was agreed to unanimously.

The PRESIDING OFFICER. The record will so reflect.

SENATE
FLOOR DEBATES
ON
S.3044
APRIL 5, 1974

export these crops and earn the foreign exchange necessary to purchase needed imports and to strengthen the dollar." I should add that, as of late December, the Agriculture Department had not publicly factored the world energy crisis into its projections of world demand for American food.

Agriculture's sense of new strength is also apparent in the American approach to trade, particularly in the General Agreement on Tariffs and Trade (GATT) negotiations which began formally last September. Within the Agriculture Department there is a certain residual bitterness that in the Kennedy Round the interests of agriculture were given second billing to those of industry. Now, however, Paarlberg points to recent export figures to show "what our farmers and marketing system might be able to do consistently—several years down the road but with greater price stability—if many of the artificial barriers to import demand in other nations were reduced." American agriculture, he said last fall, now seeks "a major, perhaps decisive role" in the GATT talks. "Our resolve must be to put increasing international pressure on those foreign trade barriers which prevent one of the most efficient U.S. industries—one of the world's most efficient farm sectors—from bringing its weight to bear to improve our trade and payments position." Our policy is easy to summarize: food for cash.

FOOD: FOR PEACE OR POLITICS?

While commercial exports have climbed toward $20 billion, shipments under Food for Peace have dropped below $1 billion. "The future mechanism for aiding food-deficit countries is," an Agriculture Department publication notes dryly, "uncertain." Now it is true that, for receipients, Food for Peace has not always been an unmitigated benefit: it has sometimes depressed their agriculture and has involved political and psychic costs. It has also become true in recent years, as Butz told me in an interview, that P.L. 480 "is no longer primarily a surplus disposal program. It's for humanitarian purposes and for national security—to help infuse purchasing power into countries on our defense perimeter. South Vietnam is a case in point." Indeed, last year *most* 480 supplies went to Vietnam and to these other countries regarded, in varying degrees, as segments of the American "defense perimeter": South Korea, Israel, Pakistan, and Indonesia.

Nonetheless, through three decades, Food for Peace and its predecessor programs have fed hungry millions. They have nourished our better instincts as a people.

For three decades, moreover, American diplomats have used food as a political tool: to relieve the misery of our friends, to spare them the cost of buying food on the open market, and to help them keep popular discontent within politically manageable bounds; to show off American productivity and generosity; to bargain for other benefits; and so on. It is within this tradition of food diplomacy that administration officials now suggest that we may stop selling food to countries which won't sell us oil.

It is perhaps worth noting here that while countries in duress may appreciate—sometimes through clenched teeth—our food largesse, they tend to react strongly against the overt use of food as a political weapon. During a period of bad relations in 1964, for instance, President Nasser of Egypt denounced the United States for failing to provide emergency food supplies and told the United States to "go drink sea water." During another bad period in 1966 he declared: "The freedom we have bought with our blood we shall not sell for wheat, for rice, or for anything." Three days before President Allende of Chile was overthrown and killed last fall, his government said that the United States had refused to sell it, for cash, vitally needed supplies of wheat, because of a "political decision of the White House"; less than a month after the coup, the United States approved a credit sale of wheat to the new Chilean government in an amount eight times the total commodity credit offered to Chile in the Allende years. Oil states, however, with their cash and small populations—and their oil—are not similarly vulnerable. Plainly, it depends.

Until quite recently, nonetheless, the idea of feeding hungry foreigners was fading for other than political reasons. The chairmen of the two agriculture committees, Senator Herman Talmadge and Representative W. R. Poage, are known for their conservative philosophy and their national, as opposed to international, outlook; they both have pronounced themselves content with America's past and present performance on food aid. Food for Peace is "a drain on American dollars," Poage said, "and it should be treated as just another kind of foreign aid like medicine or printing presses." The Agriculture Department, whose Secretary has been known to warn darkly of "alarmists," has consistently played down the possibility of famine, playing up the helpful influence of good weather and pointing to the "international" nature of the world food problem without offering initiative or leadership. Even in the State Department, the attitude was growing more negative. "Food for Peace was based on the ethnocentric idea that we could pacify the world by food," a State Department official said to me last summer at a time when Bangladesh was beginning, largely in vain, for a trickle of wheat. Now our thinking is that feeding the world is an international problem, maybe one for the United Nations. The worst thing we could do for a country would be to put it on a permanent dole. That would just give it the excuse to avoid solving its own problems, especially population. Then Secretary of State William P. Rogers uttered a faint call in his last annual report for "an over-all review of U.S. food production policy in relation to its effect on our assistance to the LDC's [less-developed countries]," but no one answered and his own department did not follow up.

A WORLD FOOD RESERVE

In fact, Food for Peace must be considered all but defunct. Only last summer did a "new" idea appear for a program or mechanism to fill its chief purpose of easing world hunger. The idea was a "world food reserve" and it came from A. H. Boerma, the Dutchman who is Director General of the U.N. Food and Agriculture Organization. To be sure, the idea of a planned reserve is not new. A report prepared in the Senate Agriculture Committee recalls that, as early as 1912, Henry A. Wallace cited the Biblical story of Joseph storing grain against famine, and the Confucians' creation of a "constantly normal granary" in China, in order to urge a similar food storage plan upon the United States. As Secretary of Agriculture, Wallace steered into law in Depression America a storage program intended to protect American farmers' income. A British-American Combined Food Board provided some experience in internationalizing food cooperation in World War II. In 1945, John Boyd-Orr, the Food and Agriculture Organization's (FAO) first chief, proposed a plan for purchase and storage of international food reserves.

His plan foundered on the same rocks that have endangered all like proposals since, whether the reserves be meant for the domestic or international market. That is, essentially, the fear of producers everywhere that at some point the reserves will be dumped on the market, thus depressing the prices. In the United States, the farm bloc for many years had the strength not only to induce the government to buy surpluses but to keep them off the market. Farmers, though politically weaker now, make the same appeal, the more so in a period of strong market demand and high prices. "Food reserves held by government can never be perfectly insulated from the market," Butz warned in December. "Farmers should not be fooled by promises that a system can be designed to protect farmers from a premature release of stocks. Any set of rules would certainly be subject to change—especially in light of public pressures like those which prevailed in 1973, pressures which forced this Administration to impose counterproductive price controls." And even those officials who are indifferent to the welfare of farmers are slowed by the high costs of buying and storing food for a reserve and by the idea, encouraged by the Agriculture Department, that the United States has done plenty in the past and that other developed countries, to say nothing of the developing countries themselves, should do more now.

Now, Boerma, offering his proposal in July, helped publicize the great need to which his proposal was addressed. The "nonaligned" nations, meeting in Algiers in September, made a like appeal. At the same time, the Brookings Institution sponsored a report focusing on reserves and agricultural trade among North America, the European Economic Community, and Japan. A British economist, Timothy Josling, published a widely circulated paper on international grain reserves. Concern for reserves was in the air, like, if you will, a gas. But given the political and economic facts of life in Washington, a spark was needed to give the idea life within the American government. Such a spark could only be struck by people outside the American agricultural establishment.

THE NSC STUDY

This was done on September 11, at the former's confirmation hearing, by Secretary of State Kissinger and Senator Hubert Humphrey. Humphrey first started talking about reserves in the 1950's. Senator Edward Kennedy, among others, now brings publicity and support to the idea, but Humphrey has been the commanding figure among the handful of legislators with not only an internationalist outlook and a conscience but with farm expertise. As chairman of the Senate's Foreign Agricultural Policy Subcommittee, he has produced a prodigious public record on issues of world food security. As a member of the Foreign Relations Committee, he conducted this colloquy with Kissinger, a city boy through-and-through:

HUMPHREY. Would you initiate, after consultation with the Secretary of Agriculture, the Secretary of Commerce, and obviously with the President, a discussion amongst the main exporting nations and the main importing nations as to what we are going to do in the coming year to relieve conditions of human misery and, in some areas, famine, in the light of the world food supply situation?

KISSINGER. You know, Senator Humphrey, that your suggestion runs counter to all our traditional attitudes with respect to agriculture.

HUMPHREY. Correct.

KISSINGER. We have always resisted the idea of commodity-type agreements because we wanted to have the maximum opportunity for the export of American products, and we thought we would have enough to take care of all needs. In this respect the experience of the last year (1972-73) has been a challenge to all our traditional assumptions. We recognize that now we are living in a new world.

We have recently started an interdepartmental study of this problem. The proposal you make is one that some of us were discussing informally earlier this year; at that time it did not receive too much favor because of the weight of previous assumptions.

All I can say, pending the completion of that interdepartmental study, is that the approach you have suggested is needed, and we will look at it with the greatest sympathy.

That "interdepartmental study," a project of the National Security Council, concluded, in essence, that although the world food outlook is uncertain, the United States should explore new ways of promoting an international approach to related issues of food aid and development. Those familiar with the NSC study report that it, and Kissinger's personal impetus behind it, provoked a thorough and continuing review in the downtown departments and made the bureaucracy focus on the new vistas of world food. In turn, the review helped educate Kissinger, who at his confirmation hearing, was speaking strictly off a staff briefing. He was initially outraged that in 1973, almost overnight, the United States had to stop selling certain farm commodities—with troublesome foreign policy consequences—in markets which it had spent five years trying to expand. He is described now as soberly heedful of the interrelationship of agriculture and diplomacy, and as determined not to leave policy in that area to "economists."

A WORLD FOOD CONFERENCE

Less than two weeks after his confirmation hearing, Kissinger went to the United Nations and proposed a World Food Conference along the precise lines suggested by Humphrey. This was, I am prepared to believe, more than a gesture to show the Third World gallery that the United States is interested in more than countries big and rich enough to be part of the balance of power. It was an acknowledgement, more meaningful for having been made in a political forum and in the expectation of indefinite food shortages, that the United States regards the world food situation as an urgent issue demanding an international solution and transcending the complex ongoing questions of agricultural trade. The Conference will be held in Rome next November under the auspices of the United Nations, with technical assistance by the FAO. It was put under the United Nations rather than the FAO because the U.N. has a universal membership (the Russians don't belong to the FAO) and because grain-exporting countries tend to look at the FAO as a club (in both senses) of the food-deficit countries. The Conference will consider a range of issues chosen, or so the United States hopes, for being particularly amenable to international cooperation—pest control, disaster relief, technical assistance for self-help programs, and so on. But an international food reserve remains the key issue.

As usual, an international timetable is forcing national decisions. Kissinger has appointed a coordinator to oversee the shaping of the American position at the World Food Conference. The fact that the Conference will be under the United Nations, not the FAO, facilitated his effort to put State rather than Agriculture in charge of the American position. The Agriculture Department named the deputy coordinator. The bureaucratic byplay is, by consensus, brisk but positive. The FAO's Boerma has been applying pressure of his own, on Butz, from what might be called the left flank. They seem to have pushed each other into a mutually acceptable position on reserves. Butz now agrees that the government as well as private traders will have to hold reserves. Boerma has eased off his earlier preference that reserves be controlled internationally, rather than by each participating nation. Over-all, the inevitable and healthy difference in viewpoint of Agriculture and State—Agriculture representing a powerful domestic interest group, State representing a more abstract foreign policy "interest"—ensures a lively process of policy formulation. Butz is a tough, able, and outspoken man, a gamecock, and those who know him well are confident that in joining this process with Kissinger, he is quite up to ensuring that agriculture's—and Agriculture's—interests will be properly served.

GAMES RUSSIANS PLAY

The Soviet Union needs a separate word. Détente has brought the Russians into the world grain market. Their resources allow them to make a huge impact on world supplies and prices. More than any other single factor, it was the Russian purchases of 1972 which left the United States able to respond only stingily to emergency appeals from West Africa and Bangladesh. Those countries could well have concluded that détente is a conspiracy of the rich against the poor. The 1972 purchases also contributed to boosting food prices here and elsewhere. Yet the Russians still play an irresponsible loner's game. Take carryover stocks: their size indicates whether a country facing a bad harvest or an unexpected surge in demand will go on the world market. The Russians keep stock information secret. Not even the bilateral Soviet-American agricultural agreement signed at the second summit obliges them to report in that critical area. (That agreement was signed, by the way, before Kissinger started getting wise to agriculture.) Nor do the Russians take an organized part in international efforts to feed the hungry. They shun the FAO. Presumably, the World Food Conference will help smoke them out.

Just what will come out next November, at the Conference, is hard to say. I would guess that we are only at the beginning of composing a national policy consistent at once with our best instincts, with our producer's interests, and with our gathering awareness that we live in a world which may force us into new patterns both of cooperation and competition in order to assure ourselves the resources necessary for our national life. Until now, our thinking and policy on resources have assumed either an adequate domestic supply or adequate foreign access. In this condition of plenty, we could indulge a casual and unplanned approach. But we seem now to be entering a period of shortages, world or national. George McGovern, a farm state politician and former Food for Peace administrator, told the Senate last August:

We have chosen commercial sales of wheat to the Soviet Union over guarantees of an adequate diet for those impoverished Americans who subsist on surplus commodities. We have chosen, at least indirectly, to feed American livestock—in support of our taste for meat over grain—instead of meeting desperate human needs in West Africa, South Asia and elsewhere. We are forced to such results because we simply have no policy for choosing which needs to fill and which to ignore when we cannot fill them all.

The country is now starting to choose.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which the clerk will state.

The assistant legislative clerk read the bill by title, as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from Georgia (Mr. TALMADGE).

Mr. MANSFIELD. Mr. President, it is my understanding that that amendment will not be voted on until Monday. It is my hope that other amendments which may be available will be offered this afternoon, and if there are to be rollcall votes, they, too, can be put over until Monday under the previous agreement.

CLOTURE MOTION

Mr. MANSFIELD. Mr. President, at this time I send to the desk a cloture motion and ask that it be read.

The ACTING PRESIDENT pro tempore. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read the motion, as follows:

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the pending bill S. 3044, a bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

John O. Pastore.
Harrison A. Williams, Jr.
Clifford P. Case.
Abraham Ribicoff.
Thomas F. Eagleton.
Joseph R. Biden.
Alan Cranston.
Birch Bayh.
Dick Clark.
Frank Church.
Quentin N. Burdick.
James Abourezk.
Gale W. McGee.
Edmund S. Muskie.
Philip A. Hart.
Edward M. Kennedy.
Floyd K. Haskell.
Howard M. Metzenbaum.
Jacob K. Javits.
Marlow W. Cook.
Edward W. Brooke.
Ted Stevens.
Joseph M. Montoya.
Hugh Scott.
Richard S. Schweiker.
Henry M. Jackson.
Hubert H. Humphrey.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Talmadge amendment be laid aside temporarily until the close of routine morning business on Monday.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to; and at 10:44 a.m., the Senate took a recess subject to the call fo the Chair.

The Senate reconvened at 10:47, when called to order by the Acting President pro tempore.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The ACTING PRESIDENT pro tempore. The Chair recognizes the senior Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I wish to commend the difficult and lonely fight being made by the distinguished Senator from Alabama (Mr. ALLEN) against an unjustified raid on the Treasury of the United States. The Senator from Alabama has led the fight against taking tax funds to finance political campaigns.

As one Senator, I shall not vote to take money from the pockets of the hard working wage earners of our country and turn that money over to the politicians. The polls show that politicians these days are not in very good standing. Yet many in Congress say, "Oh, the people want us to vote this money. They want us to take tax funds for our campaigns." I do not believe that. I do not believe that the wage earners of the country want to have the House and Senate dip into their pockets and take money from the hard-working people of the country and turn it over to the politicians to use as they wish.

So I commend the able Senator from Alabama. I hope he will prevail in his difficult struggle against this new program for an additional use of tax funds. The record shows that whenever Congress gets into something, the cost increases. This campaign financing bill will not decrease the cost of campaigns; it will increase the cost of campaigns. That is the whole history of congressional spending.

That is the whole history of Congress. Whenever Congress gets involved in a matter, the cost goes up.

I say that the cost of campaigns is too high now. What needs to be done is to put a tight ceiling on campaign expenditures and a tight ceiling on the amount of money that any individual can contribute to a campaign.

I hope Congress will do just that. But I hope that Congress will reject dipping into the pockets of the wage earners in order to get money from the Federal Treasury to turn over to the politicians of our Nation.

Mr. President, I ask unanimous consent that I be permitted to speak out of order on another subject.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. First, Mr. President, I ask unanimous consent that I may yield to my distinguished colleague from Wisconsin (Mr. NELSON) without losing my right to the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I ask unanimous consent to speak very briefly out of order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

S. 3318—INTRODUCTION OF A BILL TO AMEND THE INTERSTATE COMMERCE ACT

Mr. NELSON. Mr. President, I send to the desk a bill to amend the Interstate Commerce Act and provide for regulation of certain anticompetitive developments in the petroleum industry, and I ask unanimous consent that the bill be referred to the Committee on Commerce.

Mr. GRIFFIN. Mr. President, I reserve the right to object.

The ACTING PRESIDENT pro tempore. The Senator from Michigan reserves the right to object.

Mr. NELSON. If the Senator will permit me to comment, there is dual jurisdiction over this bill. It has antitrust provisions in it, and it amends the Interstate Commerce Act. Either committee could handle it. Probably both will want to before any action is taken on the bill. I ask unanimous consent that initially it be referred to the Committee on Commerce.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. HARRY F. BYRD, JR. Mr. President, reserving the right to object, may I ask, is the Finance Committee involved in this legislation?

Mr. NELSON. I think it could be. The bill would amend the Interstate Commerce Act. It provides for divestiture of certain activities of the oil companies, divestiture of refining if they in fact refine, produce, and engage in other activities. So I would not be surprised if Finance, Judiciary, and Commerce all have legitimate jurisdiction over parts of the measure.

Mr. HARRY F. BYRD, JR. Irrespective of the merits of the proposal, I would hate to see the Finance Committee bypassed on a matter which is within its jurisdiction. Would the Senator be inclined to let——

Mr. NELSON. I would like to have it referred to the Committee on Commerce, although I am sure that any other committee that desires at any stage could have its own hearings, as is very frequently done, or have it referred for its own consideration that would be perfectly appropriate, as frequently happens here.

Mr. HARRY F. BYRD, JR. I do not want to object to the request of my distinguished friend from Wisconsin, and I shall not object, but I would hope that if aspects of it are matters that should be considered by the Committee on Finance, the Senator from Wisconsin would urge that it be referred to the Finance Committee at the appropriate time.

Mr. NELSON. I am not sure whether there are. It had not really occurred to me until the Senator raised the question as to whether or not there are Finance Committee jurisdiction problems involved. There clearly is jurisdiction in both the Commerce Committee and the Committee on the Judiciary, because it would amend the Interstate Commerce Act, but it also has antitrust provisions as well.

It has to go somewhere initially, and as I say, I would have no objection—and would not be entitled to make any objection anyway—to any committee that has jurisdiction over some aspect of the subject matter requesting that, at the appropriate time, there be a referral of the bill to that committee.

Mr. HARRY F. BYRD, JR. I am not seeking additional work for the Finance Committee, but I would not like to see it bypassed on a subject in which it has jurisdiction.

I have no objection to the request of the Senator from Wisconsin.

Mr. GRIFFIN. Mr. President, reserving the right to object, I do not know that I shall object except to observe that there is an Antitrust Subcommittee of the Committee on the Judiciary which is chaired by my senior colleague from Michigan (Mr. HART). It would seem that, since the bill clearly is directed to the matter of antitrust laws, it would be a little unusual, at least without consulting—and perhaps the distinguished Senator from Wisconsin has consulted and cleared with the other committees, particularly the Judiciary Committee, which I would think would have primary jurisdiction—to bypass that committee by unanimous consent on the Senate floor.

Perhaps there could be joint referral to both the Judiciary Committee and the Committee on Commerce.

Mr. NELSON. Mr. President, I have no objection to that. It is perfectly clear that there is important jurisdiction in the Judiciary Committee.

Many years ago—I do not know the date—on a similar problem, which involved prohibiting the railroads from hauling products that they owned, which is similar to this matter, the Commerce Committee handled that problem. But there clearly is dual jurisdiction.

I ask unanimous consent that the bill be referred to both the Committee on the Judiciary and the Committee on Commerce.

I have no objection to Finance, either. I am not sure there is a primary Finance Committee jurisdiction, but if there is, and the Senator from Virginia or the chairman of the Finance Committee asks for jurisdiction, I would have no objection to that.

Mr. GRIFFIN. Mr. President, as the request has now been phrased, I have no objection. As the Senator from Wis-

consin well knows, not only do we have an Antitrust Subcommittee of the Committee on the Judiciary, but it is very adequately staffed by experts in the field. It would not seem wise for the Senate to bypass that expertise and send it to the Committee on Commerce, on which I serve, but which is not particularly experienced with antitrust questions.

So I am delighted that the Senator has revised his request.

The ACTING PRESIDENT pro tempore (Mr. METCALF). Without objection, the bill will be received and referred jointly to the Committee on Commerce and the Committee on the Judiciary.

Mr. NELSON. Mr. President, Mr. ABOUREZK and I have joined in sponsoring this legislation entitled the Free Enterprise in Petroleum Act.

Massive amounts of evidence accumulated over the past quarter century indicate that those major oil companies, engaged in the whole process of oil management and control from drilling to retailing, are in fact monopolistic, anticompetitive, and destructive of free enterprise in the oil industry. This legislation is designed to eliminate this kind of monopolistic control by requiring divestiture of vertically integrated oil companies.

The legislation contains three prohibitions. First, it forbids pipeline companies engaged in interstate commerce from transporting petroleum products which it produced or manufactured. Second, it prohibits oil refiners from engaging in development or production of petroleum products; and, third, it forbids refiners from marketing finished petroleum products. These prohibitions do not apply to "independent" refiners defined as those who buy three-fourths of their crude oil and sell most of their products at the refinery.

The problem of monopolistic practices in the oil industry is not new nor are the proposals to cure it. In July of 1937, Congressman Biermann introduced similar legislation and in every decade since Members of both Houses have proposed legislation aimed at the same problem. These proposals have borne the names of distinguished Members of both Houses such as Borah, Gillette, Nye, Harrington, and Roosevelt. Currently, legislation concerning this problem is pending in both Houses. It is time for Congress to act.

Mr. President, there can no longer be any doubt that a law of this kind is needed. There can be no doubt of the abuses caused by a petroleum industry which is vertically integrated and monopolistic. According to figures in a Government Operations Committee print entitled "Investigation of the Petroleum Industry," that industry has in certain respect become even more concentrated and top-heavy in 1969 than it was in 1960. The top eight oil companies together accounted for 50 percent of the domestic net crude oil production while the top 20 companies had 70 percent. In 1960, those figures were 43 and 63 percent, respectively. All by themselves, four companies—Standard of New Jersey, Texaco, Gulf, and Shell—accounted for 31 percent in 1969 while in 1960 they shared 26 percent. In 1970, the top 20 companies accounted for 94 percent of proved domestic crude reserves, the top eight had 64 percent and the top four had 37 percent. In 1970, the company shares of domestic crude oil and gasoline refining capacity were as follows: The top four had 33 percent, the top eight had 57 percent, and the top 20 shared 86 percent.

In hearings before Congressman Roosevelt's committee in the mid-1950's, before Senator HART's Antitrust Subcommittee, and in a lengthy study by my own staff, the same facts have been consistently brought out: The abuses include short leases for retailers, unwarranted cancellations, artificially induced price variances, forced trinket "give-aways" which are beneficial only to the oil companies, and on and on. As recently as last month, in a front page article in the Milwaukee Sentinel it was stated that 3,600 independent retail gasoline dealers had begun concerted efforts to effect State legislation of this sort. The retailers list additional abuses including being forced to purchase such things as batteries and accessories from the majors at prices dictated by the majors.

The oil industry monopoly has had a truly devastating effect on retail gasoline dealers. Intestifying before the Senate Antitrust and Monopoly Subcommittee of the Judiciary Committee, Mr. H. C. Thompson, president of the National Congress of Petroleum Retailers, has described the retail dealers' position as "largely that of an economic serf rather than that of an independent businessman." In his July 14–15–16, 1970, testimony, Mr. Thompson estimated that the turnover in gasoline station operators is 25 to 35 percent each year, or about 50,000 to 70,000 dealers.

The legislature has not been the only branch to attempt to bring about competition in the oil industry. In his fine speech on this subject last July 12, the distinguished Senator from South Dakota (Mr. ABOUREZK) traced the history of Federal court cases in this area since the landmark case of *Standard Oil Company of New Jersey* v. *United States*, 221 U.S. 1 in 1911.

An exhaustive examination of this whole problem has recently been completed by the Federal Trade Commission. It is a 141-page document entitled "Complaint Counsel's Prediscovery Statement," dated February 22, 1974, and is in support of the Commission's complaint in In the Matter of Exxon Corporation et al. This document is discussed in two recent newspaper articles.

The first is an article by Morton Mintz in the Washington Post, February 24, 1974, and the second is from the Wall Street Journal, February 25. Among the remedies it proposes, the FTC suggests refinery and pipeline divestiture.

Unfortunately, proceedings of this sort take very much time. Mr. Mintz suggests a final resolution is 8 to 10 years away. Given the present state of our petroleum supply and the state of the oil industry, I suggest that we cannot wait that long.

We can no longer put off legislation of this sort as being premature or ill-considered. Nor can we hide from the fact that there continues to be a petroleum crisis, even though its immediate effects may have been eased by the recent lifting of the oil embargo. This is a bill whose time has come.

Mr. President, I ask unanimous consent that the bill and its summary be printed in the RECORD along with an excerpt of my remarks on this subject in 1971 and the three newspaper articles that I have just referred to.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3318

A bill to amend the Interstate Commerce Act and to provide for regulation of certain anticompetitive developments in the petroleum industry

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SHORT TITLE

SECTION 1. This Act may be cited as the Free Enterprise in Petroleum Act of 1974.

FINDINGS

SEC. 2. (a) The Congress finds: (1) that Paragraph (8) of section (1) of the Interstate Commerce Act (49 U.S.C. 1 (8)) which divorces the business of transporting by railroad comomdities in interstate commerce from their manufacture, thereby avoiding the tendency to discrimination, should be amended to apply to "pipeline companies", as that term is defined herein; (2) that the industrial organization of the petroleum industry in its present form does not serve the public interest; (3) that industry is characterized by aggregations of capital of tremendous size; (4) that these large companies are engaged in petroleum refining, but are interlocked at various levels of industry operation to the degree that the national policy of competitive free enterprise is frustrated; and (5) that by virtue of intercompany arrangements and vertical integration of refiners into the production of crude oil, the transportation of crude oil and finished products and the marketing of finished products, these large refiners have acquired and hold substantial monopoly power over interstate and foreign commerce in petroleum, adversely affecting the ability of the United States to establish a rational energy policy or conduct its foreign relations properly in important areas.

(b) The Congress further finds that an ample supply of energy at reasonable cost is essential to the national interest, and that petroleum hydrocarbons are a very significant portion of our energy supply. Current and projected levels of hydrocarbon imports from foreign sources entail serious consequences to the national defense and foreign policy of the United States, to the stability and health of the domestic economy, to the competitive position of this Nation in world trade, to the purchasing power of United States currency, and to the welfare of its citizens.

(c) It is therefore essential that action be taken on an amergency basis to reorganize the structure of the petroleum industry, to restore the free enterprise system in energy development, to assure an adequate flow of capital into exploration and development of secure and environmentally safeguarded sources and to accord investors, consumers and taxpayers adequate protection in relation to energy development and the divestitures required hereunder.

DEFINITIONS

SEC. 3. (a) "Refinery" means a plant constructed or operated for the purpose of separating or converting liquid hydrocarbons to finished products or unfinished oils for further refining;

SUMMARY OF FREE ENTERPRISE IN PETROLEUM ACT OF 1974

Section 1 contains the short title of the measure.

Section 2 recites detailed findings by the Congress concerning: the applicability of a section of the Interstate Commerce Act—which divorces the business of transporting by railroad, commodities in interstate commerce from their manufacture—to the petroleum industry; the present highly concentrated organization of the industry, its effect frustrating the national policy in several areas; the policy of competitive free enterprise capitalism generally; energy policy provisions for an ample supply of petroleum products at reasonable costs in interstate and foreign commerce; in carrying out foreign policy in important areas; and in maintaining the stability and purchasing power of the United States currency. This Section also finds that it is therefore essential to reorganize the petroleum industry in such a manner as to make possible effective policy decisions in these areas while at the same time protecting the interests of investors.

Section 2 defines the critical terms used in the legislation. Particularly, it defines the term "affiliate" of a company as including parents, subsidiaries or companies under common control with such companies, whether such relationship is established by ownership, direct or indirect interlocking directorates, by contract or by any other means. It also specifically defines an "independent refiner," a company excepted from the divestment provisions of other sections of the Act, as a company operating a refinery of which not more than 25% of the total input is derived from crude oil produced by or for such refiner or any affiliate, and which sells at least half of its total finished products through other than owned or controlled marketing facilities.

Section 4 prohibits integration into pipeline transportation. This is accomplished by an amendment to the Interstate Commerce Act to prohibit any common carrier pipeline from transporting crude oil, other liquid hydrocarbons, or finished products, if the commodity transported is owned by the pipeline or any affiliate. This provision is similar to the "commodities clause" provision of the Interstate Commerce Acts imposing limitations on railroads, and is in form an amendment to that provision.

Setcion 5 prohibits any company operating a refinery, other than an independent refiner, from owning or controlling any interest in exploration for, development of or production of crude oil or other liquid hydrocarbons, including synthetics.

Section 6 is a similar prohibition relating to marketing facilities, forbidding any company operating a refinery, other than an independent refiner, from owning, controlling or operating facilities for the sale of finished products, other than those facilities necessary for sale of produce directly from the refinery.

Section 7 makes provision for procedures to accomplish the divestment of properties which would otherwise be held in violation of the provisions of the Act. As with public utility holding companies, the Securities and Exchange Commission is given authority to receive and consider divestment plans filed by integrated companies. If the Commission finds such plan as submitted, or as modified by the Commission, to be fair and equitable in its protection of investor interests, and to be in accord with the purposes of the Act, it is authorized to approve the plan and direct its implementation. Pending approval of any plan, however, the Commission is directed to prescribe rules and regulations for petroleum company accounting which will effectively segregate the costs, both capital and operating, and the profits, which are appropriately allocable to each level of company operation.

Section 8 makes necessary allowance for operations during the period before divestiture can be accomplished. It permits companies otherwise subject to the prohibitions of Section 5 and 6 of the Act to continue operations for one year prior to the filing of an appropriate divestment plan with the Securities and Exchange Commission, and thereafter during the period required for the consideration, approval and effuctuation of such a plan by the Commission.

Section 9 imposes penalties for the violation of the Act, to consist of a forfeiture of $5,000 for each day a company is in violation. It also provides that this forfeiture can be declared by application to a United States District Court at the request of the United States or any customer or competitor of the company, or of any other person affected by the violation. In the event suit is brought by private interests, an appropriate informer's fee is to be paid, calculated as are those fees allowable in customs or tax matters. Costs and expenses of suit are also to be allowed a successful private party.

TRADE WITH THE SOVIET UNION AND RHODESIA

Mr. HARRY F. BYRD, JR. Mr. President, like many Americans, the Richmond Times-Dispatch, a newspaper published in the city of Richmond, Va., is deeply concerned over the dual standard employed by the State Department. The Times-Dispatch editorial of Wednesday, April 3, 1974, entitled "No and Yes," discusses the matter of trade with two nations and the attitude of the State Department. The two nations are the Soviet Union and Rhodesia.

The State Department advocates trade concessions to Soviet Russia and this very same State Department advocates an embargo on trade with Rhodesia.

This embargo on trade with Rhodesia is advocated even though such an embargo would mean that the United States would become dependent on Communist Russia for a vital war material; namely, chrome. All of U.S. needs must be imported.

There are only three nations in the world with large deposits of chromium and those nations are Rhodesia, South Africa, and Russia. The largest of all the deposits are in Rhodesia.

When Rhodesian chrome is embargoed, that means that the United States must rely for the largest part of its chrome needs upon Russia; yet, it is because of Russia, it is because of the potential threat to world peace posed by Russia, that the American taxpayers are spending some $80 billion a year for defense.

Thus, to many Americans, the attitude of the State Department makes little sense. It says on the one hand that we want to embargo trade with Rhodesia, which by no conceivable stretch of the imagination can be considered a threat to world peace but, on the other hand, we want to give special trade concessions to Soviet Russia which we all recognize is a potential threat to world peace.

Incidentally, I put this question to Secretary of State Kissinger when he appeared to testify before the Committee on Finance.

I said this to him:

In your judgment, is Rhodesia a threat to world peace?

Secretary Kissinger's reply was one word, "No."

Mr. President, I ask unanimous consent to have the editorial from the Richmond Times-Dispatch printed in the RECORD. The editor of the editorial page is Edward Grimsley. The chairman and publisher is David Tennant Bryan.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO AND YES

In determining its official views toward other countries, should the United States be decisively influenced by their domestic characteristics and internal governmental policies? Well, no and yes. "No" in the case of the Soviet Union but "yes" in the case of tiny Rhodesia. This, in effect, is what Secretary of State Henry A. Kissinger admitted to the Senate Finance Committee recently in response to a series of piercing questions from Virginia Sen. Harry F. Byrd, Jr.

Mr. Kissinger had appeared before the committee to support a trade bill that would give most favored nation treatment to Russia, a concession opopsed by some congressmen who object to the Soviet Union's refusal to permit its Jewish citizens to emigrate more freely. Calling the concession a "practical necessity," the secretary argued that Russia's internal policies should not be a decisive factor in the formulation of Soviet-American trade arrangements.

At that point, Mr. Kissinger found himself in a trap skillfully set by Senator Byrd. As all Americans should be, the senator is offended by the duplicitous attitudes of those—including the Nixon administration—who simultaneously favor trade concessions for Russia, one of the world's most oppressive dictatorships and a continuing menace to international peace, and a trade embargo against Rhodesia, which is a threat to no other country. Sponsored by the United Nations, the embargo was conceived as punishment against Rhodesia primarily because of its internal racial policies. Having heard the secretary of state insist that Russia's internal affairs should not influence American policy toward the Soviet Union, Senator Byrd was eager to hear his justification for support of the embargo against Rhodesia.

"You recognize our action in embargoing trade with Rhodesia as being just?" Senator Byrd asked Mr. Kissinger.

"Yes."

"Do you regard the Soviet Union as being governed by a tight dictatorship, by a very few persons over a great number of individuals?" Senator Byrd continued.

"I consider the Soviet Union, yes, as a dictatorship of an oligarchic nature, that is, of a small number of people in the Politburo," replied Mr. Kissinger.

"In your judgment, is Rhodesia a threat to world peace?"

"No," answered Mr. Kissinger.

"In your judgment, is Russia a potential threat to world peace?"

'I think," said the secretary, "the Soviet Union has the military capacity to disturb the peace, yes."

"In your judgment, does Russia have a more democratic government than Rhodesia?"

"No," Mr. Kissinger conceded.

One can almost see the secretary squirming in the witness chair. As the questioning continued, Mr. Kissinger finally offered a flimsy excuse for the embargo. It was not motivated by Rhodesia's internal policies, he said, so much as by "the fact that a minority has established a separate state . . ."

"Well, then," Senator Byrd concluded, 'you say it is because Rhodesia seeks to establish her own government. Is that not what the United States did in 1776?'"

Despite Mr. Kissinger's efforts to find other reasons to justify the boycotting

against Rhodesia, the truth is that it *was* inspired by foreign disapproval of Rhodesia's internal racial policies. Though blacks constitute an overwhelming majority of Rhodesia's population, its government is controlled by whites and is accused of pursuing discriminatory policies against blacks. But many of the very same people who castigate the Rhodesian government for its racial policies endorse diplomatic and economic intimacy with Russia, which keeps *all* of its people under the brutal heel of totalitarianism.

Whether Rhodesia's internal policies are good or bad, they are Rhodesia's own business. Besides, if "practical necessity" is, as Mr. Kissinger suggested, a paramount factor in shaping American foreign policy, there is one compelling practical reason the United States should not support an embargo against Rhodesia. It is a major source of chrome, a metal vital to the American defense industry in particular and to our domestic economy in general. Denied Rhodesian chrome as a result of the embargo, we become dependent upon—of all nations—Russia, the major potential threat to America's survival.

THE PANAMA CANAL

Mr. HARRY F. BYRD, JR. Mr. President, the Virginia Legislature has adopted a resolution urging the Congress of the United States to—

Reject any encroachment upon the sovereignty of the United States of America over the Panama Canal and insist that the terms of the Hay-Bunau-Varilla Treaty of 1903 as subsequently amended be adhered to and retained.

The patrons of this resolution are Senators Barnes of Tazewell County; Campbell of Hanover County; Means of Caroline County; and Willey of Richmond city. Senator Willey, incidentally, is the President pro tempore of the Virginia Senate—and the senior member of that body.

Senators Hopkins of Roanoke city; Aldhizer of Rockingham County; Buchanan of Wise County; Canada of Virginia Beach; Burruss of Lynchburg; Truban of Shenandoah County; Anderson of Halifax County; Thornton of Salem; Goode of Franklin County; Townsend of Chesapeake; Warren of Bristol; Parkerson of Henrico County; and Michael of Charlottesville.

The resolution was agreed to by the Senate on February 22, 1974, and by the House of Delegates on March 8, 1974.

I applaud the action of the Virginia Legislature. In my judgment, this represents the thinking of the people of Virginia.

It is unfortunate that the State Department seems determined to give away U.S. sovereignty over the Panama Canal, which sovereignty was obtained in perpetuity by treaty 71 years ago.

The Secretary of State in a ceremony in Panama recently encouraged the Panamians to believe that the United States is committed to a change in the treaty which would eliminate U.S. sovereign perpetuity.

If the State Department had its way, such would happen.

But any change in the current treaty with Panama must be submitted to the Senate for approval.

The Senate, in my judgment, will not approve such a change as has been agreed to by Secretary Kissinger.

It is important to note that a resolution has been signed by 34 Senators, pledging that they will not support such a proposal.

That means that any such proposal is dead, because any change in the treaty with Panama requires a two-thirds vote. I submit that this body will not vote by a two-thirds majority to give away the Panama Canal.

I believe that the State Department is out of touch with reality when it believes the Senate will give two-thirds approval to changing a treaty to eliminate U.S. sovereignty over the Panama Canal.

It seems to me, Mr. President, that the sooner the Panamanians understand this, the better off both countries will be.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CRANSTON). The clerk will call the roll.

The legislative clerk called the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1067

Mr. CLARK. Mr. President, I call up my amendment No. 1067.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CLARK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 3, beginning with line 6, strike out through line 4 on page 25 and insert in lieu thereof the following:

"TITLE V—PUBLIC FINANCING OF FEDERAL ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. When used in this title—

"(1) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not he is elected, and, for purposes of this paragraph, an individual seeks nomination for election, or election, if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, (B) receives contributions or makes expenditures, or (C) gives his consent for any other person to receive contributions or make expenditures for the purpose of bringing about his nomination for election, or election, to such office;

"(2) 'Commission' means the Federal Election Commission established under section 502;

"(3) 'contribution'—

"(A) means a gift, subscription, loan, advance, or deposit of money or anything of value, made for the purpose of—

"(i) influencing the nomination for election, or election, of any person to Federal office or as a Presidential or Vice-Presidential elector; or

"(ii) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;

"(C) means a transfer of funds between political committees; and

"(D) means the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge for any such purpose; but

"(E) does not include—

"(i) (except as provided in subparagraph (D)) the value of personal services rendered to or for the benefit of the candidate by an individual who receives no compensation from any person for rendering such service;

"(ii) payments under section 509;

"(iii) newsstories, commentaries, and editorials on broadcast stations or in newspapers, magazines, and other periodical publications (other than a publication of a political party, a political committee as defined in section 591(d) of title 18, United States Code, a candidate or an agent of any of the foregoing); non-partisan registration and get-out-the-vote activity; communications by an established membership organization (other than a political party) to its members, or by a corporation (not organized for purely political purposes) to its stockholders;

"(4) 'expenditure' means—

"(A) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(i) influencing the nomination for election, or election, of any person to Federal office, or as a Presidential and Vice-Presidential elector; or

"(ii) influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(B) a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure; and

"(C) a transfer of funds between political committees;

"(5) 'Federal office' means the office of President of the United States or of Senator or Representative in the Congress of the United States;

"(6) 'general election' means any election, including special elections, held for the election of a candidate to Federal office;

"(7) 'major party' means a political party which, in the preceding general election nominated a candidate who—

"(A) received, as the candidate of that party, 25 percent or more of the total number of popular votes cast for all candidates for election to that office; or

"(B) received, as the candidate of that party, the largest number or second largest number of popular votes cast for any candidate for election to that office;

"(8) 'minor party' means a political party which is not a major political party;

"(9) 'political party' means a committee, association, or organization the primary purpose of which is to select and to support individuals who seek election to Federal, State, and local office as the candidate of

that committee, association, or organization;

"(10) 'primary election' means (A) an election, including a runoff election, held for the nomination of a candidate for election to Federal office, (B) a convention or caucus of a political party held for the nomination of such a candidate, (C) an election held for the selection of delegates to a national nominating convention of a political party, and (D) an election held for the expression of a preference for the nomination of persons for election to the office of President;

"(11) 'Representative' includes Delegates or Resident Commissioners to the Congress of the United States; and

"(12) 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

"FEDERAL ELECTION COMMISSION

"SEC. 502. (a)(1) There is established, as an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission.

"(2) The Commission shall be composed of seven members who shall be appointed by the President by and with the advice and consent of the Senate. Of the seven members—

"(A) two shall be chosen from among individuals recommended by the President pro tempore of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(B) two shall be chosen from among individuals recommended by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House. The two members appointed under subparagraph (A) shall not be affiliated with the same political party; nor shall the two members appointed under subparagraph (B). Of the three members not appointed under such subparagraphs, no more than two shall be affiliated with the same political party.

"(3) Members of the Commission shall serve for terms of seven years, except that, or the members first appointed—

"(A) two of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for terms ending on the April 30th first occurring more than six months after the date on which they are appointed;

"(B) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending one year after the April 30 on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending two years thereafter;

"(D) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending three years thereafter;

"(E) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending four years thereafter; and

"(F) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending five years thereafter.

"(4) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be reappointed to the Commission only once.

"(5) An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the office of a member of the Commission shall be filled in the manner in which that office was originally filled.

"(6) The Commission shall elect a Chairman and a Vice Chairman from among its members for a term of two years. The Chairman and the Vice Chairman shall not be affiliated with the same political party. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

"(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission and four members thereof shall constitute a quorum.

"(c) The Commission shall have an official seal which shall be judicially noticed.

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

"(e) The principal office of the Commission shall be in or near the District of Columbia but it may meet or exercise any or all its powers in any State.

"(f) The Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The General Counsel shall be the chief legal officer of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission. The Commission shall not delegate the making of regulations regarding elections to the Executive Director.

"(g) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(h) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General are authorized to make available to the Comsion such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"(i) The provisions of section 7324 of title 5, United States Code, shall apply to members of the Commission notwithstanding the provisions of subsection (d)(3) of such section.

"(j)(1) When the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation requested by the Congress or by any Member of Congress to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"(k) In verifying signatures on petitions required under this title, the Commission shall avail itself of the assistance, including personnel and facilities, of State and local governments to the extent those governments have already established programs to verify signatures on petitions. The Commission may make agreements with State and local governments to reimburse those governments for such assistance.

"POWERS OF COMMISSION

"SEC. 503. (a) The Commission shall have the power—

"(1) to make, pursuant to the provisions of chapter 5 of title 5, United States Code, any rules necessary to carry out its functions under this Act, including rules defining terms used in this Act and rules establishing procedures for gathering and certifying signatures on petitions required under this title;

"(2) to make rules governing the manner of its operations, organization, and personnel;

"(3) to require, by special or general orders, any person to submit in writing reports and answers to questions the Commission may prescribe; and those reports and answers shall be submitted to the Commission within such reasonable period and under oath or otherwise as the Commission may determine;

"(4) to administer oaths;

"(5) to require by subpena, signed by the Chairman or the Vice Chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(6) in any proceeding or investigation, to order testimony to be taken by deposition before any person designated by the Commission who has the power to administer oaths, and to compel testimony and the production of evidence in the same manner as authorized under paragraph (5) of this subsection;

"(7) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(8) to initiate (through civil proceedings and through presentations to Federal grand juries), prosecute, defend, or appeal any court action in the name of the Commission for the purpose of enforcing the provisions of this title and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code, and to recover any amounts payable to the Secretary of the Treasury under section 510, through its General Counsel; and

"(9) to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (5) to any officer of the Commission.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission—

"(1) in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof; and

"(2) upon the request of the Commission, convene a special Federal grand jury to investigate possible violations of this Act.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this title, and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code. The Attorney General shall prosecute violations of this Act or those sections of title 18 only upon the request of the Commission.

"(e) Upon application made by any individual holding Federal office, any candidate, or any political committee, the Commission, through its General Counsel, shall provide, within a reasonable period of time, an advisory opinion whether any specific transaction or activity may constitute a violation of any provision of this title or of any provision of title 18, United States Code, over which the Commission has primary jurisdiction under subsection (d).

"ELIGIBILITY FOR FINANCING

"SEC. 504. (a) Each political party and candidate shall—

"(1) agree to obtain and to furnish to the Commission any evidence it may request about the expenditures by that party or candidate;

"(2) agree to keep and to furnish to the Commission any records, books, and other information it may request; and

"(3) agree to an audit and examination by the Commission under section 509 and to pay any amounts required under section 509.

"(b) Each political party and candidate shall certify to the Commission that—

"(1) the candidate will not incur expenditures greater than the limitations in section 506; and

"(2) no contributions greater than the limitations on contributions in section 615 of title 18, United States Code, have been or will be accepted by the party or candidate.

"(c) To be eligible to have the Commission make any payments under section 508, a candidate shall file all agreements and certifications required under subsections (a) and (b) with the Commission before the date of the relevant election at the time required by the Commission.

"(d) To be eligible to have the Commission make any payments in connection with a major party primary election campaign under section 508, a candidate who seeks the nomination of that party must in addition to the requirements of subsection (c), file with the Commission not later than two hundred and ten days before the date of that primary election—

"(1) a declaration that the candidate is seeking the nomination of a named major party for election to the office of Representative and a petition in support of his candidacy signed by a total number of people in excess of 2 per centum of the voting age population (as certified under section 506(f)) of the congressional district in which he seeks election; or

"(2) a declaration that the candidate is seeking the nomination of a named major party for election to the office of Representative in a State which is entitled to only one Representative, to the office of Senator, to the office of Vice President, or to the office of President, and a petition in support of his candidacy signed by a total number of people in excess of 1 per centum of the voting age population (as certified under section 506 (f)) of the geographic area in which the primary election for that office is held.

"(e)(1) No candidate is eligible under subsection (d) until the Commission verifies that the petition filed by the candidate meets the requirements of subsection (d) and that—

"(A) the signatures on the petition are valid;

"(B) the individuals who signed the petition are eighteen years of age or older;

"(C) the individuals who signed the petition live in the geographic area in which the general election for the office the candidate seeks is held or are qualified to vote in the primary election under the laws of the State in which that election is held; and

"(D) no individual who signed the petition has signed a petition required under this section of any other candidate for the same office.

"(2) The Commission shall approve or disapprove any petition filed under this subsection not later than one hundred and eighty days before the date of the primary election in connection with which that petition is filed.

"(f) To be eligible to have the Commission make any payments under section 508, a political party must, in addition to the requirements of subsection (c), file with the Commission, at the time and in the manner the Commission prescribes by rule, a declaration that the political party will nominate candidates who will actively campaign for election in the next regular general election.

"ENTITLEMENTS

"SEC. 505. (a)(1) A candidate who is eligible for Federal financing of his campaign under section 504 is entitled to payment by the Commission of expenditures he incurs in connection with his campaign for nomination by a major political party.

"(2) No candidate who seeks the nomination of a major party is entitled to payment of his expenditures by the Commission under this subsection in excess of an amount which is equal to the amount the candidate is permitted to incur in connection with his primary election campaign under section 506(a)(1) or (b), as applicable.

"(b)(1) Every candidate nominated by a political party who is eligible for Federal financing of his campaign under section 504 is entitled to payment by the Commission of expenditures he incurs in connection with his general election campaign.

"(A) No candidate of a major party is entitled to payment of his expenditures by the Commission under this subsection in excess of an amount which is equal to the amount the candidate is permitted to incur in connection with his campaign for election under section 506(a)(2) or (b).

"(B) No candidate of a minor party is entitled to payment of his expenditures by the Commission under this subsection in excess of an amount which is equal to the greater of—

"(i) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the candidate of that minor party for that office in the preceding general election bears to the average number of popular votes received by the candidate of a major party for that office in the preceding general election; or

"(ii) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the candidate in the current general election bears to the average number of popular votes received by the candidate of a major party for that office in the current general election.

"(2)(A) Every independent candidate who is eligible for Federal financing of his campaign under section 504 is entitled to payment by the Commission of expenditures he incurs in connection with his general election campaign.

"(B) No independent candidate is entitled to payment of his expenditures by the Commission under this subsection in excess of an amount which is equal to the greater of—

"(i) an amount which bears the same ratio to the amount of payment to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the independent candidate as a candidate for that office in the preceding general election bears to the average number of popular votes received by the candidate of a major party for that office in the preceding general election; or

"(ii) an amount which bears the same ratio to the amount of payment to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the independent candidate in the current general election bears to the average number of popular votes received by the candidate of a major party for the same office in the current general election.

"(c) A minor party candidate or an independent candidate who (1) was the candidate of a major party for the same office in the preceding general election, (2) received the largest or second largest number of popular votes cast for a candidate for that office in the preceding general election, or (3) received more than 25 per centum of the total number of popular votes cast in the preceding general election for that office shall be considered to be the candidate of a major party for purposes of this section.

"(d)(1) Every political party which is eligible for Federal financing under section 504 is entitled to payment by the Commission of expenditures it incurs in connection with Federal election activities such as voter registration drives, get-out-the-vote drives, and nominating conventions.

"(2) No political party is entitled to payment of its expenditures by the Commission under this subsection in excess of—

"(A) 20 per centum of the amount of payment by the Commission to which the Presidential candidate of that party is entitled under subsection (b), in any year in which a regular quadrennial Presidential election is held; or

"(B) 15 per centum of the amount of payment by the Commission to which the Presidential candidate of that party is entitled during a regular quadrennial Presidential election year under subsection (b) in any other year.

"(e) Notwithstanding the provisions of subsection (b), no minor party candidate or independent candidate is entitled to payment by the Commission of any expenditures under this section which, when added to the total amount of contributions received by him in connection with his campaign, exceed the amount of expenditures he may incur in connection with that campaign under the provisions of section 506.

"EXPENDITURE LIMITATIONS

"SEC. 506. (a)(1) Except to the extent that such amounts are changed under subsection (e), no candidate, other than a candidate for the office of President, may incur any expenditure in connection with his primary election campaign in excess of—

"(A) in the case of a candidate who seeks nomination for election to the office of Senator, the greater of—

"(i) 15 cents multiplied by the voting age population (as certified under subsection (f)) of the State in which he seeks nomination for election; or

"(ii) $175,000;

"(B) in the case of a candidate who seeks nomination for election to the office of Representative—

"(i) 25 cents multiplied by the voting age population (as certified under subsection (f)) of the congressional district in which he seeks nomination for election; or

"(ii) the limitation under subparagraph (A) if the State in which he seeks nomination is entitled to only one Representative.

"(2) Except to the extent that such amounts are increased under subsection (e) no candidate, other than a candidate for election to the office of President, may incur any expenditure in connection with his general election campaign in excess of—

"(A) in the case of a candidate who is seeking election to the office of Senator, the greater of—

"(i) 20 cents multiplied by the voting age population (as certified under subsection (f)) of the State in which he seeks election; or

"(ii) $250,000;

"(B) in the case of a candidate who is seeking election to the office of Representative—

"(i) 30 cents multiplied by the voting age population (as certified under subsection (f)) of the State in which he seeks election; or

"(ii) the limitation under subparagraph (A) if the State in which he seeks election is entitled to only one Representative.

"(b)(1) No candidate for nomination for election, to the office of President may incur with his campaign in excess of the amount

which a candidate for nomination for election, or election, to the office of Senator (or for nomination for election, to the office of Delegate, in the case of the District of Columbia) may incur within that State in connection with his campaign for that nomination or election.

"(2) No candidate for election to the office of President may incur any expenditure in connection with his general election campaign in excess of 20 cents multiplied by the voting age population (as certified under subsection (f)) of the United States.

"(3) The Commission shall prescribe rules under which any expenditure incurred by a candidate who seeks nomination for election to the office of President for use in two or more States shall be attributed to that candidate's expenditure limitation in each such State based on the number of persons in each State who can reasonably be expected to be reached by that expenditure.

"(4) The Commission shall prescribe rules under which a candidate for nomination for election to the office of President may authorize his national campaign committee to incur expenditures in connection with his national campaign in an amount not in excess of 10 per centum of the amount of expenditures which he may incur in connection with his primary election campaign in a State under this section. The expenditure limitation applicable to that candidate for such campaign in that State shall be reduced by an amount equal to the amount the candidate authorizes under this section.

"(c)(1) No candidate who is unopposed in a primary election may incur any expenditure which is in excess of an amount which is equal to 20 per centum of the limitation applicable to that candidate under subsection (a) or (b) of this section.

"(2) A candidate in a primary or general election runoff election shall have an expenditure limitation which is 50 per centum of the limitation in subsection (a) or (b) of this section, as applicable.

"(3) A candidate who seeks the nomination of a political party which selects its nominee by means of a convention or caucus system which does not include a popular election or elections shall have an expenditure limitation which is 10 per centum of the limitation in subsection (a) or (b) of this section, as applicable.

"(d)(1) Expenditures incurred on behalf of any candidate are, for the purpose of this section, considered to be incurred by that candidate.

"(2) For purposes of this subsection, an expenditure is considered to be incurred on behalf of a candidate if it is incurred by—

"(A) an agent of the candidate for the purposes of incurring any campaign expenditure,

"(B) any person authorized or requested by the candidate to incur an expenditure on his behalf, or

"(C) in the case of the candidate of a political party for President, the candidate of that party for Vice President, or his agent, or any person he authorizes to incur an expenditure on his behalf.

"(e)(1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average—published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1975), as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsections (a), (b), and (c) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(f) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"PETITION DRIVES

"SEC. 507. (a) Except to the extent that such amounts are changed under subsection (d)—

"(1) no candidate who seeks a major party nomination for election to the office of Representative may incur any expenditures in connection with his petition drive to meet the requirements of section 504 which exceed an amount equal to 2 cents multiplied by the voting age population (as certified under section 506(f) of the congressional district in which he seeks election; or

"(2) no candidate who seeks a major party nomination for election to the office of Representative from a State which is entitled to only one Representative, Senator, or President, may incur any expenditures in connection with his petition drive to meet the requirements of section 504 which exceed an amount equal to the greater of—

"(A) 1 cent multiplied by the voting age population (as certified under section 506(f)) of the geographic region in which he seeks election; or

"(B) $7,7500.

"(b)(1) No person may make a contribution to any candidate for use in connection with the petition drive of that candidate to meet the requirements of section 504 which, when added to all other contributions made by that person to that candidate in connection with the same petition drive, exceeds $100.

"(2) No candidate may knowingly accept a contribution from any person made in connection with the petition drive of that candidate which, when added to all other contributions from that person made in connection with that petition drive, exceeds $100. For purposes of this paragraph, a contribution accepted by any person who makes any expenditures in connection with the petition drive of a candidate is considered to be accepted by that candidate.

"(c) No candidate may make any expenditure or accept any contribution in connection with his petition drive except during the period beginning three hundred days before the date of the primary election of the major party whose nomination the candidate seeks and ending two hundred and ten days before that date.

"(d)(1) Each candidate who files a petition with the Commission under section 504 shall report to the Commission the amount of each contribution he receives in connection with his petition drive, the identity of each contributor, and any other information the Commission requires at the time and in the manner the Commission prescribes.

"(2) If a candidate meets the requirements of section 504, the Commission shall pay an amount to each person who contributed to the petition drive of that candidate an amount equal to the contribution made by that person under subsection (b) to that candidate.

"(e) Each amount under subsection (a) shall be changed at the beginning of each calendar year by the percentage difference between price indexes as determined under section 506(f). Each amount so changed shall be the amount in effect for that calendar year.

"PAYMENTS BY THE COMMISSION

"SEC. 508. (a)(1) There is established on the books of the Treasury of the United States a fund to be known as the Federal Election Campaign Fund.

"(2) There are authorized to be appropriated to the fund such amounts as are necessary to carry out the provisions of this title.

"(3) On the day after the effective date of this title, the Secretary of the Treasury shall transfer to the fund any moneys in the Presidential Election Campaign Fund established under section 9006 of the Internal Revenue Code of 1954.

"(4) The Secretary of the Treasury may transfer to the general fund of the Treasury any amounts from the Federal Election Campaign Fund which he determines, after consultation with the Commission, are in excess of the amounts which are necessary to carry out the provisions of this title.

"(b) The Secretary of the Treasury shall transfer to the Commission such amounts as the Commission certifies to the Secretary from time to time are necessary to make payments under this section.

"(c)(1) The Commission shall create on its books an account for each political party and candidate eligible for payments under section 504.

"(2) The Commission shall allocate the funds it receives from the Secretary of the Treasury under paragraph (1) among the accounts of each political party and candidate according to the amount to which each party and candidate is entitled under section 505.

"(3) The Commission shall credit all contributions which a political party or candidate sends to the Commission under section 615 of title 18, United States Code, to the account of that party or candidate.

"(d)(1) A candidate who seeks the nomination of a major political party may contract for goods, services, or other expenditures in connection with his primary election campaign only during the period beginning one hundred and eighty days before the date of the primary election of that party and ending on the date of that primary election.

"(2) A candidate may contract for goods, services, or other expenditures in connection with his general election campaign only during the period beginning on the date on which he is nominated by a major political party for that election and ending on the date of that general election. A minor party or independent candidate may contract for such goods and services only during the period beginning one hundred and eighty days before the date of the general election, or on the date on which a major party nominates a candidate for the office the minor party or independent candidate seeks, whichever date is earlier, and ending on the date of the general election.

"(3) A political party may contract for goods, services, or other expenditures in connection with its Federal election campaign activities only during the period beginning two years before the date of the next general election in which it will nominate candidates and ending on the date of that general election.

"(4) The Commission may void any contract made by a party or candidate under this subsection which is fraudulent or illegel before performance of that contract begins according to procedures it prescribes by rule.

"(e)(1) The Commission shall pay all expenditures incurred by each political party or candidate by contracts created by that party or candidate under subsection (d). The Commission may not pay any amount in excess of the amount to which that political party or candidate is entitled under section 505.

"(2) If a candidate becomes entitled to an increased amount of payments under section

505 (b)(1)(B) or (b)(2)(B) because of the number of votes he receives in an election, the Commission shall pay the amount of that increase in payments to which the candidate is entitled on a pro rata basis directly to the persons who contributed to that candidate in connection with that election.

"(f)(1) The Commission shall make all payments under this section directly to the person with whom the political party or candidate contracts for goods, services, or other expenditures. Except as provided in paragraph (2), no political party or candidate shall pay any expenditures which it or he incurs in connection with a Federal election campaign except through payments by the Commission under this title.

"(2) A candidate may maintain a petty cash fund out of which he, or one individual he authorizes in writing, may make expenditures not in excess of $25 to any person in connection with a single purchase or transaction. A candidate for Vice President or President may maintain one petty cash fund in each State. Records and reports of petty cash disbursements shall be kept and furnished to the Commission in the form and manner the Commission prescribes.

"EXAMINATIONS AND AUDITS; REPAYMENTS

"SEC. 509. (a) After each Federal election, the Commission shall conduct a thorough examination and audit of the expenditures incurred by every candidate.

"(b)(1) If the Commission determines that any portion of the payments it makes for a political party or candidate under section 508 was in excess of the aggregate amount of the payments to which the party or candidate was entitled under section 505, it shall so notify that party or candidate, and the party or candidate shall pay to the Secretary of the Treasury an amount equal to the excess amount.

"(2) If the Commission determines that any amount of any payment made by the Commission for a political party or candidate under section 508 was used for any purpose other than—

"(A) to pay expenditures, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to pay expenditures which were received and expended) which were used, to pay expenditures,

it shall notify the party or candidate of the amount so used, and the party or candidate shall pay to the Secretary of the Treasury an amount equal to such amount.

"(3) If the Commission determines that a major party candidate for whom it has made payments under section 508 received—

"(A) a total number of popular votes in the primary election, in connection with which the Commission made payments for that candidate which is less than 15 per centum of the total number of popular votes cast for all candidates seeking the same office that candidate seeks in that primary election;

"(B) a total number of delegate votes in the nominating convention in connection with which the Commission made payments for that candidate which is less than 15 per centum of the total number of delegates votes cast for all candidates seeking the same office that candidate seeks in that convention; or

"(C) a total number of popular votes in the general election in connection with which the Commission made payments for that candidate which is less than 25 per centum of the total number of popular votes cast for all candidates seeking the same office that candidate seeks in that general election,

it shall notify that candidate and the candidate shall pay to the Secretary of the Treasury an amount equal to the total amount of payments which the Commission made for him under section 508.

"(4) No payment shall be required from a political party or candidate under this subsection in excess of the total amount of all payments by the Commission for that party or candidate under section 508.

"(c) No notification shall be made by the Commission under subsection (b) with respect to a Federal election more than three years after the day of the election.

"(d) A candidate for whom the Commission has made payments under section 508 in an amount which is less than 25 per centum of the amount to which that candidate is entitled for a primary or general election under section 505 may withdrawn as a candidate in that primary or general election at any time up to the forty-fifth day before the date of the primary election, or the thirtieth day before the date of the general election, in connection with which the Commission made those payments. A candidate who withdraws under this subsection shall pay to the Secretary of the Treasury an amount equal to 50 per centum of the payments which the Commission made for him under section 508.

"(e) All payments received by the Secretary under subsections (b) and (d) shall be deposited by him in the fund.

"REPORTS TO CONGRESS; INVESTIGATIONS; RECORDS

"SEC. 510. (a) The Commission shall, as soon as practicable after each Federal election, submit a full report to the Senate and House of Representatives setting forth—

"(1) the expenditures incurred by each political party and candidate which received a payment under section 508 in connection with that election;

"(2) the amounts paid by it under section 508 for that political party or that candidate; and

"(3) the amount of payments, if any, required from that political party or candidate under section 509, and the reasons for each payment required.

"(b) The Commission may conduct examinations and audits (in addition to the examinations and audits under section 509), investigations, and require the keeping and submission of any books, records, and information necessary to carry out the functions and duties imposed on it by this title.

"JUDICIAL REVIEW

"SEC. 511. (a) Any agency action by the Commission made under the provisions of this Act shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the agency action by the Commission for which review is sought.

"(b) The Commission, a political party, a candidate, and individuals eligible to vote in an election for Federal office are authorized to institute any action, including actions for declaratory judgment or injunctive relief, which are appropriate to implement any provision of this title.

"(c) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551 of title 5, United States Code, by the Commission.

"PENALTIES

"SEC. 512. (a) Any person who violates the provisions of section 506, 507, or 508 of this title shall be fined not more than $50,000, or imprisoned for not more than five years, or both.

"(b)(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Commission under this title, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to an examination and audit by the Commission under this title; or

"(B) to fail to furnish to the Commission any records, books, or information required by him for purposes of this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $50,000, or imprisoned not more than five years, or both.

"(c)(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expenditure incurred by a candidate or political party which the Commission pays under section 508.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $50,000 or imprisoned not more than five years, or both.

"(d)(1) Any person who violates any provisions of this title or of section 602, 608, 610, 611, 612, 613, 614, 615, 616, or 617 of title 18, United States Code, may in addition to any other penalty, be assessed a civil penalty by the Commission under paragraph (2) of this subsection of not more than $10,000 for each violation. Each violation of this title and each day of noncompliance with an order of the Commission shall constitute a separate offense. In determining the amount of the penalty the Commission shall consider the person's history of previous violations, the appropriateness of such penalty to the financial resources of the person charged, the gravity of the violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation.

"(2) A civil penalty under this subsection shall be assessed only after the person charged with a violation has been given an opportunity for a hearing and the Commission has determined, by decision which includes findings of fact, that a violation did occur, and the amount of the penalty. Any hearing under this section shall be held in accordance with section 554 of title 5, United States Code.

"(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Commission may file a petition of enforcement of its order assessing the penalty in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall forthwith be sent by registered or certified mail to the respondent and his attorney of record, and thereupon the Commission shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and decision of the Commission or it may remand the proceedings to the Commission for such further action as it may direct. The court may determine de novo all issues of law but the Commission's findings of fact, if supported by substantial evidence, shall be conclusive.

"RELATIONSHIP TO OTHER FEDERAL ELECTION LAWS

"SEC. 513. The Commission shall consult from time to time with the Secretary of the Senate, the Clerk of the House of Representatives, the Federal Communications Commission, and with other Federal officers charged with the administration of laws relating to Federal elections, in order to develop as much consistency and coordination with the administration of those other laws as the provisions of this title permit. The Commission shall use the same or comparable data as that used in the administration of such other election laws whenever possible.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 514. There are authorized to be appropriated to the Commission, for the purpose of carrying out its functions under this title, such funds as are necessary for the fiscal year ending July 30, 1975, and each fiscal year thereafter.".

(b) The Federal Election Campaign Act of 1971 is amended by—

(1) striking out "Comptroller General" in sections 104(a) (3), (4), and (5) and inserting "Federal Election Commission";

(2) striking out "Comptroller General" in section 105 and inserting "Federal Election Commission";

(3) amending section 301(g) (relating to definitions) to read as follows:

"(g) 'Commission' means the Federal Election Commission;";

(4) striking out "supervisory officer" in section 302(d) (relating to organization of political committees) and inserting "Commission";

(5) amending section 302(f) by—

(A) striking out "appropriate supervisory officer" in the quoted matter appearing in paragraph (1) and inserting "Federal Election Commission";

(B) striking out "supervisory officer" in subparagraphs (A) and (B) of paragraph (2) and inserting "Commission"; and

(C) striking out "which has filed a report with him" in paragraph (2) (A) and inserting "which has filed a report with it";

(6) amending section 303 (relating to registration of political committees; statements) by—

(A) striking out "supervisory officer" each time it appears and inserting "Commission"; and

(B) striking out "he" in the second sentence of subsection (a) and inserting "it";

(7) amending section 304 (relating to reports by political committees and candidates) by—

(A) striking out "appropriate supervisory officer" and "him" in the first sentence of subsection (a), and inserting "Commission" and "it", respectively;

(B) striking out "supervisory officer" where it appears in the second sentence of subsection (a) and in paragraphs (12) and (13) of subsection (b), and inserting "Commission"; and

(C) striking out everything after "filing" in the second sentence of subsection (a) and inserting a period;

(8) striking out "supervisory officer" each place it appears in section 305 (relating to reports by other than political committees) and section 306 (relating to formal requirements respecting reports and statements) and inserting "Commission";

(9) striking out "Comptroller General of the United States" and "he" in section 307 (relating to reports on convention financing) and inserting "Federal Election Commission" and "it", respectively;

(10) striking out "SUPERVISORY OFFICER" in the caption of section 308 (relating to duties of the supervisory officer) and inserting "COMMISSION";

(11) striking out "supervisory officer" in the first sentences of subsections 308(a) and 308(b) and inserting "Commission";

(12) amending section 308(a) by—

(A) striking out "him" in paragraphs (1) and (4) and inserting "it"; and

(B) striking out "he" each place it appears in paragraphs (7) and (9) and inserting "it";

(13) amending subsection (c) of section 308 by—

(A) striking out "Comptroller General" each place it appears therein and inserting "Commission", and striking "his" in the second sentence of such subsection and inserting "its"; and

(B) striking out the last sentence thereof;

(14) amending subsection (d)(1) of section 308 by—

(A) striking out "supervisory officer" each place it appears therein and inserting "Commission";

(B) striking out "he" the first place it appears in the second sentence and inserting "it"; and

(C) striking out "The Attorney General on behalf of the United States" and inserting "The Commission or the Attorney General on behalf of the United States"; and

(15) striking out "a supervisory officer" in section 309 (relating to statements filed with State officers) and inserting "the Commission".

(c)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following paragraph:

"(60) Members, Federal Election Commission (7).".

(2) Section 5316 of such title is amended by redesignating the second paragraph (133) as (134), and by adding at the end thereof the following new paragraphs:

"(135) General Counsel, Federal Election Commission.

"(136) Executive Director, Federal Election Commission.".

(d) Until the appointment of all of the members of the Federal Election Commission and its General Counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as those titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its General Counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within thirty days after the date on which all such members are appointed, of all records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as it existed on the day before the date of enactment of this Act.

(e) Subtitle H (Financing of Presidential Election Campaigns) of the Internal Revenue Code of 1954 (relating to financing of Presidential election campaigns) is repealed.

(f) The amendments made by this section shall take effect on January 1, 1975.

On page 42, beginning with line 1, strike out through line 16 on page 59.

On page 59, strike out lines 18, 19, 20, and 21, and insert in lieu thereof the following:

SEC. 207. Section 308(a)(6) of the Federal Election Campaign Act of 1971 is amended to read as follows:

On page 60, beginning with line 13, strike out through line 9 on page 61.

On page 61, line 12, strike out "SEC. 210." and insert in lieu thereof "SEC. 208.".

On page 61, line 14, strike out "redesignated as section 314 of such Act and".

On page 61, strike out lines 16, 17, and 18.

On page 61, line 19, strike out "(2)" and insert in lieu thereof "(1)".

On page 61, line 24, strike out "(3)" and insert in lieu thereof "(2)".

On page 62, line 6, strike out "211." and insert in lieu thereof "209.".

On page 62, line 8, strike out "redesignated as section 315 of such Act and".

On page 62, strike out lines 12 and 13.

On page 62, line 15, strike out "212." and insert in lieu thereof "210.".

On page 62, beginning with line 18, strike out through line 5 on page 64.

On page 64, line 7, strike out "318." and insert in lieu thereof "311.".

On page 64, line 9, beginning with ", title V,", strike out through "Code," on line 10.

On page 64, line 14, strike out "319." and insert in lieu thereof "312.".

On page 64, line 23, strike out "213." and insert in lieu thereof "211.".

On page 71, line 20, strike out "(1)".

On page 72, line 1, strike out "would be limited under section 504" and insert in lieu thereof "is limited under section 506".

On page 72, strike out lines 2 and 3 and insert in lieu thereof "Campaign Act of 1971.".

On page 72, line 4, strike out "(2)" and insert in lieu thereof "(b)(1)".

On page 72, line 7, strike out "(3)" and insert in lieu thereof "(2)".

On page 72, line 12, strike out "(4)" and insert in lieu thereof "(3)".

On page 72, line 21, strike out "(5)" and insert in lieu thereof "(c)".

On page 73, beginning with line 3, strike out through line 4 on page 75.

On page 75, line 6, strike out "(a)(5)" and insert in lieu thereof "(c)".

On page 75, line 11, strike out "(a)(4)" and insert in lieu thereof "(b)".

On page 75, beginning with line 19, strike out through line 8 on page 77 and insert in lieu thereof the following:

"(a)(1) No person may make a contribution to a major party, to a candidate who seeks the nomination of a major party, or to the candidate of a major party for use in connection with a primary election or general election campaign of that party or candidate.

"(2) No major party candidate who seeks the nomiation of a major party, or candidate of a major party may knowingly accept a contribution from any person in connection with a primary election or general election campaign of that party or candidate. For purposes of this paragraph, a contribution accepted by any political committee which makes any expenditures in connection with the primary or general election campaign of a major party or the candidate of a major party shall be considered to be received by that party or candidate.

"(b) No minor party may accept contributions in connection with its Federal election campaign activities in excess of an amount which, when added to the maximum amount of payments by the Federal Election Commission to which that party is entitled under section 505 of the Federal Election Campaign Act of 1971, exceeds the amounts of payments by the Commission to which a major party is entitled under section 505 of such Act.

"(c)(1) No candidate who seeks the nomination of a minor party may accept total contributions in connection with his primary election campaign which exceeds the amount of the limitation on expenditures which applies to a candidate in a primary election campaign under section 506 (a)(1) or (b) of the Federal Election Campaign Act of 1971.

"(2)(A) A candidate of a minor party or an independent candidate may accept contributions in connection with his general election campaign only during the period beginning one hundred and eighty days before the date of the general election, or on the date on which a major party nominates a candidate for the office the minor party or independent candidate seeks, whichever date is earlier and ending on the date of the general election.

"(B) No candidate of a minor party or independent candidate may accept total contributions which, when added to the maximum amount of payments by the Federal Election Commission to which that candidate is entitled under section 505 of the Federal Election Campaign Act of 1971, exceed the limitation on expenditures which applies to a candidate in a general election campaign under section 506 (a)(2) or (b) of such Act.

"(d) For purposes of this section, a contribution accepted by any political committee which makes any expenditures in connection with the primary or general election campaign of a minor party, a candidate who seeks the nomination of a minor party, a minor party candidate, or an independent candidate, is considered to be accepted by that party or candidate.

"(e)(1) No person may make a contribution which, when added to all other contributions made by that person to the same party or candidate in connection with the same campaign, exceeds $100. This $100 limitation applies separately to contributions made in connection with a primary election campaign and with a general election campaign.

"(2) No party or candidate may knowingly accept contributions in connection with its Federal election campaign from any person which, when added to all other contributions accepted by that party or candidate which were made by that person in connection with the same campaign, equals an amount in excess of $100. This $100 limitation applies separately to contributions made in connection with a primary election campaign and with a general election campaign. For purposes of this paragraph a contribution accepted by any political committee which makes any expenditures in connection with the primary or general election campaign of a candidate shall be considered to be accepted by that candidate.

"(f) No person may make a contribution which, when added to all other contributions made by that person to all political parties and candidates in connection with any primary election or general election campaigns during the preceding twelve months, exceeds $1,000.

"(g) All contributions which a party or candidate receives shall be sent to the Federal Election Commission in the manner and with any information about the identity of the contributor which the Commission prescribes by rule.

"(h)(1) No person shall make any expenditure advocating the election or defeat of a clearly identified candidate or political party during any calendar year (other than an expenditure made on behalf of a candidate, as defined in section 506(d)(2)) of the Federal Election Campaign Act of 1971 which, when added to all other such expenditures made by that person during that year exceeds $1,000.

"(2) For purposes of paragraph (1), 'clearly identified' means—

"(A) the candidate or political party is named;

"(B) a photograph or drawing of the candidate appears; or

"(C) the identity of the candidate or political party is apparent by unambiguous reference.

"(3) For purposes of paragraph (1), 'person' does not include a political party.

"(i) For purposes of this section—

"(1) 'contribution' does not include moneys collected for a petition drive under section 507 of the Federal Election Campaign Act of 1971; and

"(2) 'major party' and 'minor party' have the same definitions as under section 501 of the Federal Election Campaign Act of 1971."

Mr. CLARK. Mr. President, this amendment is offered as a substitute for title I of the Senate Rules Committee bill (S. 3044) now under consideration, and the amendment is identical to the Comprehensive Election Reform Act (S. 2943) which I introduced in February. The legislation goes beyond the provisions of S. 3044, and far beyond anything previously considered by the Senate, but there is no question that this is the time and the place to again raise the concept of total public financing of Federal elections. It is a proposal to eliminate the dominance of the private dollar in the public's business.

The introduction of this amendment in no way reflects a lack of support for the public financing legislation that Senator HOWARD CANNON and Senator CLAIBORNE PELL have managed so ably over the last week or so. If anything, my support for the Rules Committee bill has grown during the debate as the Senate has considered the arguments of the opponents to public financing.

But the introduction of this amendment does reflect a fundamental belief that S. 3044 does not go far enough. Given the incredible abuse of the political process, given the skepticism and doubt of the American people, a system of public financing that is either partial or optional simply will not be enough.

Over the last few days, the Senate has heard hours of debate over public financing, and in all of that time, we have gotten lost in the complexities of amendments and counterproposals, and there has been a tendency to forget about one central point: the present system of financing political campaigns simply does not work.

It is beyond reform. Like an old tire with too many miles and too many patches, it cannot be repaired. It has to be changed—and that change must include more than partial or optional public financing.

The Senator from Alabama (Mr. ALLEN) has argued at length that the public financing proposal now before the Senate has its own problems and infirmities. Perhaps it does, but whatever those problems and infirmities, it is definitely preferable to the current system. As the Clear Rapids Gazette observed in an editorial just yesterday:

> There is no great reassurance in the idea of tax monies paying for the self-centered blandishments of political candidates. But distasteful as the proposal may seem, it beats the daylights out of the present abuse-prone financing system.

And total public financing of political campaigns beats the daylights out of partial and optional public financing of political campaigns.

Total public financing would eliminate many of the questions that the opponents of S. 3044 have raised. There would not be loopholes available for anyone to funnel private money to candidates for public office if only because candidates would have no need for private money. And every citizen would have the same influence, the same access, the same degree of representation from public officials. Each of us could vote, each of us could volunteer in a campaign.

None of us could use money and wealth to buy public office or political influence.

There is an inherent inconsistency in relying on private funds in any way to support election to public office. As long as candidates have to depend on private funds—however large or small the amount—the potential for abuse will remain. And the people know it.

The only way to dissipate their doubt and distrust, the only way to restore faith in the integrity of popular government, is to put public actions beyond the influence of campaign contributors. That requires total public financing of elections, and absolutely no reliance on private contributors.

Mr. President, my amendment would remove the influence of private money in public elections. It is the only proposal which does so. It provides for total Federal financing in primary and general elections for all Federal offices.

It is the only proposal which allows candidates to qualify for public financing in primaries by demonstrating the only legitimate evidence of public support—the petition signatures of registered voters. This is a far more satisfactory and representative way of determining public support than continued reliance on private contributions. All the people should control the access to public offices, not just those who have enough money to devote part of it to politics. And for those people concerned about the chance of public financing attracting too many candidates, the proposal provides that the candidate must obtain a minimum percentage of the vote—to avoid reimbursing the Federal Treasury for the cost of the campaign.

The plan would distribute campaign funds in primaries equally to all candidates who qualify. Everyone should have an equal chance at the public's attraction. Matching and mixed plans of private and public financing simply reinforce, at public expense, the candidate preferences of those with enough money to contribute to political campaigns. The "incumbency advantage" inherent in all matching plans for public financing is significant, and the only way to eliminate it is to eliminate the use of private funds as a measure of public support.

The terrific advantages that incumbents now have over their challengers arise chiefly out of the system of private financing. Incumbents have a built-in advantage in raising campaign funds. Only by eliminating the need to raise private funds can that advantage be substantially reduced and the campaign contest balanced. Matching plans not only fail to reduce the advantage, but tend inevitably to increase it. Decreasing the total amount of private funds required means candidates have to raise less money, but incumbents will always raise it quicker. Putting a ceiling on the size of contributions means the number of contributors is increased.

And here again, incumbents have an enormous advantage because of their network of friends and supporters.

Finally, this proposal provides for effective enforcement of campaign finance laws. Unlike any other bill, it creates a commission which covers all permissible political expenditures—goods, services, and salaries. And it charges them against the candidates' accounts maintained by the commission.

Perhaps the central lesson of Watergate is that we must carefully guard, not only the sources of campaign contributions, but their use. The Commission established in my amendment would police expenditures before they are made, rather than simply audit them after they are made—when it is too late either to

prevent the harm or to remedy its consequences. The threat of punishment alone is too weak a deterrent when so much political power is at stake.

The cost of my proposal is necessarily higher than the cost of the committee bill but at most, it will take $250 million a year to fully finance all Federal election campaigns. That amounts to less than one-tenth of 1 percent of the annual budget of this Government. It amounts to less than one-fifth of the cost of one Trident nuclear submarine. It amounts to about $1 a year from every American. It amounts to an awfully small price to pay to restore trust and confidence in our political system, and to return to a government truly responsible to all the people.

Many contend that we must encourage, not discourage, small individual contributions to political campaigns. There is an argument that encouraging small contributions increases participation in the political process.

But only a tiny percentage of the American people now contribute in any amount to political campaigns. Fewer than than 2 percent of those who voted in 1972 contributed to either Presidential campaign, and less than one-half of 1 percent of any constituency ever contribute to an individual candidate. When they do contribute, it is usually by virtue of their wealth and education. If we continue to allow private contributions, whatever the rules or limits, we will inevitably continue to favor that tiny group and discriminate against the vast majority of Americans. I believe very strongly in increasing political participation, but only in a way that allows everyone to participate equally. This proposal would encourage equal involvement—with the provision of an income tax checkoff—and involvement on a volunteer basis where consideration of economic status is not a factor.

Others have suggested that to outlaw private contributions would somehow violate the first amendment right of freedom of expression. But in a number of cases, the U.S. Supreme Court has consistently affirmed the existence of another basic right—the right of citizens to be free of wealth distinctions in the political process—and the court has further implied an affirmative obligation to eliminate the influence of wealth on political campaigns.

Prof. Archibald Cox, whose combination of scholarly and practical knowledge of this issue is unique, made the case convincingly in the March 9, 1974 Saturday Review/World. He wrote:

> The objection is sometimes raised that prohibiting private campaign contributions violates the freedom of speceh guaranteed by the First Amendment. Money is indeed necessary in order to make speech effective. Those of few or modest means can make themselves heard only by pooling their resources. Even so, spending money is one step removed from speech, and the contributor is a second step away because he is using money to promote not his own speech but anothers.
>
> Nor can it fairly be said that ideas would be suppressed or opportunities for speech be restricted. Everyone would be left free to speak and write as an individual. Except for the very wealthy, everyone would be left free to spend money in disseminating his personal expressions. As for parties and candidates, the public subsidy would merely replace the private contributions. The opportunities to travel, to buy space or time in the media, to leaflet and advertise, would remain. The relative size of expenditures by one or another candidate might be affected, but the First Amendment has never been supposed to guarantee those able to raise the most money the greatest opportunity for organized political expression.

A "constitutional right" to use wealth in the political process is a right that only destroys the rights of others. The elimination of private contributions and the substitution of public financing of political campaigns is both legal and desirable.

In 1976 this country will celebrate its 200th birthday. I hope the Senate passes a bill that will enable us to cleanse politics of the real and perceived corruption that haunts the country, and that will encourage our citizens to renew their faith in the institutions of self-government. That is the only way to enter our third century with heads unbowed by shame, confident in the future. We can not afford to do anything less.

Mr. President, I ask unanimous consent to have printed in the RECORD, a summary of my amendment.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

COMPREHENSIVE ELECTION REFORM ACT OF 1974

Provisions:

CANDIDATES AND ELECTIONS COVERED

President: Primary and general (incorporates Presidential check-off fund)

Congress: primary and general.

TYPE OF FUNDING

Automatic full funding of all qualifying major party candidates with partial funding of minor and independent candidates on basis of vote performance. Campaign bills paid by and through Federal Election Commission.

PARTY ORGANIZATIONS COVERED

National party (major and minor) automatically receives funding in presidential election year of up to 20% of amount allowed its presidential candidates. In all other years, it's up to 15% of that amount. Party may spend public funds for election activities such as voter registration, nominating conventions, get-out-the-vote drives. Bills paid directly by Federal Election Commission.

HOW ADMINISTERED

Seven member Federal Elections Commission, appointed by President with consent of Senate to serve staggered seven year terms. Two recommended by Senate leadership, two by House. No more than four of seven of same political party. Responsible for administering, auditing, enforcing federal campaign finance program. Has full investigative, subpoena, prosecutorial powers. Commission responses to Executive Branch.

Executive Branch prohibited from censoring Commission comments or testimony.

Commission sets up accounting system for each qualified candidate, pays all bills directly, except for petty cash expenses of $25 or less.

AMOUNT OF FUNDING

President: Primary: 15¢ x VAP * in each state; *General:* 20¢ x VAP in each state.

Senate: Primary: 15¢ x VAP (or $175,000 if greater); *General:* 20¢ x VAP (or $250,000 if greater).

House: Primary: 25¢ x VAP (or Senate amount if state has only one Congressional district); *General:* 30¢ x VAP.

HOW QUALIFY

Candidates agrees to file all necessary records and comply with audit requirements, certifying that he or she will not exceed spending and contribution limits.

President: Primary: Petition signatures of 1% of VAP in each primary state must be filed with Commission 210 days before primary, to be validated by Commission within 30 days.

General: Major party candidates automatically qualify for full funding.

Senate: Primary: Petition signatures of 1% of VAP in State must be filed with Commission 210 days before primary.

General: Major party candidates automatically qualify for full funding.

House: Primary: Petition signatures of 2% of VAP in district must be filed with Commission 210 days before primary (1% if single district state).

General: Major party candidates automatically qualify for full funding.

National party: Automatically qualifies for funding based on a percentage of the presidential candidate entitlement.

CANDIDATE SPENDING LIMIT

Same as total entitlement allowed major party candidates (see "Amount of Funding"). In presidential primary, candidate can authorize his or her national committee to spend up to 10% of his or her total allowable limit in states entered, reducing own spending by that same amount. Unopposed primary candidates may spend only 20% of amount allowed opposed candidate.

LIMITS ON INDIVIDUAL PRIVATE CONTRIBUTIONS

No private contributions can be given to or accepted by major party candidates or major parties in primary or general elections. (Exception for $100 maximum contributions allowed in petition gathering, all contributions to be refunded later from primary entitlement). Limit of $100 on contribution to minor party, independent candidate (separate limit for primary, runoff, general). Minor party, independent candidates may accept private contributions up to overall spending limit.

LIMITS ON CONTRIBUTIONS BY POLITICAL COMMITTEE TO CANDIDATE

No contributions allowed to major party candidates or to major party. $100 limit on contributions to minor, independent candidates.

TREATMENT OF MINOR AND NEW PARTIES/CANDIDATES

Entitled to a fraction of major party funding based on ratio of minor/new party candidate votes received to average votes received by major party candidate. May raise proportionately more in private funds up to spending limit.

Can receive additional funding—up to total funding—after election on basis of performance.

SPECIFIC RESTRICTIONS

Major party candidate must repay full entitlement if he or she receives less than 15% of votes in primary or 25% in general election.

Candidates may withdraw under certain conditions, repaying half of entitlement received.

Post election audit can require repayment of excess funds received by candidate.

Minor party candidate or his or her family can spend $1,000 on primary or general election (treated separately); major party candidate or family can spend $1,000 in connection with petition drive.

All private contributions to minor, independent candidates must be sent to Election Commission, fully identified.

Full reporting of petition drive contributions.

*VAP—voting age population.

Spending limits for petition drives:
House: 2¢ x VAP.
Senate: 1¢ x VAP or $7,500, whichever is more.
Limit of $100 on individual's contribution to petition drive.

TAX INCENTIVES FOR SMALL CONTRIBUTIONS

Increase tax credit to 100% of contribution up to $100 ($200 on joint return). Provides automatic income tax payment to Election Fund of $2, unless taxpayer specifically designates "no."

OTHER PROVISIONS

Repeals Sec. 315 "equal time" requirements of Communications Act for all federal candidates.
Bans use of frank for mass mailings 90 days before any federal election.
Directs Postal Service to establish special rates for all federal candidates.

PENALTIES

Up to $50,000/five years.
Civil penalty: Up to $10,000 per day per violation.

ESTIMATED ANNUAL COST

$250 million (assumes three candidates in each party primary for every Federal office).
Effective Date: January 1, 1975.

Mr. PELL. Mr. President, I congratulate the Senator from Iowa on the completeness and fairness of his amendment an for the thought that has gone into it. It is, as he suggests, a very innovative and major suggestion. It would involve substantial expense, substantial amounts from the public treasury, perhaps twice or three times as much as is foreseen in the bill that is presently under consideration. This matter was not considered in the deliberations of the subcommittee. It was not adequately considered at that time. Finally, there is the question of what the courts would rule in connection with the flat out prohibition on private contributions. They might be willing and already have supported a limitation on the amount an individual can contribute. To prohibit him from contributing anything might be a violation of his constitutional rights.

For these reasons, as the acting manager of the bill, I would be compelled not to support the amendment of the Senator from Iowa.

Mr. President, I move that the amendment of the Senator from Iowa be tabled at this time.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

AMENDMENT NO. 1156

Mr. HUMPHREY. Mr. President, today I submit an amendment for myself and my distinguished colleague from Arizona (Mr. GOLDWATER) that would make the day on which Federal general elections are held a legal public holiday.

While I have been successful in each of the last 2 years in winning Senate approval of similar amendments, neither of them have been enacted, for various reasons unrelated to the substance of this proposal. I hope that this time it will be passed by the Congress and become law.

The logic of this amendment is just as compelling today as it has been for years. Under our present electoral system, a number of serious obstacles have been erected that block full democratic participation by all Americans in our Government and politics.

We have made some great strides in the last 25 years, however, in reducing and eliminating these barriers. Unconstitutional voting requirements posed by the poll tax, literacy requirements, residency laws, and some of the more subtle racially motivated obstacles, have been removed. And, we are making some progress in facilitating voter registration—a step of great importance in increasing democratic participation in our Government.

Yet there is more that we can, should, and must do, in the name of true popular democracy, to bring the mass of the people into the political system of our Nation.

Mr. President, according to a survey conducted by the U.S. Census Bureau, 51.2 million eligible Americans did not vote in the general elections in November 1972. That number represented a full 37 percent of the voting-age population in this country at that time. Many of these people have been denied this basic right of citizenship because of hard-to-find registration offices and a full day's work.

The amendment I submit today would eliminate one of the major obstacles to fuller voter participation in elections. It would assure that millions of American working families are not deterred from excercising their franchise in Presidential and congressional elections.

My amendment makes election day the first Wednesday after the first Monday in November, and also creates a legal holiday on that day.

Several other Nations—Denmark, Italy, France, Germany, and Austria—which enjoy 85 to 95 percent voter turnout in nearly every election have designated election day a holiday.

These are nations that are industrialized. They find that the workers participate freely openly, and in much larger numbers when there is an election holiday.

I believe that it would substantially improve participation in our elections, as well.

Workers who commute long distances to work often leave home before polls open and return after they have closed. People working irregular shifts in a shop or factory are also discouraged from voting. In some areas rush hours at the polls mean a long wait in line causing many who must get to work, and many others who are tired from a full day's labor, to give up their franchise in despair.

Mr. President, it is time we put an end to this obstacle to democracy. The amendment I am introducing today would achieve this goal, it would eliminate the work day as an obstacle to expanding suffrage.

The right to vote should not be hampered by any economic consideration. It is too important to the survival of our system of government. In the 19th century we eliminated property ownership requirements for voting in this country. As we enter the last quarter of the 20th century, it is time for us to act to prevent a job from keeping the 80 million Americans who work in factories, on farms, and in the businesses of this Nation, from the voting booths.

Mr. President, I believe this amendment—providing a legal election holiday every 2 years beginning in 1976—would increase voter participation for the most important office in the land: The Presidency of the United States—an open day so that every citizen will have all the time in that day available to consider the candidates and exercise his franchise. And the same, of course, would apply to the offices of U.S. Senator and Member of the House of Representatives.

I send to the desk my amendment, for myself and for Mr. GOLDWATER, and ask that it be printed.

The PRESIDING OFFICER. The amendment will be received and printed, and will be on the table.

Mr. HUMPHREY. Mr. President, I might ask the acting manager of the bill, since this amendment has passed through the Senate twice with overwhelming votes, as to whether or not he would just like to accept the amendment or let is go over so we can vote on it. It will be adopted again, I am sure, unless the Senate has completely changed its mind.

Mr. PELL. Mr. President, I would like to ask, in view of the fact that, as the Senator has suggested, I am the acting floor manager, that it go over until next week, when the floor manager will be here.

Mr. HUMPHREY. Very good.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider certain nominations which have been reported today by the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. ATTORNEY

The PRESIDING OFFICER. The clerk will state the first nomination.

The legislative clerk read the nomination of S. John Cottone, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. DISTRICT JUDGE

The legislative clerk read the nomination of Murray M. Schwartz, of Delaware, to be a U.S. district judge for the district of Delaware.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. ATTORNEY

The legislative clerk read the nomination of Mr. William J. Schloth, of Georgia, to be U.S. attorney for the middle district of Georgia.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. DISTRICT JUDGE

The legislative clerk read the nomination of Joseph W. Morris, of Oklahoma, to be U.S. district judge for the eastern district of Oklahoma.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. MARSHAL

The legislative clerk read the nomination of George A. Locke, of Washington, to be U.S. marshal for the eastern district of Washington.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on Monday, the Senate will convene at the hour of 12 o'clock noon. After the two leaders have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 5 minutes each, at the conclusion of which the Senate will resume consideration of the unfinished business, S. 3044.

At that time the pending question will be on an amendment by Mr. TALMADGE, on which there is a time limitation of 30 minutes. Any rollcall votes on the Talmadge amendment or other amendments, motions, et cetera, will not occur until the hour of 3:30 p.m. The leadership would expect several rollcalls on Monday.

Mr. President, if there is anything in my statement of the program that has not been previously ordered, I ask unanimous consent that it be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, and, pursuant to Senate Resolution 304, as a further mark of respect to the memory of Georges Pompidou, President of the French Republic, that the Senate now adjourn.

The motion was unanimously agreed to; and at 11:33 a.m. the Senate adjourned until Monday, April 8, 1974, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 5, 1974:

DEPARTMENT OF JUSTICE

William J. Schloth, of Georgia, to be U.S. attorney for the middle district of Georgia for the term of 4 years.

S. John Cottone, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania for the term of 4 years.

George A. Locke, of Washington, to be U.S. marshal for the eastern district of Washington for the term of 4 years.

(The above nominations were approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE JUDICIARY

Joseph W. Morris, of Oklahoma, to be U.S. district judge for the eastern district of Oklahoma.

Murray M. Schwartz, of Delaware, to be U.S. district judge for the district of Delaware.

SENATE
FLOOR DEBATES
ON
S.3044
APRIL 8, 1974

tation and reconstruction stage (e.g. to avert the recurrence hopefully of such disasters) may not be available. Without a reasonable assurance of continuity of food supply, the voluntary agency programs of rehabilitation and development may have to be abandoned or greatly reduced in many of these instances.

The voluntary agencies pointed out these problems in testimony presented last year before both Senate and House Agriculture Committees relative to the extension of PL 480. They declared at that time ". . . we voice our concern lest, in the face of continuing and expanding need, there be failure to implement or to fund the programs adequately." In reply, PL 480 was remandated by the Congress for an additional four years. In addition, the Foreign Assistance Act of 1973 declared it to be the sense of Congress that in assessing food production levels, "the expected demands for humanitarian food assistance through such programs as . . . Public Law 480" be included and that increased flexibility be provided through consideration of legislation to amend Section 401 of PL 480. In the same Act the sense of Congress also was expressed that "The United States should participate fully in efforts to alleviate current and future food shortages which threaten the world." The voluntary agencies concur fully in this position.

It is the particular plea of the American Council of Voluntary Agencies for Foreign Service, and particularly those of its member agencies operating relief, rehabilitation and development programs overseas that especially now with renewed Foreign Assistance emphasis on development and the impending food crisis which confronts the world, the Congress should take whatever steps it deems appropriate to give material substance to the above "sense of Congress" provisions to the end that insofar as possible a continuing and regular food resource will be available to the voluntary agencies under PL 480 for their overseas programs.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. HATHAWAY). The time for the transaction of routine morning business has now expired.

Morning business is closed.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER. Under the previous order the Senate will now resume the consideration of the unfinished business, S. 3044, which the clerk will state.

The legislative clerk read as follows:

S. 3044, to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ROBERT C. BYRD. Mr. President, I believe that the distinguished Senator from Iowa (Mr. CLARK) is prepared to call up his amendment on which the yeas and nays have already been ordered. It is my understanding that when debate is completed on his amendment, if completed prior to 3:30 p.m. today—which I am sure it will be—the vote on the Clark amendment will occur at the hour of 3:30 p.m.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

AMENDMENT NO. 1152

Mr. CLARK. Mr. President, I call up my amendment No. 1152 and ask that its reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the text of the amendment will be printed in the RECORD at this point.

The text of the amendment follows:

On page 78, after the matter appearing below line 22, insert the following:

REPEAL OF CERTAIN EXCEPTIONS TO CONTRIBUTION AND EXPENDITURE LIMITATIONS

SEC. 305. Section 614(c)(3) of title 18, United States Code (as added by section 304 of this Act), and section 615(e) of such title (as added by section 304 of this Act) (relating to the application of such sections to certain campaign committees) are repealed. Section 615 of title 18, United States Code (as added by section 304 of this Act), is amended by striking out "(f)" and inserting in lieu thereof "(e)".

Mr. CLARK. Mr. President, I ask unanimous consent that the name of the Senator from Illinois (Mr. STEVENSON) be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, last Wednesday, with only a handful of Senators in the Chamber, the Senate passed amendment No. 1102 by voice vote. The amendment exempted the House and Senate campaign committees of the two major parties from the contribution and expenditure limitations of the campaign financing bill now before the Senate.

In my judgment, the amendment opens an obvious loophole that will allow massive amounts of private money to influence congressional campaigns, seriously compromising the excellent legislation that Chairman CANNON and the rules committee have brought to the floor.

The amendment I have introduced would repeal the sections of the bill added by the amendment passed last Wednesday.

In offering that amendment, the distinguished Senator from Tennessee (Mr. BROCK) said:

It is important that our parties not be weakened. But strengthened, by whatever action Congress takes. I would hope that in writing this particular bill we can provide that sense of purpose with this amendment. (Pg. S. 5189 CONGRESSIONAL RECORD, April 3, 1974).

This bill had just that "sense of purpose" already—without the Brock amendment. The committee bill as reported provided a major role for both the State and national political parties by allowing each of them to contribute an additional 2 cents a voter to a campaign, over and above a candidate's expenditure limitation. The amendment approved last Wednesday deals not with the role of political parties, which have millions of supporters and thousands of small contributors, but with the role of the "In-House" campaign committees of both Houses of Congress.

During the course of the debate, Senator ALLEN expressed some concern about "leaving—contributions and expenditures for these committees—with the sky as the limit." In response, Senator BROCK said:

Our average contribution was something on the order of $23.75 in the Republican Party . . . by no definition can that $23.75 be sufficient to influence the election or the vote of an individual running for the Senate.

Perhaps the average contribution to the Republican Party is $23.75, but that certainly can't be the average contribution to the Campaign Committees of the House and Senate. The ticket price for the Republicans' annual fund-raising dinner is $1,000—for the Democrats, the price is $500. And many of those tickets are purchased in blocks by various groups. No one should confuse national political parties, supported as they are by thousands of people giving in $5 and $10 amounts, with the Senate and House Campaign Committees.

There was another confusing aspect of the amendment which Senator ALLEN inquired about: The maximum amount that could be received from any contributor by one of the "in-house" Campaign Committees. Senator BROCK said:

The same limit that would apply to giving to a campaign or to the national committees would apply here.

I am not at all sure that's the case.

Under S. 3044, an individual is limited to giving $3,000 and a group is limited to giving $6,000 to any single candidate's campaign. But an individual would be limited only by the $25,000 overall ceiling in contributing to one of these committees, and for groups there would be no limit at all.

What this amendment has done is exempt the House and Senate Campaign Committees from any effective restrictions. Individuals could contribute to them almost without limit. Groups could contribute completely without limit. And, unlike any other political committees, these committees could contribute unlimited amounts directly to the candidates—with the candidates' total expenditure ceilings as the only effective restraint.

In the case of a Senate race in California, it would mean that the legal limitation on what the Democratic and GOP senatorial campaign committees could give would be $2,121,450 in the general election. In Iowa, it would be $288,000. In Tennessee, it would be $406,500. It is apparent that last Wednesday the Senate set aside any effective limitation on contributions.

My amendment No. 1152 would repeal the provisions added by amendment No. 1102. I would not lightly raise an issue that already had been considered. But if the Senate allows amendment No. 1102 to stand, it will be compromising the very integrity of this campaign financing legislation.

Let me provide an example. Suppose that in 1976 the Democratic or Republican senatorial campaign committee has pinpointed 10 key Senate races. An organization—and there are many that would be willing and able—decides to give $100,000 to the campaign committee, which in turn passes along $10,000 to each of its 10 "key" candidates.

Now there would be nothing illegal

about that transaction—the money would not have been specifically earmarked for any particular candidate. But the effect would be clear. Each of those candidates would know how they got that $10,000 check, and its real source.

The rules committee has withstood virtually every challenge to S. 3044 so far. Amendment No. 1102 is the one glaring exception. As the Washington Post reported last week.

It is the first substantial breach in provisions of the bill that limit individuals to a $3,000 contribution to any one candidate and organizations to a $6,000 contribution.

The amendment passed last Wednesday directly contradicts the basic goal that we have been working toward over the past 2 weeks—the cleansing of our political process. It should be repealed.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. STRATTON, Mr. NICHOLS, Mr. HUNT, Mr. HÉBERT, and Mr. BRAY were appointed managers of the conference on the part of the House.

OPPOSITION TO CAMPAIGN FINANCE BILL

Mr. ALLEN. Mr. President, one of the greatest dangers of congressional service is that some Members get so imbued with what they read and hear in the Washington news media that they tend to forget that the greatest number of Americans and the bulk of our country lie beyond the Potomac River.

I fear that this is the case in consideration of S. 3044, the bill for public financing of campaigns. The pell-mell rush to support public subsidies for politicians, as is proposed in this legislation, is being led—or should I say misled?—in part by the Washington news media.

But there is a rising chorus of opposition throughout the rest of the country to this proposed raid on the Public Treasury. And as newspaper editors in the 50 States understand the implications of this proposal, they are writing editorials opposing public financing of campaigns. The heartland of America is speaking, but I feel that some Senators are still not listening.

Mr. President, as examples of this rising public outcry, I have an editorial, "A Misuse of Public Funds . . .," from the Saturday, March 30, 1974, issue of the Chicago Tribune, and an editorial, "Mired in Molasses," from the Wednesday, April 3, 1974, issue of the Birmingham Post-Herald.

I ask unanimous consent that these editorials be printed in the RECORD for the edification of all Senators.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Mar. 30, 1974]

A MISUSE OF PUBLIC FUNDS . . .

An irresponsible majority of the United States Senate has twice defeated attempts by Sen. James Allen to remove public financing of political campaigns from the Senate's campaign reform bill. The measure now seems assured of Senate passage.

The House soundly defeated a similar measure last year and is not happy about this year's entry. President Nixon has warned that he will veto the bill if public financing is included. Five of the seven members of the Senate Watergate Committee, whose mission it was to draft campaign reform legislation for the Senate, are strongly opposed to public campaign financing.

Still its supporters persist. Their apparent strategy is to keep battering away until the opposition begins to crack. It must not crack. Public campaign financing poses an insidious threat to this country's two-party, majority-rule system of government.

As the President and many others have noted, the bill is designed to eliminate private contributions, and thus deny to voters the right to give financial support to the candidate of their choice. Instead, their tax money would be used to support all candidates, including those they opposed. Black taxpayers, for example, could be supporting the candidacy of Gov. George Wallace.

True, the scheme would curb the appalling cost of Presidential elections, shown in the accompanying graph, but in congressional campaigns, spending might well increase. Congressmen who have been reelected easily with campaign treasuries of only $20,000 would find themselves with $90,000 to spend.

As Sen. Howard Baker, vice chairman of the Watergate committee noted, public financing would give the government fiscal control over elections. This could easily lead to assuming regulatory control, thus giving the party in power tremendous influence.

Public financing has been rationalized as a means to prevent corruption, but it goes much farther than that. As Walter Pincus, executive editor of the New Republic, put it in a statement supporting the proposal: "Don't kid yourself that you back public financing to prevent Watergates and corruption. You do it to change the system."

The scheme would hand out public money to any and all qualified comers in congressional and Presidential primaries. Candidacies would multiply like rabbits. Special interest organizations like the American Civil Liberties Union, Nader's Raiders, the gun lobby, Common Cause, corporate associations, and labor unions could become political parties in their own right. The two major parties and the two-party, majority-rule system could founder. Chaos could result.

In the words of Mr. Baker: "We are burning down the barn to get rid of the rats."

[From the Birmingham Post-Herald, Apr. 3, 1974]

MIRED IN MOLASSES

Despite all the lofty rhetoric, it will take some fancy legislative maneuvering to get an effective campaign reform bill through Congress this year.

A more likely prospect is that campaign reform will disappear in a vat of election-year molasses and not be seen or heard from again until 1975.

The reason for this dismal prediction is the current disagreement among the House, the Senate and President Nixon over what needs to be done to curb excessive spending and loose bookkeeping in congressional election campaigns.

Judging by its past lack of enthusiasm, the House would like to do nothing—or at least do nothing to make it easier for challengers to oust incumbents.

Rep. Wayne L. Hays, D-Ohio, the man in charge of reform legislation, is adamantly opposed to setting up an independent elections commission. Under present law, the House and Senate police their own campaign practices, which is like sending a barkless dog on burglar patrol.

The Senate has been much more responsive, passing a reform bill last July that would have set limits on campaign spending and campaign giving; outlawed all cash contributions of more than $50; required full disclosure of a candidate's assets and income; encouraged television debates among major candidates; funneled each candidate's spending reports through one central committee, and set up an independent elections commission.

Now the Senate is on the verge of sabotaging its own bill by insisting that tax money be used to help finance all congressional and senatorial election campaigns, both primary and general.

This is a bad proposal. It would make money available to candidates who have no real base of support. It would provide too much money in some places, too little in others. Even if it passes the House, which is unlikely, the President, who opposes public financing, is expected to veto it.

That would leave the reform campaign back where it started—with no limits on how much pressure groups can give to candidates; no limits on how much candidates can spend, and no independent commission to blow the whistle when necessary.

This is fine and dandy for lobbyists and special interest groups, who stand ready to pour millions into political campaigns this year, much of it aimed at keeping good old Jack ("he'll take care of us") in office for another term.

But it's a strange way to restore voter confidence in a much-abused political campaign system that badly needs some basic reforms.

RECESS UNTIL 2 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

There being no objection, at 1:18 p.m. the Senate took a recess until 2 p.m.; at which time the Senate reassembled when called to order by the Presiding Officer (Mr. MANSFIELD).

The PRESIDING OFFICER. The Chair (the Senator from Montana, Mr. MANSFIELD, in the chair) suggests the absence of a quorum.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MONTOYA). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. Amendment No. 1152 of the Senator from Iowa (Mr. CLARK).

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the

pending amendment occur at the hour of 3:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I thank the Chair and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 3 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 3 p.m. today.

There being no objection, at 2:35 p.m. the Senate took a recess until 3 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BARTLETT).

TRIBUTE TO THE STAFF OF THE JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that an insertion in the RECORD be permitted by the distinguished senior Senator from Louisiana (Mr. LONG).

The PRESIDING OFFICER (Mr. BARTLETT). Without objection, it is so ordered.

The statement by Senator LONG and the Washington Post article of April 4, 1974, by Spencer Rich as follows:

STATEMENT BY SENATOR R. LONG

In connection with the entry into the Congressional Record of Spencer Rich's April 4, 1974, *Washington Post* article on the Joint Committee on Internal Revenue Taxation, I would like to add a few brief comments.

It is our privilege, as Senators, to work with many outstanding committees and their respective staff members. Of all those with whom I have had contact as a U.S. Senator, the professional staff of the Joint Committee on Internal Revenue Taxation must rank as one of the most visible in terms of professional expertise, impartiality and discretion on sensitive matters. In this regard, I would, therefore, like to add my commendations to the Committee for the outstanding job it has done in its recent and extensive examination of the President's tax returns.

This is an example of our Congressional Committee system and general government operations at their very finest. It certainly is my privilege and pleasure to be chairman of such a dedicated and outstanding committee.

[From the Washington Post, Apr. 4, 1974]

JOINT TAX STAFF REGARDED AS BEST ON HILL

(By Spencer Rich)

When members of Congress get legislative advice from Larry Woodworth, the 56-year-old soft-spoken son of an Ohio Baptist preacher, they listen with special care and respect.

For Woodworth—who heads the staff of the Joint Committee on Internal Revenue Taxation which has just issued a devastating report on President Nixon's taxes—has a universal reputation as one of the best, perhaps the very best, staff man on Capitol Hill.

And the 40-member staff over which Woodworth has ridden herd for the past 10 years is known as the ablest, most discreet, most savvy and most professional group of committee aides in Congress.

Few people on Capitol Hill and virtually no one off the hill—except the Treasury Department and the private tax lawyers and lobbyists—know much about the joint committee. Yet it is one of the most powerful in Congress, with tremendous influence over legislation affecting the lives of millions.

The joint committee, created under the Revenue Act of 1926, consists of members of the tax-writing committees—House Ways and Means and Senate Finance. The chairmanship alternates and the chairman this year is Sen. Russell B. Long (D-La.), with Rep. Wilbur Mills (D-Ark.) as vice chairman For years the Senate chairman was Harry Flood Byrd Sr. (D-Va.), an arch-conservative in fiscal matters.

The joint committee provides the major staff for both chambers of Congress on tax matters, and right now—in addition to Woodworth, who holds a doctorate in public administration and isn't an economist or a tax lawyer—it has 25 professional staff members.

Including secretarial and clerical positions, the total staff is about 40. The professional staff members include two legislative counsels, six legislative attorneys, six economists and a number of economic and tax-statistic analysts. Several of the members have accounting training as well. The staff has been built up as a civil service-type staff—nonpolitical and nonpartisan.

When a tax bill is before either Ways and Means or Finance or on the floor of either chamber, it is the business of the joint committee staff to draft the legislation, to write the reports and to be at the side of committee members to advise and assist. Four or five staffers are almost always seen on the House and Senate floors whenever a tax bill is being considered.

Woodworth gets $40,000 a year, the highest possible staff salary in Congress. With the committee since 1944, he is a master at trying to tailor and stitch the proposals of members into a coherent whole. He is the model civil servant—able, discreet, honest and hardworking, according to members and associates. He could probably triple his salary in private industry but he won't jump.

Second in command on the committee staff is Lincoln Arnold, 64, a one-time municipal judge in Thief River Falls, Minn., who was an Internal Revenue Service attorney, senior legislative counsel for the House, and worked in private practice for 15 years with Alvord and Alvord.

Another staff aide with a major role on the Nixon tax report is Bernard (Bobby) Shapiro, a soft-spoken lawyer in his early 30s with a trace of a drawl (he's from Richmond) and training in accountancy as well as law. Shapiro sometimes serves as a surrogate on the floor when Woodworth can't be there.

Assistant staff chief Herbert L. Chabot, 42, who comes from New York and got his law degree from Columbia, provided staff work on pension reform bills when they were considered by the Finance and Ways and Means committees.

From the start, a staff team worked extensively and virtually full time on the president's tax matters. It consisted of Woodworth, Arnold, Shapiro, attorney Mark McConaghy, attorney Paul Oosterhuis, accountant Allan Rosenbaum and economist James Wetzler. From time to time, other staffers pitched in, and at the end most of the staff was working to get the final report in shape.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. CLARK. Mr. President, earlier in the debate, I discussed at some length the reasons that the Senate should adopt my amendment (No. 1152) to repeal amendment No. 1102 passed by voice vote last Wednesday. That amendment exempted the House and the Senate campaign committees of the major parties from the contribution and expenditure limitations of the campaign financing bill now before the Senate. In my judgment, that is the first loophole we have written into a very excellent bill.

The committee bill as reported does provide a major role for both the State and national political parties by allowing each to contribute an additional 2 cents a voter to a campaign—over and above the candidate's expenditure limitation. The amendment approved last Wednesday deals not with the role of political parties, which have millions of supporters and thousands of small contributors, but with the role of in-house campaign committees of the House and the Senate.

This is the essential point: all other committees are limited to $6,000 in terms of what they can contribute to an individual candidate. This amendment lifts that restriction leaving $25,000 as the only effective limitation on what an individual can give to a committee. It leaves a loophole allowing committees unlimited contributions to the congressional campaign committees, and in turn, allows them an unlimited amount of money to give to individual candidates.

There is another serious problem with the amendment passed last Wednesday, section 614(c), on page 71 of the Rules Committee bill. The amendment exempted the senatorial and congressional campaign committees from the $1,000 independent expenditure limitation. It is true that the State and national parties are also exempt from this limitation, but they are subject to a 2-cent-a-voter ceiling on any contributions to or expenditures for a particular candidate.

The senatorial and congressional campaign committees, however, are not subject to any restrictions. I am sure this is not the intent of the amendment, but its effect is certain.

Mr. BROCK. Mr. President, I should like to take a few minutes to explain the

purpose of the amendment as it was offered and as it was intended.

Upon reading the Rules Committee bill, we felt that perhaps by inadvertence there were no safeguards to maintain the viability of the various congressional committees of the two parties. The bill as it was written would have effectively eliminated the operation of the House and the Senate campaign committees of the two parties, respectively; and that, I think, is one of the things that I find dangerous in the proposed legislation.

The bill, to my way of thinking, goes too far already toward damaging the two-party process. I believe it places that process very much in jeopardy. If we are going to have an effective political system, we have to have some mechanism by which the parties not only maintain themselves but also have some opportunity for internal discipline.

The amendment was not drawn with the view of escaping the safeguards of the campaign contribution ceilings. I said on the Senate floor during the debate on the amendment that we would still be limited, as I understood it, to a $3,000 gift from an individual or a committee. Perhaps my impression is wrong. If it is, I would be delighted either to modify the amendment or to accept other language that would so correct it.

I am not sure that that is the case. However, I would be willing to make sure it is, not only by legislative history but also by specific language. But the Senator's amendment does a great deal more than that. In effect, it strikes all the language of the amendment; and, in effect, he would put us back into position originally reported by the Committee on Rules and Administration. I do not find that acceptable. I hope the Senate does not support the amendment as presently worded.

The Senator from Nevada, the Senator from Texas, and a number of other Senators and I have discussed the thrust of my amendment at length. There is no disagreement as to intent. If clarification is necessary in terms of legislative history, that is one thing, but to simply strike and, in effect, go back to the original position of eliminating these two committees, which do perform a valuable function in terms of supporting and serving our candidates, would be self-defeating and highly dangerous.

I cannot support the amendment, although I do understand the concern of the Senator in raising the particular point. I think he goes too far and I hope the Senate does not accept this particular amendment.

Mr. CANNON. Mr. President, as has been pointed out, the Senate did adopt the Brock amendment last week. I do not share the concern of the Senator from Iowa with respect to the one provision that he contends opens wide the door.

I think the possible opening of the door here, if the door is open, relates to the paragraph beginning on line 8, page 74 which, under the bill, prohibits independent expenditures in excess of $1,000. It does appear that perhaps the Brock amendment (No. 1102) exempts the Senate and House from limits on independent expenditures. If it does, and counsel is checking this now, later an amendment could be offered to change that possibility and make it clear that those committees were not exempted from subsection (C)(1) on page 74.

But I think the hazard, if it can be called a hazard, and I do not think it is a hazard, of larger contributions being made to these committees—I think that was what was hoped for by the amendment—was that larger contributions could be made to those authorized committees, and let them make contributions to the candidates which are within the candidates' spending limits, obviously, and that this would help maintain the party structure by permitting the campaign committees and national committees of both parties to make contributions to the respective candidates.

So while I would be inclined to support the amendment if it did not go as far as it does, I think under the circumstances I would be opposed to it here. If we need a perfecting amendment later that could be offered with respect to the limit.

Mr. BROCK. I know the Senator's intention and I think he understands the situation. We are both seeking the same thing in this amendment; and I think the Senator from Iowa has raised a valid point. But the amendment he has offered goes so far as not to permit the committees to do anything. That is unacceptable, but I would urge that language be posed to take care of this concern on his part by offering an amendment. I appreciate the chairman's position in trying at least to keep the two committees in operation.

Mr. CANNON. I think in the colloquy that took place last week it is clear what was intended by the Senator's amendment, and I would hate to see the Senate now take action to simply reverse itself on the action that it took last week.

Mr. BROCK. I agree, and I thank the Senator.

Mr. CANNON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. CLARK. Mr. President, the problem with the discussion on the floor last week was that the Senators present assumed, as did the Senator from Tennessee, that there was a $3,000 limitation on the amount the congressional campaign committee could receive and a $6,000 limit on the amount the congressional campaign committee could contribute to an individual candidate. Clearly, that is not the case. It is unlimited.

If we do not agree to the pending amendment, we will leave the loophole open. This is the first time so far that we have said to a political committee, "You can collect as much money as you want, an unlimited amount, and give us as much as you want—up to $2 million in the case of California—without limitation."

In this one case of senatorial and congressional committees, we are saying that they can collect unlimited amounts of money. The Committee on Rules and Administration was wise when it reported the bill without that loophole.

As it reported the bill, the committee said in effect that these "in-house" committees would be restricted exactly the same way as other political committees.

My amendment would do one thing: It repeals the Brock amendment and takes us back to the bill reported by the Committee on Rules and Administration. The committee's original judgment was correct. To permit unlimited expenditures would be a serious mistake.

The PRESIDING OFFICER. The hour of 3:30 having arrived, the question is on the amendment of the Senator from Iowa (Mr. CLARK). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT) the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Ohio (Mr. METZENBAUM), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. FANNIN), the Senator from Hawaii (Mr. FONG), the Senator from Florida (Mr. GURNEY), the Senator from New York (Mr. JAVITS), and the Senator from Idaho (Mr. MCCLURE) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) and the Senator from Ohio (Mr. TAFT), are absent on official business.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT), would vote "yea."

The result was announced—yeas 44, nays 35, as follows:

[No. 121 Leg.]

YEAS—44

Abourezk	Haskell	Moss
Allen	Hathaway	Nelson
Beall	Helms	Nunn
Biden	Huddleston	Packwood
Brooke	Humphrey	Pastore
Burdick	Inouye	Pell
Byrd, Harry F., Jr.	Jackson	Proxmire
Byrd, Robert C.	Johnston	Randolph
Chiles	Magnuson	Ribicoff
Clark	Mansfield	Roth
Cranston	Mathias	Schweiker
Domenici	McGovern	Stevenson
Eagleton	McIntyre	Symington
Hart	Mondale	Tunney
	Montoya	Weicker

NAYS—35

Aiken	Dominick	Percy
Baker	Ervin	Scott, Hugh
Bartlett	Goldwater	Sparkman
Bible	Griffin	Stafford
Brock	Hansen	Stennis
Buckley	Hartke	Stevens
Cannon	Hatfield	Talmadge
Case	Hruska	Thurmond
Cook	McClellan	Tower
Cotton	Metcalf	Williams
Curtis	Muskie	Young
Dole	Pearson	

NOT VOTING—21

Bayh	Fulbright	McClure
Bellmon	Gravel	McGee
Bennett	Gurney	Metzenbaum
Bentsen	Hollings	Scott, William L.
Church	Hughes	Taft
Eastland	Javits	
Fannin	Kennedy	
Fong	Long	

So Mr. CLARK's amendment (No. 1152) was agreed to.

Mr. CLARK. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1156

Mr. HUMPHREY. Mr. President, for myself and the distinguished Senator from Arizona (Mr. GOLDWATER) I call up amendment No. 1156, which is at the desk, and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the reading of the amendment be discontinued and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment ordered to be printed in the RECORD is as follows:

On page 86, between lines 2 and 3, insert the following new section:

SEC. 520. Section 6103(a) of title 5, United States Code is amended by inserting between—

"Veterans Day, the fourth Monday in October." and

"Thankgiving Day, the fourth Thursday in November." the following new item:

"Election Day, the first Wednesday next after the first Monday in November in 1976, and every second year thereafter.".

Mr. HUMPHREY. This is an amendment that has been agreed to by the Senate in each of the last 2 years. Unfortunately, for reasons extraneous to the substance of this legislation, it has yet to be enacted. The amendment would make Federal election day the first Wednesday after the first Monday in November, and create a legal holiday on that day.

I will not repeat all of the arguments for this amendment. I am sure that all Senators are familiar with them. The logic of the amendment is just as compelling today as it has been in the past, when this body voted overwhelmingly in its favor.

Mr. President, making election day a national holiday would move us still closer to the ideal of popular democracy that all of us cherish. It would help to bring the mass of the people even more into the mainstream of our national political system.

I would remind Senators of the inadequate level of participation in the 1972 elections. According to a survey by the U.S. Census Bureau, 51.2 million eligible Americans did not vote in the general elections in November 1972. That number represented a full 37 percent of the voting-age population in this country at that time. Many of these people have been denied this basic right of citizenship because of hard-to-find registration offices and a full day's work.

The amendment before us would eliminate one of the major obstacles to fuller voter participation in elections. It would assure that millions of American working families are not deterred from exercising their franchise in Presidential and congressional elections.

Several other nations find that workers participate freely, openly, and in larger numbers when there is an election holiday. In Denmark, Italy, France, Germany, and Austria, where election day is a holiday, voter turnout of 85 and 95 percent is normal. I believe it would substantially increase participation in our elections as well.

Workers who commute long distances to work often leave home before polls open and return after they have closed. People working irregular shifts in a shop or factory are also discouraged from voting. In some areas, rush hours at the polls mean a long wait in line causing many who must get to work, and many others who are tried from a full day's labor, to give up their franchise in despair.

Mr. President, it is time we put an end to this obstacle to democracy.

In the 19th century we eliminated property ownership requirements for voting in this country. As we enter the last quarter of the 20th century, it is time for us to act to prevent a job from keeping the 80 million Americans who work in factories, on farms, and in the businesses of this Nation from the voting booths.

Mr. President, I believe this amendment, which provides a legal election holiday every 2 years begining in 1976, would increase voter participation for the most important office in the land: the Presidency of the United States. It would be an open day, so that every citizen will have all the time in that day available to consider the candidates and to exercise his franchise. And the same time, of course, would apply to the offices of U.S. Senator and Member of the House of Representatives.

Mr. President, I yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, I am happy to join the distinguished Senator from Minnesota (Mr. HUMPHREY) in offering the amendment. I think it is a sad commentary on the electorate of this country when we find that in Presidential elections we have been electing Presidents by a very bare majority. While the last several Presidential elections have been won by large pluralities, we discover that the total vote has not been much in excess of 50 percent of the voting population. Then when we look at other countries that have patterned themselves upon pretty much the same concept of government and see that their turnout is 90 or 95 percent, it makes those of us who stand for election wonder what has happened in America.

The concept of maLing election day a national holiday is not new. Such a proposal has been passed twice by the Senate. I believe the United States is one of the few countries that does not recognize the importance of election day by making it a national holiday.

I ahve thought about this proposal at great length. I think it would be desirable. In fact, anything we can do to get more Americans to be interested in our political system would be desirable. I am aware that what we have been going through during the past year is not the most pleasant thing in the world and makes many Americans wonder what is wrong with the system. But I have always told people that bad politicians are elected by good people who cannot vote.

If we can make election day a holiday, and then ask the assistance of both parties in really trying to get out the vote, perhaps we will see an informed electorate by creating in this country a turnout of voters which will be in excess of 75 percent.

I think this would be very healthy for America. It would be very good for everything that now ails the body politic in America. I am very happy that the Senator from Minnesota has offered this amendment. He and I happen to be members of a very exclusive club. We have gone through this, and we have some understanding of what it is to address millions of Americans, only to find that on election day only a relative handful will turn out.

I suggest that while it could be a problem of the candidate in my case, it certainly would not be in his case; so we sort of stand each other off there.

I hope very much that the manager of the bill will accept this amendment. I have not spoken to him about it, but this body has twice, as the Senator stated, passed this approach. I do not care to ask for a rollcall vote, and I am sure my colleague does not.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. NELSON. Mr. President, I agree with what the distinguished Senator from Arizona has said. I think this is a very important proposal, and I think we ought to have the yeas and nays to assure that when the bill goes over there, the other side will know how we feel about it.

So, Mr. President, I ask for the yeas and nays.

Mr. COOK. Mr. President, before the Senator does that, may I say I have no objection to it. This was in the bill that we passed last year, largely because of the actions of the Senator from Minnesota, and at that time he and I had quite a colloquy about it, and if I am not mistaken we had a rollcall vote on that occasion.

Mr. HUMPHREY. We did.

Mr. COOK. I have no objection to having it again, but I did want to get into the RECORD that we had quite an extensive debate on the floor on that bill last year. That is in the RECORD over on the House side, and this will be the second time. I merely wanted the Senator from Wisconsin to know that.

Mr. NELSON. Mr. President, having listened to the impressive argument of the Senator from Kentucky, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, I have no further comment. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. CANNON. Mr. President, the yeas and nays were ordered; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. CANNON. Mr. President, as the Senator stated, the Senate has voted on this issue before. We are prepared to accept it.

I am not convinced, in my own mind, that one can force people to vote by simply making election day a holiday. I think the indications of our experience have been that whenever a holiday comes along—even though, as provided in this bill, it may be in the middle of the week, which may eliminate the situation of a long weekend holiday—it probably will result in a fishing day.

I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I yield back my time.

The PRESIDING OFFICER (Mr. BARTLETT). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Arizona (Mr. GOLDWATER). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. FANNIN), the Senator from Hawaii (Mr. FONG), the Senator from Florida (Mr. GURNEY), the Senator from New York (Mr. JAVITS), the Senator from Idaho (Mr. MCCLURE), and the Senator from New York (Mr. BUCKLEY) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Virginia (Mr. WILLIAM L. SCOTT), and the Senator from Ohio (Mr. TAFT) are absent on official business.

The result was announced—yeas 55, nays 21, as follows:

[No. 122 Leg.]

YEAS—55

Abourezk	Cannon	Hart
Baker	Case	Haskell
Beall	Chiles	Hathaway
Bible	Clark	Huddleston
Biden	Cook	Humphrey
Brock	Cranston	Inouye
Brooke	Dole	Jackson
Burdick	Eagleton	Johnston
Byrd, Robert C.	Goldwater	Magnuson
Mansfield	Nunn	Stennis
Mathias	Pastore	Stevens
McClellan	Pearson	Stevenson
McGovern	Percy	Symington
McIntyre	Proxmire	Talmadge
Mondale	Randolph	Tunney
Montoya	Ribicoff	Weicker
Moss	Roth	Williams
Muskie	Schweiker	
Nelson	Sparkman	

NAYS—21

Aiken	Dominick	Pell
Allen	Griffin	Scott, Hugh
Bartlett	Hansen	Stafford
Byrd, Harry F., Jr.	Hatfield	Thurmond
Cotton	Helms	Tower
Curtis	Hruska	Young
Domenici	Metcalf	
	Packwood	

NOT VOTING—24

Bayh	Fong	Long
Bellmon	Fulbright	McClure
Bennett	Gravel	McGee
Bentsen	Gurney	Metzenbaum
Buckley	Hartke	Scott, William L.
Church	Hollings	Taft
Eastland	Hughes	
Ervin	Javits	
Fannin	Kennedy	

So the Humphrey-Goldwater amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. COOK. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE FUTURE OF NASA

Mr. MAGNUSON. Mr. President, in September of last year, I introduced for myself, Mr. Moss, and Mr. TUNNEY, S. 2495, a bill to apply the scientific and technological resources of the country to the solution of domestic problems and to create a survey of science and technology resources and applications. Since that time in joint hearings between the Committees on Aeronautical and Space Sciences and Commerce, the objectives of S. 2495 have been almost unanimously endorsed by expert witnesses.

When the bill was introduced, I commented that—

> The progress that has been made in space is indeed tremendous, but the promise it holds for progress here on earth is far more incredible and far more important. It is to that promise of solutions to the challenges of life right here on our own planet in our own country that the Technology Resources Survey and Applications Act is addressed.

My colleagues and cosponsor of S. 2495, Senator Moss of Utah, delivered a very outstanding and prophetic speech in the State of Washington before the Boeing Co. Management Association on March 22 entitled "The Future of NASA." Senator Moss expressed great optimism for the future prospects of NASA and the aerospace industry. His optimism lay in the increased role for NASA and the aerospace industry in utilizing its technological capability to solve pressing domestic problems.

Senator Moss clearly showed the importance of S. 2495 in leading us to the outstanding benefits which NASA holds for the American people. The significance of Senator Moss' March 22 speech is such that I ask unanimous consent to have it printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE FUTURE OF NASA

(By Senator FRANK E. MOSS)

I greatly appreciate this chance to meet with members and friends of the Boeing Management Association.

The name Boeing is always associated with the State of Washington. Over a period of years, however, I have come to associate Boeing as well with Utah and the fine people you employ there headed by the competent, hard-working and public-spirited, Mr. Jim Cummings.

Boeing assembles and checks out the Minuteman at Hill Air Force Base. For years this efficient operation has furnished the backbone ICBM deterrent force for our Nation.

And I believe that Boeing is happy with the caliber of people which it employs in Utah. I know that the Governor and all of our State and Local officials and our citizens generally appreciate Boeing. Utah welcomes your contribution to her thriving and impressive aerospace and electronic industry complex!

Boeing people everywhere should be proud of the key role they have played in achieving and maintaining American technological leadership. I have often quoted a statement that Wernher von Braun made in testimony before my Aeronautics and Space Sciences Committee last fall. He said, "World leadership and technological leadership are inseparable. A third-rate technological nation is a third-rate power politically, economically and socially. Whether we like it or not ours is a technological civilization. If we lose our national resolve to keep our position on the pinnacle of technology, the historical role of the United States can only go downhill." It is in this context that I want to discuss with you tonight the future of NASA as I see it.

Predicting the future with any degree of certainty is never easy. Trying to make predictions in the wake of the amazing and unpredicted events of the last few months may be particularly foolhardy, but I'll take a stab at it.

The other day I saw a bumper sticker that was new to me. It said, "Chicken Little Was Right!"

I am sure that many have felt the sky was falling. I'd be hard-pressed to convince you that a fairly good-sized chunk of it didn't land right here in Seattle about four years ago. But in looking ahead with you tonight, I'm going to use some admittedly rose-colored glasses, and say that the future of NASA and its aerospace partners looks brighter than it has for some time.

First let me cite some of the uncertainties.

Right now the most apparent threats to the future of NASA seem to be: (1) pending legislation to change the role of NASA; (2) the attitudes of the American people toward technology; and (3) the crisis orientation of Federal R & D funding. I'll discuss each of these interrelated factors briefly.

The first and most obvious factor affecting the future of NASA is the fact that there are currently before Congress nearly 100 bills which would modify the charter of NASA in one way or another. The American people have tended to focus more and more on the domestic social troubles besetting this nation. They are growing more insistent that Federal money help resolve these troubles. Their insistence is reflected in much of the proposed legislation. But, although there may be some minor mid-course corrections, I predict there will be no major redirections of NASA in the foreseeable future.

The future of NASA is, however, closely tied to the future attitudes of the American public. As a result, I firmly believe that the success of the technological community in selling the importance of maintaining an adequate level of advanced technology in this country is a second factor which will pro-

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. COOK. Mr. President, I direct a question to the Senator from Kansas. Is he prepared to proceed with an amendment.

Mr. DOLE. Yes.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. HARTKE. Mr. President, I ask unanimous consent that John Szabo and Guy McMichael III have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I call up my unprinted amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 39, between lines 20 and 21 insert the following new subsection:

"(c) Any published political advertisement of a candidate electing to receive payments under Title I of this Act shall contain on the face or front page thereof. the following notice:

" 'Paid for by Federal tax funds.' "

On page 39, line 21 strike out "(c)" and insert in lieu thereof "(d)."

On page 40, line 3, strike out "(d)" and insert in lieu thereof "(e)."

On page 40, line 11, strike out "(e)" and insert in lieu thereof "(f)."

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. MANSFIELD. May we consider the possibility of a time agreement?

Mr. DOLE. Five minutes?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation on the amendment of 10 minutes, to be equally divided between the sponsor of the amendment, the distinguished Senator from Kansas, and the manager of the bill, the Senator from Nevada (Mr. CANNON).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, if the Senator from Kansas will allow me, I should like to call up a bill, with the time not being charged to either side. I ask unanimous consent that the pending business be laid aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

VETERANS' INSURANCE ACT OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 700, S. 1835.

The PRESIDING OFFICER (Mr. (BARTLETT). The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1835) to amend title 38, United States Code, to increase the maximum amount of Servicemen's Group Life Insurance to $20,000, to provide full-time coverage thereunder for certain members of the Reserves and National Guard, to authorize the conversion of such insurance to Veterans' Group Life Insurance, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Veterans' Affairs, with amendments on page 1, line 4, after the word "of", strike out "1973" and insert "1974"; on page 4, line 20, after the world "Reserve", strike out "or" and insert "of"; on page 1, line 14, after the word "the", where it appears the first time, strike out "Armed Forces" and insert "uniformed services"; in line 18, after the word "Servicemen's" strike out "Group." and insert "Group Life Insurance to an individual policy under the provisions of law in effect prior to such effective date."; on page 11, line 2, after "(4)", insert "of subsection (a)"; in line 19, after the word "follows", strike out "all" and insert "All"; in line 23 after the word "revolving", strike out "fund"." and insert "fund."."; on page 13, line 2, after the word "actuarial", strike out "principles."." and insert "principles." "."; in line 5, after the word "first", strike out "paragraph" and insert "clause"; after line 15, insert:

(2) Subsection (e) is amended by deleting therefrom the words "this amendatory Act" and inserting in lieu thereof "the Veterans' Insurance Act of 1974".

At the beginning of line 19, strike out "(2)" and insert "(3)"; on page 14, line 8, after the word "new", strike out "section" and insert "sections"; on page 15, line 13, after the word "premiums", strike out "of" and insert "for"; on page 18, line 25, after the word "than", strike out "five" and insert "four"; on page 19, line 1, after the word "eligible", insert "within one year from the effective date of the Veterans' Group Life Insurance program"; on page 20, line 2, after the word "including", strike out "the cost of administration and"; in line 4, after the word "disabilities", insert "The Administrator may establish, as he may determine to be necessary according to sound actuarial principles, a separate premium, age groupings for premiums purposes, accounting, and reserves, for persons granted insurance under this subsection different from those established for other persons granted insurance under this section"; after line 11, insert:

"§ 778. Reinstatement

"Reinstatement of insurance coverage granted under this subchapter but lapsed for nonpayment of premiums shall be under terms and conditions prescribed by the Administrator.

After line 15, insert:

"§ 779. Incontestability

"Subject to the provision of section 773 of this title, insurance coverage granted under this subchapter shall be incontestable from the date of issue, reinstatement, or conversion except for fraud or nonpayment of premium."

In the matter after line 23, after "777. Veterans' Group Life Insurance,", insert:

"773. Reinstatement.

"779. Incontestability.".

At the top of page 21, insert a new section, as follows:

SEC. 10. Chapter 19 of title 38, United States Code, is amended as follows:

(1) By striking out "Environmental Science Services Administration" wherever it appears in section 765 and inserting in lieu thereof "National Oceanic and Atmospheric Administration".

(2) By striking out "General operating expenses, Veterans' Administration" in clause 3 of subsection (d) of section 769 and inserting in lieu thereof "General Operating Expenses, Veterans' Administration".

(3) By striking out "Bureau of the Budget" in section 774 and inserting in lieu thereof "Office of Management and Budget".

At the beginning of line 14, change the section number from "10" to "11"; and, on page 22, line 1, after the word "amendments"; insert "made by sections 5 (a) (4) and (5) of this Act, and those"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Insurance Act of 1974".

SEC. 2. (a) That section 723 of title 38, United States Code, is amended as follows:

(1) The catchline is amended to read as follows:

"Veterans' Special Life Insurance".

(2) Clause (4) of subsection (a) is amended to read as follows: "(4) all premiums and other collections on such insurance and any total disability provisions added thereto shall be credited to a revolving fund in the Treasury of the United States, which, together with interest earned thereon, shall be available for the payment of liabilities under such insurance and any total disability provisions added thereto, including payments of dividends and refunds of unearned premiums".

(3) Clause (5) of subsection (b) is amended to read as follows: "(5) all premiums and other collections on insurance issued under this subsection and any total disability income provisions added thereto shall be credited directly to the revolving fund referred to in subsection (a) of this section, which, together with interest earned thereon, shall be available for the payment of liabilities under such insurance and any total disability provisions added thereto, including payments of dividends and refunds of unearned premiums".

(4) Subsections (d) and (e) are hereby repealed.

(b) The analysis of chapter 19 of title 38, United States Code, is amended by deleting "723. Veterans' special term insurance." and inserting in lieu thereof the following: "723. Veterans' Special Life Insurance.".

SEC. 3. Clause (5) of section 765 of title 38, United States Code, is amended to read as follows:

"(5) The term 'member' means—

"(A) a person on active duty, active duty for training, or inactive duty training in the uniformed services in a commissioned, warrant, or enlisted rank or grade, or as a cadet or midshipman of the United States Military Academy, United States Naval Academy,

United States Air Force Academy, or the United States Coast Guard Academy;

"(B) a person who volunteers for assignment to the Ready Reserve of a uniformed service and is assigned to a unit or position in which he may be required to perform active duty, or active duty for training, and each year will be scheduled to perform at least twelve periods of inactive duty training that is creditable for retirement purposes under chapter 67 of title 10;

"(C) a person assigned to, or who upon application would be eligible for assignment to, the Retired Reserve of a uniformed service who has not received the first increment of retirement pay or has not yet reached sixty-one years of age and has completed at least twenty years of satisfactory service creditable for retirement purposes under chapter 67 of title 10; and

"(D) a member, cadet, or midshipman of the Reserve Officers Training Corps while attending field training or practice cruises."

SEC. 4. Section 767 of title 38, United States Code, is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a) Any policy insurance purchased by the Administrator under section 766 of this title shall automatically insure against death—

"(1) any member of a uniformed service on active duty, active duty for training, or inactive duty for training scheduled in advance by competent authority;

"(2) any member of the Ready Reserve of a uniformed service who meets the qualifications set forth in section 765(5)(B) of this title; and

"(3) any member assigned to, or who upon application would be eligible for assignment to, the Retired Reserve or of a uniformed service who meets the qualifications set forth in section 765(5)(C) of this title;

in the amount of $20,000 unless such member elects in writing (A) not to be insured under this subchapter, or (B) to be insured in the amount of $15,000, $10,000, or $5,000. The insurance shall be effective the first day of active duty or active duty for training, or the beginning of a period of inactive duty training schedule in advance by competent authority, or the first day a member of the Ready Reserve meets the qualifications set forth in section 765(5)(B) of this title, or the first day a member of the Reserves, whether or not assigned to the Retired Reserve of a uniformed service, meets the qualifications of section 765(5)(C) of this title, or the date certified by the Administrator to the Secretary concerned as the date Servicemen's Group Life Insurance under this subchapter for the class or group concerned takes effect, whichever is the later date."

(2) Subsection (b) is amended by deleting "ninety days" wherever it appears therein and inserting in lieu thereof "one hundred and twenty days".

(3) Subsection (c) is amended to read as follows:

"(c) If any member elects not to be insured under this subchapter or to be insured in the amount of $15,000, $10,000, or $5,000, he may thereafter be insured under this subchapter or insured in the amount of $20,000, $15,000, or $10,000 under this subchapter, as the case may be, upon written application, proof of good health, and compliance with such other terms and conditions as may be prescribed by the Administrator. Any former member insured under Veterans' Group Life Insurance who again becomes eligible for Servicemen's Group Life Insurance and declines such coverage solely for the purpose of maintaining his Veterans' Group Life Insuraance in effect shall upon termination of coverage under Veterans' Group Life Insurance be automatically insured under Servicemen's Group Life Insurance, if otherwise eligible therefor."

SEC. 5. (a) Section 768 of title 38, United States Code, is amended as follows:

(1) Subsection (a) is amended by inserting "or while the member meets the qualifications set forth in section 765(5)(B) or (C) of this title" immediately before "and such insurance shall cease".

(2) Clauses (2) and (3) of subsection (a) are each amended by deleting "ninety days" wherever it appears therein and inserting in lieu thereof "one hundred and twenty days".

(3) Subsection (a) is further amended by adding at the end thereof the following:

"(4) with respect to a member of the Ready Reserve of a uniformed service who meets the qualifications set forth in section 765(5)(B) of this title, one hundred and twenty days after separation or release from such assignment—

"(A) unless on the date of such separation or release the member is totally disabled, under criteria established by the Administrator, in which event the insurance shall cease one year after the date of separation or release from such assignment, or on the date the insured ceases to be totally disabled, whichever is the earlier date, but in no event prior to the expiration of one hundred and twenty days after separation or release from such assignment; or

"(B) unless on the date of such separation or release the member has completed at least twenty years of satisfactory service creditable for retirement purposes under chapter 67 of title 10 and would upon application be eligible for assignment to or is assigned to the Retired Reserve, in which event the insurance, unless converted to an individual policy under terms and conditions set forth in section 777(e) of this title, shall, upon timely payment of premiums under terms prescribed by the Administrator directly to the administrative office established under section 766(b) of this title, continue in force until receipt of the first increment of retirement pay by the member or the member's sixty-first birthday, whichever occurs earlier.

"(5) with respect to a member of the Retired Reserve who meets the qualifications of section 765(5)(C) of this title, and who was assigned to the Retired Reserve prior to the date insurance under this amendment is placed in effect for members of the Retired Reserve, at such time as the member receives the first increment of retirement pay, or the member's sixty-first birthday, whichever occurs earlier, subject to the timely payment of the initial and subsequent premiums, under terms prescribed by the Administrator, directly to the administrative office established under section 766(b) of this title."

(4) Subsection (b) is amended to read as follows:

"(b) Each policy purchased under this subchapter shall contain a provision, in terms approved by the Administrator, that, except as hereinafter provided, Servicemen's Group Life Insurance which is continued in force after expiration of the period of duty or travel under section 767(b) or 768(a) of this title, effective the day after the date such insurance would cease, shall be automatically converted to Veterans' Group Life Insurance subject to (1) the timely payment of the initial premium under terms prescribed by the Administrator, and (2) the terms and conditions set forth in section 777 of this title. Such automatic conversion shall be effective only in the case of an otherwise eligible member or former member who is separated or released from a period of active duty or active duty for training or inactive duty training on or after the date on which the Veterans' Group Life Insurance program (provided for under section 777 of this title) becomes effective. Servicemen's Group Life Insurance continued in force under section 768(a)(4)(B) or (5) of this title shall not be converted to Veteran's Group Life Insurance. However, a member whose insurance could be continued in force under section 768(a)(4)(B) of this title, but is not so continued, may, effective the day after his insurance otherwise would cease, convert such insurance to an individual policy under the terms and conditions set forth in section 777(e) of this title."

(5) Section 768(c) is hereby repealed.

(b) The amendments made by this Act shall not be construed to deprive any person discharged or released from the *uniformed services* of the United States prior to the date on which the Veterans' Group Life Insurance program (provided for under section 777 of title 38, United States Code) becomes effective of the right to convert Servicemen's Group Life Insurance to an individual policy under the provisions of law in effect prior to such effective date.

SEC. 6. Section 769 of title 38, United States Code, is amended as follows:

(1) By deleting from paragraphs (1) and (2) of subsection (a) "is insured under a policy of insurance purchased by the Administrator, under section 766 of this title" and inserting in lieu thereof "is insured under Servicemen's Group Life Insurance".

(2) By redesignating paragraphs (2) and (3) of subsection (a) as paragraphs (3) and (4), respectively, and by adding after paragraph (1) a new paragraph (2) as follows:

"(2) During any month in which a member is assigned to the Ready Reserve of a uniformed service under conditions which meet the qualifications of section 765(5)(B) of this title, or is assigned to the Reserve (other than the Retired Reserve) and meets the qualifications of section 765(5)(C) of this title, and is insured under a policy of insurance purchased by the Administrator, under section 766 of this title, there shall be contributed from the appropriation made for active duty pay of the uniformed service concerned an amount determined by the Administrator (which shall be the same for all such members) as the share of the cost attributable to insuring such member under this policy, less any costs traceable to the extra hazards of such duty in the uniformed services. Any amounts so contributed on behalf of any individual shall be collected by the Secretary concerned from such individual (by deduction from pay or otherwise) and shall be credited to the appropriation from which such contribution was made."

(3) By deleting from the second sentence of paragraph (4) of subsection (a) "subsection (1) hereof, or fiscal year amount under subsection (2) hereof" and inserting in lieu thereof "paragraph (1) or (2) hereof, or fiscal year amount under paragraph (3) hereof", and by deleting in such paragraph (4) "this subchapter" each time it appears and "insurance under this subchapter" and inserting in lieu thereof "Servicemen's Group Life Insurance".

(4) The first sentence of subsection (b) is amended by deleting "such insurance" and inserting in lieu thereof "Servicemen's Group Life Insurance"; and the second sentence of such subsection is amended by deleting "this subchapter" and inserting in lieu thereof "Servicemen's Group Life Insurance".

(5) Subsection (c) is amended by deleting "any such insurance" and inserting in lieu thereof "Servicemen's Group Life Insurance".

(6) The last sentence of subsection (d)(1) is amended to read as follows: "All premium payments and extra hazard costs on Servicemen's Group Life Insurance and the administrative cost to the Veterans' Administration of insurance issued under this subchapter shall be paid from the revolving fund.".

(7) By adding at the end of such section a new subsection as follows:

sored life insurance or to use this allotment provision.

In view of the action of the Armed Services Committee and in view of the amendments made by them, the Veterans' Affairs Committee is prepared at this time to accept S. 383 as reported as an amendment to the Veterans' Insurance Act of 1974.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Alabama.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of H.R. 6574, that H.R. 6574 be made the pending business, and that the text of S. 1835, as amended, be substituted for the text of H.R. 6574.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

H.R. 6574 will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6574) to amend title 38, United State Code, to encourage persons to join and remain in the Reserves and National Guard by providing full-time coverage under Servicemen's Group Life Insurance for such members and certain members of the Retired Reserve, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all after the enacting clause in H.R. 6574 be stricken, and that the text of S. 1835, as amended, be substituted in lieu thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendment.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 1835 and S. 383 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Mr. President, H.R. 6574, as amended, is now the pending business and we have proceeded to the point where we have had third reading. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Mr. President, the provisions of S. 383 were added to S. 1835, and then the House bill was brought up.

Mr. MANSFIELD. That is correct.

Mr. ALLEN. I do not recall hearing the provisions of S. 1835, as amended, added as a substitute for H.R. 6574.

The PRESIDING OFFICER. It was a part of the unanimous consent request.

Mr. ALLEN. Very well, I thank the Chair.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

IDENTIFICATION OF TAX-SUPPORTED POLITICAL ADVERTISEMENTS

Mr. DOLE. Mr. President, if campaigns for Federal office are to become federally financed projects like housing developments, highways, and flood control levees then they deserve to be accorded the same treatment. Therefore, I am introducing an amendment to the so-called public financing bill that will require tax-supported political materials to be clearly identified and called to the attention of the American people.

My amendment requires that any candidate for Congress, the Senate, President or Vice President who accepts Federal tax funds for his campaign shall print on all of his campaign literature, advertisements, bumper stickers, billboards, or matchbooks a clear notice that they are paid for with tax money.

The Federal Government has developed a very useful policy of identifying tax-supported projects, usually by means of a billboard or sign erected on the project site. Frequently, these notices give the total cost of the project, the Federal share, the local or State share, and a brief description of the project. Perhaps such great detail would not be practical in the case of tax-supported political campaigns, but the principle is valid. So if the Congress is going to turn itself and the entire electoral system into a massive Federal grant-in-aid program, it is entirely fitting and proper that the American people be shown how their tax dollars are being spent.

If candidate X is going to be given so many hundreds of thousands of dollars from the U.S. Treasury, then I believe the American people are entitled to see the fruits of their tax dollars clearly identified. It would be no great inconvenience to tax-supported candidates to include such a notice on their bumper stickers, their buttons, their newspaper ads, and so forth. And I believe the public has a right to be advised of such expenditures.

My amendment requiring this identification is simple and straightforward and it would certainly provide more immediate and valuable information on campaign expenditures to the average taxpayer than some obscure bookkeeping entry in one of the many reports required of political candidates.

When Mr. and Mrs. Taxpayer see their tax dollars being spent on candidate X's billboards, candidate Y's newspaper advertisements and candidate Z's yard signs, it will give them a much clearer idea about the flow of their taxes and the uses to which they are put.

So I would hope the Senate will adopt this amendment and urge my colleagues to do so. The American people should see where their taxes go, and Federal projects—whether dams or bridges or foreign aid or political campaigns—should be identified.

Mr. GRIFFIN. Mr. President, will the Senator yield for a question for the purpose of legislative history?

Mr. DOLE. I yield.

Mr. GRIFFIN. Of course, I wish there would be some indication that this notice had to be in large readable print, and I think the intention would be it could not be in small print.

Mr. DOLE. No, it could not be larger than your name, of course, but the public should be able to read it.

Mr. GRIFFIN. Would it be acceptable to have a rubber stamp, so they could stamp across the literature, "Paid for with Governments funds."

Mr. DOLE. That would be appropriate.

Mr. GRIFFIN. I thank the Senator. That clarifies the question.

Mr. CANNON. Mr. President, I yield myself 1 minute simply to point out that the statement itself calls for a false statement. A person elected under title I in the primary campaign would be entitled only to 50-percent matching funds. Therefore, the statement on the billboard or in television advertising or in newspaper advertising or in the brochures he puts out that it is paid for by public financing only would be in error. It would be paid for only in part by public funds if he elected to take advantage of title I.

I think what we are seeing here is a filibuster by amendment, and this is just another one.

I reserve the remainder of my time.

Mr. DOLE. Mr. President, I am not part of a filibuster. I voted for cloture, as the Senator knows. I had in my original amendment "paid for in whole or in part by Federal tax funds." I think that is the intent. If only 50 percent was paid for in tax funds, the statement would contain "only 50 percent," but I did not know how to draft that or how much each of us would take. At least, for legislative history, that would be the intent and the hope.

I could perhaps modify my amendment to show the percentage of the tax funds.

I ask consent to have the modification made to the effect that, if it is not paid for wholly by tax funds, the part that is be shown.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Who yields time?

Mr. CANNON. Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. Will the Senator from Kansas have his amendment sent to the desk?

Mr. CANNON. Mr. President, I would also point out that the percentage could be different in every instance, because one person may take advantage of it to

the extent of 50 percent, and another person may take advantage of it to the extent of 20 percent. It relates to the amount of funds he is able to raise for the purpose of matching, so it could be different in every instance. It is a very bad amendment.

Mr. DOLE. Mr. President, the Senator from Nevada is entitled to his opinion, but I believe my amendment is entirely appropriate. I might say, as a matter of clarification, to avoid that possibility, I have gone back to the original language of the amendment, which I think would clarify it.

Mr. GRIFFIN. Mr. President, may I ask that the clerk read the modified amendment?

The PRESIDING OFFICER. The clerk will read the amendment as modified.

The second assistant legislative clerk proceeded to read the amendment, as modified.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the remainder of the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 39, between lines 20 and 21 insert the following new subsection:

"(c) Any published political advertisement of a candidate electing to receive payments under Title I of this Act shall contain on the face or front page thereof the following notice:

"'Paid for in whole or in part by Federal tax funds.'"

On page 39, line 21 strike out "(c)" and insert in lieu thereof "(d)".

On page 40, line 3, strike out "(d)" and insert in lieu thereof "(e)."

On page 40, line 3, strike out "(d)" and insert in lieu thereof "(e)."

On page 40, line 11, strike out "(e)" and insert in lieu thereof "(f)."

Mr. DOLE. Mr. President, I yield back the remainder of my time.

Mr. CANNON. Mr. President, before I yield back the remainder of mytime, let me say that, as the Senator pointed out correctly, he voted for cloture the other day. I hope he does so tomorrow.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Kansas (Mr. DOLE), as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Hawaii (Mr. FONG), the Senator from Florida (Mr. GURNEY), the Senator from New York (Mr. JAVITS), the Senator from Idaho (Mr. MCCLURE), the Senator from Tennessee (Mr. BROCK), and the Senator from New York (Mr. BUCKLEY) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Virginia (Mr. WILLIAM L. SCOTT), and the Senator from Ohio (Mr. TAFT) are absent on official business.

The result was announced—yeas 30, nays 48, as follows:

[No. 123 Leg.]

YEAS—30

Allen	Ervin	Packwood
Baker	Fannin	Percy
Bartlett	Goldwater	Randolph
Biden	Griffin	Ribicoff
Byrd, Harry F., Jr.	Hansen	Talmadge
	Helms	Thurmond
Byrd, Robert C.	Hruska	Tower
Cotton	Mansfield	Weicker
Curtis	McClellan	Young
Dole	McIntyre	
Dominick	Nunn	

NAYS—48

Abourezk	Haskell	Nelson
Aiken	Hatfield	Pastore
Beall	Hathaway	Pearson
Bible	Huddleston	Pell
Brooke	Humphrey	Proxmire
Burdick	Inouye	Roth
Cannon	Jackson	Schweiker
Case	Johnston	Scott, Hugh
Chiles	Magnuson	Sparkman
Clark	Mathias	Stafford
Cook	McGovern	Stennis
Cranston	Metcalf	Stevens
Domenici	Mondale	Stevenson
Eagleton	Montoya	Symington
Hart	Moss	Tunney
Hartke	Muskie	Williams

NOT VOTING—22

Bayh	Fong	Long
Bellmon	Fulbright	McClure
Bennett	Gravel	McGee
Bentsen	Gurney	Metzenbaum
Brock	Hollings	Scott, William L.
Buckley	Hughes	
Church	Javits	Taft
Eastland	Kennedy	

So Mr. DOLE's amendment, as modified, was rejected.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I ask unanimous consent that on the vote which will follow immediately, there be a time limitation of 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. That will be the last vote tonight. I understand that the distinguished Senator from Alabama will call up an amendment which will be the pending business tomorrow. At this time, I ask unanimous consent that there be a time limitation of 1 hour on the Allen amendment to be called up, the time to be equally divided between and controlled by the sponsor of the amendment, the distinguished Senator from Alabama (Mr. ALLEN), and the manager of the bill, the distinguished Senator from Nevada (Mr. CANNON).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, the amendment is No. 1141, and it would reduce the overall amount that can be expended very greatly.

The printed amendment by that number has certain figures in it; I ask unanimous consent that I may modify those figures slightly, even though the time limitation has been agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 13, line 23, strike out "10 cents" and insert in lieu thereof "8 cents".

On page 15, line 9, strike out "15 cents" and insert in lieu thereof "12 cents".

Mr. MANSFIELD. Does the Senator request the yeas and nays?

Mr. ALLEN. Yes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to order the yeas and nays on the Allen amendment which will be called up.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HARTKE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARTKE. Will there be a rollcall vote now on the insurance bill?

The PRESIDING OFFICER. The Senator is correct.

VETERANS INSURANCE ACT OF 1974

The Senate resumed the consideration of the bill H.R. 6574 to amend title 38, United States Code, to increase the maximum amount of Servicemen's Group Life Insurance to $20,000, to provide full-time coverage thereunder for certain members of the Reserves and National Guard, to authorize the conversion of such insurance to Veterans' Group Life Insurance, and for other purposes.

Mr. HARRY F. BYRD, JR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRY F. BYRD, JR. Is H.R. 6574 the pending business?

The PRESIDING OFFICER. The pending business now is H.R. 6574 as amended.

Mr. HARRY F. BYRD, JR. As amended by what?

The PRESIDING OFFICER. As amended by the substantive language of S. 383 and S. 1835.

Mr. HARRY F. BYRD, JR. A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRY F. BYRD, JR. Am I correct in my understanding, then, that S. 1835 and S. 383 have been added to the House bill, or do they take the place of the House bill?

The PRESIDING OFFICER. They have replaced the language in the House bill.

Mr. HARRY F. BYRD, JR. Insofar as the substance of S. 383 is concerned, it has not changed and there is no cost to the Government involved in that amendment?

it was never really there," he said. "When Jack Kennedy was killed—I looked forward to running against Jack. And we used to talk about it. We had a hell of a good idea that I think would have helped American politics. We wouldn't necessarily live together but we would travel together as much as possible and appear on the same platform and express our views."

After Mr. Kennedy's assassination, he said, he decided not to run. Then it appeared that the Rockefeller people and the Easterners would take over the party so he got back in the race. "But it never was life or death for me."

He says the idea of his running for President again is usually raised by young people. He spends as much time as any conservative spokesman on the college lecture circuit. Of 10 speaking engagements he had in November, seven were on campuses. He is no longer invited exclusively by conservative campus groups. Many of his appearances now are open to all students, and his staff says he draws large numbers of all political persuasions. He gets several invitations to speak at commencements each year. The Senator reports increasing agreement with his views among students.

"I have a group or two every week in this office," he said. "I will answer their questions and I won't have answered but three or four and one of them will say, 'Now, wait a minute. You're a conservative, and I don't classify myself but I'm agreeing with you." The young especially like his criticisms of big government, he said. "This, I think, is the central theme of the young people."

He has also found a revival of courtesy on campuses. Our first interview took place a few days before he was to speak at Western Kentucky University. "I remember the last time I was there, it was a little rough," he said. "And so was the University of Kentucky. This has all changed. I never get any bad treatment any place. Man, I used to have kids get up and shout 'Bull!' and walk up and down with dirty signs. But the campus has changed completely. These kids, they know what they're there for now."

Nonetheless, enthusiasm for Goldwater among the young is still a little puzzling. I suspect that the explanation for it goes beyond new standards of courtesy on campus or deep beliefs in limited government. There have been numerous indications that students are no longer much interested in government of any kind, limited or otherwise. Back in 1964, James Reston may have revealed the secret of Goldwater's appeal, not only to the young but also to many others afflicted with yearning and hope, but like some other good comment and analysis of that year, it got lost in the national panic as people ran over each other to get out of the way of the Goldwater menace: "Mr. Goldwater may attract all the ultras, and the antis—the forces that are anti-Negro, antilabor, antiforeigner, anti-intellectual—but he also attracts something else that is precisely the opposite of these vicious and negative forces. Mr. Goldwater touches the deep feeling of regret in American life: regret over the loss of religious faith; regret over the loss of simplicity and fidelity; regret over the loss of the frontier spirit of pugnacious individuality; regret, in short, over the loss of America's innocent and idealistic youth."

We now seem to be in another of our periodic spasms of regret over lost innocence. And who in our battered and depleted cadre of political leaders is better equipped to symbolize that loss and regret than square-shouldered, all-American Barry Goldwater? The man is easy to like. Remember how he behaved after he lost the 1964 election—43 million votes to 27 million. Unlike Richard Nixon, the grudge fighter and wound licker who found defeat almost intolerable, Barry Goldwater simply said to hell with it. If the country did not want him, he would go back to his ham radio and his flying. He would rather occupy his mind with inventing an electronic flag-raising machine than with scratching his way back into power in Washington.

And how perceptions change! If he was the Bela Lugosi of American politics in 1964, he has now become the Henry Higgins. Since he has begun to prosper politically again, he is almost cranky about it. He showed me a huge stack of fan mail and said it had come from every state in the union. "My biggest trouble is keeping up with the damned stuff," he said. His voice had the same good-natured but put-upon tone when he talked of having to run all over the country making speeches, trouble-shooting for the party, educating the young, straightening out the President. He was trying to tell me that he was an ordinary man *who desires nothing more than just the ordinary chance to live exactly as he likes and do precisely what he wants.**

What, after all, is his politics? It never has been one of engagement, of getting this country moving again. It is a politics of indignation. He looks up from his work table where he is minding his own business and here comes the goddamned Government, meddling with him. It is a politics of defense, of outraged sensitivity, of the violated citizen who just wants to live exactly as he likes.

But wasn't he a threat to the country in 1964? That San Francisco convention hall full of yahoos, haters and nuts was no joke. And he was there with them, taking their cheers and by his mere presence and station egging them on. By God, there *was* a smell of fascism in the air. It was no less real that it came from the Indians and not from the chief, and the chief stood by and did nothing to stop it.

And yet, there is still unfairness in the judgment if it stops there. Because as scary as that convention was, it was not scary in the same way a George Wallace rally is when the fevers are running high in Birmingham or Meridian or Flint. The difference is in the build of the men at the top. Wallace is a born and bred demagogue. When he finds passion in a crowd he makes blood contact with it, riding it, prodding it, lashing it to his own and thus giving both passions for a moment more power than any two passions singly and separately could ever achieve. George Wallace is a creature of political lust, and if it is hard to distinguish his politics from his sexuality, that is no accident. He is in the great tradition of hungry men who make no distinctions among their appetities.

Goldwater is different. Words like lust and passion do not fit him. His listeners like him but they do not yearn to go to bed with him or he with them. While Wallace is a demagogue, Goldwater is merely a crowd pleaser.

There is no doubt that Barry Goldwater wanted to be President, but I think he is truthful when he says he never lusted for it. Perhaps the voters sensed that. And perhaps that is why they rejected him so decisively, as some women instinctly reject a man when they sense that he is not blood-bonded in his determination.

The instinct is probably sound. It eliminates the frivolous, both in love and politics. Nevertheless, I am still fretful over the way we treated Barry Goldwater that year. It troubles me that we all stood by and let a man who was merely wrongheaded be portrayed to the world as monstrous. When I went to mark my ballot in 1964, I was not asked to vote rationally; I was asked to believe only that Barry Goldwater was a dangerous man. I bought it and thereby let myself be cheated.

* From "I'm an Ordinary Man," in "My Fair Lady." Copyright 1956 by Frederick Loewe and Alan Jay Lerner. Used by permission of Chappell & Co. Inc.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1141

Mr. ALLEN. Mr. President, I call up my amendment No. 1141 and ask it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 13, line 23, strike out "10 cents" and insert in lieu thereof "5 cents".

On page 15, line 9, strike out "15 cents" and insert in lieu thereof "10 cents".

Mr. ALLEN. Mr. President, according to the unanimous consent agreement heretofore made, I offer a modification to the amendment, and ask that it be stated.

The PRESIDING OFFICER. The modification will be stated.

The assistant legislative clerk read as follows:

On page 13, line 23, strike out "10 cents" and insert in lieu thereof "8 cents".

On page 15, line 9, strike out "15 cents" and insert in lieu thereof "12 cents".

Mr. ROBERT C. BYRD. Mr. President, does the distinguished Senator from Alabama wish to speak on his amendment this evening?

Mr. ALLEN. No. I understand that the time limitation will be stated on it tomorrow.

Mr. ROBERT C. BYRD. Very well. I thank the Senator.

ORDER FOR RECOGNITION OF SENATOR AIKEN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the distinguished Senator from Wisconsin (Mr. PROXMIRE) has been recognized under the order previously entered on tomorrow, the distinguished Senator from Vermont (Mr. AIKEN) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that there is a time limitation on the Allen amendment as modified of 1 hour?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. It is my understanding also that the order for the resumption of the consideration of the unfinished business at the conclusion of routine morning business tomorrow has already been entered?

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. It is also my understanding that the pending ques-

tion at that time will be on adoption of the amendment of the Senator from Alabama (Mr. ALLEN) as modified.

The PRESIDING OFFICER. That is correct.

Mr. ALLEN. Mr. President, will the Senator from West Virginia yield?

Mr. ROBERT C. BYRD. I yield.

Mr. ALLEN. May I state in brief just what the amendment and the modification will do. The amendment would have changed the permissible amount of money to be spent in a primary from 10 cents per person of voting age to 5 cents, and to change the amount that could be spent in a general election from 15 cents down to 10 cents.

The distinguished Senator from Nevada (Mr. CANNON) stated in colloquy on the floor that he felt these reductions were too large, but if the amendment was submitted at 8 cents per person of voting age in the primary and 12 cents per person of voting age in the general election, he personally—but not speaking for the committee—would support such an amendment.

The overall amount that can be spent would control the amount of the Federal subsidy in the primary because the Federal Treasury potentially would be called upon to pay half that amount and it would of course reduce the amount that the Public Treasury would pay for the general election. Overall, it would accomplish about a 20 percent reduction in overall expenditures. It would be a possible saving of as much as $100 million every 4 years. So the modification has been made. It would accomplish a 20 percent reduction in the permissible amount of overall expenditures. I hope that on tomorrow the Senate will accept the amendment.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 12 noon.

After the 2 leaders or their designees have been recognized under the standing order, Mr. PROXMIRE will be recognized for not to exceed 15 minutes. Mr. AIKEN will then be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

At the conclusion of the transaction of routine morning business, the Senate will resume consideration of the unfinished business, S. 3044, the public campaign financing bill.

The pending question at that time will be on the adoption of the amendment, as modified, by Mr. ALLEN. There will be a yea and nay vote on that amendment. The vote will occur at approximately 1:45 p.m.

Other votes on amendments may occur subsequent to the vote on that amendment and prior to 3 p.m.

At 3 p.m., the debate on the motion to invoke cloture will begin, and there will be 1 hour under the rule. The hour will expire at 4 p.m. At that time, the mandatory quorum call will be issued; and upon the establishment of a quorum, the vote, which will be a rollcall vote, will occur at approximately 4:15 p.m.

Subsequent to the vote on cloture, votes on amendments to the bill will be in order, and yea-and-nay votes will occur.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:12 p.m. the Senate adjourned until tomorrow, Tuesday, April 9, 1974, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate April 8, 1974:

DEPARTMENT OF STATE

John P. Constandy, of the District of Columbia, to be Deputy Inspector General, Foreign Assistance, vice Anthony Faunce, resigned.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general:

John R. Debarr	John H. Miller
Herbert J. Blaha	Harold A. Hatch
Philip D. Shutler	Edward J. Bronars
Richard E. Carey	Warren R. Johnson
George W. Smith	Paul X. Kelley

CONFIRMATIONS

Executive nomination confirmed by the Senate April 8, 1974:

DEPARTMENT OF AGRICULTURE

Richard L. Feltner, of Illinois, to be an Assistant Secretary of Agriculture.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

SENATE
FLOOR DEBATES
ON
S.3044
APRIL 9, 1974

It represents a position that is supported not only by the League of Cities and the Conference of Mayors but by the Governors Conference, as well as the AF–CIO.

Before concluding, I would like to add a brief commentary on the measure we are proposing in the context of the Supplemental Bill and the Administration requests.

As much as in any overall budgetary evaluation, the Supplemental Appropriations Bill represents a decision on priorities. It involves a determination based on the competing demands for federal dollars.

In that determination, I believe that our request can be funded without in any way breaking the budget.

Let me note that the Administration has put forward a $6.2 billion supplemental budget request for the Department of Defense alone. Their request includes permission to spend $474 million more in military aid for South Vietnam.

When I look at the lines stretching through the employment offices throughout my states, where 220,000 persons are unemployed where the unemployment rate is now at 7.7 percent, even under the new Labor Department rules, then I think our request is even conservative. We are requesting only $350 million. The Administration is requesting $474 million for guns for Saigon.

I cannot help but believe that the national interest would be better served if the $350 million we requested were subtracted from the $474 million in the military aid request for South Vietnam. I might add that I doubt the necessity or desirability of approving even the remainder.

We believe the additional funds which would be added under our proposal for this fiscal year can be found within the existing budgetary spending levels. Expenditures for public service employment will result in savings in welfare payments and unemployment insurance and increase tax revenues of 40 cents for every dollar spent. In addition, based upon Bureau of Labor Statistics data, it has been estimated that for every 10 public service jobs created, four private sector jobs will be created immediately and that eventually, over the next 18 to 24 months, another six will be generated from the Gross National Product increase resulting from those 14 jobs. In terms of job creation and economic stimulus, it is a bigger bang for the buck than virtually any other program.

The second concluding point I would urge on my colleagues represents my own view of the direction this nation must move if it is to fulfill a wide range of aspirations awakened in part by our own rhetoric and by the rhetoric of those who have gone before us.

In America today, the 4.7 million unemployed and the more than 25 million poor are being denied the promise of justice. When FDR called forth a vision of this country in which there would be full freedom, his vision included freedom from the chains of economic despotism. He looked out upon a nation in which a third of the people were ill-housed, ill-fed and ill-cared for. And he laid out the challenge to end those conditions.

The goals he set forth still appear in the distance, still all too real for millions of Americans. There must be a major expansion in public services, an expansion in which the federal government plays a continuing role, if we are to achieve those goals.

Enlarging the public services made available to the citizens of this country—in combating a host of public ills, from inadequate housing to inadequate medical care—represents the direction we should be marking out for the future. That direction can be tied through public service employment to helping set a course toward full employment, where those able to work and wanting to work have decent, well-paying and important job opportunities available to them.

The measure we are suggesting today will not miraculously carry us to that goal, or to achieving the liberation Franklin Roosevelt desired; but it will be a step closer to those objectives.

I hope that the Committee will accept our suggested amendment.

WASHINGTON, D.C., *March 26, 1974.*

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.:

The AFL–CIO strongly supports the emergency public service employment amendment sponsored by a bi-partisan group of Senators. The $350 million provided by this amendment is vitally necessary during the current fiscal year. The growing unemployment crisis makes adoption of this amendment a necessity.

ANDREW J. BIEMILLER,
Director, Department of Legislation, AFL–CIO.

NATIONAL LEAGUE OF CITIES,
U.S. CONFERENCE OF MAYORS,
March 28, 1974.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: We strongly support your efforts, and those of your colleagues, to increase the supplemental appropriations for public service jobs. As Mayor Uhlman of Seattle, Washington, said in testimony before the Senate Appropriations Subcommittee on Labor and Health, Education and Welfare, "There is little question that the energy crisis is . . . resulting in massive unemployment throughout the country." As the Mayor indicated in that testimony, in Seattle alone some 50,000 persons are unemployed, and this does not even take into account the impact of the energy crisis. St. Louis has reported energy-related unemployment of almost 7,000 persons in the last few months. Flint, Michigan, reports a 14 percent unemployment rate in February, or some 22,000 persons. Los Angeles projects energy-related unemployment will reach 25,000 by this summer.

The Administration's supplemental appropriation request for public service employment is an inadequate response to such increases in unemployment. The jobs, approximately 35,000, created wil not even replace the employment opportunities being abolished under the phase out of the Public Employment Program (PEP).

Local and state government demonstrate, in the conduct of PEP, the ability to place over 150,000 unemployed in productive public service jobs—jobs which not only provided needed unemployment but also met critical public service needs of our communities. Every evaluation and study of PEP has documented the constructive results of the program.

In our support of your efforts, we would, however, urge you to consider the fact that an increase in FY 1974 supplemental appropriation in the manner proposed will not be possible in FY 1975. The problem of unemployment will, however, remain. Consequently, we believe the consideration must be given, on a priority basis, to legislation for FY 1975 and the future which would authorize funds to create public service jobs. Such legislation should be independent of Title II of CETA since that Act and Title were not designed to meet unemployment problems such as those created by the energy crisis.

Sincerely,

ALLEN E. PRITCHARD, JR.,
Executive Vice Presodent,
National League of Cities.
JOHN J. GUNTHER,
Executive Director,
U.S. Conference of Mayors.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. HUDDLESTON). Morning business is now closed.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the unfinished business, S. 3044, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment (No. 1141, as modified) of the Senator from Alabama (Mr. ALLEN), on which there will be 1 hour of debate.

Mr. ALLEN. Mr. President, I ask unanimous consent to yield 10 minutes to the distinguished senior Senator from Delaware (Mr. ROTH) with the time to be charged equally between the two sides.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROTH. Mr. President, I thank the Senator from Alabama for his courtesy.

Mr. President, I had intended to call up an amendment, but have determined not to do so. However, I do wish to discuss the reasons why I do not intend to call up further amendments from my campaign reform package.

Mr. President, the amendment I had intended to call up is an important element of my package of campaign reform proposals. The amendment would require the Federal Communications Commission to develop regulations requiring each television station to make available, without charge, a limited amount of television time to candidates for Federal office. My amendment would permit each candidate to gain exposure through the television medium and it will prohibit most candidates from purchasing any other television time in addition to that provided by the stations without charge.

Although I believe that the adoption of my amendment is crucial to the passage of true campaign reform legislation, I will refrain from calling it up and asking for a vote because, apparently, the Senate will not have the opportunity to seriously consider any campaign reform proposals which are alternatives to "public financing."

This fact is evident because of the results of two Senate votes conducted last week on amendments to the Federal Election Campaign Act. On one vote, my amendment to allow all congressional candidates to send—without postage—two mass mailings to each of their constituents was tabled without a vote being taken on its merits. On the second vote, the Senate defeated the Baker amendment—No. 1134—after objections were made that, as a tax-related amend-

ment, it should not be considered by the Senate, for it would be subject to a point of order in the House of Representtives.

This latter vote—in which the Senate defeated Senator BAKER's amendment to substitute the public financing provisions of the pending bill with a plan to finance future campaigns with a 100-percent tax credit for a contribution up to $50 on a single, or $100 on a joint return—has indicated that supporters of campaign reform who favor the tax credit approach to campaign financing are placed on the horns of a dilemma. Since many constitutional authorities are convinced that any tax-related measure must originate in the House, those of us who support the tax credit approach are barred from presenting the Senate with a viable alternative to public financing until the House has considered this proposal or it can be attached by the Committee on Finance to an appropriate revenue bill from the House.

For this reason, I would prefer that a final vote on the pending bill be deferred until the parliamentary situation is such that the alternative approach can be considered, unless the tax credit approach can receive a serious debate, it will be evident that the Senate is faced with but one alternative. The public financing concept will have been steamrolled through the Senate.

It seems to me, Mr. President, that such a delay would allow the Senate to consider the pros and cons of both approaches to reform in campaign financing. Since the radical changes envisioned by the supporters of public financing bill will not take effect until the 1976 general election, I see no reason why a vote must be taken on this bill before alternative avenues of approach to campaign reform have been fully explored. The Senate has already passed several bills to reduce the influence of big money in political campaigns.

One bill would shorten the campaign period to approximately 8 weeks, thus reducing campaign costs. Another proposal, S. 372, places limits on campaign contributions and expenditures, establishes a Federal Election Commission, and strengthens the disclosure requirements for all candidates and their campaign committees.

I have supported each of these measures and I have urged the Senate to strengthen their provisions by adopting my "package" of reform proposals. Rather than go from one extreme—in which campaigns are financed by unrestricted private contributions—to another extreme—in which the Federal Government becomes directly involved in campaign financing—I would favor the implementation and enforcement of laws designed to shorten campaigns, restrict contributions and expenditures, and force all candidates to disclose the source of their campaign funds. Enforcement of these measures—together with the enactment of my package of reform proposals—should end many of the abuses of our political campaign process without creating any additional problems.

As I have stated on previous occasions, I am opposed to public financing at this time because I am convinced that it tends to emphasize, rather than deemphasize, the use of money in political campaigns. In addition, public financing may separate the candidate from his constituency. For, once a candidate learns that he can tap the Federal Treasury for his campaign funds, he may be encouraged to allow campaign consultants to manage his campaign through use of the latest Madison Avenue techniques, instead of carrying his campaign to the people directly through personal contact with prospective voters.

As an alternative to "public financing" I have sponsored legislation to allow each taxpayer to take a 50 percent tax credit for a political contribution of $150 by a single taxpayer or $300 or a joint return. I am convinced that the "tax credit" approach to campaign financing reform is a better alternative to "public financing" because it encourages every taxpayer to voluntarily contribute to the candidate of his or her choice. An expanded use of the present tax credit for political contributions should broaden the base of campaign contributors and relieve candidates for Federal office from the necessity of soliciting large donations from a few wealthy individuals or organizations.

Mr. President, my proposal (S. 3131) to finance political campaigns through an increase in the maximum tax credit allowed for political contributions is the key element in my "package" of campaign reform proposals. Since this proposal cannot be adequately considered until it has been attached to a House-passed bill, it is obvious that the Senate cannot engage in a serious debate of its provisions at this time. Moreover, the Senate has already tabled the second element of my campaign reform "package" which would have reduced campaign costs by permitting congressional candidates to make two mass mailings at Government expense.

Mr. President, I am committed to the passage of meaningful campaign reform legislation. I am also unwilling to further delay the work of the Senate. For, in addition to campaign reform many other important issues are demanding our attention. I intend, therefore, to vote in favor of closing the debate on S. 3044 in the hope that the Senate can move to a vote on the "public financing" bill.

I remain convinced, however, that my proposals—taken as a whole—would regulate the conduct of future campaigns without injecting an unwarranted infusion of Federal funds into the political campaign process. Until "public financing" becomes the "law of the land," I will continue to fight for enactment of my alternative proposals.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered, and the clerk will call the roll.

Mr. GOLDWATER. Mr President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CELEBRATION OF 100TH ANNIVERSARY OF THE BIRTH OF HERBERT HOOVER

Mr. GOLDWATER. Mr. President, on April 1, I submitted a concurrent resolution calling for the celebration of the 100th anniversary of the birth of Herbert Hoover on August 10 of this year in the town of West Branch, Iowa. I know that many Members of this body, regardless of party affiliation, hold the memory of this great man in high regard; and in testimony of this fact, I am delighted to announce that 25 Senators already have contacted me wishing to cosponsor the resolution. I will ask that a list of these sponsors appear at the end of my remarks.

Mr. President, Herbert Hoover is known for his many careers, as mining engineer, humanitarian, President, statesman, and author. In his lifetime, he has done some very important things for his country and the world. His relief activities are unparalleled.

His humanitarian career began in 1900 when he directed the food relief for victims of the Boxer Rebellion; then in 1914 he organized the American Relief Committee; and, as chairman, expedited the return of 120,000 U.S. citizens who were stranded in Europe at the outbreak of World War I. Later that year, with Belgium and northern France occupied by the Germans, he directed the relief of 10 million persons in the area who had faced starvation. In 4 years of war he got a billion dollars worth of food to those people. Once we entered the war, Hoover was appointed U.S. food administrator by President Wilson and pioneered methods of mobilizing food resources in wartime. After the Armistice he was appointed Director General of Relief and Reconstruction of Europe and supervised the distribution of $3.3 billion of food and clothing to millions of cold and hungry persons in 30 countries.

In 1921, Hoover helped obtain relief to the starving masses in Russia; and in 1927, when the Mississippi Valley had its worst flood in the memory of man, Hoover successfully undertook the job of moving a million and a half Americans to safety.

His humane activities continued in 1946 when he was appointed coordinator of Food Supply for World Famine by President Truman. In that capacity, Hoover traveled 35,000 miles to 22 countries threatened with famine and as a result of his recommendations, the United States shipped more than 6 million tons of bread grains to the people of the hungry nations.

His Government career, after 7 years of service as Secretary of Commerce and 4 years as President of the United States, was capped by distinguished service, while in his seventies, as head of the two Hoover Commissions for organizing the executive branch of government. The two "Hoover Plans" made objective and nonpartisan recommendations, more than half of which were adopted, for economy and efficiency of Government operations.

Mr. President, this brief résumé of events in the life of Herbert Hoover conveys some of the reasons why I feel so deeply that we should honor his memory by providing for appropriate ceremonies commemorating the 100th anniversary of his birth.

Mr. President, I ask unanimous consent that a list of the sponsors of Senate Concurrent Resolution 79 be printed in the RECORD:

There being no objection, the list of sponsors was ordered to be printed in the RECORD, as follows:

SPONSORS OF S. CON. RES. 79

Mr. Goldwater, Mr. Bennett, Mr. Buckley, Mr. Dole, Mr. Domenici, Mr. Dominick, Mr. Eastland, Mr. Fannin, Mr. Griffin, Mr. Gurney, Mr. Hansen, Mr. Hatfield, and Mr. Hughes.

Mr. Case, Mr. Clark, Mr. Cotton, Mr. Javits, Mr. McClellan, Mr. Randolph, Mr. Scott, Mr. Stafford, Mr. Stevenson, Mr. Taft, Mr. Tower, Mr. Tunney, and Mr. Walker.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ALLEN. I yield myself 6 minutes.

Mr. President, this amendment is in truth a campaign reform amendment—certainly, insofar as the pending measure is concerned—because it would accomplish a 20-percent overall cut in the permissible amounts that could be spent by a candidate for the House or the Senate or the presidential nomination or the general election—an overall cut of 20 percent in the permissible amounts that could be expended.

The one exception is where a minimum is provided for a small State. There would be no change in that.

This would be accomplished by changing two figures in the bill, one being a provision that in general elections, there may be spent 15 cents per person of voting age in the political subdivision from which the candidate is running, and 10 cents in primary elections.

This little amendment would save the Federal Treasury, save the taxpayers of the country, upwards of $60 million every 4 years. We talk about campaign reform, cutting down on the amount of expenditures. Public financing does not accomplish that. This amendment is an effort to reduce the overall cost of elections.

The Senator from Alabama has already tried to add amendments cutting the amount of individual contributions. The first amendment was to cut the amount that could be contributed in a Presidential election to $250, and in House and Senate races to $100, the theory meing that that is all the Treasury would match and that, therefore, there should not be any contribution over that. That amendment was turned down.

Then the Senator from Alabama offered another amendment which would raise those figures a great deal, to provide a $2,000 contribution permitted in Presidential races, a $1,000 contribution in the House and the Senate. That amendment was voted down by the Senate.

That leads the Senator from Alabama to the inescapable conclusion that the proponents of this bill, this public financing measure, are not interested in campaign reform. What they are interested in, particularly in the primaries, is providing campaign expenses for themselves. They want the best of two worlds. They want contributions permitted up to $3,000 per person, $6,000 per couple. They want those contributions, and then they want a matching system, too. So they do not want reform. They want public subsidy added to the amount garnered from the private sector.

The Senator from Alabama has tried to knock out the campaign subsidy provision, but a majority in the Senate, possibly even a two-thirds majority, wants to see their primary campaigns financed up to one-half, wants to see their general election campaigns financed 100 percent.

This little amendment is just a drop in the bucket. It would save approximately $50 million or $60 million every 4 years. But it would be a step in the right direction. It would cut down on the amount of Federal subsidy to the candidates for Federal offices. In the compaigns for the Presidential nomination, it would accomplish a considerable reduction.

Whereas now, Mr. President, the bill would permit subsidies of up to $7.5 million to the various candidates for the Presidential nomination of the two parties, this amendment would cut those subsidies to approximately $5.7 million. That is a pretty good little subsidy—$5.7 million to subsidize 15 or 20 candidates for the Presidential nomination. I believe they could skimp along on that. I believe that the Senators and the Members of the House who are going to run for the Presidential nomination could get by on a subsidy of $5.7 million.

I see the distinguished Senator from California (Mr. CRANSTON) entering the Chamber. This would not cut the subsidy of the Senator from California, because it does not apply to the upcoming election, but it would cut down on the subsidy allowed a candidate of a major party for the Senate in California from $2,121,000 to a mere $1,697,000. As soon as he got nominated by one of the two major parties, he would go to the Treasury and pick up a check for $1,697,000 to run his senatorial race.

Mr. President, it seems to the Senator from Alabama that this is not hitting the politicians of the country too heavily, to cut down on the overall expenditures on which the subsidy is based—to cut down on overall expenditures.

I am hopeful that the Senate will agree to this amendment. I might say that the amendment was originally reduced to cut the 15 cents per person of voting age to 10 cents, which would have been a one-third reduction from what is provided in the bill; and in the primaries, from 10 cents per person of voting age to 5 cents.

When the Senator from Alabama explained his amendment on the floor, the distinguished manager of the bill stated that if the change was made to 12 cents per person of voting age in general elections and to 8 cents per person of voting age in primaries, he would support the amendment. So I am hopeful that the Senate will follow the lead of the distinguished manager of the bill and accept the amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. I yield 3 minutes to the Senator from Iowa.

Mr. CLARK. Mr. President, the amendment offered by the distinguished Senator from Alabama (Mr. ALLEN) certainly has the appearance of being an easy answer to the campaign funding abuses of the past 2 years; but in my judgment, it is an answer in appearance only, not in substance.

We all agree on the need to eliminate the influence of "big money" in the political process. So, the argument goes, we simply should drastically curtail campaign expenditures, or at least curtail them beyond the present bill. It is a remedy that everybody can understand, and I think it has great appeal: Just cut the amount a candidate can spend, and everything will be all right.

But while this amendment may be an easy answer to one problem, it only opens up another series of problems. By reducing the spending limits, this amendment would erode what little competition still exists in the political process. As we have seen, incumbent Congressmen and Senators are reelected—95 percent of the time in the past few years—largely because they have been able to outspend their challengers on the average of 2 to 1. S. 3044 with its public financing provisions, will diminish the fund-raising advantage incumbents now enjoy.

But the amendment now before the Senate would make it even more difficult to beat incumbent office holders, despite public financing. With all the advantages inherent in incumbency—the frank, media access, for example—challengers must be able to spend enough money to become known. Senator ALLEN's proposal—8 cents a voter in the primary and 12 cents in the general election—would be totally insufficient.

I think the Committee on Rules and Administration gave careful consideration to this matter and arrived at as equitable a figure as could be found.

Mr. President, I spent $251,000 in my general election campaign against an incumbent Senator. Only two other challengers, my good friend from Colorado (Mr. HASKELL), and the Presiding Officer (Mr. HATHAWAY) spent less money in a successful race against an incumbent.

But my opponent in 1978 would be able to spend even less than that should this amendment be accepted. With only 12 cents a voter, it would be nearly impossible for any challenger to present his case to the people.

The American political system desperately needs more competition for public office, not less. I urge my colleagues to join me in defeating this amendment.

Mr. President, I yield back the remainder of my time.

Mr. CANNON. Mr. President, I have mixed emotions about the amendment. As the Senator from Alabama pointed out earlier, I did say if he changed his figures from 10 cents in the general election to 12 cents and from 5 cents in the primary to 8 cents, I would vote for that and I intend to vote for it. I am not sure where the correct balance is as to the formula. I do know that in some of the larger States under the formula we used it mounts up to a lot of money.

For example, in California, under the 15-cent provision in the general election, $2,122,154 could be spent. In the primary election in California the figure could be $1,414,300 under the bill as we reported it. Under the Senator's amendment those figures would become $1,697,160 in the general election and $1,131,440 in the primary. That still is a substantial amount of money and I am not prepared to say what is needed in the larger States. I know in some elections, as pointed out on the floor the other day, in the ten largest spending States in the last election, all would be reduced somewhat by the limits we had in the bill.

We have in the bill two provisions that would not be affected by the amendment. One of those provisions is that in the primary election a person could use his formula times the voting age population or the sum of $125,000, whichever was greater; and in the general election, the formula times the voting age population or the sum of $175,000, whichever was greater. So he arbitrarily arrives at a figure that the smaller States, that are small in population, but many of them small in area, such as my State, would be able to spend in both elections a sum of $300,000. If this formula that is proposed by the Senator from Alabama were adopted there would be more States that could be affected by that base level. In other words, most of the States would be cut below that base level and more than would qualify under that base level formula than now qualify under the present formula that the Committee on Rules and Administration wrote into the bill.

As I say, I have sort of mixed emotions because I am not technically able to speak on this subject for those people who represent the larger States, States which require a lot more money from the standpoint of campaign financing. My distinguished colleague on the committee, the Senator from Kentucky (Mr. COOK) would be able to speak for his State.

The figure for Kentucky under the formula we had in the Senate bill would be $335,250 in the general election and $223,500 in the primary election. Those figures would be changed under the formula of the distinguished Senator from Alabama to $268,200 in the general election and $178,800 in the primary election. So I would have to look to my distinguished colleague from Kentucky on what should be done in his State. As far as I am concerned the floor we have put in for the small States is ample. I believe it perhaps could be cut somewhat. That has been suggested by a number of Senators; that we should go below that amount. I am willing to abide by that and I would support the floor.

So while I intend to vote for the amendment of the Senator from Alabama, I look to my colleagues who would be directly affected on this on what could be done in their particular States.

Mr. COOK. Mr. President, may I say to the Senator from Nevada that this is a situation that really applies itself to the large States in the Union and I am sorry Senators from those States are not here to speak to it.

I can say with all honesty to the Senator from Alabama that in my primary I did not spend $223,500 and did not spend $335,250 in my general election. I know that we probably spent more than $268,200, which is the 12-cent figure, and that was 5½ years ago.

I am not really sure until we get into a campaign whether we are going to get caught in inflation like everyone else.

I know I can speak without any hesitation at all that I was amazed to learn that when the next election came in my State, the cost for each candidate almost doubled the amount I had spent.

I think what does bother me is this: Let us take the 8 cents in the primary. Even if a candidate gets the bulk rate, I am not sure he could make mailings to all of his constituents under an 8-cent figure. We know that it now costs 10 cents for stamps. If one got the bulk rate, could he get envelopes, stamps, and enclosures and make up the difference in the apparent bulk rate of 7 or 7½ cents, with all printing costs or information costs, and make one mailing to constituents?

The answer is that it probably would be next to impossible to do.

I think we also have to be fair and honest and say it is probably impossible that we could make a mailing to all of our eligible voters as it is. I only hope that, if we are not successful with cloture this afternoon, what we are really not seeing is that the Senator from Alabama has decided to change the 15 and 10 to 8 and 12, if cloture is not available, we are going to have a whole series of amendments so that, instead of 8 and 12, it will be 7 and 11, and then 6 and 10, and then 5 and 9, and so on and so forth, in an effort, somehow or other, to keep the debate on this bill going longer and longer and longer, because I think that is really what we are discussing here.

We went over these figures in the Committee on Rules and Administration. We went over them quite extensively. If one believes this is the course to take and believes that we should take a try on this kind of financing, with which I have all kinds of problems in my own mind, I must say to my colleagues that, if in fact we are going to do it, and if it is successful, then I do not think its very import should destroy the system, because the funds expected and the figure allocated to the individual voter will result in an effective campaign not even being able to be waged, and we would find, as a result of our attempts to keep cutting the figures down and down and down, that we would have to repeal a law because, even though it was a good law, it could not accomplish the purpose of it.

Every Senator has to vote based on the population of his State and based on whether he can or cannot agree with respect to the figures as between 10 and 15 and 8 and 12 cents.

I might say for the Senator's benefit that I have just found out, and I think in fairness I should only say, that the bulk rate could be accomplished at 6.1 cents. For those who believe that between 6.1- and the 8-cent rate their entire campaign expenditures can be made in one mailing to all their constituents and nothing more—no radio, no television, no other campaign of any kind that costs funds—that his entire expenditure, all gasoline, all travel, and everything else, can be represented in the difference between 6.1 and 8 cents, if they want to make a mailing to all the constituents that are available in their States, then that is the decision each individual has to make. I do not think, within the framework of the bill, it is possible.

What we are, in effect, saying, is that "We are going to save you money," but in the effort to save them money, we are going to make it impossible to have a campaign which can be financed. In effect, we are going to give the people a campaign financing bill under which the candidates are going to cheat right from the beginning. I think the American people have sounded loud and clear that that is the very thing they want to get rid of.

It would be the Senator from Kentucky's hope that he could conduct a campaign with $335,000, but I think it is going to be very difficult, and one of the reasons it is going to be very difficult is the present status we have in the eyes of the American people. But I do not think we ought to do it in the course of saying, "Here, we are going to save you $60 million in 4 years," because we might find a pet project in Alabama in the form of public works which might be worth over $60 million, and nobody in the United States would know about it except the people of Alabama. Somehow or other, we have a habit of spending all the money the American people contribute in taxes. Unfortunately, we spend more.

The Senator from Kentucky is opposed to deficit spending, and has always voted against deficit spending. But if we put it in the 8 and 12 as opposed to 10 and 15 cents, in the light of the 8-cent cost, if this program is adopted could a candidate make even one general mailing to all of the eligible voters in his State? I think the answer would have to be "No." I do not think he could run a campaign.

So this Senator will vote against the amendment of the Senator from Alabama only with the understanding that it does not change the money on this list for the Commonwealth of Kentucky, and probably it would be difficult for the Senator from Kentucky to raise amounts of this kind, because I think it is going to be very difficult to raise campaign funds.

Mr. ALLEN. Mr. President, how much time remains to the Senator from Alabama?

The PRESIDING OFFICER. The Senator from Alabama has 16 minutes remaining.

Mr. ALLEN. I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator is recognized for 6 minutes.

Mr. ALLEN. Mr. President, I have been somewhat mystified by the thrust of the argument of Senators supporting public financing. It does not seem to be part of their theory of what reform is to reduce the overall cost of campaigning. The word "restraint" on the part of candidates does not seem to be part of their vocabulary.

Mr. COOK. Mr. President, will the Senator yield for one slight suggestion?

Mr. ALLEN. I yield.

Mr. COOK. If the Senator takes campaign expenditures for the two Senators running for the last campaign in my State and the maximum on the list, it is about half or a little more than half that each candidate spent in that election.

Mr. ALLEN. I thank the Senator for his interruption and his comment.

Mr. COOK. I apologize.

Mr. ALLEN. I hope that the next time he will use his own time for making a comment.

The idea of restraint on the part of candidates has not seemed to enter into the thinking of those who are supposed to be for campaign reform. I submit that paying bills for campaigns out of the Public Treasury is not the Senator from Alabama's idea of campaign reform. Reducing the overall cost of elections, reducing the amount of individual contributions, and keeping them in the private sector is the idea of the Senator from Alabama as to what campaign reform is.

I want to commend the distinguished Senator from Maryland (Mr. MATHIAS), who is not here at this time. He has limited his contributions to $100. The Representative from Ohio, Mr. VANIK, states that he is not accepting contributions or making any expenditures.

So one ingredient that has not been mixed into this so-called campaign reform bill is the idea of restraint on the part of candidates.

Mr. President, the amendment offered by the Senator from Alabama would mix a little restraint—restraint in spending taxpayers' money—into the idea of campaign reform. But every time the Senator from Alabama tries to cut down on campaign expenditures, tries to cut down on the amount of individual contributions, he does not get any support from those who cry out for the need of campaign reform. They are opposed to it. They want what they can get out of the private sector in the primaries plus what they can get out of the Government. That is not campaign reform—that is just escalating the cost of campaigns.

Mr. President, the Senator from Kentucky is worried about inflationary costs of campaigns. Well, the drafters of this bill thought of that, too, and they wrote a little provision in here on page 17 of the bill that provides an escalator in the bill. It is reform. It is campaign reform. They wrote a little escalator clause that says that while the cost of campaigning goes up, in effect, the cost of the Government subsidy, the amount of the Government subsidy goes up. There it is in black and white. So the Senator from Kentucky need not worry about that.

Mr. President, apparently the so-called reformers—that is, the spenders of the funds from the Federal Treasury—are not willing to cut down on the amount of the Government contributions. The amount of the campaign contributions.

We passed a bill in July limiting the contributions to $3,000. That is too high. That is a big contribution, in the view of the Senator from Alabama. It permits two contributions, one by the man and one by the wife. That would be $6,000. That is a pretty big contribution. That is all this bill would do. We have already passed a bill such as that.

But it is not campaign reform to say that the American taxpayer has to pay the cost of the general election campaign of every Senator and every Member of the House of Representatives.

Nor is it reform to provide that the American taxpayer has got to pay up to $7.5 million—and this is something that the American public does not realize—for each candidate for the Presidential nomination of the two major parties. Fifteen or 20 or 25 people are going to be running for the Presidential nomination. This will match the contributions of the various candidates provided that they first get a campaign fund of $250,000 in small contributions. That would then match the contributions of all of them, including the $250,000, up to the point where the Government had paid the $7.5 million to each of the various candidates.

Mr. President, there are some 10 or 15 Senators who would not turn down a draft for the presidential nomination; and there are some Senators who would wage an active campaign.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

Mr. ALLEN. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for an additional 2 minutes.

Mr. ALLEN. Mr. President, this subsidy program, this welfare program for the benefit of politicians, is not campaign reform. The Senator from Alabama is taking a bad bill and is trying to make the bill 20 percent less bad by reducing the overall campaign expenditures permitted under the law. That is what the amendment does. So we are going to see whether the reformers want reform or whether they want a Federal subsidy. It is as simple as that.

Mr. President, I reserve the remainder of my time. However, before doing so, I ask unanimous consent that a tabulation showing the amounts to the various States under the various formulae be printed in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

PROPOSED CANDIDATE EXPENDITURE LIMITATIONS, U.S. POPULATION FIGURES AS OF JULY 1, 1973

Geographical areas	Voting age population—VAP (18 years and over)	S. 3044—10¢ per VAP in primary elections [1]	S. 3044—15¢ per VAP in general elections	5¢ per VAP in primary election [1]	10¢ per VAP in general election	8¢ per VAP in primary election [1]	12¢ per VAP in general election
United States—Primary [2]	143,403,000	$14,340,300	NA	$7,170,150	NA	$11,472,240	NA
United States—General [3]	141,656,000	NA	$21,248,400	NA	$14,165,600	NA	$16,998,720
Alabama	2,338,000	233,800	350,700	116,900	233,800	187,040	280,560
Alaska	200,000	20,000	30,000	10,000	20,000	16,000	24,000
Arizona	1,345,000	134,500	201,750	67,250	134,500	107,600	161,400
Arkansas	1,374,000	137,400	206,100	68,700	137,400	109,920	164,880
California	14,143,000	1,414,300	2,121,450	707,150	1,414,300	1,131,440	1,697,160
Colorado	1,631,000	163,100	244,650	81,550	163,100	130,480	195,720
Connecticut	2,101,000	210,100	315,150	105,050	210,100	168,080	252,120
Delaware	382,000	38,200	57,300	19,100	38,200	30,560	45,840
District of Columbia	529,000	52,900	79,350	26,450	52,900	42,320	63,480
Florida	5,427,000	542,700	814,050	271,350	542,700	434,160	651,240
Georgia	3,140,000	314,000	471,000	157,000	314,000	251,200	376,800
Hawaii	549,000	54,900	82,350	27,450	54,900	43,920	65,880
Idaho	501,000	50,100	75,150	25,050	50,100	40,080	60,120
Illinois	7,568,000	756,800	1,135,200	378,400	756,800	605,440	908,160
Indiana	3,530,000	353,000	529,500	176,500	353,000	282,400	423,600
Iowa	1,957,000	195,700	293,550	97,850	195,700	156,560	234,840
Kansas	1,570,000	157,000	235,500	78,500	157,000	125,600	188,400
Kentucky	2,235,000	223,500	335,250	111,750	223,500	178,800	268,200
Louisiana	2,399,000	239,900	359,850	119,950	239,900	191,920	287,880
Maine	689,000	68,900	103,350	34,450	68,900	55,120	82,680
Maryland	2,720,000	272,000	408,000	136,000	272,000	217,600	326,400
Massachusetts	4,006,000	400,600	600,900	200,300	400,600	320,480	480,720
Michigan	5,922,000	592,200	888,300	296,100	592,200	473,760	710,640
Minnesota	2,575,000	257,500	386,250	128,750	257,500	206,000	309,000
Mississippi	1,453,000	145,300	217,950	72,650	145,300	116,240	174,360
Missouri	3,251,000	325,100	487,650	162,550	325,100	260,080	390,120

Footnotes at end of table.

PROPOSED CANDIDATE EXPENDITURE LIMITATIONS, U.S. POPULATION FIGURES AS OF JULY 1, 1973—Continued

Geographical areas	Voting age population—VAP (18 years and over)	S. 3044—10¢ per VAP in primary elections	S. 3044—15¢ per VAP in general elections	5¢ per VAP in primary election [1]	10¢ per VAP in general election	8¢ per VAP in primary election [1]	12¢ per VAP in general election
Montana	$474,000	$47,400	$71,100	$23,700	$47,400	$37,920	$56,880
Nebraska	1,042,000	104,200	156,300	52,100	104,200	83,360	125,040
Nevada	365,000	36,500	54,750	18,250	36,500	29,200	43,800
New Hampshire	531,000	53,100	79,650	26,550	53,100	42,480	63,720
New Jersey	5,030,000	503,000	754,500	251,500	503,000	402,400	603,600
New Mexico	691,000	69,100	103,650	34,550	69,100	55,280	82,920
New York	12,665,000	1,266,500	1,899,750	633,250	1,266,500	1,013,200	1,519,800
North Carolina	3,541,000	345,100	531,150	172,550	345,100	276,080	414,120
North Dakota	421,000	42,100	63,150	21,050	42,100	33,680	50,520
Ohio	7,175,000	717,500	1,076,250	358,750	717,500	574,000	861,000
Oklahoma	1,832,000	183,200	274,800	91,600	183,200	146,560	219,840
Oregon	1,532,000	153,200	229,800	76,600	153,200	122,560	183,840
Pennsylvania	8,240,000	824,000	1,236,000	412,000	824,000	659,200	998,800
Rhode Island	677,000	67,700	101,550	33,850	67,700	54,160	81,240
South Carolina	1,775,000	177,500	266,250	88,750	177,500	142,000	213,000
South Dakota	454,000	45,400	68,100	22,700	45,400	36,320	54,480
Tennessee	2,799,000	279,900	419,850	139,950	279,900	223,920	33-,880
Texas	7,785,000	778,500	1,167,750	389,250	778,500	622,800	934,200
Utah	715,000	71,500	107,250	35,750	71,500	57,200	85,800
Vermont	309,000	30,900	46,350	15,450	30,900	24,720	37,080
Virginia	3,243,000	324,300	486,450	162,150	324,300	259,440	389,160
Washington	2,329,000	232,900	349,350	116,450	232,900	186,320	279,480
West Virginia	1,228,000	122,800	184,200	61,400	122,800	98,240	147,360
Wisconsin	3,033,000	303,300	454,950	151,650	303,300	242,640	363,960
Wyoming	234,000	23,400	35,100	11,700	23,400	18,720	28,080
Outlying areas:							
Puerto Rico	1,651,000	165,100	247,650	82,550	165,100	132,080	198,120
Guam	52,000	5,200	7,800	2,600	5,200	4,160	6,240
Virginia Islands	44,000	4,400	6,600	2,200	4,400	3,520	5,280

[1] Presidential primary candidates may spend in any State twice the amount a candidate for Senate nomination may spend, subject to a national limit of 10¢ times total VAP in connection with campaign for presidential nomination.

[2] VAP for the primary election includes all geographical area populations because the outlying areas could participate in the presidential nominating process to the extent that they are permitted to send delegates to the national nominating conventions.

[3] VAP for the general election includes all geographical area populations except Puerto Rico, Guam, and the Virgin Islands because their residents are not permitted to vote in the presidential general election.

Mr. COOK. Mr. President, may I say that I apologize to the Senator from Alabama for taking any of his time.

Mr. President, how much time have we remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 7 minutes remaining.

Mr. COOK. Mr. President, I would be perfectly willing to yield the entire 7 minutes to the Senator from Alabama, if he wishes to use that time along with his time, so that he will not feel that he was interrupted.

Other than that, we would be willing to yield back the time on this side. However, I would be willing to make it available to the Senator from Alabama, if he would wish to use it.

Mr. ALLEN. Mr. President, I would much prefer that the Senator from Kentucky use his time because I feel that the argument he is making on behalf of not reducing this subsidy is certainly having an adverse effect on his position. I hope that he will use the remainder of his 7 minutes.

Mr. President, I reserve the remainder of my time.

Mr. COOK. Mr. President, I think we have made our point. I yield back the remainder of our time.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Alabama has 8 minutes remaining.

Mr. ALLEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendments, en bloc, of the Senator from Alabama. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. MCGEE), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), and the Senator from Hawaii (Mr. FONG), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), is absent on official business.

The result was announced—yeas 46, nays 43, as follows:

[No. 125 Leg.]

YEAS—46

Aiken	Ervin	Pearson
Allen	Fannin	Pell
Baker	Griffin	Proxmire
Bartlett	Hansen	Randolph
Bellmon	Hartke	Ribicoff
Bible	Helms	Roth
Brock	Hollings	Sparkman
Burdick	Hruska	Stafford
Byrd, Harry F., Jr.	McClellan	Stennis
	McIntyre	Stevenson
Byrd, Robert C.	Metzenbaum	Symington
Cannon	Moss	Taft
Chiles	Muskie	Talmadge
Cotton	Nelson	Thurmond
Curtis	Nunn	Weicker
Eagleton	Packwood	

NAYS—43

Abourezk	Goldwater	Magnuson
Bayh	Gravel	Mansfield
Beall	Gurney	Mathias
Brooke	Hart	McClure
Buckley	Haskell	McGovern
Case	Hatfield	Metcalf
Clark	Hathaway	Mondale
Cook	Huddleston	Montoya
Cranston	Humphrey	Pastore
Dole	Inouye	Percy
Domenici	Jackson	Schweiker
Dominick	Javits	Scott, Hugh
Eastland	Johnston	Stevens
Tower	Williams	
Tunney	Young	

NOT VOTING—11

Bennett	Fong	Long
Bentsen	Fulbright	McGee
Biden	Hughes	Scott, William L.
Church	Kennedy	

So Mr. ALLEN's amendment (No. 1141, as modified) was agreed to.

Mr. ALLEN. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. CANNON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. HELMS). Pursuant to the previous order, the Senator from Illinois (Mr. STEVENSON) is now recognized to call up an amendment.

Mr. SPARKMAN. Mr. President, will the Senator from Illinois yield to me briefly?

Mr. STEVENSON. I am glad to yield to the Senator from Alabama, reserving my right to the floor.

VISIT TO THE SENATE BY MEMBERS OF THE GERMAN BUNDESTAG

Mr. SPARKMAN. Mr. President, we are honored today to have visiting us eight members of the German Bundestag, headed by the President of the German Bundestag, Mrs. Annemarie Renger.

I understand that Mrs. Annemarie Renger is the only woman head of a parliament anywhere in the world, so I suppose we can all agree that women's lib has come to Germany first of all.

Will our distinguished guests who are now seated in the rear of the Chamber please rise when I call their names.

Mrs. Annemarie Renger, President of the German Bundestag. Hans Katzer, Hermann Hoecherl, Dr. Herbert Ehrenberg, Uwe Ronneburger, Hans-Jurgen

Wischnewski, Hermann Schmidt, Dr. Richard von Weizsacker. May I also present His Excellency Berndt von Staden, the Ambassador from the Federal Republic of Germany to the United States.

(Applause, Senators rising).

RECESS FOR 2 MINUTES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a 2-minute recess for the purpose of greeting our distinguished visitors, and that the distinguished Senator from Illinois (Mr. STEVENSON) retain his right to the floor.

There being no objection, at 2:06 p.m., the Senate took a recess until 2:08 p.m., whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. HELMS).

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the RECORD short biographies of each one of our distinguished guests.

There being no objection, the biographies were ordered to be printed in the RECORD, as follows:

RENGER, ANNEMARIE (SPD)

President of the German Bundestag.
Social Democratic Party.
Born October 7, 1919.
Widow.
Employed in publishing business.
From 1945 to 1952, private secretary of Dr. Kurt Schumacher.
Member of Bundestag since 1953.
From 1959 to 1969, member of the Advisory Assembly of the European Council and the Assembly of the Western European Union.
Until April 1973, member of the Executive Committee of the Social Democratic Party and the Presidium.
Since December 13, 1972, President of the German Bundestag.
Member of the Executive Committee of the Party's representation in the Bundestag.
Vice President of the International Council of Social Democratic Women in the Socialist International.

KATZER, HANS (CDU)

Member of the German Bundestag.
Christian Democratic Party.
Born January 31, 1919.
Married.
Technical School (Textile Industry).
1950, Secretary General, since 1963 Chairman of the Social Committee of the Christian Democratic Workmen of Germany.
Deputy Chairman of the Christian Democratic Union of Germany.
Board member of Ruhrkohle AG.
Since 1957, member of the German Bundestag.
From 1965 to 1969, Federal Minister of Labour and Social Affairs.
Deputy Chairman of the Christian Democratic Party/Christian Social Union group in the Bundestag.
Regular member of the Committee for the Preservation of the Rights of the Parliamentary Representation according to Article 45 GG (Constitution) and of the Joint Committee according to Article 53A GG.

HOECHERL, HERMAN (CDU/CSU)

Member of the German Bundestag.
Christian Democratic Party/Christian Social Union.
Born March 31, 1912.
Married.
Lawyer.
Studied law in Berlin, Aix-en-Provence and Munich.
Member of the CSU Bavarian Executive Committee.
Member of the Advisory Council of the Bayerische Vereinsbank and of the Directorate of the Bayerische Treuhand AG.
Member of the German Bundestag since 1953.
1957–1961 Chairman of the CSU group in the Bavarian State Parliament and Deputy Chairman of the CDU/CSU Bundestag group.
1961 to 1965, Federal Minister of the Interior.
1965 to 1969, Federal Minister of Food, Agriculture and Forestry.
1969 to 1972, Deputy Chairman of the CSU group in the Bavarian State Parliament and Chairman of the Mediation Committee.
Since 1970, Chairman of the Committee Budget, Taxes, Money, and Credit of the CDU/CSU group.
Regular member of the Finance Committee.

DR. EHRENBERG, HERBERT (SPD)

Member of the German Bundestag.
Social Democratic Party.
Born December 21, 1926.
Married.
Political Economist, studied Sociology in Wilhelmshaven and Göttingen, Dr. rer. pol.
From 1964 to 1968, political-economic division at the General Board of the Industrial Trade Union (Construction Workers' Union).
Member of the Committee for Political Science with the SPD Executive Committee and member of the expanded Committee of the Society for Social Progress.
From May, 1968 to October 1969, Director of the sub-division Structural Policy in the Federal Ministry of Economics.
October 1969 to April 1971, Director of the Division Economic, Financial, and Social Policy in the Federal Chancellory.
May 1971, to December 1972, State Secretary at the Federal Ministry of Labour and Social Affairs.
Since December 1972, member of the German Bundestag.
Deputy Leader of the Bundestag group of the Party.
Deputy Chairman of the Economics Committee.

RONNEBURGER, UWE (FDP)

Member of the German Bundestag.
Free Democratic Party.
Born November 23, 1920.
Married.
Farmer.
Since 1970, Chairman of the FDP Party Schleswig-Holstein and member of the Executive Committee of the FDP.
1966 to 1972, member of the General Synod of the United Protestant-Lutheran Churches of Germany, since 1972, member of the Synod of the Lutheran Church of Germany.
Member of the German Bundestag since December 1972.
Deputy Chairman of the FDP group of the Bundestag.
Regular member of the Foreign Affairs Committee.
Regular member of the Committee of Food, Agriculture and Forestry.

WISCHENEWSKI, HANS-JÜRGEN (SPD)

Member of the German Bundestag.
Social Democratic Party.
Born July 24, 1922.
Married.
1953 to 1959, secretary at IG Metall.
1959 to 1961, Federal Chairman of the Young Socialists.
1968–1972, member of the Executive Committee of the Party.
Member of the German Society for Foreign Policy.
Since 1957, member of the German Bundestag.
From 1961 to 1965, member of the European Parliament.
From 1966 to 1968, Federal Minister for Economic Cooperation.
Member of the Executive Committee of the Party group in the Bundestag.
Regular member of the Foreign Policy Committee.
Regular member of the 1st Investigation Committee.
Deputy Chairman of Committee I for Foreign and Security Policy, Inter-German relations, Europe and Development Policy.

SCHMIDT (WUPPERTAL), HERMANN (SPD)

Member of the German Bundestag.
Social Democratic Party.
Born February 6, 1917.
Married.
Manager, Colonel (res.).
From 1946, business manager of the "Westfälische Rundschau" in Siegen.
From 1948, temporarily municipal, magistrate, and district representative.
Since 1962, district president and in this capacity Chairman of the Board of Directors of the 'Transport Society South Westfalia.
1950–1961, member of the Parliament of Nordhein-Westfalen.
Since 1961, member of the German Bundestag.
Member of the European Council, of the Western European Union and of the North Atlantic Assembly.
From 1969–1972, Deputy Chairman of the Defense Committee.
Since February 1, 1973, Chairman of the Defense Committee.

DR. VON WEIZSÄCKER, RICHARD (CDU)

Member of the German Bundestag.
Christian Democratic Party.
Born April 15, 1920.
Married.
Lawyer.
Studied law in Oxford, Grenoble, and Göttingen.
Dr. jur., board member of several corporations.
1964–1970, President of the German Lutheran Convention.
Member of the Synod and the Council of the Lutheran Church in Germany.
Member of the Executive Committee and Chairman of the Commission on Rules of the Christian Democratic Party.
Member of the German Bundestag since 1969.
Deputy Chairman of the Christian Democratic Party/Christian Social Union group in the Bundestag.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. HART. Mr. President, I ask unanimous consent that during further consideration of the pending bill, Burton Wides of my office, be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I send an unprinted amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. STEVENSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

On page 10, beginning with line 17, strike out through line 6 on page 11, and insert in lieu thereof the following:

"(b)(1) Every eligible candidate who is nominated by a major party is entitled to payments for use in his general election campaign in an amount equal to the sum of—

"(A)(i) in the case of a candidate for election to the office of President, 40 percent of the amount of expenditures the candidate may make in connection with that campaign under section 504, and

"(ii) in the case of a candidate for election to the office of Senator or Representative, 25 percent of the amount of expenditures the candidate may make in connection with that campaign under section 504, and

"(B) the amount of contributions he and his authorized committees received for that campaign.

"(2) Every eligible candidate who is nominated by a minor party is entitled to payments for use in his general election campaign in an amount equal to the sum of—

"(A) an amount which bears the same ratio to the amount to which a major party candidate for election to the same office is entitled under paragraph (1)(A) as the total number of popular votes received by the candidate of that minor party for that office in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding election, and

"(B) the amount of contributions he and his authorized committees received for that campaign.

On page 11, beginning with line 19, strike out through line 23 on page 12 and insert in lieu thereof the following: to the sum of—

"(i) an amount which bears the same ratio to the amount to which a major party candidate for election to the same office is entitled under paragraph (1)(A) as the number of popular votes received by that candidate (other than as the candidate of a major or minor party) in the preceding general election for that office bears to the average number of votes cast in the preceding general election for all major party candidates for that office, and

"(ii) the amount of contributions he and his authorized committee received for that campaign.

"(4) An eligible candidate who is the nominee of a minor party or whose eligibility is determined under section 502(d)(2) and who receives 5 percent or more of the total number of votes cast in an election, is entitled to receive payments under section 506 after the election for expenditures made or incurred in connection with his general election campaign in an amount equal to the sum of—

"(A) an amount which bears the same ratio to the amount to which a major party candidate for election to the same office is entitled under parargaph (1)(A) as the number of popular votes received by that candidate in the election bears to the average number of votes cast for all major party candidates for that office in that election, and

"(B) the amount of contributions he and his authorized committees received for that campaign.

"(5) For purposes of this subsection—

"(A) in the case of a candidate for election to the office of President, no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his general election campaign; and

"(B) in the case of any other candidate for election to Federal office, no contribution from any person shall be taken into account to the extent that it exceeds $100 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his general election campaign.

"(6) No candidate may receive payments under paragraph (2)(B), 3(B)(ii), or (4)(B) in excess of an amount which bears the same ratio to one-half of the difference between the amount to which the candidate is entitled under paragraph (2)(A), (3)(B)(i), or (4)(A) (whichever is applicable) and the amount of expenditures the candidate may make in connection with his general election campaign under section 504 as the amount to which he is entitled under paragraph (2)(A), (3)(B)(i), or (4)(A) (whichever is applicable) bears to the amount to which a candidate for election to the same office is entitled under paragraph (1)(A).

On page 12, line 24, strike out "(5)" and insert in lieu thereof "(7)".

On page 78, after the matter below line 22, insert the following:

EXPENDITURE LIMITATIONS

SEC. 305. Effective on the day after the date of enactment of this act, section 615(a) of title 18, United States Code, is amended to read as follows:

"(a)(1) No individual may make a contribution to or for the benefit of a candidate for use in his primary election campaign, or for use in his general election campaign which, when added to the sum of all other contributions made by that individual for use in that primary or general election campaign, exceeds $3,000.

"(2) Notwithstanding the provisions of subsection (c)(3), no person (not an individual) may make a contribution to or for the benefit of a candidate for use in his campaigns for nomination and for election to Federal office which, when added to the sum of all other contributions made by that person for use in either or both of those campaigns, exceeds $6,000.".

Mr. STEVENSON. Mr. President, I offer this amendment on behalf of myself and Senators TAFT, DOMENICI, MONDALE, CRANSTON, HUMPHREY, and BEALL.

The purpose of public financing is to eliminate the large and potentially corrupting contributions of big money from our politics. This amendment would accomplish that purpose but it would not eliminate the innocent, small contributions which are a healthy form of participation in our political system.

This amendment would limit the campaign contributions of individuals to Federal campaigns to $3,000 in primaries and $3,000 in general election campaigns. In that respect, it does not alter the provisions of the bill reported by the Rules Committee.

It would also limit the contributions of committees to $6,000, which could be allocated between a general election campaign and a primary election campaign as the committee sees fit.

This amendment then establishes a system of partial public financing as opposed to the 100 percent public financing which is established in the bill reported by the Rules Committee. Instead of 100 percent public financing, congressional candidates would receive a front-end subsidy 25 percent of the expenditure limit applicable to congressional campaigns. In addition, private contributions of $100 or less would be matched with public funds on a dollar-for-dollar basis.

Presidential candidates would receive a 40-percent entitlement and matching funds for private contributions of $250 or less, again on a dollar-for-dollar basis. That means that congressional candidates could receive up to 62.5 percent and presidential candidates up to 75 percent of the respective expenditure limits from public sources, instead of 100 percent.

This amendment strikes a fair balance between those who want 100 percent and those who want nothing. It decreases the cost to the Treasury of the financing of campaigns for Federal office. If this amendment prevails, the amounts from the checkoff would be more likely to cover the total cost of public financing. It does not in any way affect the committee bill's treatment financing of primary election campaigns. It preserves the healthy and innocent participation of small contributors. It eliminates the dangerous participation that comes as a result of large contributions to campaigns for Federal office. It would more clearly be constitutional than any measure which effectively prohibited all public funds, no matter how small.

The prospect of waiting for the Treasury to send $950,000 to a candidate for the U.S. Senate in Illinois is offensive. It is offensive to me. It would be offensive, I daresay, to many members of the public, and it is dangerous. A candidate could then literally buy a campaign. Candidates ought to be under some compulsion to seek small contributions from the people, and the people ought to be permitted that form of political participation.

Mr. President, I ask unanimous consent that William Staszak of my staff be permitted the privilege of the floor during the consideration of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, the distinguished Senator from Ohio (Mr. TAFT) and the distinguished Senator from New Mexico (Mr. DOMENICI) have worked long and hard on this proposal. It is a compromise. It is intended not only to eliminate the corrupt influence of large money in our politics but also is intended to end the debate which has swirled around this bill. It will not make everybody satisfied, but it does give us an opportunity to get an important job done and to get on with the rest of our business in the Senate. Senator DOMENICI and Senator TAFT have been my partners in this endeavor. They have worked at great length on it, and have done so very resourcefully.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield to the Senator from Ohio (Mr. TAFT).

Mr. TAFT. Mr. President, I commend the Senator from Illinois for his initiative in this matter as well as the Senator from New Mexico (Mr. DOMENICI) and others who have agreed to cosponsor this amendment to the pending campaign reform bill. We hope it will serve as a basis for compromise on public financing and thus move the debate forward considerably.

The pending bill, without our proposed amendment, provides Federal matching payments for all contributions of $100 or less for primary election congressional candidates—$250 or less in the case of Presidential candidates—who collect certain minimum amounts of private funding on their own, and 100 percent public financing for the general election campaigns of major party candidates, up to overall spending limits. Limitations on private contributions would be $3,000 for individuals and $6,000 for any organization such as COPE or BIPAC.

By contrast, our amendment would restructure public financing for general elections, so that major party congressional candidates could receive 25 percent of the campaign spending limit in Federal funds upon their nomination with no matching required, and $1 of additional funding for each dollar collected in private contributions of $100 or less for congressional races. A similar arrangement, with a 40 percent downpayment and matching contributions up to $250, would be applied to Presidential general elections. As under the present bill, minor party candidates would operate under the same system but be eligible for proportionately less Federal funding in general elections, based upon their performance. Limitations on contributions for organizations would be lowered from $6,000 in primary and general elections separately to $6,000 total.

I believe that basic reforms in campaigns financing are essential so that our citizens will be certain that their Government is not being operated to satisfy the interests of the few large contributors, rather than the Nation as a whole. The most important step we can take in this direction is to place strict limitations on the amounts which any single individual or organization can contribute to a candidate. The bill before the Senate attempts to do this, but has been loopholed with an amendment allowing contributions of up to $6,000 form organizations.

The bill before us also provides public financing, in recognition that these limits in themselves will exacerbate the task of raising enough campaign funds for both incumbent and challenger to make their views known to the public. However, I am concerned that the bill will allow private contributions too high to eliminate the abuses it seeks to correct; allow more public financing than necessary for general elections; foster a mushrooming of wasteful campaign expenditures at taxpayers' expense and the proliferation of campaign expert firms which have grown up already to an alarming extent; and unnecessarily eliminate a meaningful role for small private contributions.

The system we are proposing would clamp down on the size of private contributions; provide full public financing for the crucial initial portion of campaign expenses but force heavy reliance upon small private contributions for remaining expenses; continue and increase the importance of the role of grass roots activities, and the small contributors involved, in campaign finance; and reduce Federal costs over the present bill by thousands of dollars for each campaign—in fact, so far as the Presidential and possibly even senatorial races are concerned, by millions of dollars.

I am hopeful that the merits of this particular public financing approach will appeal to both supporters and opponents of full public financing.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. STEVENSON. Mr. President, I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do wish to commend the Senator from Illinois and the Senator from Ohio for the work they have done on this amendment. I have just a few thoughts to add to theirs.

First of all, I have supported the idea of public financing of Federal elections from the very beginning. But I have looked very carefully at what we were trying to do when we moved in the direction of public financing and found at first we were trying to get of the very large contributions that really or to the American people were having an inordinate effect on the political system. I think public financing would do that, and our amendment would do that, but no one who was a proponent of public financing, to my knowledge, has said there was anything wrong with a candidate for public office taking contrbiutions from small contributors, indeed, in large number. In fact, many of those who have been proponents of public financing have been equally strong proponents for the involvement of the average citizen.

What concerns me about the bill without the amendment of the Senator from Illinois, the Senator from Ohio, me, and others, is that basically it is saying, "We do not want participation by the average citizen: $100, $200, $300, $500." It has been said here with regard to other bills before us that we frequently throw the baby out with the bathwater. In this instance, unless we not only permit small contributions but also encourage and entice them, we will, indeed, be doing that.

In campaigns across the country the average citizen has said, "I like that candidate. I want to give him a small contribution." Instead of that kind of contribution, which is basically at the heart of participation, and putting small money where the mouth is, and letting a citizen's personal endeavors in behalf of the candidate follow, we would eliminate that in the bill before the Senate, where candidates could, if they choose, get private contributions. But as a matter of fact there is no incentive or encouragement because if the candidate does not he will get a check from the Federal Government for 100 percent.

I believe there is nothing wrong with the $100 matching all the way up, with encouragement to get a $1,000 contribution, or up to $3,000. This would narrow and cut back on the effect that Federal tax dollars would have on the total amount to be used.

The same reasoning can be used with respect to Presidential campaigns. There is nothing miraculous about 25 and 40. To encourage the $100 and the $250 for Presidential races, minimizing the $6,000 contributions groups can give, leaving it at $6,000, but not permitting it in primary and general elections, and upping the individual to $3,000 is a significant stroke in the direction of individual citizen participation. But it eliminates the thing we started out to eliminate.

With reference to my campaign for the Senate, indeed, I had large contributors, but I believe my campaign stands in the State of New Mexico as a record for the number of small contributors that contributed to my campaign. For a small State like mine, it would approach 5,000 individual donors. We went out and asked them, and they, in turn, asked others, and from them came the nucleus of those who had a genuine interest, with small amounts of $100 to $150.

I truly do not want to be a part of eliminating that kind of participation which I think is salutory and has a good effect. I hope those who are genuinely interested in public financing will understand this is a genuine effort to start in a new direction where we have not had one, and start in a reasonable way for a reasonable amount of public money, and leave the ingredient of participation that comes from the contribution of many small Americans who still take politics and candidates seriously, and who would prefer to give their money, $100 or whatever, to their candidate and still make them feel it is important, and not say, "You do not have to contribute if you do not want to; we will get it all from the Treasury."

That is the answer we will get from other than those who do not want any public financing. That is what we will be saying to the smaller contributor. We will be saying, "You are not important because if you do not give, we will get it from the Treasury."

Those who favor this approach will understand it is possible to move from zero to 100 percent. The amendment of the Senator from Illinois, the Senator from Ohio, and the Senator from New Mexico would be a good and salutary start toward preservation of that which is good in the present system.

Mr. STEVENSON. Mr. President, I wish to commend the Senator from New Mexico for recognizing that it is possible to eliminate the large contributors from politics without eliminating small contributions. Far from being a source of corruption, the small contribution is a source of involvement by people in their politics.

The purpose of the amendment is to drive the big money, but not the people, out of our politics.

I wish to ask the Senator from New Mexico if he does not agree that to eliminate the $1 or $2 or $3 contributions from campaigns might very well be unconstitutional. It is not only that, but it seems to me there is a constitutional right of people to contribute in small

amounts to the candidates of their choice. Without some basis for saying, "No, it is wrong; it is unreasonable to make small contributions."—and—I see no basis for such an assertion—it is possible it could be held to be unconstitution to take that approach.

Mr. DOMENICI. My answer is in the affirmative. I think there are serious constitutional objections to a provision which would prohibit it. I think from a legal and practical point of view, if a citizen cannot contribute, regardless of whether he wants to contribute, small or large, it is both practical and unconstitutional.

There is evidence which would justify drawing the line somewhere, I think $3,000 and $6,000. Those are a matter of proper legislative judgment on the facts that have been developed in the history of this Nation, but to say, "One cannot give; we will take it all from the tax coffers" would place this matter in serious jeopardy.

Mr. STEVENSON. I thank the Senator.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield to the distinguished senior Senator from Minnesota.

Mr. HUMPHREY. Junior now.

Mr. STEVENSON. Junior.

Mr. HUMPHREY. Mr. President, I have over the past few days been visiting from time to time with the distinguished Senator from Illinois (Mr. STEVENSON) about this amendment. Earlier today I talked with the Senator from New Mexico about it. I have been a strong proponent of what we call public financing of election campaigns, but I have been in this Body long enough to know when we are really trying to get results or whether we are just going to have an issue. I think the question before the Senate is, Do you want an issue or do you want an accomplishment? Do you want to make some progress or do you want to spin your wheels?

I would prefer to have 100-percent financing of Presidential elections particularly. While some say large contributions are a source of corruption, the fact is they are always a source of suspicion, and in the times in which we live, that sense of suspicion has been intensified.

Therefore, it is necessary for the Congress of the United States to reform the campaign election laws, to limit the size of contributions, to establish machinery that will supervise our elections fearlessly and honestly, and at the same time try to make use of our checkoff system, which we have already legislated, a checkoff fund or trust fund to which hundreds of thousands of taxpayers have already made payments, and to use that checkoff fund sensibly and honestly in the election campaign or in the campaign process.

So, Mr. President, I came to the conclusion that if you just want to talk campaign financing, then go the whole way and make Ivory soap seem to be contaminated and float right out of the stream of public life and private sensibility; but if you want to get some reform that will do the job that we need to do, namely, to limit the size of contributions, to have an accounting of every dollar that comes in as well as every dollar that is expended, to set limits on how much we can spend on a campaign per voter, and at the same time assure some private interest on the part of individuals in the campaign and election process, then we have to make some changes along the line of the amendment proposed by the Senator from Illinois and other Senators. I am very proud to be a cosponsor of the amendment.

I have talked with the Senator, as I said, a number of times, and last week indicated my desire to be associated with that amendment. I want to say great pressure has been brought on some of us not to be associated with it. Some people that are associated with what we call good government or clean government do not want me to go along with this proposal, but as I had to tell one of them, "I have to do the voting in the Chamber, and you are the very people who have told me we should not be influenced on the outside." So I am not going to be influenced. The only influence is going to come from the inside—what I know to be right. What I know to be right is what we are attempting to do here. We have to close this debate and get to voting some responsible, sensible campaign reforms that the American people want of us. We have the duty to accomplish it in this session of Congress.

Everyone knows the other body is not going to go along with some of the things we have voted for here, but I have said privately to some colleagues in this body that what we have been doing will not sell. It will not wash. It makes good headlines. It pleases people who say, "You are doing 100 percent. Perfect. You are good and pure." But it will not pass. Do we want to get results that will remedy the infection in our body politic, or do we just want to talk, talk, and talk, and have an issue to try to go out and prove that we were purer than the other fellow?

I think the proposal before us does the job that needs to be done. It will give us some results. It will permit both the sensible use of public financing on the one hand and include private small contributions on the other. If the American political process is going to be corrupted by $100 contributions, then we have already gone down the drain. It is not going to corrupt the American political process.

Further, I think we should know that public financing in other countries has not been on an individual basis. We ought to make the record quite clear on that. Public financing of campaigns in countries like Great Britain, the Federal Republic of Germany, and others, goes to political parties that are highly organized, disciplined party units under the parliamentary system. There are not many Senators who want public financing just coming to the political party. Many of us hope to run independently and hope that people from both parties will join in putting us in office.

So what we have before us, I think, is a reasonable adjustment and compromise. In this day and age anybody who says "compromise" may be condemned, but the whole system of this Government is based on intelligent compromise. That is the way we got our Constitution, and I am not going to be driven to the wall by somebody who says that if one compromises or if he trims down a little bit, somehow or other he has sold out. We are not selling out, but we are not going to permit people to buy in, either.

What we are doing is trying to do a job that needs to be done. We have been up this hill and down this hill a half a dozen times, and we have as yet very little to show for it. The chance is now before us to have something to deliver to the American people.

I would have hoped, as I said to the Senator from Illinois and to the Senator from New Mexico, that we might have had in the Presidential fund 50 percent public financing. I do not think there is anything particularly magical about 40 or 50 percent, but I would have thought it might have been a better figure. Be that as it may, the issue before the U.S. Senate is simply, Do you want to have a continuing issue on which there are no results, or do you want to have results and be able to build on that from practice and experieence? I think we have the chance now to get results and to cleanse the stables of American politics and to get away from the demeaning and disgusting business of going out and raising millions of dollars of campaign funds from huge contributions and then having somebody point the finger at you and saying, "You are a crook or can't be trusted."

I think the Senate of the United States ought to face up to the fact that, whether big money is the source of corruption, it is the source of growing suspicion, and a big country like ours cannot live on suspicion and distrust. We have to implant into the system trust and confidence, and remove distrust and cynicism.

The amendment proposed by the Senator from Illinois—and I compliment him for his practicality—will remove doubt and suspicion and cynicism and it will put us on the high road to a cleaner system of politics that will involve both private and public financing and public participation.

Mr. CRANSTON. Mr. President, will the Senator yield

Mr. HUMPHREY. I yield.

Mr. CRANSTON. I want to say that the Senator from Minnesota has stated very, very eloquently the reasons for my supporting this bill and why it should be enacted.

In relation to the pending amendment, I would like to compliment the Senator from Illinois, the Senator from New Mexico, and the Senator from Ohio for coming up with a formula that I think deals with two very important aspects of the measure now before us in ways which I think had not been handled in the most appropriate way in the measure in its present form.

First, I am very concerned about the first amendment's right to express oneself not only by what one says, but by what one does. I fear 100 percent mandatory public financing would deny that right to individuals who wish to speak out

by making contributions—hopefully small contributions—which we will be moving to under this measure.

Second, I think it is very important to reduce the overall cost of public financing so that the measure cannot be subject to attacks that it is costing too much or that it is a raid on the Treasury. I do not believe that it is either of those two things, but I do believe that this amendment, by reducing the total cost of public financing, serves a valuable purpose in that respect, as well as contributing in other respects. For these reasons I am glad to join the Senator from Illinois (Mr. STEVENSON).

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ABOUREZK. By way of information, does the existing legislation require mandatory public financing? Is there not a provision that allows for small contributions to be raised?

Mr. HUMPHREY. Yes; in the congressional.

Mr. ABOUREZK. How about the Presidential?

Mr. HUMPHREY. One hundred percent.

Mr. ABOUREZK. It is optional, as I understand it.

Mr. HUMPHREY. Yes, optional. But this is mandatory. The subject matter of the Stevenson amendment is a mandatory provision. That is the difference.

Mr. ABOUREZK. But existing legislation does not prevent small contributions from being made?

Mr. HUMPHREY. The Senator is right in this instance. But in congressional elections, it is optional.

Mr. ABOUREZK. I wonder what all the fuss is about concerning small contributions being made under existing legislation. It seems to me that this amendment is being sold on the basis that people cannot contribute small amounts, and thereby take part in the public process. If what I read is correct—I wish the Senator from Illinois were in the Chamber—25 percent for congressional elections will be publicly financed and raised, and also be raised with small contributions.

Mr. HUMPHREY. For matching, 25 percent is the immediate amount one is entitled to, and the rest is under a matching formula.

Mr. ABOUREZK. What is it in the Presidential race?

Mr. HUMPHREY. The same thing. Forty percent is immediately public financing under the formula in the bill, and the balance, as I think the Senator from Ohio would tell the Senator, up to $250,000 is matching. In other words, if one gets $250,000 in contributions, he gets $250,000 in matching.

Mr. ABOUREZK. If one is a challenger in a race against an incumbent, he does not have access to the sources of contributions that many incumbents have, such as the various committees around the country—the labor committees, and so on. He has to have a very large mailing list in order to keep up with what the incumbent has already raised. Is that a correct statement?

Mr. HUMPHREY. The formula for the primaries remains the same as it is in the bill.

Mr. ABOUREZK. But it would be very tough for a challenger to raise the money under this provision.

Mr. HUMPHREY. I do not think it would be any tougher than it is now.

Mr. ABOUREZK. It would be a great deal easier if he had a mailing list, because the limit placed on contributions is much stricter than it is now.

Mr. HUMPHREY. I appreciate that the limit is $3,000 for an individual and $6,000 for a group contribution, whether one is an incumbent or a nonincumbent. Matching funds are exactly the same. If one is a challenger in a Senate race, it is $100 matching funds to $100—up to $100—but he gets 25 percent right off the top of the table, so to speak.

Mr. ABOUREZK. But an individual could count on only $200 in a congressional race.

Mr. HUMPHREY. The Senator is correct; whether he is an incumbent or a challenger.

Mr. ABOUREZK. If he is a challenger, he would not have access to those sources of money I have referred to. He would be out of luck, so to speak. If I might just say if I might offer an observation, that this is not an incumbent's amendment. But a challenger would have a difficult time raising money to challenge an incumbent.

Mr. HUMPHREY. Not one bit more.

An incumbent has some advantages, but he also has some disadvantages. There are the yea and nay votes. There are no "maybe" votes. If he is out in the countryside, he can say, "Yes, that is a reasonable position. I am sympathetic to that position." "But I do feel you have merit in your position."

But if one is an incumbent, they say "Thank you very much but you voted 'nay' or you voted 'yea'." There is not a great deal of advantage when in riding off on a white horse with a great big spear. When one is a challenger, he can always say "maybe." Gee, I have always wished that we had a vote, not "yea," or not "nay," but "maybe." Would I not be the happiest Senator?

Mr. ALLEN. Mr. President, I should like to ask the distinguished Senator from Minnesota a question. It looks as though, with the 25-percent financing, even in congressional races, and the matching thereafter to be a maximum there would be a matching of 62.5 percent in Federal funding.

Mr. HUMPHREY. That would be the maximum only.

Mr. ALLEN. Actually, that would be the maximum only, so what the minimum would be would be a sort of bargain basement 37.5 percent discount amendment to the American taxpayer. Is that about the size of the amendment?

Mr. HUMPHREY. That is good. I might say that in this time of inflation, that is a welcome discount.

Mr. ALLEN. The Senator is giving the American taxpayer a 30-percent discount in the bill.

Mr. HUMPHREY. He gets something else. The Senator has a way of capsulizing some of these issues. We are giving the taxpayer something else. We are giving him good, clean politics. We are removing the element of doubt and suspicion.

Mr. ALLEN. Does the Senator feel that candidates would be subject to improper influences during their campaigns?

Mr. HUMPHREY. I have never believed; but I will tell the Senator that a great many folks I know do believe that. I do not happen to believe it, but I believe the Senator from Alabama makes a valid point. But I wish I could convince everybody who writes to me.

Mr. ALLEN. The Senator said that in being for this amendment he had to resist certain entreaties and demands certain pressure groups that were demanding all or nothing, I believe the Senator said. I want to commend the distinguished Senator for not being completely in the pockets of those pressure groups.

Mr. HUMPHREY. I thank the Senator.

Mr. ALLEN. Some Senators are not quite as brave as the distinguished Senator from Minnesota.

Mr. HUMPHREY. Sometimes bravery is only rewarding this body by blows, injuries, and defeats. I have suffered a little of that in my life. One more will not hurt, so long as it is not final.

Mr. ABOUREZK. Mr. President, I think I have the floor.

Mr. HUMPHREY. Mr. President, I have the floor, but I shall yield the floor so that the Senator from South Dakota may continue with his argument in support of the amendment.

Mr. DOMENICI. Mr. President, will the Senator yield for an inquiry?

Mr. DOLE. Mr. President, a parliamentary inquiry. Has any time been set to vote on this amendment?

Mr. MANSFIELD. There is no time limitation on this amendment. I assume there will be plenty of time.

Mr. DOLE. Before the vote on cloture?

Mr. MANSFIELD. Before and after the vote on cloture.

Mr. ABOUREZK. Mr. President, I yield to the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I should like to take a few moments to explore and to inquire about what the aspects are and whether the Senator from Alabama's 62.5 percent is indeed what would really happen.

First of all, there is an incentive to give some small contributions in the congressional races—$100 for small contributions. However, in congressional races one is entitled to receive contributions up to $3,000. However, of this amount, only $100 is matched, unless someone were to receive his entire campaign contributions in amounts of $100 or less. Then he would have less than 62.5 percent Federal tax dollars involved. If one went out and got $10, $15, or $20 thousand raised in small contributions of $100, only $100 of each would be credited to matching; $900 each would go in the campaign fund would be part of the total in arriving at that which he could spend. But to the extent it was in excess of $100, it would not be matching. So the idea is that 62.5 percent is the absolute

maximum. So there will be contributions in addition to the 62.5 percent.

The same reasoning applies to the Presidential campaign, $250 is matched. You can receive $3,000 contributions, but to the extent that you are successful in garnering contributions over $250 from private sources, all of that extra money is charged to your total allowable, but is not matched with Federal dollars.

I would also say to the Senator, who is wondering about incumbents and challengers, that in each of these cases the incumbent and the challenger would start with a 25-percent entitlement. The challenger today would have no certainty—I am speaking of today, without any public money—he would have no money to start his campaign, to do the things the Senator was speaking of, to get ready to go out and solicit contributions from the small contributor; but under this bill, he would start with one-fourth of that which he was entitled to, both to gear up for the campaign and to solicit large and small contributions looking toward his total amount, which is exactly the same for challenger and incumbent.

Mr. TAFT. Mr. President, will the Senator from South Dakota yield?

Mr. ABOUREZK. I yield.

Mr. TAFT. I would like to elaborate a little bit on a point made by the Senator from New Mexico. The Senator from South Dakota has expressed concern that the incumbent would automatically have access to more privaate financial support than challengers would have.

I point out that the matching factor of the $100 limitation would probably eliminate that. Any challenger who is to have a reasonable chance is going to be able to go out and get those contributions up to $100. That is the kind of contributions he can get. He might not have as much background and resources in getting larger contributions over that amount, and I think the Senator from South Dakota would be more properly concerned if we were matching gifts over $100. But with the $100 limitation or matching, it seems to me that there is not a very serious threat that any challenger with a reasonable chance of success is going to be put at practical disadvantage in relation to the incumbent insofar as that size of contribution is concerned.

Mr. ABOUREZK. Mr. President, I do not think in my State of South Dakota, for example, that there would be any difficulty for a challenger to raise the small amount necessary, but I wonder if the same is true for New York, Ohio, or any of the larger States. It seems to me that it would be extremely difficult to get that many small contributions in such States.

Mr. TAFT. We have all been challengers at times——

Mr. ABOUREZK. I was born an incumbent; I was never a challenger.

Mr. TAFT. I would think that, with the limitations introduced by the Senate, the amounts necessary for a reasonably financed campaign could be provided. In fact, that is about the kind of amount they could come up with.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. ABOUREZK. I yield to the Senator from Iowa.

Mr. CLARK. Mr. President, I rise to oppose this amendment because I think it could mean the total destruction of what we have accomplished in public financing here in the last 10 days.

An amendment such as this ought not be taken lightly. It ought to be discussed at considerable length, because it flies in the face of the Rules Committee bill and the compromise worked out there.

We have heard about the necessity to compromise. That is exactly what this bill is—it is a compromise. No one is totally happy with it. But to compromise it further and further, and above all, not even to allow the option of public financing, really destroys the intent of the Rules Committee bill.

The committee spent a great deal of time considering the need for public financing and the best method to achieve it. The result, S. 3044, is an excellent bill which represents a balanced view and a considered view. This amendment would clearly undo the Rules Committee effort.

By passing this amendment, the Senate would be reversing many of the gains that it has made over these last 10 days. We cannot now suddenly now change our minds about the alternative to total public financing—not on a few hours notice with a few minutes debate. The majority of the Members of the Senate clearly support public financing, and they have expressed that sentiment time after time.

Let us adopt cloture. Let us show the people we represent that we are committed to reforming a tired and treacherous system of private financing.

By agreeing to this amendment, we would be going back after we have accomplished so much, and saying, "We want more private money." That is particularly true in the Presidential race. Right now, the law says that the 1976 Presidential election will be totally financed by public funds. If we agree to this amendment, we will go back to a system——

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. TAFT. I would like to call to the attention of the Senator from Iowa what I think is a misunderstanding on the Senator's part.

The language of this amendment is not such that a candidate for Congress or the Presidency would be foresworn from deciding to take any public funds if he decides to do so. It just sets up a formula if he wishes to take up the public financing. If he desires, he would receive the public funds; there is no difference from the Rules Committee bill in that respect.

Mr. CLARK. No; I do not think there is no misunderstanding. The amendment would forbid any candidate from taking total public financing in any general election.

Mr. TAFT. The Senator is correct if that is his impression. I was afraid that the Senator was under the impression that there was not an alternative, because such an option does exist under the amendment.

Mr. CLARK. No; I understand that, and that a candidate, if he could raise the money on his own, could get up to 62.5 percent in the case of congressional elections or 75 percent in Presidential elections.

But the law already says that in the 1976 election there will be total public financing of the Presidential election. If we pass this amendment, we are going back and saying, "You must have private money, at least to the tune of 30 percent, in Presidential elections."

To insist on having greater private financing in elections is not a step in the right direction, especially not after what has happened in the last 18 months.

Mr. CRANSTON. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. CLARK. I yield.

Mr. CRANSTON. Mr. President, I ask unanimous consent, on behalf of the Senator from Minnesota (Mr. MONDALE), that Jim Verdier, of his staff, may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, will the Senator yield?

Mr. CLARK. I yield to the Senator from Kentucky.

Mr. COOK. My problem is the same as that of the Senator from Iowa and the Senator from South Dakota. I cannot figure out whether this amendment is fish or fowl.

I think we are debating whether we should have public financing. If so, let us vote that issue up or down, and let the country appreciate what we are doing. If Senators will pardon the use of an old country expression, this is like being a little bit pregnant; I cannot figure it out. This seems to be a method of trying to get cloture so that we could consider something like this, and after cloture is obtained, to almost emasculate the bill we have all worked on.

I have many problems about public financing, and the Senator from California says he has some problems with first amendment rights. But, Mr. President, the bill we debated, modified, adopted overwhelmingly, and sent over to the House last year took the first amendment and wrapped it around every tree and every telephone pole from precinct to precinct.

I must say that I agree wholeheartedly with the Senator from Iowa that what we are really saying now is, "Let us give ourselves some kind of mixed bag," and we are holding that mixed bag until after 4 o'clock to see what the result is. The beginning is rather frightening.

We are saying that somehow or other we are putting on a limitation, and a man can only get matching funds on $100 or less, and the President on $250 or less, after he has got so much money. All he has to say to people is, "Don't write me a check of over $250 or over $100; get all the kids and grandchildren

to write me checks for $100 each, so that we can get it matched," and the Federal Government can do it.

Several Senators addressed the Chair.

Mr. COOK. I yield to the Senator from Iowa, because we are going to quit at 3 o'clock. But I think when we take this up after the cloture vote at 4, regardless of the outcome of the cloture vote, we ought to decide whether we are going to join the Senator from Alabama (Mr. ALLEN) and say there shall not be any public financing in the United States, or say with the House of Repersentatives, "Let us try public financing and see whether it works." If it does not work, certainly Congress can change it. But let us not take some crazy amalgamation that no one of us can understand or comprehend and I doubt very seriously whether any American voter will comprehend.

I thank the Senator from Iowa.

CLOTURE

The PRESIDING OFFICER (Mr. HELMS). Under the previous order, the hour of 3 o'clock having arrived, the Senate will now proceed to debate the question on invoking cloture on S. 3044, with the time to be equally divided and controlled between the Senator from Alabama (Mr. ALLEN) and the Senator from Nevada (Mr. CANNON).

Who yields time?

Several Senators addressed the Chair.

Mr. MANSFIELD. Mr. President, I yield myself 1 minute from the time of the Senator from Nevada to ask, what is the parliamentary situation after the vote on cloture is concluded?

The PRESIDING OFFICER. It depends on the vote, but we return to the amendment of the Senator from Illinois (Mr. STEVENSON).

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of that vote, the distinguished Senator from Illinois (Mr. STEVENSON), the author of the amendment, be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Massachusetts will state it.

Mr. KENNEDY. Is it in order for me to send an amendment to the desk to the amendment of the Senator from Illinois (Mr. STEVENSON)?

The PRESIDING OFFICER. Yes; if someone will yield to the Senator.

Mr. KENNEDY. Further, Mr. President, would the amendment to the amendment of the Senator from Illinois then be the pending business?

Mr. TAFT. Mr. President, a parliamentary inquiry——

Mr. KENNEDY. I send an amendment to the desk——

Mr. TAFT. Mr. President, the hour of 3 o'clock having arrived, not calling for a vote at this time, I would suggest that the action of the Senator from Massachusetts is not in order without a unanimous-consent request being granted.

The PRESIDING OFFICER. There is no order for a vote at this time, but for 1 hour of debate on the cloture motion, to be equally divided between the Senator from Alabama (Mr. ALLEN) and the Senator from Nevada (Mr. CANNON).

The clerk will state the amendment of the Senator from Massachusetts to the amendment of the Senator from Illinois.

The legislative clerk read as follows:

In the amendment proposed by Mr. Stevenson;

Amend subsection (b)(1), proposed to be inserted on page 10, beginning with line 17, to read as follows:

"(b)(1) Every eligible candidate who is nominated by a major party is entitled to payments for use in his general election campaign in an amount equal to—

"(A) in the case of a candidate for election to the office of President, 100 percent of the amount of expenditures the candidate may make in connection with that campaign under section 504, and

"(B) in the case of a candidate for election to the office of Senator or Representative, the sum of—(i) 25 perecnt of the amount of expenditures the candidate may make in connection with that campaign under section 504, and

"(ii) the amount of contributions he and his authorized committees received for that campaign."

At the end of paragraph (6) in such subsection, insert "or (B)" before the period.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 6 minutes.

Mr. ALLEN. Mr. President, it is quite obvious that cloture should not be invoked on this bill. The very pendency of the amendment of the Senator from Illinois (Mr. STEVENSON), joined in by the distinguished Senator from Minnesota (Mr. HUMPHREY), shows clearly that there is no strong unanimity of opinion as to the bill the Senate should agree upon. For the first time, this monolithic bloc of Senators who are determined to get public financing has shown some signs of breaking up, so that the issues can be determined on their merits.

Earlier today, the Senate reduced the amount of permissible contributions in a Federal election—that is, House and Senate, Presidential nomination, or Presidential general election, by 20 percent.

Now, Mr. President, this amendment of the distinguished Senator from Illinois and the distinguished Senator from Minnesota would give a further potential 37.5-percent reduction in the Federal subsidy in congressional races, and a 30-percent potential reduction of the Federal subsidy in Presidential races.

So, Mr. President, for the first time, amendments are coming in that are being considered on their merits and not in the rush pell mell to ram this public subsidy, this taxpayers' subsidy bill, through the Senate.

Well, Mr. President, if the Senate will vote to allow this debate to continue, it may well be that we will end up with a fairly decent campaign reform measure.

The pending bill, S. 3044, is not campaign reform, that is, that aspect of it having to do with the Federal subsidy is not. Is it campaign reform merely to say that we will turn this bill for the campaigns of Members of the House and Senate and the Presidential nomination and the general election campaign over to the American taxpayers?

That is changing the system, Mr. President, but it is hardly reform.

Reform would be to cut down on the amount of the overall expenditures, to cut down on the amount of individual contributions.

Mr. President, the Senator from Alabama has been trying day by day to get the overall permissible expenses reduced. That was accomplished today. The Senator from Alabama has an amendment that he will put in—already filed at the desk—seeking to reduce the amount of individual contributions in the various races.

So, Mr. President, with the discount bill of the distinguished Senators, giving this further reduction in the amount of the Federal subsidy pending, the Senator from Alabama believes that it would be a great mistake to cut off debate when we are now having an exchange of ideas and not just voting by bloc.

One of my distinguished friends in the Senate, in voting for the amendment cutting the permissible expenditures by 20 percent, indicated that possibly that was the first time in 5 years he had voted for an amendment which had been proposed by the Senator from Alabama. But it is indicative of the fact that Senators are beginning, for the first time, to determine these amendments and these measures on their merits.

If we will fail to vote cloture—if we will vote against cloture this time—it is hoped that the distinguished majority leader will set the bill aside.

It would be the better part of wisdom, since dire predictions have been made on the floor of the Senate as to what the House will do, to wait until the House acts on S. 372, which is pending in the House now and does not provide for a single penny of Federal subsidy. The House may want to go along with that.

Why does the Senate want to change its position? It was against a Federal subsidy by a record vote in the Senate back in July when we passed S. 372.

So, let us see what action the House takes on S. 372. Let us see what action they take, if any, on public financing. But financing by the taxpayers of this Nation and paying up to $7.5 million for each candidate for the Presidential nomination of the two major parties—and that is what the bill would permit—that is not campaign reform, in the view of the Senator from Alabama.

So, Mr. President, I hope that upwards of 33, 34, or 35 Senators will vote against invoking cloture so that we can get down to debating some of the issues on their merits, which apparently Senators are more willing to do, at this time, than ever before during this debate.

Mr. President, I feel that this statement of mine may not do the amendment a great deal of good, but the amendment offered by the distinguished Senators from Illinois and Minnesota is a good amendment and moves in the right direction of eliminating Federal subsidies. It does not eliminate enough. It eliminates 37.5 percent in congres-

sional races in general elections and 30 percent in Presidential elections, which is a step in the right direction.

If we stay here a few more days and debate this issue we may eliminate public financing altogether.

Mr. President, I reserve the remainder of my time.

Mr. COOK. Mr. President, having been on the floor a good deal in the course of these debates, I would hope that the Senator from Alabama would not take offense if I said that when he says we are now voting on the merits, I think maybe in some instances we are not voting on the merits, but voting on exhaustion.

I stand here, on this side of the aisle, as a member of the Republican Party, and I hear the Senator from Alabama say that it is going to cost the taxpayers of the United States $7.5 million to help finance Presidential campaigns.

We should remind the Senator—and we have all been reminded of it very much—that we in the U.S. Senate have already appropriated almost $6 or $7 million of the taxpayers' funds to the Watergate Special Investigating Committee. The House has given itself a million dollars or more and will give itself more. I suppose the Federal court system will spend a few million dollars in impaneling grand juries and bringing in indictments. That will all be spent, and it will all be taxpayers' money, and it will be done to seek a remedy for what occurred as a result of the Committee to Reelect the President.

Some other cases have been brought up of some gentleman on the other side of the aisle who received funds in that campaign during 1972 who either failed to report them or took some other action—perhaps some paid them back or something or other.

But I have to say to the Senator from Alabama that when we speak of how much money we are going to save the taxpayer, the best analysis we have to make is the analysis of the system as we look at it today. We have seen some remarkable people in the United States, very fine businessmen, who, by reason of some degree of sweet persuasion on the part of some people in the political system, made corporate contributions. They have been fined; their corporations have been fined. Yet, we have not stopped that. Probably, in the long run we have an opportunity to save the American taxpayers much money.

As I say, I am a strange person to stand here and talk this way, because I have very serious reservations about this. But I believe that we can try it; and if it does not work, we can get rid of it. That is the legisaltive process; that is the way we function in this country.

When a few problems occurred with daylight saving time, it did not take very long for enthusiastic supporters of daylight saving time to come to the floor with support for getting rid of daylight saving time. I expect that we will do that in short fashion, and we will realize that we have made mistakes.

So I say to my colleagues that we see here an opportunity to try something different. We see an opportunity that some people in the Nation like and that some dislike. Some people are violently opposed to it.

With all due respect to the Senator from Illinois, the amendment that will be pending at 4:10 or 4:15 is another effort to mollify a proposal that I know some of the supporters do not really enthusiastically feel ought to be a part of the law; but they feel it is a way to compromise. I doubt seriously that those amendments have all the meritorious effect to which the Senator from Alabama alluded.

The Senator from Alabama just said that he was delighted, for example, that the amendment was before the Senate, because it was a way to save money and it was a way to change the basic formula of the bill, which he does not like. But I have a notion that even if the amendment by the distinguished Senator from Illinois (Mr. STEVENSON) and Senator HUMPHREY, Senator DOMENICI, Senator TAFT, Senator CRANSTON, Senator BEALL, and Senator MONDALE is adopted, the Senator from Alabama will not vote for this bill on final passage. So it is slight praise for the amendment, in all fairness.

I am going to vote to end debate, because I think we ought to get on with the legislative schedule. What really bothers me, may I say to the Senator from Alabama, is that we have already sent one bill over to the House of Representatives, and the bill is lifeless; and I am afraid that if we send this bill over, it also will be lifeless. To that extent, I think that the pressure by the people of the United States should not particularly be on us but should be on the Members of the House of Representatives to do something in regard to campaign reform.

We have talked here on many occasions about these elections, and it has been my contention that the first thing we should do and the first thing the House should do is to pass the bill we sent them to reduce the time for campaigning. If, in fact, we established our primaries in August, established our national conventions in the first week in September, we would not bore the American people totally and completely to death by campaigning for a year or two.

When we talk about how much money it costs to run for office in California and New York, I am of the opinion that if we are talking about a million dollars in a primary, there is no way that one could spend a million dollars if his campaign for the primary were 8 weeks long. It would be the last week of August, the 4 weeks of September, and the 4 weeks in October. That would be 9 weeks, basically. I do not see how tremendous sums of money could be spent. I do not see how candidates in my State, for example, could spend $900,000 or more, as they did the last time they ran, if they were campaigning for 9 weeks. It is easy to spend that much when you have a primary in May and all of a sudden you are off and running. Some States have primaries in January.

Part of reform really is to eliminate the necessity for long campaigns. We have that proposal in the House, and we cannot get anywhere with it.

I voted to end debate before. I will vote to end debate again today, because I am afraid that what ultimately will be a result of this continuation, what we will really wind up with, is an emasculation of the matter, something no candidate in the United States will be able to live with, whether incumbent or challenger. We will wind up with an abomination. If a challenger really wants to be a sound challenger, the first thing he will have to do will be to get an office full of lawyers and CPA's and have them on duty at all times. He will have to have somebody who does absolutely nothing but live with a timetable as to when and how much he has to report and to whom he has to report. All this will be mixed in at the same time with whether this is entitled to a Federal matching fund or whether this is not entitled to a Federal matching fund; whether he made his last report so that he can get his next report; so he can get his contribution based on what he has collected in the last month.

In that whole conglomeration, I think the American people will not be able to view a campaign but will be able to view candidates who are spending all their time seeing whether or not they are abiding by the law.

Therefore, I believe we ought to end debate and send some kind of bill to the House, so that the American people can have an understanding that we can bring things to a conclusion; that we do not act on exhaustion but in fact on merit; and I have a notion that exhaustion prevails at this time.

Mr. President, I yield such time to the Senator from Kansas as he may desire.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Kentucky and share his view that it is time the Senate went on to something else. When we consider that we spent a number of days on whether we should have a pay raise and have spent more than 2 weeks on whether the Treasury should finance our campaigns—both of which measures I opposed—I think that it is time we went on to something else.

I am against public financing. But I am also against spending the rest of this month on this legislation, so I intend to vote for cloture as I did previously.

Also I would suggest with reference to the timing of this bill and the proper procedure for considering legislation in the Senate that this bill is before the Senate at the wrong time. I recall the opening statement of the Senator from North Carolina (Mr. ERVIN) and the Senator from Tennessee (Mr. BAKER) on the first day of the Watergate hearings on May 17, 1973. The distinguished Senator from North Carolina said:

> Of necessity the committee's report will reflect the considered judgment of the committee on whatever new legislation is needed to help safeguard the electoral process.

The distinguished Senator from Tennessee said:

> This committee was created by the Senate to—find as many of the facts, the circumstances and the relationships as we could, to assemble those facts into a coherent and intelligible presentation and to make recommendations to the Congress for any changes in statute law or the basic charter document

of the United States that may seem indicated.

The Watergate Committee was charged with the job of advising the Senate on campaign reform legislation. The committee's report is not due until May 28, and the deadline may be extended if there are other areas to investigate. But the thrust of Senate Resolution 60, at least as the Senator from Kansas viewed it, was to delve into the election of 1972, let the chips fall where they may, and then come forward with a report and recommendations for legislation to be passed by Congress based on that report.

It seems to me that the legislation before us is premature. The amendment just offered by a group of distinguished Senators seems to indicate a lack of any strong feeling for public financing. But as much as I oppose the concept I believe it should be disposed of, because there is much more to do in this session. I believe the people in my State would like me to come home during the Easter recess and talk about something other than how much tax money the Senate has been able to get of the public Treasury for its campaign, or if we have been able to procure a pay raise, and things of that kind. They are more concerned about taxes, gasoline, inflation, and the possibility of impeachment than the financing of our campaigns.

Having said that, I shall vote to shut off debate and thereafter offer a substitute to the pending legislation. The junior Senator from Kansas believes that if we give the legislation passed in 1971 a little time, if we make full disclosure of our contributions and expenditures and strengthen other features of the present law there will be great and constructive change in the American political system.

I have great faith in Members of Congress in both parties, in their integrity, honesty, and character, and I do not believe we purify politics by placing it in the public Treasury.

Mr. COOK. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 16 minutes remaining.

Mr. COOK. Mr. President, I yield 5 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. CLARK. Mr. President, on February 1 of this year the distinguished majority leader (Mr. MANSFIELD) said:

> We shall not finally come to grips with the problem except as we are prepared to pay for the public business of elections with public funds.

Mr. President, it has been 18 months, now, since a small group of men broke into the Democratic Party's national headquarters setting in motion what has become the most serious and devastating episode of political scandal and corruption in this country's history. Since that day in June, the revelations and criminal charges have not stopped—bribery, perjury, illegal wiretapping, burglary, and a score of illegal campaign contributions.

Through the efforts of the Special Prosecutors' Office, the Senate Select Committee, Judge Sirica, and the grand juries and now the House Judiciary Committee, everyone knows just how widespread the disease has been. The evidence is not all in, of course, and the investigations and trials will continue. But the people of this country have heard enough and seen enough to expect that something be done to change the political practices that allowed this to flourish. They expect a significant change and they expect the Congress to make it, if only because the administration certainly is not going to lead the reform effort.

A few weeks ago, we listened to the President's reflections on the state of the Union. It was ironic that he would ignore one of this country's most critical problems: the public's widespread, growing distrust for public officials and Government. It is not enough to proclaim: "One year of Watergate is enough," and then to say that we should end the investigations before they are complete; and to "get on with the business of the country" is to say that trying to prevent political corruption is not the country's business. Unfortunately, it is very much a part of it.

Like political corruption, the liabilities of a political system like ours—based on private financing—are not limited to the executive branch. The impact of the private dollar on the legislative process has been pervasive, and there probably is not a single Member of the U.S. Congress who has not felt it or wished that it might be changed.

Many people across this country, feel disillusioned, frustrated, and angry. They are upset about the energy situation and the high profits of the oil companies, but they become even angrier when they learn that oil companies financed a significant part of the President's reelection campaign. As a result, people do not trust the administration—or Congress, for that matter—and they do not believe that the Federal Government can even deal with the energy emergency, the inflationary economy, and any number of problems that face the Nation today.

They strongly suspect that Government's principal interest is not their interest. And that suspicion is gradually becoming disdain and apathy. Already this country has the lowest voter participation of any country. The events of the last year have had their strongest impact upon young people, and I am terribly afraid that unless we move decisively to improve the political process, to make it more responsive, more and more young people are going to stay away from Government and public service. If they do stay, if they do decide that the political process is simuly not worth the effort, what is this country going to be like 20 years from now?

At the heart of that public distrust is a fundamental suspicion of the political process that provides for the election of public officials heavily dependent on private contributions. "You don't get something for nothing," as the saying goes, and too many people have applied to Government.

Mr. President, late in December, the Senate recognized the problems of the present system and came very close to passing a limited public financing proposal, one advanced by Senator KENNEDY and Senator HUGH SCOTT of Pennsylvania, with the support of a number of Senators who have introduced their own public financing legislation.

If the need for public financing was well-established then, it is even more so now. This is a new year, and it presents new opportunities for improving the political process that has been so crippled over the last 18 months. If we do not take advantage of the opportunity, the result may be even more tragic than the legacy of Watergate. In just a few minutes, Mr. President, the Senate will have yet another opportunity to change and improve the political process.

We have been debating S. 3044 and the concept of public financing for Presidential and congressional elections for more than a week now. A majority of the Senate supports the bill and the concept. It is time to end the debate, adopt cloture, and pass this historic legislation.

Mr. COOK. Mr. President, I yield 5 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I am extremely hopeful that the Senate will end this debate and permit the Members of this body to act on the committee bill and the amendments at the desk. A thoughtful, constructive, and imaginative proposal for clean and honest government has come from the Committee on Rules and Administration. It has the substantial support of Members on both sides of the aisle, Democrat and Republican alike, and it deserves to go forward to a final vote.

This issue has been amply debated. The fundamental issue goes back to the discussions and debates which took place here in 1966 and 1967, again in 1970 and 1971, and once again last year as an amendment to the Debt Ceiling Act.

There are no new issues to be discussed. There may be some variations in the formulas or changes in the percentages, and so forth, but there are no new issues to be further debated or discussed. The Committee on Rules and Administration acted in a responsible way in considering all the various alternatives. They provided remarkable flexibility in the construction of this legislation. Those seeking public office may take advantage of the public financing provisions, or they may reject them, rely on private financing for their campaigns.

The bill provides this flexibility. It provides an element of voluntarism for Members of the Senate or the House, and for challengers. The public will understand if candidates choose one form or the other. It does not force anyone to adopt any particular method of financing his campaign.

Above all, the bill provides a significant legislative answer that we in Congress can make to the Watergate tragedy. It has been said of our political system that it is the best system that money can buy. That is a tragic indictment of a system that has served this country well for 200 years. I think any of us who have run for public office understand the sinister forces at work in the field of campaign contributions.

So, Mr. President, I am hopeful that

the Senate will act this afternoon. As I mentioned, this issue has been debated. I think it is to the credit of the members of the Committee on Rules and Administration that there is strong support for it by Democrat and Republican alike. It is really the best opportunity we have to try to restore some degree of confidence on the part of the American people in the election system.

The proposal has been criticized on the ground that it is going to cost millions of dollars, $90 million a year and $360 million over a 4-year period. That price tag is a bargain. It is the equivalent of only one-tenth of 1 cent a gallon of gas. That is all the American public pays.

The committee bill makes sense. I believe it would be the soundest investment of taxpayers' funds that Government can make. I think we have the responsibility to act on this proposal this afternoon. The debate has really been completed. It is high time to move ahead and end the debate.

Mr. COOK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COOK. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes.

Mr. COOK. I reserve the remainder of my time.

Mr. ALLEN. Mr. President, the Senator from Kentucky, in starting his remarks a moment ago, said that the Senator from Alabama had said this measure would cost the Treasury $7.5 million in the Presidential race. Well, either the Senator has not listened to what the Senator from Alabama has said, or he is not familiar with the contents of the bill, but what the bill will do is provide up to $7.5 million for each person who seeks the Presidential nomination of either of the major parties and who is able to get a starting fund of $250,000 in contributions of $250 or less. Actually, there are some 8 or 10 potential candidates for the Presidency here in the Halls of Congress. So really, to get the figures of what the Presidential nomination contest would run, it could run up to $75 million or $100 million, because Senators can rest assured that there will be a whole lot of special interest groups espousing the candidacies of various people, because it would take just a campaign fund of $250,000 to start getting one's hand in the Public Treasury.

The Senator from Kentucky also talked about a lot of people being in court, convicted, one thing and another, in connection with Watergate, and that this bill is necessary to cure the evils of Watergate. Well, the way to do that is not to put one's hand in the public Treasury, but the way to do that is to cut down on the amount of authorized expenditures and cut down on the amount of permissible contributions. The Senator from Alabama has been trying to do that all along, but without the help of the distinguished Senator from Kentucky, who has been voting against these amendments.

The Senator from Alabama tried to get an amendment adopted that would have cut contributions down to $250 in Presidential races and $100 in House and Senate races, but with little help from those who say they are for reform. I submit it is not reform just to turn the bill for political campaigns over to the American taxpayers. What would constitute reform would be to cut down on the amount of overall contributions, to cut down drastically on the amount of individual contributions, provide for strict disclosure and reporting of all contributions and expenditures, and set up an independent election committee.

We passed such a bill and sent it over to the House last year, without the benefit of any public funds. I would feel that if we would stand firm on that theory of campaign reform, we would eventually get a bill.

I want to appeal now to the distinguished sponsors of the pending Stevenson amendment, Senators STEVENSON, HUMPHREY, DOMENICI, TAFT, CRANSTON, MONDALE, and BEALL. If these Senators expect to get the amendment that they have at the desk given any consideration with any chance of adopting it, then it would serve them in good stead to vote against applying cloture, because once cloture is agreed to, the great steamroller will bowl over this amendment, and they would end up with no amendment whatsoever. If the Senator from Illinois would vote against cloture, he would be in a commanding position to insist on the adoption of his amendment, and I submit that suggestion to the distinguished Senator from Illinois and his colleagues.

I was interested, too, Mr. President, in the remarks of the distinguished Senator from Minnesota (Mr. HUMPHREY), who talked about all this pressure from pressure groups that he was receiving by reason of being for this 37 5 percent discount amendment that he and Mr. STEVENSON have put in, because it would reduce potentially the Federal subsidy in congressional races, House and Senate, by 37.5 percent, and 30 percent in Presidential elections.

So apparenlty there are great pressure groups at work in behalf of public financing, and I think we know who those groups are. I see them in consultation with Members of the Senate from time to time. They have not consulted with the Senator from Alabama. However, there are great pressure groups involved here, as indicated by the statement of the distinguished Senator from Minnesota.

I would like to see the Stevenson-Humphrey-et al. amendment adopted, but we are not going to get it adopted if cloture is invoked. If cloture is not invoked, I think they can be sure that those who are for Federal subsidies would agree to adding the amendment. I think if the Senator is serious and is not just making a play on this amendment, but wants to get it adopted, he will vote against applying cloture, because before the debate was over, he would be able to get his amendment agreed to.

The distinguished Senator from Kansas says he is against a public subsidy bill, but is for cloture. Well, if there ever was a non sequitur uttered on the floor here, that is it, because if a person is really against public financing, he would vote against cloture, because I have a feeling that the majority leader, if we were able to defeat cloture today, would not bring it up more than one more time. So the way to defeat it, I would say to the distinguished Senator from Kansas (Mr. DOLE), would be to vote against cloture. Then we will get on to something else earlier than if cloture were invoked.

The distinguished Senator from Kansas said—and this is what I really planned to say—that the Senate had spent quite a lot of time in considering pay raises for Senators.

The Senator from Alabama voted against the pay raises for the Senate 5 years ago and also voted against a pay raise for the Senate this year. However, the strong force of public opinion is what caused the Senate to vote against that pay raise. It was a modest pay raise—something like $2,500 a year. It was the first pay raise in more than 5 years. However, the Senate, sensing the wishes and views of their constituents, voted against that pay raise and turned thumbs down on it.

If the people disapprove of a raise of $2,500 for the Senators, what will they think about the provision of the distinguished Senator from California which provides for subsidizing the Senate race in his State, subsidizing each candidate for the Senate in a general election by $2,121,000?

So if the people disapprove of a $2,500 pay raise for the Senate, the distinguished Senator from California (Mr. CRANSTON) would not be covered by that law since it was passed during the term in which he was serving office.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. CANNON. Mr. President, I think the Senator from Alabama ought to recognize that his amendment was adopted. So the figure for California would not be $2,121,000. It would be $1,697,000 for the general election, in light of the Senator's own amendment.

Mr. ALLEN. I thank the Senator. The Senator from Alabama was so surprised that his amendment was adopted that he did not charge his memory with the figures.

So the Senator from California under the amendment of the Senator from Alabama would have to struggle along with a subsidy and a check for $1,697,000 just as soon as he became a nominee. That is what he would have to struggle along with under the amendment offered by the Senator from Alabama.

If the public does not approve of a $2,500 pay raise for the Senate, what is the public going to think of subsidizing a public campaign for the Senate in the amount of $1.697 million. I do not think that they will approve of it.

So if we are going to shake together a bill—and it looks as though there is some chance of getting a better bill, because we have lopped 25 percent off the public expenses earlier, and the distinguished Senator from Illinois has an amendment that would chop off up to 37.5 percent of the Federal subsidy in congressional

races, and up to 30 percent in Presidential races—maybe if the debate is allowed to continue a few more days we might be able to get an amendment through to withdraw 100 percent of the Federal subsidy.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 2 minutes.

Mr. COOK. Mr. President, first let me say that I was aware of the $1.7 million for one candidate. In fact, I used it in terms of one candidate.

The Senator asks about the cost to the public. But what amazes me, when we talk about this, is that the public does not understand what is in the bill. It gives the public the impression that the minute one becomes a candidate they will write a check for $1,700,000, and they will write it automatically.

If the Senator reads the bill, there is quite a procedure that one has to go through. There is quite an accounting to go through. He is not immediately able to put $1,697,000 in his pocket and say, "All right. Now I am a candidate for the general election."

I must say in all fairness that we should at least equate the bill with reality. We did not work in the Rules Committee on the bill and, as a matter of fact, the Senator from Alabama worked hard along with us hard and arduously along with us. He has worked hard all along.

There is no question about how the Senator feels. And I must say that I respect him for how he does feel. I must say that we have been on the bill now for 2 weeks. And I am rather chagrinned that the Senate of the United States must spend that much time on a bill that deals with the electoral process in the United States with regard to presidential candidacies and Senate and House candidacies. However, I do know one thing.

The Senator says that we could chop at this thing, that we are getting closer to it, and that we are getting smaller contributions and trying to get the candidates to get smaller contributions.

May I remind the Senator how we tried to get away from the tremendous subsidies to the great big farms in the United States and said that there would be a limit on the amount of subsidies that a man could get. However, a man could divide up a great big farm, and instead of getting $100,000, for one big farm, he could get subsidies for a lot of little farms.

How many times have we done that in the past? Now, we say that we are trying to help the American taxpayer and see to it that no one can get over $100.

How do we resolve that problem?

Somebody told me one time that he did not have trouble about getting the money for a campaign.

Somebody told me one time that he was never able to find out how many campaign checks he had given. He would say, "How much do you want," and he went through checkbook after checkbook after checkbook writing check after check after check.

The ability to control this is the honesty of the man himself. Is the man going to be an honest candidate for public office, or is he not. That is the determination the individual makes.

Are the people that contribute to him going to be honest about the contributions they give?

I think that is a determination each individual must make for himself. I do not think it can be made in any other way. We have tried. There is over-reaction in this bill but over-reaction is better than no bill at all.

The reason that we have a bill considered in one branch and then in the other branch is so that the over-reactions can be ironed out.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ALLEN. Mr. President, has all time expired?

The PRESIDING OFFICER. The Senator from Kentucky has 2 minutes remaining.

Mr. COOK. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. If no time is yielded, time will run equally against each side.

Mr. ALLEN. Mr. President, how much time remains to me?

The PRESIDING OFFICER. The Senator from Alabama has 10 minutes remaining.

Mr. ALLEN. Mr. President, on July 30 of last year, the Senate passed by a vote of 82 to 8 S. 372. That bill provided a $3,000 limitation on contributions. It provided that no contributions in cash could exceed $50. It provided the same limitations that this bill formerly provided on the amount that could be expended; namely, 15 cents per person of voting age in the general election and 10 cents in the primary election.

During the course of the passage of that bill here in the Senate, an amendment was offered providing for public financing, and that amendment was defeated by, I believe, a vote of 52 to 40.

That bill is still pending in the House of Representatives, and before it is even acted on by the House, we have before us now S. 3044, which changes the entire thrust of the so-called campaign reform legislation. Whereas the bill that we passed last year, that is now pending in the House of Representatives, provided for financing in the private sector, the bill before us provides for public financing.

Mr. President public financing, letting the taxpayers pay the bill, requires a taxpayer to support a candidate with whose views and with whose philosophy he disagrees. Mr. President, we already have public financing in a sense. We have the checkoff. That is available for Presidential elections right now, and they say there is enough in the fund, or will be by 1976, to finance the campaigns of the major parties and of the minor parties.

Mr. President, the committee bill does not apply to Members of the House of Representatives and the Senate in the 1974 elections. It does not go into effect until the 1976 elections. So what is the hurry about the bill? Why ram it through the Senate now? Why not lay it aside and get on to other measures?

Mr. President, we have the checkoff. We have a system—and all the taxpayers, I am sure, are familiar with this, having been working on their tax returns in recent days and weeks—of credits or deductions available for campaign contributions, I believe a $12.50 credit for a single person or $25 for a couple, an absolute credit, and this bill originally provided for doubling that amount. That bill will be coming back from the House of Representatives before long. And on the matter of deductions, it provides $50 for a political contribution made by a single person or a $100 deduction for a couple.

So we already have public financing of elections, one big difference being that the taxpayer can make his contribution under those systems, either the credit or the deduction, to a candidate of his choice. But that is not provided for in the 100 percent public financing as provided by the pending bill.

Mr. President, we do not need any more public financing than we already have. I believe it would be the better part of wisdom for us to wait until the House of Representatives passes something, because we have heard time and time again that the House may not approve this measure, or may not take it, that it may get tied up over there.

What is the hurry? It does not apply until the 1976 elections. Let us see what the House does with S. 372. Let us see what the House initiates on its own, and then possibly we will be in less of a legislative jam when such a bill comes to the Senate.

Mr. President, there is no grand rush about passing this legislation. I am hopeful that cloture will not be invoked, so that we can give serious consideration to the Stevenson-Humphrey-Cranston et al. amendment, which does provide for a possible reduction of 37.5 percent in House and Senate races, a reduction in the public subsidy of up to 37.5 percent, or up to 30 percent in Presidential elections.

If we do not invoke cloture, we will have an opportunity to consider that amendment. If cloture is invoked, the amendment will be steamrollered, with no chance of passage whatsoever, and in my judgment some of the sponsors of the amendment possibly might not even vote for it when the pressures that the Senator from Minnesota was talking about are applied to them. Mark the word of the Senator from Alabama that some of the sponsors may well vote against their own amendment.

Mr. President, the fallacy of this bill is that here is a bill providing for paying for elections out of the taxpayers' pockets, and it is posing as reform legislation when in fact it is not. It is just taxpayer-financed elections, pure and simple. It is not campaign reform. It is campaign reform in that it changes the law, but it is not campaign reform, and there is quite a distinction.

Mr. President, those who have spon-

sored this raid on the taxpayers' pocketbooks have not been interested in cutting down the overall campaign expenditures, save the distinguished Senator from Nevada, who did support that amendment. They have not been interested in reducing the individual contributions, because they had opportunity after opportunity to cut down those figures, and the Senator from Alabama has another amendment pending that will be considered whether cloture is invoked or not, which would cut contributions in Presidential races from a maximum of $3,000 down to $2,500, and in House and Senate races from $3,000 down to $1,250. Perhaps that would suit the tastes of a majority of the Members of the Senate. We have tried cutting them down to $250 in Presidential races and $100 in congressional races, and that failed. We then tried——

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

Mr. CANNON. Mr. President, how much time remains?

The PRESIDING OFFICER. Two minutes.

Mr. CANNON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. If the remaining time is yielded back now, does the quorum call commence immediately?

The PRESIDING OFFICER. The quorum call is supposed to begin at the hour set.

Mr. CANNON. At the hour set?

The PRESIDING OFFICER. With 1 minute to go.

Mr. CANNON. A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. If time is yielded back, what happens in the interim of 1 minute before the hour stated?

The PRESIDING OFFICER. The rules prescribe that at the set hour, the Chair must instruct the clerk to call the roll.

Mr. CANNON. Mr. President, I hope the cloture motion will be sustained, and that cloture will be invoked. We have been on this bill for a considerable period of time. We have had a test vote on almost every conceivable issue that I can think of in connection with the matter. We certainly have had every opportunity to debate every conceivable issue in connection with this matter.

OTHER PEOPLE'S MONEY

Mr. INOUYE. Mr. President, in my more than 20 years in politics I have learned a thing or two about campaign financing. My knowledge has been acquired in several capacities—as a candidate, a fund raiser, and most recently, a member of an investigating panel looking to campaign finance practices. My knowledge leads to an inescapable conclusion—our present system of financing our elections is unfair, undemocratic and unacceptable.

As a candidate I have run for elective office seven times. By the grace of God and the good graces of the voters of Hawaii, I have been successful in each election. Because I am not a man of independent wealth, in each election I have had to rely on other people's money to finance my campaign efforts. As the chairman of the Democratic Senatorial Campaign Committee in 1970, I learned the importance of other people's money in all senatorial and congressional campaigns. And during the Watergate hearings we all learned that other people's money fueled the campaigns of the various Democratic candidates for the Presidential nomination. It provided the Committee to Re-Elect the President the wherewithal to present Richard Nixon to the American electorate in the manner he wished to be presented. CREEP also used other people's money to create a string of scandals unprecedented in American political history.

The high cost of campaigning has escalated in the last two decades at a more rapid rate than the cost of living. Today a competitive campaign for a House seat can cost each side well over $100,000, while a Senate contest can cost each campaigner a minimum of $250,000 even in a relatively small State. And as the Senate Watergate panel discovered over $100 million was spent in the Presidential campaign of 1972.

Television, radio, direct mail, telephoning, printed pamphlets, newspaper advertising, transportation, and other essential means of modern communication used to present a candidate to the voting public are very expensive. Somebody must pay these campaign bills. The trend throughout the 20th century has been toward other people's money, that is small numbers of large contributors paying these bills. The damage to our democracy that the reliance on large contributors in elections has caused is plain for all to see.

The American people have never been more alienated from their political system than they are today. A smaller percentage of our people go to the polls than in any other industrial democracy. The decline of people willing to identify themselves with either of our major parties has been striking. The majority of American men and women hold politics and politicians in low esteem. Politics is very much a dirty word in today's lexicon and the belief that all politicians are corrupt is dangerously widespread.

We politicians did not need Watergate and the Agnew tragedy to learn that something was rotten in Washington. We have been aware of that for some time, but most of us have preferred to close our eyes to the campaign financing practices which have shamed our once honorable profession and—yes, let us face it—corrupted our system.

Let us look at how the reliance on other people's money to finance our campaigns has—and by its nature must—corrupt our present political process.

Since the Tillman Act of 1907, there have been limitations on the sources of campaign contributions. The Corrupt Practices Act of 1910 first required candidates for Federal office to report on campaign income and expenditures. Yet, in every election year candidates for Federal office have avoided, circumvented, and occasionally evaded just about every State and national law that regulates the political fund-raising process. The techniques of avoidance may be complex, but they are well known. Secret conduits, spurious committees, and other forms of deceit and subterfuge come into existence to assure candidates the money needed to reach the voters. Honest men, with the best intentions, unwittingly take money from sources that are proscribed against giving it. It comes in prohibited quantities and much, if not most, of it goes unreported and even unrecorded.

A recent New York Times editorial succinctly stated the dilemma of our present system.

> Try as they may to conduct these political fund-raising activities at arm's length and to develop multiple sources of support to lessen their dependence on a single interest group, politicians of necessity are constantly enchaining themselves in dependent financial relationships and potential conflicts of interest.

Senator RUSSELL LONG put it more bluntly when he said:

> The distinction between a campaign contribution and a bribe is almost a hairline's difference. You can hardly tell one from the other.

Every elected official should understand the truth in that statement.

In a democracy, the illusion of corruption is as damaging to the fabric of freedom as actual corruption. During the Watergate hearings, I heard witness upon witness testify that donations were made to President Nixon's campaign because the contributor feared governmental reprisals or desired governmental favors. Even if these expectations were unfounded, a system which leads contributors to act in response to such expectations must also lead the public to believe that the relationship between campaign cash and governmental decisions is real.

Before my participation on the Watergate Committee, I was not fully convinced that a shift from reliance on private money to public money was the proper direction for our electoral system. I have spent many long hours reading thousands of pages of committee documents, executive session transcripts, academic treatises on this subject. I sat through days of public hearings listening to the tragic details of the campaign practices of 1972. During these past several months I have become convinced of the wisdom of the call for public financing of elections.

The Select Committee as a whole has not yet considered or expressed itself on legislative recommendations. But full Senate consideration of the Federal Election Campaign Act Amendments of 1973 and 1974 has forced each member of the committee to take a public stand on the questions of election reform. As my votes on these bills have shown, when the full committee writes its report, I will strongly recommend public financing of elections as a necessary element of any new system of campaign regulations. The facts of Watergate as I interpret them and the facts of political life in America today lead to that conclusion.

I cannot accept the argument that public financing will discourage, if not prohibit, the individual exercise of the first amendment right of freedom of

political expression. A system of matching small private contributions with public money will, in fact, encourage political expression from the millions of Americans who do not now participate. A tax checkoff system, as proposed in the legislation now before the Senate, will not force any taxpayer to contribute to campaigns. It will, however, encourage the taxpayer to choose to participate in this essential part of the political process.

Further, I do not believe that public financing creates additional advantages for incumbents. The advantages we incumbents have are already overwhelming. We have paid staffs and offices, free use of the mails, frequent access to our constituents through the news media, and entree to the campaign coffers of special-interest groups. The ability of incumbents to retain their seats indicates strongly that challengers often cannot get enough money to finance effective campaigns. Over the past 30 years incumbent Representatives have won reelection in over 90 percent of their campaigns, while incumbent Senators have over an 85-percent reelection rate. In 1972 congressional incumbents were on the average able to raise twice as much campaign money as challengers. Public financing may help to redress that balance by making access to large contributors less of a controlling factor in elections.

The argument that public financing will place an additional burden on the already heavily burdened taxayer does not sway me. The taxpayer is now paying for our system of campaign financing every time he goes to the station, the supermarket, the drugstore, and every year as he fills out his tax form. Tax loopholes were not written into our laws by accident. The special interests have not underwritten campaign costs out of any sense of charity. And each time a change of legislative language, or a preferential amendment, or a pork barrel bill or a "Christmas Tree Act" passes through the Congress, the taxpayer unknowingly and unwillingly contributes to our present system of campaign finance. Public financing will let the taxpayer know what he is paying. With that knowledge he can decide if he is getting his money's worth.

The ideal democratic electoral system is easy to envision. It should be fair, open, competitive, clean, and above board. It should build support for our political institutions and respect for the political process. But the design of laws which will make the ideal into a reality is complex, if not impossible.

Watergate has opened our eyes to the cancer that is growing on our political system. We need drastic surgery to stem that cancer. Watergate has given us the impetus and the opportunity to try a drastic cure. In 1907 President Theodore Roosevelt first called for public financing of campaigns. It is time to heed that call. We may not create a panacea, but we can begin to restore our political health.

Mr. NUNN. Mr. President, the revelations of Watergate and similar political abuses of the recent past have both shocked and angered the American people. They demand reform, and indeed, reform we must have.

In times such as these, however, history has shown that our Nation must avoid making the remedy worse than the disease. I fear that a lasting tragedy of the Watergate era could be the well intentioned but misconceived concept of public financing of Federal elections as contained in S. 3044. It would be a sad irony indeed to see a national disgrace serve as the catalyst for establishing an ill-conceived election process.

I oppose the so-called public financing provisions in the pending bill. This concept, while perhaps having a superficial appeal to some, would be unacceptable to the American taxpayer. It should be noted that public financing will not necessarily end campaign abuses. Funding is only one aspect to the campaign process. Money raised from private sources should not be necessarily suspect. Even under the public financing proposal, private funds will continue to be utilized.

Mr. President, I wish to commend the distinguished Senator from Alabama (Mr. ALLEN) for his wisdom and tenacity in opposing the public financing provisions as contained in S. 3044. His careful analysis of these provisions has been of great benefit to me and other Members in considering this legislation.

What is needed to help correct the abuses of the Watergate era is reform and strengthening of the laws that govern the procedural conduct of campaigns. What is needed is the imposition of reasonable limitations on individual contributions, and greater incentives for voters to voluntarily make such contributions. I cosponsored the amendment offered by Senators ERVIN and BAKER to provide such an incentive through a $100 tax credit on an individual return, or $200 on a joint return. Unfortunately, the Senate rejected this amendment.

The most acceptable form of financing is that which consists of funding campaigns by small voluntary individual contributions from a broad cross section of the public. This, I submit, is what Congress should be working toward. It is public financing in the true and finest sense of the term. The income tax checkoff system for financing Presidential elections is one approach to such grassroots support. Only 3.1 percent of the taxpayers submitting returns in 1972 chose to exercise this procedure. Thus, only $3.9 million was designated for election financing. However, early returns for 1973 indicate that a much higher percentage of tax returns are utilizing the checkoff. If this trend continues, the system will go far to financing Presidential elections in 1976.

Positive reform, together with strict enforcement and full public disclosure can do much to end the past abuses of fundraising through big contributors and special interests. We have not yet tried such tough regulation.

It should be noted that 1972 was the first year we required public disclosure at the Federal level. Many persons also overlook the fact that most of the campaign abuses in the 1972 election took place prior to the April 7, 1972, effective date for public disclosure.

Furthermore, many of the improprieties such as corporate contributions, were in violation of existing law.

However, last July the Senate passed S. 372 which provides strict limits on campaign expenditures and contributions, while leaving the financing of Federal elections in the private sector.

An individual could give no more than $3,000 to a congressional or Presidential candidate in an election, or more than $25,000 to all candidates and committees in 1 year.

Senate candidates would be limited to 10 cents per eligible voter up to a ceiling of $125,000 in primary elections and 15 cents and a $175,000 ceiling in the general election. House candidates would be subject to similar limitations with a ceiling of $90,000 during primary and general elections.

That measure contained other restrictions such as prohibiting cash contributions over $50 and restricting the use of the frank in mass campaign mailings.

I believe that it would be wise to wait until the House acts on S. 372 before rushing ahead with public financing. If that measure is enacted into law, it will provide meaningful reform. After we have experience under its provisions, then we might find it prudent to tighten the election laws still further. I deem it inappropriate to make such a drastic change in our electorial process as that entailed in public financing without first attempting to correct past abuses through the reasonable procedures contained in S. 372.

Mr. President, it is most enlightening to note that of the seven members of the Watergate Committee, five, including my distinguished colleague from the State of Georgia (Mr. TALMADGE) are opposed to this bill's public financing provisions. This committee has labored long and hard over many months to investigate campaign abuses and to determine how to reform our electoral process to prevent future improprieties. The Watergate report is scheduled to be filed in the near future. However, the proponents of public financing refuse to defer action until after this body has had an opportunity to study the report's recommendations. All too well do they realize that the report will not favor their view; all to glibly do they dismiss the wise counsel of the committee's majority; and all too readily do they seek to expend the taxpayer's dollars.

I want to point out that not one abuse would be prevented in the upcoming 1974 election by the pending bill since its provisions are not effective until the 1976 election.

We have all of 1974 and 1975 to draft additional campaign reform legislation if it is needed. Yet, the proponents of S. 3044 urge that we rush through this proposal. Why? Because they wish to take advantage of the emotional tide that has arisen over Watergate.

Mr. President, meaningful campaign reform should stand or fall on its own merits detached from the emotional sway of Watergate.

I oppose the unnecessary and unwise public financing provisions in this legislation.

Mr. MATHIAS. Mr. President, as we continue to debate the merits of public financing and other proposals to reform our electoral system, I think it is appropriate to note that the General Assembly of Maryland, which just this week completed its 1974 session, enacted a State election reform measure. Although different in its final version than the various individual bills that were introduced, the Maryland legislation does include the concept of public financing for general elections, in addition to a number of other features, many of them similar to the proposals we are considering here. Needless to say, there was extensive debate in the legislature, as well as general public discussion, about election reform. Full hearings were held, at which all shades of opinion were expressed. One of the most succinct statements against public financing of elections was submitted to the Judicial Proceedings Committee of the Maryland Senate by Ray Gill, a columnist for a number of Maryland weekly newspapers, and a long-time observer of government and politics in our State. I disagree with Mr. Gill on the subject of public financing of elections.

But his statement is a clear expression of a point of view that must be taken into account here, as it was in Maryland. Because it is vitally important that all sides of the issue be fully explored, I ask, Mr. President, that Mr. Gill's statement be inserted in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY RAY GILL

Common Cause and other reform organizations have made a great issue of how special interests influence the course of government by contributing to the election campaigns of candidates for public offices.

And God knows, we have seen enough evidence of abuses of the system within the past year.

The problem is that everybody has become so obsessed with the liabilities of our free political and economic system that nobody seems to remember the assets.

I am convinced that the greatest danger we face arises from the hysterical mania for reform, agitated by many well-meaning people and some whose motives are only dimly perceived.

At the congressional level and here in Annapolis, the craze to perfect the system threatens to strangle political liberty. The worst lunge in that direction would be public financing of election compaigns.

The citizen's right to contribute or not to contribute would be abolished. The cash for electoral candidates would be forcibly taken from him by taxation.

The citizen would also lose any choice in the matter of which candidates get his money. The funds would go to a pool for distribution to condidates according to some formula that would ignore the preferences of the taxpayer.

The dollars would be distributed to candidates hostile to the taxpayer's own political beliefs, as well as those he might favor.

I am convinced that would be unconstitutional and, if it is not, then it surely ought to be.

The courts of our land have repeatedly held that it is unconstitutional to prohibit the expression of any idea.

I daresay it is just as unconstitutional to compel a citizen to support candidates whose ideology is contrary to his own, but that's what would happen under this pernicious legislation.

If public financing of presidential elections ever comes to pass, for example, imagine the chagrin of a black taxpayer when he realizes that some of his tax dollars have been pumped into the campaign of George Wallace.

At the congressional level, I would surely be pained to have even one dime of my hard-earned cash going to Bella Abzug or Parren Mitchell.

And I can think of quite a few state legislators whom I would hate to support, including those who would vote for a bill such as this.

Instead of being obsessed with the scandals that have erupted lately, having been exposed and prosecuted by due process of law, I urge you to consider the cause of individual liberty.

Perhaps we all need reminding that government is the historic enemy of freedom, and its growing power in this nation is something we should not ignore.

Within the past 40 years, laws, rules, regulations, guidelines, plans and bureaucratic decisions of government have increasingly invaded every aspect of life

The economic power of government has grown to the point at which it consumes nearly 30 percent of the gross national product of the nation.

There are strong political forces that want government to assume more and more power over our lives, to tax more and spend more, to satisfy every human want and need, to plan your neighborhood, to practice sociology on your children, to regulate us all toward some concept of what society ought to be.

Thees organizations are well-organized and well-financed nationality. Their members relentlessly campaign for more and larger government programs and for candidates who will support their goals. And they are quick to denounce their opposition as "special interests."

But I would hate to think of a government in which those special interests were not represented.

I believe it is fortunate that business and labor contribute money to the election campaigns of candidates of their choice. So do countless individual citizens who perceive certain candidates to be representatives of their interests.

The economic power in elections is currently dispersed, as it ought to be, among a multitude of interests. A government elected thusly will try to balance and accommodate the interests at work in a free society.

The balance of interests checks the power of government, restrains it from committing excesses in any direction, and preserves freedom.

But public financing of election campaigns would eliminate important restraints on government and erode freedom.

I would also ask you to remember that the people are already taxed more than enough to support the galaxy of public services and attendant bureaucracies that have grown so vastly in recent times.

We might argue about the cost and necessity of some of those services, but at least the goal is service.

I wonder how you're going to convince the taxpayer that your election campaigns are public services for which he must be forced to pay.

CLOTURE MOTION

The PRESIDING OFFICER (Mr. HELMS). All time for debate having expired and the hour of 4 o'clock having arrived, the clerk will report the cloture motion.

The assistant legislative clerk read the cloture motion, as follows:

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the pending bill S. 3044, a bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

John O. Pastore.
Harrison A. Williams, Jr.
Clifford P. Case.
Abraham Ribicoff.
Thomas F. Eagleton.
Joseph R. Biden.
Alan Cranston.
Birch Bayh.
Dick Clark.
Frank Church.
Quentin N. Burdick.
James Abourezk.
Gale W. McGee.
Edmund S. Muskie.
Philip A. Hart.
Edward M. Kennedy.
Floyd K. Haskell.
Howard M. Metzenbaum.
Jacob K. Javits.
Marlow W. Cook.
Edward W. Brooke.
Ted Stevens.
Joseph M. Montoya.
Hugh Scott.
Richard S. Schweiker.
Henry M. Jackson.
Hubert H. Humphrey.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair directs that the clerk call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 126 Leg.]

Abourezk	Ervin	Metzenbaum
Aiken	Fannin	Mondale
Allen	Fulbright	Montoya
Baker	Goldwater	Moss
Bartlett	Gravel	Muskie
Bayh	Griffin	Nelson
Beall	Gurney	Nunn
Bellmon	Hansen	Packwood
Bennett	Hart	Pastore
Bentsen	Hartke	Pearson
Bible	Haskell	Pell
Biden	Hatfield	Percy
Brock	Hathaway	Proxmire
Brooke	Helms	Randolph
Buckley	Hollings	Ribicoff
Burdick	Hruska	Roth
Byrd,	Huddleston	Schweiker
Harry F., Jr.	Hughes	Scott, Hugh
Byrd, Robert C.	Humphrey	Sparkman
Cannon	Inouye	Stafford
Case	Jackson	Stennis
Chiles	Javits	Stevens
Clark	Johnston	Stevenson
Cook	Kennedy	Symington
Cotton	Magnuson	Taft
Cranston	Mansfield	Talmadge
Curtis	Mathias	Thurmond
Dole	McClellan	Tower
Domenici	McClure	Tunney
Dominick	McGovern	Weicker
Eagleton	McIntyre	Williams
Eastland	Metcalf	Young

The PRESIDING OFFICER. A quorum is present.

The question before the Senate is: Is it the sense of the Senate that debate

on S. 3044, a bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate, so that Senators who are following the count may hear all the responses?

The PRESIDING OFFICER. The Senator's suggestion is in order. The Senate will be in order. The Chair solicits the cooperation of all Senators.

The clerk will proceed.

Mr. ROBERT C. BYRD. Mr. President, we do not have the kind of order that will allow Senators to hear the responses.

The PRESIDING OFFICER. All Senators will take their seats. The clerk will not proceed until the Senators are in their seats or in the cloakroom.

The clerk will proceed.

The assistant legislative clerk called the roll.

Mr. BIBLE (when his name was called). On this vote I have a pair with the Senator from Wyoming (Mr. McGEE) and the Senator from Idaho (Mr. CHURCH). If I were permitted to vote, I would vote "nay." If they were present, they would vote "yea." I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. McGEE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG) is necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from Hawaii (Mr. FONG) would vote "nay."

The yeas and nays resulted—yeas 64, nays 30, as follows:

[No. 127 Leg.]

YEAS—64

Abourezk	Haskell	Nelson
Aiken	Hatfield	Packwood
Bayh	Hathaway	Pastore
Beall	Huddleston	Pearson
Bentsen	Hughes	Pell
Biden	Humphrey	Percy
Brooke	Inouye	Proxmire
Burdick	Jackson	Randolph
Byrd, Robert C.	Javits	Ribicoff
Cannon	Johnston	Roth
Case	Kennedy	Schweiker
Chiles	Magnuson	Scott, Hugh
Clark	Mansfield	Stafford
Cook	Mathias	Stevens
Cranston	McGovern	Stevenson
Dole	McIntyre	Symington
Domenici	Metcalf	Tunney
Eagleton	Metzenbaum	Weicker
Fulbright	Mondale	Williams
Gravel	Montoya	Young
Hart	Moss	
Hartke	Muskie	

NAYS—30

Allen	Dominick	McClellan
Baker	Eastland	McClure
Bartlett	Ervin	Nunn
Bellmon	Fannin	Sparkman
Bennett	Goldwater	Stennis
Brock	Griffin	Taft
Buckley	Gurney	Talmadge
Byrd, Harry F., Jr.	Hansen	Thurmond
Cotton	Helms	Tower
Curtis	Hollings	
	Hruska	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Bible, against.

NOT VOTING—5

Church	Long	Scott,
Fong	McGee	William L.

The PRESIDING OFFICER. On this vote there are 64 yeas and 30 nays. Two-thirds of the Senators present and voting having voted in the affirmative, the cloture motion is agreed to. [Applause.]

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate and in the galleries.

The PRESIDING OFFICER. The Senate will be in order.

ORDER OF BUSINESS

Mr. HUGH SCOTT. Mr. President, I rise to ask the distinguished majority leader if he will give us the schedule for the remainder of the day and perhaps he can give us the prognosis from now until the scheduled Easter hiatus.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. Mr. President, I am very happy to respond to the distinguished Republican leader, and state that we will go as long today as there are amendments available.

ORDER FOR ADJOURNMENT UNTIL 10 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MANSFIELD. Mr. President, it is anticipated that the tornado disaster relief bill, which I understand was reported by the Committee on Public Works, will be taken up tomorrow after the conclusion of the pending business. There will be one or two other items which will be relatively noncontroversial. It is expected that the Senate, in line with the House action, will recess at the end of business Thursday rather than at the end of business Friday, as in the original schedule.

Mr. HUGH SCOTT. I understand a couple of the energy bills are on the way out or are out of committee. If so, I assume they will be brought up as soon as possible after the Easter recess.

Mr. MANSFIELD. After the no-fault insurance bill, which will be the next major item of business, has been disposed of—and it will be very controversial and debate well may be extended—generally speaking, that bill will be followed by the education bill, which likewise will be subject to extended debate.

Mr. HUGH SCOTT. We all hope that debate on the no-fault insurance bill will leave each of us with no fault personally.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. MAGNUSON. Does the majority leader suggest that we lay down the no-fault bill before we quit?

Mr. MANSFIELD. Yes, and that it be the pending business.

Mr. MAGNUSON. And that it be the pending business when we return. Obviously, we could not have votes on it between now and Thursday.

Mr. MANSFIELD. That is correct; and may I say, following the suggestions made by the distinguished Senator from Washington, who is the chairman of the Committee on Commerce and who will be the manager of the bill.

Mr. MAGNUSON. And that would mean that after the recess, no-fualt would be the pending order of business?

Mr. MANSFIELD. Yes.

Mr. MAGNUSON. It might be superseded by two or three matters, but it would be the pending order of business.

Mr. MANSFIELD. Yes; and as far as the military authorization bill is concerned, that will not be taken up until sometime after the recess.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued withe the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. The Chair inquiries as to who yields time.

Mr. STEVENSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEVENSON. What is the pending business?

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from Massachusetts to the amendment of the Senator from Illinois.

Mr. KENNEDY obtained the floor.

The PRESIDING OFFICER. The Senate will be in order. The Senate will be in order. The Senator cannot be heard.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as I understand the parliamentary situation, I do have an amendment at the desk.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. Mr. President, I would like to withdraw that amendment

and reintroduce another amendment which is at the desk and which has some technical changes in it to conform more accurately with the legislation before us.

The PRESIDING OFFICER. The amendment will be withdrawn. The clerk will read the amendment now proposed.

The assistant legislative clerk proceeded to read Mr. KENNEDY's amendment to Mr. STEVENSON's amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. DOMINICK. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, what was the objection to?

The PRESIDING OFFICER. The Senator from Massachusetts requested unanimous consent that reading of the amendment be dispensed with. Objection was heard.

The clerk will read the amendment.

The assistant legislative clerk read the amendment to the amendment, as follows:

Strike the language proposed by Mr. STEVENSON by striking out subsection (b) (1) (A) (1) proposed to be inserted on page 10, beginning with line 17, and insert in lieu thereof the following:

"(b) (1) Every eligible candidate who is nominated by a major party is entitled to payments for use in his general election campaign in an amount equal to—

"(A) in the case of a candidate for election to the office of President, 100 percent of the amount of expenditures the candidate may make in connection with that campaign under section 504, and

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President. I will say, for the benefit of Members of the Senate, that this was an amendment which was introduced by myself, the minority leader (Mr. HUGH SCOTT), and Senators HART, SCHWEIKER, MATHIAS of California, and JAVITS. I do not intend to take very much time, but as a point of information for the membership, this amendment is to——

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order.

The Senator may proceed.

Mr. KENNEDY. This amendment would modify the Stevenson amendment to restore the provision in the bill reported out of the Committee on Rules and Administration for 100 percent public financing of general elections for the office of the President. The Stevenson amendment would cut this back to 40 percent public financing. This is an issue which has been debated and discussed since 1966. On many occasions over the past 8 years, the membership has voted on whether we want full public financing of Presidential elections. It is part of present law, the dollar checkoff we created in 1971. The Stevenson amendment would weaken the existing law and change significantly the bill which is before the Senate dealing with Presidential elections.

The issue on the Stevenson amendment is an issue which we have voted on before. We rejected the concept of partial public financing a week ago, and it was also defeated as an amendment that was proposed last fall.

The purpose and the thrust of my amendment is to preserve the features of existing law and the committee bill as they relate to Presidential elections. If this amendment is accepted to the Stevenson amendment, and if the Stevenson amendment is later accepted as amended, the Senate would preserve the provisions of current law which deal with the public funding of Presidential elections.

Financing of Presidential elections has really not been one of the principal issues debated or discussed on the committee bill. There has been general agreement in the Senate that the current is adequate. It is one of the most essential parts of the whole campaign reform proposal, and I would hope that my amendment, which has the strong bipartisan support of many of those who have been working in this area, will be accepted. Certainly, we should not retreat from existing law.

I reserve the remainder of my time.

Mr. STEVENSON. Mr. President, the subject of this amendment has been fully debated, and I certainly do not intend to prolong the debate. This amendment raises a question which I think can be simply put. It is simply, why pay more when, for less, we can do a better job?

Whatever the formula, Presidential candidates are going to opt for public financing. This amendment would drive out every last nickel and dime of private money for those Presidential campaigns in which the candidate has opted for public financing. No individual could contribute any money to the candidate of his choice. He could not contribute $5. He could not contribute $500.

Many people feel seriously about their politics——

Mr. KENNEDY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator will suspend until the Senate is in order. Staff members are solicited to cooperate.

The Senator may proceed.

Mr. STEVENSON. They feel very seriously about their election campaigns and feel seriously about their politics. They want to help. They want to be a part of their Government. They want to help candidates of their choice. They want to do so by giving small contributions. The Kennedy amendment says, "No." It says whether one wants to contribute $5 or $10, he cannot do it. It says by implication that the citizen might corrupt a candidate for the Presidency of the United States with a $5 or $10 contribution.

Mr. KENNEDY. Mr. President, will the Senator yield on my time?

Mr. STEVENSON. I yield.

Mr. KENNEDY. There is nothing in this amendment that would prohibit any individual who wanted to spend money on behalf of a candidate from taking out an advertisement or buying time on television or radio or sponsoring a program that would permit people to watch a candidate. He would be able to spend up to $1,000 for such purposes, regardless of the candidate's own spending limit.

My amendment does not eliminate this provision. What it does do is make full public financing available to a candidate. But an individual would be able to spend up to $1,000 of his own money on behalf of a candidate, independent of the candidate's own limit. That provision is preserved, and I think wisely so.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield.

Mr. ABOUREZK. Did the Senator from Illinois say in his remarks that the bill as it is now written would remove every last nickel of private financing?

Mr. STEVENSON. In the case of every candidate who accepted the public funds made available by the bill, there could be no more private contributions.

As the Senator from Massachusetts has pointed out, a person acting independently of a candidate could spend up to $1,000 of his own money to express his views, he could not contribute $5 to a candidate of his own choice.

Mr. ABOUREZK. But the Presidential candidate could raise private financing for a candidate.

Mr. STEVENSON. That is true. The purpose of public financing is to prevent big, essentially corrupting contributions, not $5 contributions. It is the small contributions which are innocent, and that is a healthy form of political participation.

The amendment I have offered, unamended by the Senator from Massachusetts, would accomplish both objectives. It would eliminate from our politics the large contributions and would preserve the innocent, small contributions. It would decrease the cost to the Treasury of financing campaigns for the Presidency.

If the amendment offered by the Senator from Massachusetts had been in effect in 1972, President Nixon and the Committee to Re-Elect the President would have received $16 million from the U.S. Treasury. There is no necessity for that. It is offensive to the American public. It could be offensive to the Constitution.

Large contributions could be eliminated and small contributions preserved without the amendment of the Senator from Masaschusetts.

Mr. KENNEDY. Mr. President, the genius of the committee bill we are considering this afternoon is its complete flexibility. A candidate is not required to accept any public financing. If he wants to raise his funds from small, private contributions, he can do that. We do not have to change the existing legislation to accomplish the goal of the Senator from Illinois.

Many of the things that the Senator from Illinois advocates in terms of preserving small contributions are true. If an individual wants to go out and raise the money by $5 contributions, nothing in the committee bill would prevent that. But there is also nothing in it that would require him to raise private funds, if he preferred to finance his campaign from public funds.

Let me also point out that under the

Senator's amendment, a candidate could still accept large contributions of $3,000 or $6,000. How many candidates relying on private funds will seek out the $250 donor for matching grants, when they can get funds at $6,000 a clip from an individual or a special interest group?

So, on the one hand, the Senator is putting a limit on what can be provided through public financing. On the other hand, he is not requiring a candidate to raise the money by small contributions.

It would still be possible for him to finance his campaign in $3,000 or $6,000 contributions. That is a large loophole. The lower we set the limit on public funds, the higher we make the incentive to rely on unduly large private contributions.

The bill before the Senate has been thought out in a responsible way. It seeks to provide flexibility for a candidate who wants partial public financing. He can say that he will take some public funds or all public funds, or no public funds. He has that flexibility. If he wants to raise his funds in small contributions, he can do that under the committee bill.

So I hope that at least the provision in current law which deals with Presidential elections will be retained and that we would not weaken it in the way suggested by the pending amendment.

Mr. President, I am ready for a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts to the amendment of the Senator from Illinois. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Iowa (Mr. HUGHES), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 46, nays 45, as follows:

[No. 128 Leg.]

YEAS—46

Abourezk	Hartke	Packwood
Bayh	Haskell	Pastore
Bentsen	Huddleston	Pearson
Bible	Inouye	Pell
Biden	Jackson	Percy
Brooke	Javits	Proxmire
Burdick	Johnston	Randolph
Cannon	Kennedy	Ribicoff
Case	Magnuson	Schweiker
Chiles	Mathias	Scott, Hugh
Clark	McIntyre	Stafford
Cook	Metcalf	Symington
Eagleton	Montoya	Tunney
Fulbright	Moss	Williams
Gravel	Muskie	
Hart	Nelson	

NAYS—45

Aiken	Beall	Buckley
Allen	Bellmon	Byrd, Harry F., Jr.
Baker	Bennett	Byrd, Robert C.
Bartlett	Brock	
Cotton	Hathaway	Sparkman
Cranston	Helms	Stennis
Curtis	Hollings	Stevens
Dole	Hruska	Stevenson
Domenici	Humphrey	Taft
Dominick	Mansfield	Talmadge
Eastland	McClellan	Thurmond
Ervin	McClure	Tower
Fannin	McGovern	Weicker
Gurney	Mondale	Young
Hansen	Nunn	
Hatfield	Roth	

NOT VOTING—9

Church	Hughes	Scott, William L.
Fong	Long	
Goldwater	McGee	
Griffin	Metzenbaum	

So Mr. KENNEDY'S amendment was agreed to.

Mr. KENNEDY. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois (Mr. STEVENSON), as amended.

Mr. KENNEDY. Mr. President, on behalf of Senators HUGH SCOTT, HART, SCHWEIKER, MATHIAS, and JAVITS, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HASKELL). The amendment will be stated.

The legislative clerk read as follows:

In the matter proposed to be inserted on page 10, strike out proposed subsection (b) (1) (A) (ii) and (b) (1) (B) and insert in lieu thereof the following:

"(B) in the case of a candidate for election to the office of Senator or Repsesentatve, the sum of ——

"(i) 50 percent of the amount of expenditures the candidate may make in connection with that campaign under section 504, and

"(ii) the amount of contribution he and his authorized committees received for that campaign."

At the end of paragraph (6) proposed on page 3, strike out "(1) (A)" and insert "(1) (A) or (B)".

Mr. KENNEDY. Mr. President, I yield myself such time as I may need.

The committee bill provides for full public financing for congressional elections. There is a feeling, and rightly so, that what is sauce for the goose is sauce for the gander. If we have full public financing for Presidential elections, as we already do, then we should have full public financing of congressional elections as well.

There has been extensive debate on public financing for congressional elections, both during the past few days as well as last fall, when a similar proposal was before the Senate.

Instead of full public funding for congressional elections, the Stevenson amendment allows only a 25-percent front end subsidy, plus matching grants of public funds for the remainder of a candidate's spending limit. If matching grants are fully used by a candidate, he would receive matching public funds equal to half of the remaining 75 percent of his expenses, or 37.5 percent. Thus, his total public funds would equal the initial 25 percent plus the matching 37.5 percent, or a total of 62.5 percent public funds.

My amendment would raise the initial front end subsidy to 50 percent, and allow matching for the remainder. Thus, my amendment put a substantial limit on public funds. It is a significant retreat compared to the committee, but it is offered in a spirit of compromise to try to reach a middle ground with the Senator from Illinois and others who prefer a mixed system of public funds and matching grants in general elections.

The amendment we are offering would allow a candidate to obtain 75 percent public financing for his campaign—50 percent from the front end subsidy, and 25 percent through matching.

Now, that may not sound very different from the amendment of the Senator from Illinois—75 percent versus 62.5 percent—but there is an important additional point. Those amounts of public funds will be reached, only by candidates who raise all their private money in contributions of $100 or less. Far more likely, many candidates will choose to go to the big contributors for private money, where funds can be raised at $6,000 a clip. So we may wind up with a situation where a candidate under the Stevenson amendment raises only 25 percent public funds, and gets all the rest from wealthy contributors or special interest groups. My amendment would at least raise this level to 50 percent, and that is an important difference.

This is a reasonable adjustment and compromise in this area. The sponsors are reluctant to make this adjustment, but we also recognize that this approach is likely to be more acceptable to the House.

Our amendment is offered as a reasonable compromise to those who believe we should put a limitation on what is available in public funds.

I would hope that the amendment would be accepted by the Senate.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 3 minutes.

Mr. JAVITS. Mr. President, as a Senator who is very likely to be a candidate this year, I support and, indeed, I am one of the cosponsors of Senator KENNEDY'S amendment, which I think is a fair compromise between the kind of informal vote of those who will support us financially, and Government financing. I was hostile to Government financing for years, as I saw many dangers in it. But in all the problems of legislation, we always have to trade off. We have to accept something we do not agree with in order to get the greater good.

The seamy record we have seen under the general heading of raising campaign funds, with all the very, very shocking immorality which it has engendered, I believe should have convinced us that the public financing route is the right one. I realize that we do not want to go at it all at once but, at the same time, to be practical about it, we have got to

give the candidate the opportunity to use public financing effectively and not put him in the position where it does not amount to using it effectively and being able to rely on it.

The virtue of the Kennedy amendment is that it is realistic. The 50-percent figure entitles a candidate to go with it and rely on it, whereas the 25-percent figure is too little and does not give the public financing concept a fair trial.

For all those reasons, Mr. President, I hope very much that the Senate will approve the amendment.

Mr. DOLE. Mr. President, I understood, during the debate we began here several weeks ago, that we were not going to be corrupted by accepting private funds. The prevailing view then was that we could not be trusted with private funds, that we, somehow, might be corrupted.

But now we are saying that if we accept 50 percent private and 50 percent public funds, there will be no problem.

I agree with the distinguished Senator from Alabama (Mr. ALLEN), even though I voted for cloture, that here we are either going to be financed publicly, or we should be financed privately 100 percent.

I do not know what merit there is in saying on the one hand that we are all subject to being corrupted because we accept private funds but, somehow that is all cured if half of it comes from the Public Treasury and half of it comes from someone else.

For the life of me, I cannot understand how this amendment makes anything better. It indicates that what we really want is public money. Fifty percent of public money will be all right if we can only get 50 percent out of the Public Treasury, that we are not concerned about being corrupted any more, that we are not concerned about where the contributions come from. We say, take 50 percent but do not take it all. I cannot understand that if we want to purify our political system we want to let the Federal Government pay for the campaigns.

Well, I hope it never happens. But, if we are going to purify our political system, let us go on as we have been going. Most of the men and women in this country in public office are men and women of integrity. They are not corrupted by private donations. With the law passed in 1971, there will be full disclosure of our contributions and expenditures.

I see no reason for this amendment, or any modification of it, or for any more discussion of the pending bill.

It seems to me that the American people would like us to give a little attention to their problems. We wasted 7 days trying to raise our own pay. Now we waste 3 weeks trying to get back into the public Treasury. We have not concerned ourselves with the American people for 30 days—and we are going to take a recess come this Thursday.

Mr. STEVENSON. Mr. President, there is very little difference between this amendment and the amendment I have proposed. It is a question of degree. The amendment offered by the Senator from Massachusetts would increase the maximum public share to 75 percent, while the amendment which I offered has a 62.5-percent maximum. If candidates can raise 100 percent of their funds privately—as they now do—they should be able to raise 37.5 percent from small contributions.

The amendment which I offered with the Senator from Ohio and the Senator from New Mexico and others would simply increase the degree of participation by citizens in the political process and decrease the burden on the public Treasury.

Mr. KENNEDY. Mr. President, the point remains that under the existing legislation, if an individual candidate finds the public financing sufficiently repugnant, he can go out and say, when he announces for public office, "I am not going to accept anything more than a dollar or more than $5" and run his campaign that way. Nothing requires him to take the public financing.

What we have done with this proposal is to say, with respect to those who feel that some limitation ought to be provided, that we set a 50-percent ceiling on the initial subsidy, and then allow matching up to the amount he is able to spend. I think that is a reasonable compromise.

I remind the Members of the Senate that this bill is going to go through many changes in the House and in the conference. The action by the Senate is going to be the high water mark in terms of the position Congress will take in this area. So I hope that when the bill goes to conference, our conferees will be given the strongest possible position to defend. I am hopeful that we will have a strong bill.

Under the limitation that has been suggested by the Senator from Illinois, you can get only 25 percent front end funding. True, you will be able to match up to 62 percent, if you raise private money in contributions of $100 or less. But you can also go out and raise the rest of your money in $5,000 campaign contributions. There is no requirement in the Stevenson amendment that you get it from the $100 contributor. The 25 percent front end money will become a drop on the bucket, the shadow of reform without the substances. After getting the front end money, you can take $6,000 contributing from special interest committees. You can take $3,000 contributions from wealthy individuals.

How much reform is that? A Senator or Congressman will represent the people 25 percent of the time, and the special interest groups the other 75 percent.

I think we are already achieving what the Senator from Illinois wants to achieve under the committee bill. There is no need for an arbitrary limitation as suggested by his amendment. I know that a number of Members feel strongly about it, however, and I think the 50-percent compromise we have offered is a constructive alternative.

Mr. STEVENSON. Mr President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. STEVENSON. A candidate, in both cases, has the option of taking private financing, as opposed to public financing. The only difference is whether it is going to be 62 percent from public sources or 75 percent.

Mr. KENNEDY. That is true only if matching public funds are fully used. If they are not used at all, the difference is 50 percent versus 25 percent. I say to the Senator that I have offered an amendment which I think is a compromise between the committee bill and the position which has been proposed by the Senator from Illinois.

Let me point out that if the Senator from Ilinois or any other Member of Congress or any challenger wants to say, "I am going to run my campaign on $1 contributions or $5 contributions," he can do so. Yet, the Senator says that this is the goal of the Senator from Illinois. Also, if he says, "I will take 25 percent public and raise the rest on $5 campaign contributions," he can do that at the present time, under the committee bill.

The Senator is putting an arbitrary and a mandatory limitation on how much can be used in public funds. Under the goal of the Senator from Illinois, a candidate can say, "I want to take 25 percent public financing, and then I am going to take every bit of money I can get in $1 contributions." He would be able to do that under the Cannon proposal. Why does he want to make that mandatory for all candidates? Why does he want to drive candidates back into the arms of his contrbiutors?

It seems to me that the alternatives in the committee bill achieve the thrust of the Stevenson amendment. The proposal I have offered as a substitute conforms the Stevenson amendment more closely to the committee bill. It does not do it completely, but it does recognize that there are Members who want to put some limitation on public funds. I think it is a constructive middle ground between the Stevenson amendment and the committee bill.

Mr. HUMPHREY. Mr. President, so that we might simplify it, the real argument here is over one thing, and that is whether or not it will be 25 percent maximum that you can get from the public Treasury or 50 percent. There is nothing under the Kennedy amendment that would preclude somebody from taking 25 percent as the maximum amount of the public contribution, but it does leave what I say is a good deal of ambivalence as to what is going to happen. I think there ought to be standard rules.

Candidates ought to run on the basic issues of public policy. What you are going to find is that you are going to have your campaign on whether or not you are the dollar man or the public finance man, or whether or not you take 25 percent from the public Treasury or 50 percent from the public Treasury. In the meantime, the public will have no one talking about inflation or health or education. It will all be on whether or not you can be bought for 25 percent or 50 percent or not bought. All of that is just painting ourselves into a corner.

The real truth is that the problem of private financing is no accusation of corruption, which has been said here. Just

because somebody contributes does not prove you are corrupt. But it does lend itself to suspicion, doubt, and skepticism. It is my judgment that we ought to try to remove as much of that doubt as possible. We do that by putting severe limitations on the amount of a contribution. Anyone who can be bought for $3, ought to get out of here and not stand up and call himself a man or herself a woman—at least, at prices these days. [Laughter]

Mr. President, if anybody thinks that a $6,000 group contribution from a national committee or the labor movement or a Senate committee or the doctors, or whoever else it is, is something that will buy you, you ought to be ashamed even at the thought. I do not think that simply because somebody gets a contribution for $3,000 maximum, that proves ipso facto that you ought to spend several years in Sing Sing. We are just fooling around telling the public that is what happens.

What we have here on matching with Federal funds is that if one gets $100 in private money, he can get $100 matched. That is what is in this formula of either the proposal by the Senator from Massachusetts or the Senator from Illinois. The only argument is whether or not one ought to have 50-percent frontline financing. In other words, when one declares his candidacy, he walks over and says, "Give me 50 percent of everything I am entitled to under the formula in the bill." Or he can say, "I don't think I'll take 50 percent, because I hear that my opponent is going to take 50 percent. I'll take 45 percent. That makes me a 5-percent better guy than the other fellow."

The advantage of the Stevenson amendment is that it is 25 percent.

I hope that we will stop kicking the gong around, because that is what is bothering me. I joined in the Stevenson amendment for one reason. I want a bill, and I think we can get a good bill. I believe we ought to approach public financing.

I had very serious doubts about any limitations upon the Presidential campaigns. I felt that was one office where we might have full public financing, and I voted accordingly, except when I came here to try to find out how we can get a bill. The American people have a right to expect results of us and not just an issue—going around here trying to prove some of us are more pure than Ivory soap. There is not a saint in this audience; there has not been before and there will not be one. We have our fallibilities and our weaknesses. We are trying to find an antibiotic to do something about the political infection that has gripped this country. I happen to think Dr. Stevenson has a pretty good pill, a pretty good antibiotic. Now, we have other prescriptions coming to us. Either would suffice and I grant that. The difference is the amount in the public Treasury.

I do think the issue before the Senate is: Do we want performance or do we want rhetoric; do we want an issue or do we want a bill? I think I want a bill. I think it is time for the Congress of the United States to tell the American people we are capable of legislating something around here that will be passed, signed, and become law.

Mr. DOLE. Mr. President, I agree with the Senator from Minnesota. I think he has put his finger on the matter precisely when he said the important thing is disclosure and a limitation on contributions. We can have both without public financing.

The Senator from Minnesota underscored another point. Every Senator will be trotting around saying, "I did not take as much as he did from the Public Treasury. I raised my money." As I stated there will be T-shirts that will have printed on them, "Your tax dollar at work," and on the back there will be printed, "Total public financing."

I offered an amendment yesterday that should have been agreed to and that was that on every bumper sticker, emery board, political advertisement, there would be printed, "Paid for with public funds." We are always happy to say, "Printed at private expense" when we send out a newsletter. If we are going to take it out of the Treasury, why not take all of it out, and why just half? I am waiting for the Watergate Committee to make its recommendations. Those recommendations are due on May 28, and we are trying to find a way to get into the Treasury before the report. I recall what the Senator from North Carolina (Mr. ERVIN) and the Senator from Tennessee (Mr. BAKER) said when those hearings commenced last May.

One thing that both Senators underscored was the fact that legislative recommendations would be forthcoming. But we are too impatient. I do not believe we would lose much time waiting for the recommendations of that committee. They have heard hundreds of witnesses. They may have many good suggestions. But I think we should decide whether we want to be 100 percent Federal candidates, 50 percent, or 62½ percent, or disclose our contributions and limit expenditures, and let our campaigns be financed as they have been in the past.

Mr. STEVENSON. Mr. President, all I am trying to say in this amendment is that we must do something with respect to big contributions and corrupt contributions, but let us not pay a higher price than necessary.

I am a candidate for reelection in Illinois. Under my proposal I could, if my amendment were in effect, receive up to $550,000 from the U.S. Treasury. Under the Kennedy proposal I could receive up to $675,000. It is a difference of degree. I would not feel very good about accepting any money from the Treasury, but that is the price that has to be paid to get rid of the big contributions.

We do not have to go this high to get rid of the big contributions; certainly, we would not in Illinois. Mr. President, you would not have to pay that high a price at the risk of driving out a healthy form of political participation.

The issue is narrow in the case of this amendment. The issue was wider in the earlier amendment. It is a question of degree. The question has been debated. I think under the Kennedy amendment we would be paying more than is necessary. With all the resentment abroad in this country toward politics and politicians, far from eliminating suspicions and fears, we will increase them if we spend any more than necessary to eliminate the corrupting influence in our politics.

Mr. STEVENS. Mr. President, I have been impressed with the bipartisanship that has come out of the committee and with the way the Senator from Nevada has handled the bill. I have just arrived in the Chamber. Can the chairman of the committee tell us his point of view concerning the Kennedy amendment and the Stevenson amendment and what they would do to the bill that the committee brought to the floor?

Mr. CANNON. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, first, I am sure the distinguished Senator from Illinois inadvertently used the figures as to what he would be entitled to, but he overlooked the fact that the Senator from Alabama had an earlier amendment adopted that reduces the earlier figure, so the Senator from Illinois may want to reduce his figure.

Mr. STEVENSON. I was assuming an expenditure unit of 12 cents per person of voting age.

Mr. CANNON. Mr. President, basically this boils down to the question of whether you desire or do not want private financing involved. I long felt we should go the private financing route. It was only recently that I changed my initial view after seeing the Watergate situation. I thought S. 372 with the amendment in the 1971 act would have been restrictive had they been complied with and we would not have found ourselves in this situation if the House had acted on S. 372.

We were faced with the problem of reporting a bill on the public financing issue. This we did attempt to do. We did leave the matching provision in the primary and if private financing is paid then this system is a little bit bad, because we permitted it in the primary races.

But on the other hand we have been accused of writing provisions here that make this an incumbent's bill. Frankly, I believe the amendment of the distinguished Senator from Massachusetts (Mr. KENNEDY) in this instance, if we are to go some other route, is more to the advantage of a challenger than an incumbent because a challenger is relatively unknown, and certainly less known than the incumbent, and in a primary he can go in and say, "I am entitled to up to 50 percent of the authorized limit," which would give him a leg up on the opportunity to start his campaign. Certainly, if a person can raise $1 they will get a matching dollar under the Kennedy amendment and the Stevenson amendment. So I think it is more or less an individual view as to whether one thinks the person who wins in the primary should be able to go and say, "I would like to get 25 percent," or on the other hand, "I would like to get 50 percent." If he is going to get 50 percent,

it favors the challenger rather than an incumbent.

My personal view, I think, is that I have a vote for the Kennedy amendment, although the committee has not taken a formal position on this situation.

Mr. KENNEDY. Mr. President, back in 1971, well before Watergate, we enacted 100 percent public financing for Presidential elections.

Then we had Watergate, and now we are being asked to move backward. We have enacted 100 percent public financing for the Executive, and now we are going to enact only 25 percent for Members of the House and the Senate. That is the effect of what the Stevenson amendment will do. How can we accept such a timid reform for Congress, when we already have such a strong reform for the Executive?

What my proposal would do would be to make it 50 percent for the Senate and House. I think we have a responsibility, now that we have taken a position on how we are going to handle national elections, to apply the same system as nearly as we can to Members of the Senate and the House. With the amendment I have offered, it would provide only 50 percent. That is a very significant step back from the committee bill. But I think it is a sound compromise and one which I hope will be accepted.

If we are going to go the route of compromise, I would hope we would be willing to go halfway as far as we have gone for the Presidency. One quarter of the way is too little.

Mr. STEVENS. Mr. President, I would like to ask the Senator from Massachusetts what the substitute does with regard to financing congressional campaigns in the primary. I have not seen the amendment.

Mr. KENNEDY. It has absolutely no effect whatsoever.

Mr. STEVENS. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts (Mr. KENNEDY) to the amendment of the Senator from Illinois (Mr. STEVENSON), as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Wyoming (Mr. MCGEE), and the Senator from Alaska (Mr. GRAVEL) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 43, nays 46, as follows:

[No. 129 Leg.]

YEAS—43

Abourezk	Hathaway	Nelson
Bayh	Huddleston	Pastore
Bentsen	Humphrey	Pell
Bible	Inouye	Percy
Biden	Jackson	Proxmire
Brooke	Javits	Ribicoff
Burdick	Kennedy	Schweiker
Cannon	Magnuson	Scott, Hugh
Case	Mathias	Stafford
Clark	McIntyre	Stevens
Cranston	Metcalf	Symington
Eagleton	Mondale	Tunney
Hart	Montoya	Williams
Hartke	Moss	
Haskell	Muskie	

NAYS—46

Aiken	Dole	McGovern
Allen	Domenici	Nunn
Baker	Dominick	Packwood
Bartlett	Eastland	Pearson
Beall	Ervin	Randolph
Bellmon	Fannin	Roth
Bennett	Gurney	Sparkman
Brock	Hansen	Stennis
Buckley	Hatfield	Stevenson
Byrd, Harry F., Jr.	Helms	Taft
	Hollings	Talmadge
Byrd, Robert C.	Hruska	Thurmond
Chiles	Johnston	Tower
Cook	Mansfield	Weicker
Cotton	McClellan	Young
Curtis	McClure	

NOT VOTING—11

Church	Gravel	McGee
Fong	Griffin	Metzenbaum
Fulbright	Hughes	Scott, William L.
Goldwater	Long	

So Mr. KENNEDY's amendment to Mr. STEVENSON's amendment, as amended, was rejected.

Mr. CANNON. Mr. President, I wish to point out briefly to the Senate what we have done. Then I shall move to lay the Stevenson amendment on the table.

The first Kennedy amendment amended the Stevenson amendment so that it went back to exactly the way the provision exists in the bill at present.

The second Kennedy amendment, which was just defeated, is a matter of quibbling over 25 or 50 percent, but would change the bill in that respect with respect to general elections.

In addition, the Stevenson amendment has in it, on the last page, page 4, subparagraph (2), a provision which would again change action that the Senate took the other day by a vote of 46 to 42. This would change the language back to what it was prior to that vote.

With that explanation, I think we have discussed the whole issue completely.

Mr. President, I move to lay the Stevenson amendment on the table, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada (Mr. CANNON) to lay on the table the amendment of the Senator from Illinois (Mr. STEVENSON) as amended by the amendment of the Senator from Massachusetts (Mr. KENNEDY). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Utah (Mr. BENNETT) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 66, nays 23, as follows:

[No. 130 Leg.]

YEAS—66

Abourezk	Fannin	Moss
Aiken	Gravel	Nelson
Baker	Gurney	Nunn
Bartlett	Hansen	Pastore
Bayh	Hart	Pearson
Bellmon	Hartke	Pell
Bentsen	Haskell	Percy
Bible	Hatfield	Proxmire
Biden	Hathaway	Randolph
Brock	Helms	Ribicoff
Brooke	Hruska	Schweiker
Buckley	Huddleston	Scott, Hugh
Burdick	Jackson	Stafford
Cannon	Javits	Stennis
Case	Johnston	Stevens
Clark	Kennedy	Symington
Cook	Magnuson	Talmadge
Cotton	Mathias	Thurmond
Curtis	McGovern	Tower
Dole	McIntyre	Tunney
Dominick	Metcalf	Williams
Eagleton	Montoya	Young

NAYS—23

Allen	Eastland	Mondale
Beall	Ervin	Muskie
Byrd, Harry F., Jr.	Hollings	Packwood
	Humphrey	Roth
Byrd, Robert C.	Inouye	Sparkman
Chiles	Mansfield	Stevenson
Cranston	McClellan	Taft
Domenici	McClure	Weicker

NOT VOTING—11

Bennett	Goldwater	McGee
Church	Griffin	Metzenbaum
Fong	Hughes	Scott, William L.
Fulbright	Long	

So the motion to lay on the table was agreed to.

CORRECTION OF A VOTE

Mr. MCINTYRE. Mr. President, on April 3, 1974, I was present and voted "yea" on the amendment offered by the senior Senator from Colorado (Mr. DOMINICK). The RECORD indicates that I was necessarily absent and not voting. I therefore ask unanimous consent that the RECORD be corrected to reflect my presence and vote.

The PRESIDING OFFICER (Mr. BURDICK). Without objection, the correction will be made.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1127

Mr. DOLE. Mr. President, I call up my amendment No. 1127 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

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TITLE I—CHANGES IN COMMUNICATIONS ACT OF 1934

CAMPAIGN COMMUNICATIONS

SEC. 101. (a) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by inserting after "public office" in the first sentence thereof the following: ", other than Federal elective office (including the office of Vice President)".

(b) Section 315(b) of such Act (47 U.S.C. 315(b)) is amended by striking out "by any person" and inserting "by or on behalf of any person".

(c) Section 315(d) of such Act (47 U.S.C. 315(d)) is amended to read as follows:

"(d) If a State by law imposes a limitation upon the amount which a legally qualified candidate for nomination for election, or for election, to public office (other than Federal elective office) within that State may spend in connection with his campaign for such nomination or his campaign for election, then no station licensee may make any charge for the use of such station by or on behalf of such candidate unless such candidate (or a person specifically authorized in writing by him to do so) certifies to such licensee in writing that the payment of such charge will not violate that limitation.".

(d) Section 317 of such Act (47 U.S.C. 317), is amended by—

(1) striking out in paragraph (1) of subsection (a) "person: *Provided*, That" and inserting in lieu thereof the following: "person. If such matter is a political advertisement soliciting funds for a candidate or a political committee, there shall be announced at the time of such broadcast a statement that a copy of reports filed by that person with the Federal Election Commission is available from the Federal Election Commission, Washington, D.C., and the licensee shall not make any charge for any part of the costs of making the announcement. The term"; and

(2) by redesignating subsection (e) as (f), and by inserting after subsection (d) the following new subsection:

"(e) Each station licensee shall maintain a record of any political advertisement broadcast, together with the identification of the person who caused it to be broadcast, for a period of two years. The record shall be available for public inspection at reasonable hours.".

TITLE II—CRIMES RELATING TO ELECTIONS AND POLITICAL ACTIVITIES

CHANGES IN DEFINITIONS

SEC. 201. (a) Paragraph (a) of section 591 of title 18, United States Code, is amended by—

(1) inserting "or" before "(4)"; and

(2) striking out "and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States".

(b) Such section 591 is amended by striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committee' means—

"(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State central committee of a political party; and

"(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610;".

(c) Such section 591 is amended by—

(1) inserting in paragraph (c)(1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(2) striking out in such paragraph "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee, or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office"; and

(3) striking out subparagraph (2) of paragraph (e), and amending subparagraph (3) of such paragraph to read as follows:

"(2) funds received by a political committee which are transferred to that committee from another political committee;";

(4) redesignating subparagraphs (4) and (5) of paragraph (e) as paragraphs (3) and (4), respectively;

(d) Such section 591 is mended by striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure' means—

"(1) a purchase, payment, distribution, loan (except a loan of money by a National or State bank made in accordance with the applicable banking laws and regulations, and in the ordinary course of business), advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of Presidential and Vice-Presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office; and

"(2) the transfer of funds by a political committee to another political committee; but

"(3) does not include the value of service rendered by individuals who volunteer to work without compensation on behalf of a candidate;".

(e) Such section 591 is amended by striking out "and" at the end of paragraph (g), striking out the "States." in paragraph (h) and inserting in lieu thereof "States;", and by adding at the end thereof the following new paragraphs:

"(i) 'political party' means any association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of that association, committee, or organization; and

"(j) 'national committee' means the organization which, by virtue of the bylaws of the political party, is responsible for the day-to-day operation of that political party at the national level as determined by the Federal Election Commission under section 301(k) of the Federal Election Campaign Act of 1971.".

EXPENDITURE OF PERSONAL AND FAMILY FUNDS FOR FEDERAL CAMPAIGNS

SEC. 202. (a)(1) Subsection (a)(1) of section 608 of title 18, United States Code, is amended to read as follows:

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaigns for nomination for election, and for election, to Federal office in excess, in the aggregate during any calendar year, of—

"(A) $50,000, in the case of a candidate for the office of President or Vice President;

"(B) $35,000, in the case of a candidate for the office of Senator; or

"(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.".

(2) Subsection (a) of such section is amended by adding at the end thereof the following new paragraphs:

"(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

"(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid."

(b) Subsection (c) of such section is amended by striking out "$1,000" and inserting in lieu thereof "$25,000", and by striking out "one year" and inserting in lieu thereof "five years".

(c)(1) The caption of such section 608 is amended by adding at the end thereof the following: "out of candidates' personal and family funds".

(2) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 608 and inserting in lieu thereof the following:

"608. Limitations on contributions and expenditures out of candidates' personal and family funds.".

(d) Notwithstanding the provisions of section 608 of title 18, United States Code, it shall not be unlawful for any individual who, as of the date of enactment of this Act, has outstanding any debt or obligation incurred on his behalf by any political committee in connection with his campaigns prior to January 1, 1973, for nomination for election, and for election, to Federal office, to satisfy or discharge any such debt or obligation out of his own personal funds or the personal funds of his immediate family (as such term is defined in such section 608).

CONTRIBUTION TO COMMITTEES

SEC. 203. Chapter 29 of title 18, United States Code, is amended by inserting after section 608 the following new section:

"§ 609. Identification of donee

"No political committee, other than an authorized committee, may accept contributions from individual contributors unless such contributors designate in writing the name of the candidate or authorized committee to which the contribution shall be given.".

PROHIBITION OF CONTRIBUTIONS AND EXPENDITURES BY FOREIGN INDIVIDUALS

SEC. 204. Section 613 of title 18, United States Code, is amended—

(a) by adding to the section caption the following: "or drawn on foreign banks";

(b) by inserting immediately before "Whoever" at the beginning of the first paragraph the following: "(a)"; and

(c) by adding at the end thereof the following new subsection:

"(b) No person may make a contribution in the form of a written instrument drawn on a foreign bank. Violation of the provisions of this subsection is punishable by a fine not to exceed $5,000, imprisonment not to exceed five years, or both."

LIMITATIONS ON POLITICAL CONTRIBUTIONS; EMBEZZLEMENT OR CONVERSION OF CAMPAIGN FUNDS

SEC. 205. (a) Chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 614. Limitations on contributions

"(a) During any calendar year—

"(1) no person may make a contribution to, or for the benefit of, a candidate for that candidate's campaign for nomination for election, or election, which, when added to the sum of all other contributions made by that person for that campaign, exceeds $3,000, or

"(2) no candidate may knowingly accept a contribution for his campaign from any person which, when added to the sum of all other contributions received from that person for that campaign, exceeded $3,000.

"(b) No candidate may knowingly accept a contribution for his campaign—

"(A) from any person who—

"(i) is not a citizen of the United States, and

"(ii) is not lawfully admitted for permanent residence, as defined in section 101(a)(20) of the Immigration and Nationality Act; or

"(B) which is made in violation of section 613 of this title.

"(c) No officer or employee of a political committee or of a political party may knowingly accept any contribution made for the benefit or use of a candidate which that candidate could not accept under subsection (a) or (b).

"(d)(1) For purposes of the limitations contained in this section all contributions made by any person directly or indirectly to or for the benefit of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

"(2) Contributions made to, or for the benefit of, a candidate nominated by a political party for election to the office of Vice President shall be considered, for purposes of this section, to be made to, or for the benefit of, a candidate nominated by that party for election to the office of President.

"(e)(1) No individual may make a contribution during any calendar year which, when added to the sum of all other contributions made by that individual during that year, exceeds $25,000.

"(f) Violation of the provisions of this section is punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both.

"§ 615. Form of contributions

"No person may make a contribution to, or for the benefit of, any candidate or political committee in excess, in the aggregate during any calendar year, of $50 unless such contribution is made by a written instrument identifying the person making the contribution. Violation of the provisions of this section is punishable by a fine of not to exceed $1,000, imprisonment for not to exceed one year, or both.

"§ 616. Embezzlement or conversion of political contributions

"(a) No candidate, officer, employee, or agent of a political committee, or person acting on behalf of any candidate or political committee, shall embezzle, knowingly convert to his own use or the use of another, or deposit in any place or in any manner except as authorized by law, any contributions or campaign funds entrusted to him or under his possession, custody, or control, or use any campaign funds to pay or defray the costs of attorney fees for the defense of any person or persons charged with the commission of a crime; or receive, conceal, or retain the same with intent to convert it to his personal use or gain, knowing it to have been embezzled or converted.

"(b) Violation of the provisions of this section is punishable by a fine of not more than $25,000, imprisonment for not more than ten years, or both; but if the value of such property does not exceed the sum of $100, the fine shall not exceed $1,000 and the imprisonment shall not exceed one year. Notwithstanding the provisions of this section, any surplus or unexpended campaign funds may be contributed to a National or State political party for political purposes, or to educational or charitable organizations, or may be preserved for use in future campaigns for elective office, or for any other lawful purpose.

"§ 617. Voting fraud.

"(a) No person shall in a Federal election—

"(1) cast, or attempt to cast, a ballot in the name of another person,

"(2) cast, or attempt to cast, a ballot if he is not qualified to vote,

"(3) forge or alter a ballot,

"(4) miscount votes,

"(5) tamper with a voting machine, or

"(6) commit any act (or fail to do anything required of him by law), with the intent of causing an inaccurate count of lawfully cast votes in any election.

"(b) A violation of the provisions of subsection (a) is punishable by a fine of not to exceed $100,000, imprisonment for not more than ten years, or both.

"§ 618. Prohibited campaign practices

"Whoever, knowingly, with intent to mislead voters in any primary, special, or general election or disrupt the campaign of a candidate for any political office—

"(1) conveys or causes to be conveyed false instructions to a campaign worker;

"(2) places false advertisements in communications media, as defined in section 102 of the Campaign Communications Reform Act (Public Law 92-225, 86 Stat. 3);

"(3) impedes or substructs the entry of any person lawfully entitled to attend a campaign gathering or event;

"(4) utters any false oral or written statement concerning any material fact about a candidate; or

"(5) orders goods or services on behalf of a candidate;

shall be fined not more than $10,000 or imprisoned not more than ten years, or both.".

(b) Section 591 of title 18, United States Code, is amended by striking out "and 611" and inserting in lieu thereof "611, 613, 614, 615, 616, 617, and 618.".

(c) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 613 and inserting in lieu thereof the following new items:

"613. Contributions by agents of foreign principals or drawn on foreign banks.
"614. Limitation on contributions.
"615. Form of contributions.
"616. Embezzlement or conversion of political contributions.
"617. Voting fraud.
"618. Prohibited campaign practices.".

TITLE III—CHANGES IN FEDERAL ELECTION CAMPAIGN ACT OF 1971

CHANGES IN DEFINITIONS FOR REPORTING AND DISCLOSURE

SEC. 301. (a) Section 301 of the Federal Election Campaign Act of 1971 (relating to definitions) is amended by—

(1) striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" in paragraph (a), and by inserting "and" before "(4)" in such paragraph;

(2) striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committee' means—

"(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State central committee of a political party; and

"(3) any committee, association, or orga-

nization engaged in the administration of a separate segregated fund described in section 610 of title 18, United States Code;";

(3) inserting in paragraph (e)(1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(4) striking out in paragraph (e)(1) "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee (other than a payment made or an obligation incurred by a corporation or labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, does not constitute a contribution by that corporation or labor organization), or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office";

(5) striking out subparagraph (2) or paragraph (e), and amending subparagraph (3) of such paragraph to read as follows:

"(3) funds received by a political committee which are transferred to that committee from another political committee;";

(6) redesignating subparagraphs (4) and (5) of paragraph (e) as paragraphs (3) and (4), respectively;

(7) striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure'—

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of Presidential and Vice-Presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office; and

"(2) means the transfer of funds by a political committee to another political committee; but

"(3) does not include the value of services rendered by individuals who volunteer to work without compensation on behalf of a candidate."

(8) striking "and" at the end of paragraph (h);

(9) striking the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(10) adding at the end thereof the following new paragraphs:

"(j) 'identification' means—

"(1) in the case of an individual, his full name and the full address of his principal place of residence; and

"(2) in the case of any other person, the full name and address of that person;

"(k) 'national committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the national level, as determined by the Commission; and

"(l) 'political party' means an association, committee, or organization which nominates a candidate for election to any Federal office, whose name appears on the election ballot as the candidate of that association, committee, or organization.".

(b)(1) Section 302(b) of such Act (relating to reports of contributions in excess of $10) is amended by striking ", the name and address (occupation and principal place of business, if any)" and inserting "of the contribution and the identification".

(2) Section 302(c) of such Act (relating to detailed accounts) is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (2) and (4) and inserting in each such paragraph "identification".

(3) Section 302(c) of such Act is further amended by striking the semicolon at the end of paragraph (2) and inserting "and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any);".

REGISTRATION OF CANDIDATES AND POLITICAL COMMITTEES

SEC. 302. (a) Section 303 of the Federal Election Campaign Act of 1971 (relating to registration of political committees; statements) is amended by redesignating subsections (a) through (d) as (b) through (e), respectively, and by inserting after "SEC. 303." the following new subsection (a):

"(a) Each candidate shall, within ten days after the date on which he has qualified under State law as a candidate, or on which he, or any person authorized by him to do so, has received a contribution or made an expenditure in connection with his campaign or for the purpose of preparing to undertake his campaign, file with the Commission a registration statement in such form as the Commission may prescribe. The statement shall include—

"(1) the identification of the candidate, and any individual, political committee, or other person he has authorized to receive contributions or make expenditures on his behalf in connection with his campaign;

"(2) the identification of his campaign depositories, together with the title and number of each account at each such depository which is to be used in connection with his campaign; any safety deposit box to be used in connection therewith, and the identification of each individual authorized by him to make any expenditure or withdrawal from such account or box; and

"(3) such additional relevant information as the Commission may require.".

(b) The first sentence of subsection (b) of such section (as redesignated by subsection (a) of this section) is amended to read as follows: "The treasurer of each political committee shall file with the Commission a statement of organization within ten days after the date on which the committee is organized.".

(c) The second sentence of such subsection (b) is amended by striking out "this Act" and inserting in lieu thereof the following: "The Federal Election Campaign Act Amendments of 1974".

(d) Subsection (c) of such section (as redesignated by subsection (a) of this section) is amended by—

(1) inserting "be in such form as the Commission shall prescribe, and shall" after "The statement of organization shall";

(2) striking out paragraph (3) and inserting in lieu thereof the following:

"(3) the geographic area or political jurisdiction within which the committee will operate, and a general description of the committee's authority and activities;"; and

(3) striking out paragraph (9) and inserting in lieu thereof the following:

"(9) the name and address of the campaign depositories used by that committee, together with the title and number of each account and safety deposit box used by that committee at each depository, and the identification of each individual authorized to make withdrawals or payments out of such account or box;".

(e) The caption of such section 303 is amended by inserting "CANDIDATES AND" after "REGISTRATION OF".

CHANGES IN REPORTING REQUIREMENTS

SEC. 303. (a) Section 304 of the Federal Election Campaign Act of 1971 (relating to reports by political committees and candidates) is amended by—

(1) inserting "(1)" after "(a)" in subsection (a);

(2) striking out "for election" each place it appears in the first sentence of subsection (a) and inserting in lieu in each such place "for nomination for election, or for election,";

(3) striking out the second sentence of subsection (a) and inserting in lieu thereof the following: "Such reports shall be filed on the tenth day of April, July, and October of each year, on the tenth day preceding an election, and on the last day of January of each year. Notwithstanding the preceding sentence, the reports required by that sentence to be filed during April, July, and October by or relating to a candidate during a year in which no Federal election is held in which he is a candidate, may be filed on the twentieth day of each month.";

(4) striking out everything after "filing" in the third sentence of subsection (a) and inserting in lieu thereof a period and the following: "If the person making any anonymous contribution is subsequently identified, the identification of the contributor shall be reported to the Commission within the reporting period within which he is identified."; and

(5) adding at the end of subsection (a) the following new paragraph:

"(2) Upon a request made by Presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates (other than January 31) set forth in paragraph (1), and require instead that such candidates or political committees file reports not less frequently than monthly. The Commission may not require a Presidential candidate or a political committee operating in more than one State to file more than eleven reports (not counting any report to be filed on January 31) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, that candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

(b)(1) Section 304(b) of such Act (relating to reports by political committees and candidates) is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (9) and (10) and inserting in lieu thereof in each such paragraph "identification".

(2) Subsection (b)(5) of such section 304 is amended by striking out "lender and endorsers" and inserting in lieu thereof "lender, endorsers, and guarantors".

(c) Subsection (b)(12) of such section is amended by inserting before the semicolon the following: ", together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefor".

(d) Subsection (b) of such section is amended by—

(1) striking the "and" at the end of paragraph (12); and

(2) redesignating paragraph (13), as (14), and by inserting after paragraph (12) the following new paragraph:

"(13) such information as the Commission may require for the disclosure of the nature, amount, source, and designated re-

cipient of any earmarked, encumbered, or restricted contribution or other special fund; and".

(e) The first sentence of subsection (c) of such section is amended to read as follows: "The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, and during such additional periods of time as the Commission may require.".

(f) Such section 304 is amended by adding at the end thereof the following new subsections:

"(d) This section does not require a Member of Congress to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him before the first day of January of the year preceding the year in which his term of office expires if those services were furnished to him by the Senate Recording Studio, the House Recording Studio, or by any individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

"(e) Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by this section. Statements required by this subsection shall be filed on the dates on which reports by political committees are filed but need not be cumulative.".

(g) The caption of such section 304 is amended to read as follows:

"REPORTS".

CAMPAIGN ADVERTISEMENTS

SEC. 304. Section 305 of the Federal Election Campaign Act of 1971 (relating to reports by others than political committees) is amended to read as follows:

"REQUIREMENTS RELATING TO CAMPAIGN ADVERTISING

"SEC. 305. (a) No person shall cause any political advertisement to be published unless he furnishes to the publisher of the advertisement his identification in writing, together with the identification of any person authorizing him to cause such publication.

"(b) Any published political advertisement shall contain a statement, in such form as the Commission may prescribe, of the identification of the person authorizing the publication of that advertisement.

"(c) Any published who publishes any political advertisement shall maintain such records as the Commission may prescribe for a period of two years after the date of publication setting forth such advertisement and any material relating to identification furnished to him in connection therewith, and shall permit the public to inspect and copy those records at reasonable hours.

"(d) To the extent that any person sells space in any newspaper or magazine to a candidate or his agent for Federal office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, the charges made for the use of such space in connection with his campaign shall not exceed the charges made for comparable use of such space for other purposes.

"(e) Any political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"'A copy of our report filed with the Federal Election Commission is available for purchase from the Federal Election Commission, Washington, D.C.'

"(f) As used in this section, the term—

"(1) 'political advertisement' means any matter advocating the election or defeat of any candidate but does not include any bona fide news story (including interviews, commentaries, or other words prepared for and published by any newspaper, magazine, or other periodical publication the publication of which work is not paid for by any candidate, political committee, or agent thereof); and

"(2) 'published' means publication in a newspaper, magazine, or other periodical publication, distribution of printed leaflets, pamphlets, or other documents, or display through the use of any outdoor advertising facility, and such other use of printed media as the Commission shall prescribe.".

WAIVER OF REPORTING REQUIREMENTS

SEC. 305. Section 306(c) of the Federal Election Campaign Act of 1971 (relating to formal requirements respecting reports and statements) is amended to read as follows:

"(c) The Commission may, by published regulation of general applicability, relieve—

"(1) any category of candidates of the obligation to comply personally with the requirements of subsections (a) through (e) of section 304, if it determines that such action will not have any adverse effect on the purposes of this title, and

"(2) any category of political committees of the obligation to comply with such section if such committees—

"(A) primarily support persons seeking State or local office, and

"(B) do not operate in more than one State or do not operate on a statewide basis.".

CONTRIBUTIONS IN THE NAME OF ANOTHER PERSON

SEC. 306. Section 310 of the Federal Election Campaign Act of 1971 (relating to prohibition of contributions in name of another) is redesignated as section 315 of such Act and amended by inserting after "another person", the first time it appears, the following: "or knowingly permit his name to be used to effect such a contribution".

ROLE OF POLITICAL PARTY ORGANIZATION IN PRESIDENTIAL CAMPAIGNS; USE OF EXCESS CAMPAIGN FUNDS; PENALTIES

SEC. 307. Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 311 and by adding at the end of such title the following new sections:

"APPROVAL OF PRESIDENTIAL CAMPAIGN EXPENDITURES BY NATIONAL COMMITTEE

"SEC. 316. (a) No expenditure in excess of $1,000 shall be made by or on behalf of any candidate who has received the nomination of his party for President or Vice President unless such expenditure has been specifically approved by the chairman or treasurer of that political party's national committee or the designated representative of that national committee in the State where the funds are to be expended.

"(b) Each national committee approving expenditures under subsection (a) shall register under section 303 as a political committee and report each expenditure it approves as if it had made that expenditure, together with the identification of the person seeking approval and making the expenditure.

"(c) No political party shall have more than one national committee.

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"SEC. 317. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his campaign expenses (after the application of section 507(b)(1) of this Act), and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by that candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, or may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954. To the extent any such contribution, amount contributed, or expenditure thereof is not otherwise required to be disclosed under the provisions of this title, such contribution, amount contributed, or expenditure shall be fully disclosed in accordance with regulations promulgated by the Commission. The Commission is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

"PENALTY FOR VIOLATIONS

"SEC. 318. (a) Violation of any provision of this title is a misdemeanor punishable by a fine of not more than $10,000, imprisonment for not more than one year, or both.

"(b) Violation of any provision of this title with knowledge or reason to know that the action committed or omitted is a violation of this title is punishable by a fine of not more than $10,000, imprisonment for not more than five years, or both.".

APPLICABLE STATE LAWS

SEC. 308. Section 403 of the Federal Election Campaign Act of 1971 is amended to read as follows:

"EFFECT ON STATE LAW

"SEC. 403. The provisions of this Act, and of regulations promulgated under this Act, preempt any provision of State law with respect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301(c)).".

TITLE IV—FEDERAL ELECTION COMMISSION

ESTABLISHMENT OF FEDERAL ELECTION COMMISSION; CENTRAL CAMPAIGN COMMITTEES; CAMPAIGN DEPOSITORIES

SEC. 401. (a) Title III of the Federal Election Campaign Act of 1971 (relating to disclosure of Federal campaign funds) is amended by redesignating section 308 as section 312, and by inserting after section 307 the following new sections:

"FEDERAL ELECTION COMMISSION

"SEC. 308. (a)(1) There is established, as an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission.

"(2) The Commission shall be composed of the Comptroller General, who shall serve without the right to vote, and seven members who shall be appointed by the President by and with the advice and consent of the Senate. Of the seven members—

"(A) two shall be chosen from among individuals recommended by the President pro tempore of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(B) two shall be chosen from among individuals recommended by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House.

The two members appointed under subparagraph (A) shall not be affiliated with the same political party; nor shall the two members appointed under subparagraph (B). Of the members not appointed under such subparagraphs, not more than two shall be affiliated with the same political party.

"(3) Members of the Commission, other than the Comptroller General, shall serve for terms of seven years, except that, of the members first appointed—

"(A) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending on the April thirtieth first occurring more than six months after the date on which he is appointed;

"(B) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending one year after the April thirtieth on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending two years thereafter;

"(D) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending six years thereafter.

"(E) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending four years thereafter;

"(F) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending five years thereafter; and

"(G) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending six years thereafter.

"(4) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be reappointed to the Commission only once.

"(5) An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the office of member of the Commission shall be filled in the manner in which that office was originally filled.

"(6) The Commisson shall elect a Chairman and a Vice Chairman from among its members for a term of two years. The Chairman and the Vice Chairman shall not be affiliated with the same political party. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

"(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission. Four members of the Commission shall constitute a quorum.

"(c) The Commission shall have an official seal which shall be judicially noticed.

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

"(e) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers in any State.

"(f) The Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The General Counsel shall be the chief legal officer of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission. However, the Commission shall not delegate the making of regulations regarding elections to the Executive Director.

"(g) The Chairman of the Commission shall appoint and fix the compensation of such personnel as are necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code.

"(h) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(i) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General may make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"(j) The provisions of section 7324 of title 5, United States Code, shall apply to members of the Commission notwithstanding the provisions of subsection (d)(3) of such section.

"(k)(1) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation requested by the Congress or by any Member of Congress to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"POWERS OF COMMISSION

"SEC. 309. (a) The Commission has the power—

"(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

"(2) to administer oaths;

"(3) to require by subpena, signed by the Chairman or the Vice Chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

"(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(6) to initiate (through civil proceedings for injunctive relief and through presentations to Federal grand juries), prosecute, defend, or appeal any civil or criminal action in the name of the Commission for the purpose of enforcing the provisons of this Act and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code, through its General Counsel;

"(7) to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (3), to any officer or employee of the Commission; and

"(8) to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this Act, and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code. Any violation of any such provision shall be prosecuted by the Attorney General or Department of Justice personnel only after consultation with, and with the consent of, the Commission.

"(e)(1) Any person who violates any provision of this Act or of section 602, 608, 610, 611, 612, 613, 614, 615, 616, or 617 of title 18, United States Code, may be assessed a civil penalty by the Commission under paragraph (2) of this subsection of not more than $10,000 for each such violation. Each occurrence of a violation of this Act and each day of noncompliance with a disclosure requirement of this title or an order of the Commission issued under this section shall constitute a separate offense. In determining the amount of the penalty the Commission shall consider the person's history of previous violations, the appropriateness of such penalty to the financial resources of the person charged, the gravity of the violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation.

"(2) A civil penalty shall be assessed by the Commission by order only after the person charged with a violation has been given an opportunity for a hearing and the Commission has determined, by decision incorporating its findings of fact therein, that a violation did occur, and the amount of the penalty. Any hearing under this section shall be of record and shall be held in accordance with chapter 5 of title 5, United States Code.

"(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Commission shall file a petition for enforcement of its order assessing the penalty in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall forthwith be sent by registered or certified mail to the respondent and his attorney of record, and thereupon the Commission shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and decision of the Commission or it may remand the proceedings to the Commission for such further action as it may direct. The court may determine de novo all issues of law but the Commission's findings of fact, if supported by substantial evidence, shall be conclusive.

"(f) Upon application made by any individual holding Federal office, any candidate, or any political committee, the Commission, through its General Counsel, shall provide within a reasonable period of time an advisory opinion, with respect to any specific transaction or activity inquired of, as to whether such transaction or activity would constitute a violation of any provision of this Act or of any provision of title 18, United States Code, over which the Commission has primary jurisdiction under subsection (d).

"CENTRAL CAMPAIGN COMMITTEES

"SEC. 310. (a) Each candidate shall designate one political committee as his central campaign committee. A candidate for nomination for election, or for election, to the office of President, may also designate one political committee in each State in which he is a candidate as his State campaign committee for that State. The designation shall be made in writing, and a copy of the designation, together with such information as the Commission may require, shall be furnished

to the Commission upon the designation of any such committee.

"(b) No political committee may be designated as the central campaign committee of more than one candidate. The central campaign committee, and each State campaign committee, designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee and the State campaign committee of the candidate nominated by that party for election to the office of Vice President.

"(c)(1) Any political committee authorized by a candidate to accept contributions or make expenditures in connection with his campaign for nomination for election, or for election, which is not a central campaign committee or a State campaign committee, shall furnish each report required of it under section 304 (other than reports required under section 311(b)) to that candidate's central campaign committee at the time it would, but for this subsection be required to furnish that report to the Commission. Any report properly furnished to a central campaign committee under this subsection shall be, for purposes of this title, held and considered to have been furnished to the Commission at the time at which it was furnished to such central campaign committee.

"(2) The Commission may, by regulation, require any political committee receiving contributions or making expenditures in a State on behalf of a candidate who, under subsection (a), has designated a State campaign committee for that State to furnish its reports to that State campaign committee instead of furnishing such reports to the central campaign committee of that candidate.

"(3) The Commission may require any political committee to furnish any report directly to the Commission.

"(d) Each political committee which is a central campaign committee or a State campaign committee shall receive all reports filed with or furnished to it by other political committees, and consolidate and furnish the reports to the Commission, together with its own reports and statements, in accordance with the provisions of this title and regulations prescribed by the Commission.

"CAMPAIGN DEPOSITORIES

"SEC. 311. (a)(1) Each candidate shall designate one or more National or State banks as his campaign depositories. The central campaign committee of that candidate, and any other political committee authorized by him to receive contributions or to make expenditures on his behalf, shall maintain a checking account at a depository so designated by the candidate and shall deposit any contributions received by that committee into that account. A candidate shall deposit any payment received by him under section 506 of this Act in the account maintained by his central campaign committee. No expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

"(2) The treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or to make expenditures on his behalf) shall designate one or more National or State banks as campaign depositories of that committee, and shall maintain a checking account for that committee at each such depository. All contributions received by that committee shall be deposited in such an account. No expenditure may be made by that committee except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

"(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $100 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission, and such statements and reports thereof shall be furnished to the Commission as it may require.

"(c) A candidate for nomination for election, or for election, to the office of President may establish one such depository in each such State, which shall be considered by his State campaign committee for that State and any other political committee authorized by him to receive contributions or to make expenditures on his behalf in that State, under regulations prescribed by the Commission, as his single campaign depository. The campaign depository of the candidate of a political party for election to the office of Vice President shall be the campaign depository designated by the candidate of that party for election to the office of President.".

(b)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(60) Members (other than the Comptroller General), Federal Election Commission (7)."

(2) Section 5315 of such title is amended by adding at the end thereof the following new paragraphs:

"(98) General Counsel, Federal Election Commission.

"(99) Exectuive Director, Federal Election Commission."

(c) Until the appointment and qualification of all the members of the Federal Election Commission and its General Counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as such titles existed on the day before the date of enactment of this Act. Upon the appointment of all members of the Commission and its General Counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within thirty days after the date on which all such members and the General Counsel are appointed, of all records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971.

(d) Title III of the Federal Election Campaign Act of 1971 is amended by—

(1) amending section 301(g) (relating to definitions) to read as follows:

"(g) 'Commission' means the Federal Election Commission;";

(2) striking out "supervisory officer" in section 302(d) and inserting "Commission";

(3) striking out section 302(f) (relating to organization of political committees);

(4) amending section 303 (relating to registration of political committees; statements) by—

(A) striking out "supervisory officer" each time it appears therein and inserting "Commission"; and

(B) striking out "he" in the second sentence of subsection (b) of such section (as redesignated by section 203(a) of this Act) and inserting "it";

(5) amending section 304 (relating to reports by political committees and candidates) by—

(A) striking out "appropriate supervisory officer" and "him" in the first sentence thereof and inserting "Commission" and "it", respectively; and

(B) striking out "supervisory officer" where it appears in the third sentence of subsection (a) and in paragraphs (12) and (14) (as redesignated by section 204(d)(2) of this Act) of subsection (b), and inserting "Commission";

(6) striking out "supervisory officer" each place it appears in section 306 (relating to formal requirements respecting reports and statements) and inserting "Commission";

(7) striking out "Comptroller General of the United States" and "he" in section 307 (relating to reports on convention financing) and inserting "Federal Election Commission" and "it", respectively;

(8) striking out "SUPERVISORY OFFICER" in the caption of section 312 (as redesignated by subsection (a) of this section) (relating to duties of the supervisory officer) and inserting "COMMISSION";

(9) striking out "supervisory officer" in section 312(a) (as redesignated by subsection (a) of this section) the first time it appears and inserting "Commission";

(10) amending section 312(a) (as redesignated by subsection (a) of this section) by—

(A) striking out "him" in paragraph (1) and inserting "it";

(B) striking out "him" in paragraph (4) and inserting "it"; and

(C) striking out "he" each place it appears in paragraphs (7) and (9) and inserting "it";

(11) striking out "supervisory officer" in section 312(b) (as redesignated by subsection (a) of this subsection) and inserting "Commission";

(12) amending subsection (c) of section 312 (as redesignated by subsection (a) of this section) by—

(A) striking out "Comptroller General" each place it appears therein and inserting "Commission", and striking out "his" in the second sentence of such subsection and inserting "its"; and

(B) striking out the last sentence thereof; and

(13) amending subsection (d)(1) of section 312 (as redesignated by subsection (a) of this section) by—

(A) striking out "supervisory officer" each place it appears therein and inserting "Commission";

(B) striking out "he" the first place it appears in the second sentence of such section and inserting "it"; and

(C) striking out "the Attorney General on behalf of the United States" and inserting "the Commission".

INDEXING AND PUBLICATION OF REPORTS

SEC. 402. Section 312(a)(6) (as redesignated by this Act) of the Federal Election Campaign Act of 1971 (relating to duties of the supervisory officer) is amended to read as follows:

"(6) to compile and maintain a cumulative index listing all statements and reports filed with the Commission during each calendar year by political committees and candidates, which the Commission shall cause to be published in the Federal Register no less frequently than monthly during even-numbered years and quarterly in odd-numbered years and which shall be in such form and shall include such information as may be prescribed by the Commission to permit easy identification of each statement, report, candidate, and committee listed, at least as to their names, the dates of the statements and reports, and the number of pages in each, and the Commission shall make copies of statements and reports listed in the index available for sale, direct or by mail, at a price determined by the Commission to be reasonable to the purchaser;".

JUDICIAL REVIEW

SEC. 403. Title III of the Federal Election Campaign Act of 1971 is amended by inserting after section 312 (as redesignated by this Act) the following new section:

"JUDICIAL REVIEW

"SEC. 313. (a) Any agency action by the Commission made under the provisions of this Act shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the agency action by the Commission for which review is sought.

"(b) The Commisison, the national committee of any political party, and individuals eligible to vote in an election for Federal office, are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement any provisions of this Act.

"(c) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551 of title 5, United States Code, by the Commission.

FINANCIAL ASSISTANCE TO STATES TO PROMOTE COMPLIANCE

SEC. 404. Section 309 of the Federal Election Campaign Act of 1971 (relating to statements filed with State officers) is redesignated as section 314 of such Act and amended by—

(1) striking out "a supervisory officer" in subsection (a) and inserting in lieu thereof "the Commission";

(2) striking out "in which an expenditure is made by him or on his behalf" in subsection (a)(1) and inserting in lieu thereof the following: "in which he is a candidate or in which substantial expenditures are made by him or on his behalf"; and

(3) adding the following new subsection:

"(c) There is authorized to be appropriated to the Commission in each fiscal year the sum of $500,000, to be made available in such amounts as the Commission deems appropriate to the States for the purpose of assisting them in complying with their duties as set forth in this section.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 405. Title III of the Federal Election Campaign Act of 1971 is amended by adding at the end of such title the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 319. There are authorized to be appropriated to the Commisison, for the purpose of carrying out its functions under this title and under chapter 29 of title 18, United States Code, not to exceed $5,000,000 for the fiscal year ending June 30, 1974, and not to exceed $5,000,000 for each fiscal year thereafter.

TITLE V—DISCLOSURE OF FINANCIAL INTERESTS BY CERTAIN FEDERAL OFFICERS AND EMPLOYEES

FEDERAL EMPLOYEE FINANCIAL DISCLOSURE REQUIREMENTS

SEC. 501. (a) Any candidate of a political party in a general election for the office of a Member of Congress who, at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, and each Member of Congress, each officer and employee of the United States (including any member of a uniformed service) who is compensated at a rate in excess of $25,000 per annum, any individual occupying the position of an officer or employee of the United States who performs duties of the type generally performed by an individual occupying grade GS-16 of the General Schedule or any higher grade or position (as determined by the Federal Election Commission regardless of the rate of compensation of such individual), the President, and the Vice President shall file annually, with the Commission a report containing a full and complete statement of—

(1) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from his spouse or any member of his immediate family) received by him or by him and his spouse jointly during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, and other facilities received by him in kind;

(2) the identity of each asset held by him, or by him and his spouse jointly which has a value in excess of $1,000, and the amount of each liability owed by him or by him and his spouse jointly, which is in excess of $1,000 as of the close of the preceding calendar year;

(3) any transactions in securities of any business entity by him or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in transactions in the securities of such business entity exceeds $1,000 during such year;

(4) all transactions in commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in such transactions exceeds $1,000; and

(5) any purchase or sale, other than the purchase or sale of his personal residence, of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the value of property involved in such purchase or sale exceeds $1,000.

(b) Reports required by this section (other than reports so required by candidates of political parties) shall be filed not later than May 15 of each year. In the case of any person who ceases, prior to such date in any year, to occupy the office or position the occupancy of which imposes upon him the reporting requirements contained in subsection (a) shall file such report on the last day he occupies such office or position, or on such later date, not more than three months after such last day, as the Commission may prescribe.

(c) Reports required by this section shall be in such form and detail as the Commission may prescribe. The Commission may provide for the grouping of item of income, sources of income, assets, liabilites, dealings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

(d) Any person who willfully fails to file a report required by this section or who knowingly and willfully files a false report under this section, shall be fined $2,000, or imprisoned for not more than five years, or both.

(e) All reports filed under this section shall be maintained by the Commission as public records, which, under such reasonable regulations as it shall prescribe, shall be available for inspection by members of the public.

(f) For the purposes of any report required by this section, an individual shall be considered to have been President, Vice President, a Member of Congress, an officer or employee of the United States, or a member of a uniformed service, during any calendar year if he served in any such position for more than six months during such calendar year.

(g) As used in this section—

(1) The term "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954.

(2) The term "security" means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b).

(3) The term "commodity" means commodity as defined in section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2).

(4) The term "transactions in securities or commodities" means any acquisition, holding, withholding, use, transfer, or other disposition involving any security or commodity.

(5) The term "Member of Congress" means a Senator, a Representative, a Resident Commissioner, or a Delegate.

(6) The term "officer" has the same meaning as in section 2104 of title 5, United States Code.

(7) The term "employee" has the same meaning as in section 2105 of such title.

(8) The term "uniformed service" means any of the Armed Forces, the commissioned corps of the Public Health Service, or the commissioned corps of the National Oceanic and Atmospheric Administration.

(9) The term "immediate family" means the child, parent, grandparent, brother, or sister of an individual, and the spouses of such person.

(h) Section 554 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) All written communications and memorandums stating the circumstances, source, and substance of all oral communications made to the agency, or any officer or employee thereof, with respect to any case which is subject to the provisions of this section by any person who is not an officer or employee of the agency shall be made a part of the public record of such case. This subsection shall not apply to communications to any officer, employee, or agent of the agency engaged in the performance of investigative or prosecuting functions for the agency with respect to such case."

(i) The first report required under this section shall be due on the fifteenth day of May occurring at least thirty days after the date of enactment.

TITLE VI—RELATED INTERNAL REVENUE CODE AMENDMENTS

INCREASE IN POLITICAL CONTRIBUTIONS CREDIT AND DEDUCTION

SEC. 601. (a) Section 41(b)(1) of the Internal Revenue Code of 1954 (relating to maximum credit for contributions to candidates for public office) is amended to read as follows:

"(1) MAXIMUM CREDIT.—The credit allowed by subsection (a) for a taxable year shall not exceed $25 ($50 in the case of a joint return under section 6013)."

(b) Section 218(b)(1) of the Internal Revenue Code of 1954 (relating to amount of deduction for contributions to candidates for public office) is amended to read as follows:

"(1) AMOUNT.—The deduction under subsection (a) shall not exceed $100 ($200 in the case of a joint return under section 6013)."

(c) The amendments made by subsections (a) and (b) shall apply with respect to any political contribution the payment of which is made after December 31, 1973.

REPEAL OF EXISTING PROVISIONS RELATING TO PRESIDENTIAL CAMPAIGN FINANCING

SEC. 502. (a) Part VIII of subchapter A of chapter 61 of the Internal Revenue Code of 1954 (relating to designation of income tax payments to the Presidential Election Campaign Fund) is repealed. Subtitle II of such Code (relating to financing of Presidential election campaigns) is repealed.

(b) The table of parts for subchapter A

of chapter 61 of such Code is amended to strike out the last item (relating to part VIII).

(c) The amendments made by this section take effect on the date of enactment of this Act.

GIFT TAX TREATMENT OF POLITICAL CONTRIBUTIONS

SEC. 603. (a) Section 2503(b) of the Internal Revenue Code of 1954 (relating to exclusions from gifts) is amended by adding at the end thereof the following new sentence: "Gifts made to different political committees which make expenditures (including transfers of funds and contributions by a committee) for the purpose of influencing the nomination or election of any candidate for elective office shall for purposes of this subsection be deemed to have been made to that candidate unless the donor establishes to the satisfaction of the Secretary or his delegate that—

(1) at the time he made the gift he could not have been reasonably expected to know which candidate would benefit from his gift, and

(2) at no time did he direct, request, or suggest to the committee, or to any person associated with that committee, that a particular candidate should receive any benefit from his gift.

(b) The amendment made by subsection (a) shall apply with respect to gifts made on or after the date of enactment.

TITLE VII—MISCELLANEOUS PROVISIONS

PRESIDENTIAL PREFERENCE PRIMARY ELECTIONS

SEC. 701. (a) Each State which conducts a Presidential preference primary election shall conduct that election only on a date occurring after the first day in May during any year in which the electors of the President and Vice President are appointed.

(b) For the purposes of this section, the term—

(1) "Presidential preference primary election" means an election conducted by a State, in whole or in part, for the purpose of—

(A) permitting the voters of that State to express their preferences for the nomination of candidates by political parties for election to the office of President, or

(B) choosing delegates to the national nominating conventions held by political parties for the purpose of nominating such candidates; and

(2) "State" means each of the several States of the United States and the District of Columbia.

CONGRESSIONAL PRIMARIES

SEC. 702. (a) If, under the law of any State, the candidate of a political party for election to the Senate or to the House of Representatives is determined by a primary election or by a convention conducted by that party, the primary election or convention shall not be held before the first Tuesday in August. If a subsequent, additional primary election is necessary to determine the nominee of any political party in a State, that additional election shall be held within thirty days after the date of the first such primary election.

(b) For purposes of this section—

(1) the term "State" means each of the several States of the United States, the Commonwealth of Puerto Rico, the territory of Guam, and the territory of the Virgin Islands; and

(2) a candidate for election as Resident Commissioner to the United States, in the case of the Commonwealth of Puerto Rico, or as Delegate to the House of Representatives, in the case of the territory of Guam or the territory of the Virgin Islands, is considered to be a candidate for election to the House of Representatives.

(c) Section 10(a)(3) of the District of Columbia Election Act (D.C. Code, sec. 1110 (a)(3)) is amended by striking out "the first Tuesday in May" and inserting in lieu thereof "the first Tuesday in August".

SUSPENSION OF FRANK FOR MASS MAILINGS IMMEDIATELY BEFORE ELECTIONS

SEC. 703. Notwithstanding any other provision of law, no Senator, Representative, Resident Commissioner, or Delegate shall make any mass mailing of a newsletter or mailing with a simplified form of address under the frank under section 3210 of title 39, United States Code, during the sixty days immediately preceding the date on which any election is held in which he is a candidate.

PROHIBITION OF FRANKED SOLICITATIONS

SEC. 704. No Senator, Representative, Resident Commissioner, or Delegate shall make any solicitation of funds by a mailing under the frank under section 3210 of title 39, United States Code.

Mr. MANSFIELD. Mr President, my understanding is that this amendment is in the nature of a substitute to the pending bill; is that correct?

Mr. DOLE. That is correct.

Mr. MANSFIELD. Mr. President, after discussing this matter with the managers of the bill and the sponsor of the amendment, I ask unanimous consent that there be a 5-minute limitation, with time to begin running tomorrow at the hour of 11 a.m., the time to be equally divided between the manager of the bill and the sponsor of the amendment.

Mr. ALLEN. Mr. President, reserving the right to object, may I inquire if this is a complete substitute for the bill?

Mr. DOLE. The Senator from Alabama is correct.

Mr. ALLEN. 5 minutes would be sufficient——

Mr. MANSFIELD. Would the Senator make a suggestion?

Mr. ALLEN. We already have a limitation provided by rule XXII. I should like to make inquiry, does the Senator leave out the public financing in his substitute?

Mr. DOLE. There is no public financing. The limitation is $3,000—cash contributions above $50—no public financing. That is a departure from the pending legislation. I can discuss it tomorrow in 10 minutes to a side.

Mr. MANSFIELD. Mr. President, I will withdraw my request.

Mr. ALLEN. I would not object to 10 minutes.

Mr. MANSFIELD. Fine.

Mr. ALLEN. But we should discuss it for more than 5 minutes.

Mr. COTTON. Mr. President, the Senator from New Hampshire has not taken 1 minute's time on this whole debate yet. I wish that the time on the substitute amendment could be extended long enough so that I could have 5 minutes.

Mr. MANSFIELD. Well, Mr. President, I ask unanimous consent that there be a one-half hour time limitation on the substitute amendment of the Senator from Kansas (Mr. DOLE), the time to be equally divided and controlled between the manager and the sponsor of the bill, with 5 minutes to be allocated specifically to the Senator from New Hampshire (Mr. COTTON).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. I thank the Senator from Montana very much.

Mr. ALLEN. Mr. President, I ask unanimous consent that it may be in order to call for the yeas and nays on the substitute amendment of the Senator from Kansas (Mr. DOLE).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President. I ask unanimous consent that time begin running at the conclusion of morning business tomorrow. My understanding is that we have two special orders and that there will be a period for not to exceed 15 minutes for the conduct of morning business. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the disposal of the amendment in the nature of a substitute by the distinguished Senator from Kansas (Mr. DOLE), the distinguished Senator from Iowa (Mr. CLARK) be recognized—because it had been his intention to call up one of his amendments tonight—so that it would be the pending business on tomorrow.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, perhaps I should say that there was the understanding on the part of several of us that after morning business tomorrow, the disaster relief bill would be taken up, and that there would be a time limitation on it.

I wonder whether the distinguished majority leader would modify his request to provide that, following the disposition of the Dole amendment, the Senate proceed to the consideration of the disaster relief bill, and upon disposition of the bill, that the Senator from Iowa (Mr. CLARK) then be recognized.

Mr. MANSFIELD. That would be perfectly acceptable. I should have remembered that because I was told about it; but, in any event, it will be the next amendment after the Dole amendment in the nature of a substitute.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—and this request has been cleared with the leadership on the Republican side, and with Senators BAKER and DOMENICI, the two ranking members on the committee and the subcommittee respectively, and the distinguished chairman of the Public Works Committee, and the distinguished Senator from North Dakota (Mr. BURDICK), who is the chairman of the subcommittee on the majority side—that there be a time limitation on the disaster relief bill of not to exceed 2 hours, to be equally divided between and controlled by Senators BURDICK and DOMENICI; and that time on any amendments thereto be limited to 30 minutes, to be equally divided and controlled in the usual form; and that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I want to take one moment of my time this evening to commend our Senate leadership, the distinguished Senator from Montana (Mr. MANSFIELD) and the distinguished Senator from Pennsylvania

(Mr. HUGH SCOTT), as well as the distinguished manager of the pending bill, Senator CANNON, for their efforts over the period of the past few days in bringing the importance of this proposal to the attention of the Senate. Their conversations and assistance developed the votes for cloture and demonstrated that two-thirds of the Senate wants campaign reform legislation.

Many thought the battle for cloture could not be won. We know how far we had to come since the vote last week. And Senators MANSFIELD and HUGH SCOTT deserve great credit for so effectively turning the tide.

The issues had been debated and discussed extensively. The time had come for decisive action, and thanks to the extraordinary efforts of the leadership, decisive action was taken by the Senate this afternoon. All of us interested in this issue should recognize the strong position our leaders took. Because of their efforts and initiatives, this legislation is now moving toward final passage, and all of us are in their debt. It is a tribute to the Senate's bipartisan leadership that we are about to see final Senate action on a bill that may well become the high water mark in the legislative record of the 93d Congress, and a landmark reform that can bring honest elections to the people and integrity back to Government.

H.R. 13542—AN ACT TO ABOLISH THE POSITION OF COMMISSIONER OF FISH AND WILDLIFE

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 13542.

The PRESIDING OFFICER laid before the Senate H.R. 13542, which was read twice by its title, as follows:

H.R. 13542, an act to abolish the position of Commissioner of Fish and Wildlife and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, was read the third time and passed.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the orders for the recognition of Senators on tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ROTH ON THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, after the remarks of Mr. BIDEN, the distinguished senior Senator from Delaware (Mr. ROTH) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 10 a.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. METZENBAUM, Mr. ROBERT C. BYRD, Mr. BIDEN.

At the conclusion of the orders aforementioned, there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

At the conclusion of the transaction of routine morning business, the Senate will resume consideration of the unfinished business, S. 3044. The question at that time will be on the adoption of the amendment by Mr. DOLE, amendment No. 1127, on which there is a time limitation of 30 minutes, with the yeas and nays already having been ordered thereon. Therefore, there will be a yea-and-nay vote on amendment No. 1127 at about 11:30 a.m.

Upon the disposition of the Dole amendment, the unfinished business will be laid aside temporarily, and the Senate will proceed to the consideration of the disaster relief bill, S. 3062, on which there is a time limitation of 2 hours, with a time limitation on any amendment thereto of 30 minutes, and with a time limitation on any debatable motion or appeal of 10 minutes, to be equally divided and controlled in accordance with the usual form. Yea-and-nay votes may occur on amendments to that bill, and undoubtedly there will be a yea-and-nay vote on the final passage thereof.

Upon the disposition of the disaster relief bill, the Senate will resume consideration of the unfinished business, S. 3044, and the pending question at that time will be on the adoption of the amendment by Mr. CLARK. Yea-and-nay votes will occur on amendments to S. 3044, beginning with and subsequent to the disposition of the Clark amendment, and hopefully the Senate will complete action on that bill tomorrow.

Mr. President, included in my statement of the program was the statement with regard to debatable motions and appeals, and I ask unanimous consent that the time related thereto as stated in the program be effectuated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and, at 6:15 p.m., the Senate adjourned until tomorrow, Wednesday, April 10, 1974, at 10 a.m.

Executive nominations received by the Senate March 9, 1974.

IN THE AIR FORCE

The following officer for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, Title 10, United States Code, with a view to designation under the provisions of section 8067, Title 10, United States Code, to perform the duty indicated, and with date of rank to be determined by the Secretary of the Air Force:

To be first Lieutenant (medical)

Jones, Bobby M., 259-72-6568.

The following officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, Title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

To be lieutenant colonel

Bomar, Jack W., 480-26-6612.
Bossio, Galileo F., 518-05-1947.
Brand, Joseph W., 347-12-5838.
Fisher, Donald E., 541-22-0063.
Frederick, Peter J., 123-16-0402.
Hauer, Leslie J., 386-12-5673.
Kahler, Harold, 508-18-6441.
Lamar, James L., 431-30-4554.
Madison, Thomas M., 450-38-1953.
Newsom, Benjamin B., 225-26-1053.
Pitchford, John J. Jr., 428-40-4878.
Swords, Smith III, 547-30-6965.
Trautman, Konrad W., 174-20-4904.
Underwood, Paul G., 093-20-0386.
Welch, Robert J., 370-22-4879.
Wilburn, Woodrow B., 455-03-7958.

To be major

Abbott, Joseph C. Jr., 142-28-9387.
Alley, Gerald W., 519-34-0892.
Atterberry, Edwin L., 451-46-0126
Bagley, Bobby R., 260-44-6843.
Barbay, Lawrence, 434-48-2771.
Berg, Kile D., 536-34-0965.
Brunstrom, Alan L., 490-44-8715.
Burer, Arthur W., 577-44-5726.
Condon, James C., 268-30-1369.
Daughtrey, Robert N., 466-44-2666.
Doughty, Daniel J., 368-34-4140.
Downing, Donald W., 395-30-9773.
Duart, David H., 178-28-8259.
Dyczkowski, Robert R., 066-24-4764.
Elliot, Robert M., 021-22-8214.
Gideon, Willard S., 229-36-0655.
Greene, Charles E. Jr., 029-26-0889.
Hatcher, David B., 240-48-2879.
Hildebrand, Leland L., 391-36-0024.
Jayroe, Julius S., 251-44-5117.
Jensen, Jay R., 529-34-3007.
Johnson, Richard E., 531-54-6696.
Kerr, Everett O., 024-28-0166.
Martin, John M., 198-24-6115.
McKnight, George G., 536-26-3178.
Means, William H. Jr., 487-36-3844.
Morgan, Herschel S., 241-46-6180.
Nagahiro, James Y., 573-24-7944.
Odell, Donald E., 373-32-3772.
Pattillo, Ralph N., 419-46-5528.
Perkins, Glendon W., 475-32-4207.
Shattuck, Lewis W., 532-30-8264.
Smith, Richard D., 510-34-7474.
Stirm, Robert L., 567-38-1416.

Vanburen, Gerald G., 302-28-7453.
Waggoner, Robert F., 523-36-1180.
Wenaas, Gordon J., 502-20-6882.
Wright, Thomas T., 311-32-1326.
Yuill, John H., 3[illegible]-34-9910.

To be captain

Brazelton, Michael L., 554-58-2350.
Brenneman, Richard C., 304-44-1125.
Brodak, John W., 499-42-6173.
Burns, Michael T., 307-46-6955.
Butler, William W., 567-58-1627.
Cooper, Richard W., Jr., 212-40-9139.
Davies, John O., 187-34-8776.
Flom, Fredric R., 394-40-9121.
Ford, David E., 021-26-1127.
Francis, Richard L., 448-40-9765.
Gray, David F., Jr., 465-68-6402.
Hart, Thomas T., III, 266-58-2309.
Hoffson, Arthur T., 462-62-5269.
Hubbard, Edward L., 515-28-8059.
Irwin, Robert H., 095-30-6774.
Jeffrey, Robert D., 558-50-1837.
Kramer, Galand D., 442-42-1771.
Lane, Michael C., 238-66-5024.
Lane, Mitchell S., 510-40-5107.
Lebert, Ronald M., 503-46-6655.
Luna, Jose D., 565-50-3950.
Monlux, Harold D., 480-44-5848.
Myers, Glenn L., 159-32-1395.
O'Donnell, Samuel, Jr., 161-34-3733.
Peel, Robert D., 412-60-1846.
Pollack, Melvin, 085-34-2003.
Sigler, Gary R., 523-50-3873.
Torkelson, Loren H., 502-42-3419.
Venanzi, Gerald S., 135-67-7971.
Wilson, Hal K., III, 112-30-4927.

To be first lieutenant

Acosta, Hector M., 467-84-4388.
Anderson, John W., 540-52-2492.
Baker, David E., 070-36-8938.
Barrows, Henry C., 136-38-5468.
Bates, Richard L., 474-50-1831.
Bednarek, Jonathan B., 115-40-7992.
Beens, Lynn R., 529-54-9069.
Bennett, Thomas W., Jr., 256-64-3857.
Beutel, Robert D., 325-40-1943.
Brunson, Cecil H., 409-86-5261.
Butcher, Jack M., 336-38-1331.
Callaghan, Peter A., 056-36-2946.
Copack, Joseph B., Jr., 320-42-7347.
Craddock, Randall, Jr., 441-44-5449.
Cressey, Dennis C., 524-56-2798.
Darr, Charles E., 430-32-1098.
Dickens, Delma E., 252-76-9402.
Finn, William R., 438-70-7348.
Fulton, Richard J., 523-74-1052.
Galati, Ralph W., 170-38-3597.
Gatwood, Robin F., Jr., 240-62-4551.
Geloneck, Terry M., 420-56-8385.
Granger, Paul L., 501-52-2129.
Halpin, Richard C., 552-72-8842.
Howell Carter A., 523-60-0831.
Hudson, Robert M., 515-46-5304.
Kennedy, John W., 225-66-2737.
Klomann, Thomas J., 348-36-2372.
Koons, Dale F., 275-46-8109.
Kroboth, Stanley N., 170-38-9684.
Latella, George F., 101-36-2724.
Lewis, Frank D., 308-48-2235.
Logan, Donald K., 548-68-4140.
Martini, Michael R., 572-64-7876.
Mayall, William T., 124-40-5898.
Miller, Curtis D., 466-72-5405.
Morris, George W., Jr., 550-74-6266.
Ostermeyer, William H., 263-70-9915.
Phelps, William, 068-40-2149.
Price, Larry D., 226-66-3902.
Ratzel, Wesley D., 192-38-2410.
Rusch, Stephen A., 144-34-5080.
Seek, Brian J., 559-70-3890.
Seuell, John W., 497-48-9611.
Sienicki, Theodore S., 140-36-1596.
Thomas, Daniel W., 506-58-7354.
Thomas, Robert J., 264-92-8104.
Tucker, Timothy M., 523-56-1376.
Vaughan, Samuel R., 247-72-7273.
Vavroch, Duane P., 485-62-2316.
Walker, Bruce C., 238-80-2905.
Wanzel, Charles J., III, 120-38-9292.
Ward, Brian H., 565-76-3499.
Wells, Kenneth R., 535-48-9694.
Wilson, William W., 482-56-8095.

To be second lieutenant

MacDonald, George D., 326-42-9491.

IN THE NAVY

The following-named Naval Reserve officers for temporary promotion to the grade of commander in the line subject to qualification therefor as provided by law:

Abeyta, Alfredo Lionel
Acquilano, Rocco Donald
Adams, David Arthur
Adams, Stanford M.
Alberse, Peter T., Jr.
All, Kenneth O.
Altsman, Robert James, Jr.
Alvick, Roy Everett
Ammerman, Hugh Turner, Jr.
Anderson, Bert William
Anderson, Charles Daniel
Anderson, Roland B.
Avila, Philip F.
Backer, John M.
Banks, Otis Gordon
Bardel, Donald Lee
Barsanti, Adolph Joseph
Barsness, John G.
Bartholf, Robert G.
Barton, Alexander J.
Bayer, Joseph H.
Beechner, Frank Edward
Beers, Frank Willard
Beishline, Richard R.
Bell, Jerrold Mitchell
Bell, Richard Howard
Benham, James Terry
Bennett, Alfred Allen
Berg, Peter Edwin
Bergquist, John Chester
Bertinot, Benjamin Edward
Best, Walter C.
Biggers, James Collin
Biggs, Robert Stanley
Billings, Henry Cabot W.
Billington, Murray R.
Birkner, Robert Oscar
Biwer, Robert Alexander
Blatus, Richard John
Blume, Arthur Walter, III
Bobrick, Edward Allen
Boughton, Harold Gordon
Boyd, Richard Ronald
Boynton, Robert T.
Bradshaw, John P., Jr.
Braun, John Charles, Jr.
Braunlich, William Everard
Brenner, Marc Alvin
Brooks, Andrew Dewitt, Jr.
Brown, Richard A.
Brown, Thomas R.
Brownlee, James Lawton, Jr.
Bryan, William Edward
Bryant, Leon Delmar
Burridge, George Delmar
Busch, Kenneth Leo
Bush, Gregory Gene
Callan, James Ruud
Carlisle, Sanford Keeler, Jr.
Carr, William Keith
Castor, John Robert
Caton, Robert Luther
Chop, Raymond Ernest
Christopherson, Allen Edward
Churchill, William B.
Churma, John Thomas
Churchill, William B.
Clancy, Robert A.
Clark, George Graff
Clay, Henry George, Jr.
Clarke, Charles Edward, Jr.
Clements, Paul H.
Clement, David Edward
Colvin, John Paul
Clum, Woodworth Bernhardt J.
Combs, Charles Elwood
Colwell, Samuel Campbell, II
Conklin, Dwight Elwood
Compardo, James Robert
Cook, William Compton
Cook, Arthur Grant
Crawford, Forrest Smeed
Costantino, James
Crowther, Douglas A.
Crow, Claron D.
Currie, Robert Emil
Culpepper, William Robert
Daley, Joseph Michael, Jr.
Cutliffe, John N.
Davies, William
Darr, Ralph Martin
Davis, Haines Bonner
Davis, DeWitt, II
Davis, Robert Alvin
Davis, Reeves K.
Denny, Harry James
Debay, Orman
Derr, John Frederick
Depew, John Nelson
DeVincenzi, Ronald D.
DeThomas, Joseph, III
Dickens, John W.
Devon, Thomas, J.
Doak, Wilson Faris, Jr.
Dickey, Robert C.
Dolley, William Lee, III
Donnell, Everett Ellsworth
Donnell, Robert Evans
Douglas, James Guilford
Downard, William Earl
Driver, Donald Everett
Drumm, Thomas Francis, Jr.
Duffield, Don F.
Dutton, William Maurice
Dyer, Garrett Malcolm
Dyer, Gerald Ross
Dykema, Owen W.
Edwards, Warren Elliott
Eizen, Sheldon David
Enderson, Laurence W., Jr.
Ewing, Richard Stuart
Faure, Joseph, Jr.
Ferguson, Charles E.
Ferris, Edward
Finley, Robert Hance
Finney, Robert G.
Fischer, Harry Loeper
Flanagan, Charles Downing, I
Flohr, Robert Brooks
Florio, Anthony William
Floyd, Tate Gabbert, Jr.
Flynn, Robert William
Foley, Robert Joseph
Forslund, Robert Alfred
Fox, Merle T.
Frame, Kenneth George
Franklin, Larry Bruce
Frederick, Paul Edward
Freeley, Edward Donald
Fricke, Hans Werner
Friedman, Ronald Sheldon
Froelich, Bernard John, Jr.
Fuller, Gran Fred
Gallagher, Connell James
Gallagher, Robert John
Gallaher, Edward Joseph, III
Garrido, Ronald P.
Garton, Ronald Ray
Gary, Nathan Bennett, Jr.
Gautsch, Terence Joseph
Gerlach, Henry Otto
Gilbert, John Ralph, Jr.
Gilles, Robert Joseph
Gillis, Dana Gerard
Glenn, Robert L.
Goldstein, Robert M.
Goodrich, George Dewitt
Gore, Alfred M.
Gorman, Lanny Randolph
Grapsy, Ronald P.
Gravel, Arthur J.
Gray, Garold Granville
Graymer, Leroy E.
Green, Robert William
Green, William Edward
Grettum, Donald Keyes
Griessel, Rodger Frederick
Griffith, Robert Edward
Groepler, Neil Frederick
Guderian, William, Jr.

SENATE
FLOOR DEBATES
ON
S.3044
APRIL 10, 1974

MEETINGS UPCOMING

(Listing events of current interest in the Southern Region and major industry meetings scheduled in the region and elsewhere).

March 27–28

North Texas Oil & Gas Association, annual meeting, Wichita Falls.

April 1–3

AAPG–SEPM, annual meeting, Convention Center, Hilton Palacios del Rio Hotel, San Antonio.

April 4–5

15th annual Institute for Petroleum Landman, Ramada Inn Central, Dallas.

April 11

Permain Basin Petroleum Association, annual meeting, Inn of the Golden West, Odessa.

April 26

Annual meeting of Society of Independent Professional Earth Scientists, Hyatt Regency Hotel, Houston.

May 6–8

6th annual Offshore Technology Conference, Astrohall, Houston.

WEEKLY COMPLETION SUMMARY

State or district	New field wildcats					Other exploratory wells (including new-pool, deeper-pool, shallower-pool, outpost or extension tests)					All exploratory wells	
	Oil	Gas	Dry	Total	Footage	Oil	Gas	Dry	Total	Footage	Year to date	Year ago
Northern Texas 9	0	0	6	6	26,859	1	0	0	1	6,000	39	33
Eastern Texas (5 and 6)	0	0	2	2	10,941	0	1	2	3	26,440	42	19
West coast Texas 7B	1	1	9	11	41,010	0	0	0	0		88	50
Texas Panhandle 10	0	0	1	1	10,979	0	0	0	0		17	14
West Texas 7C, 8, 8A	1	5	4	10	46,983	0	1	0	1	8,958	84	57
New Mexico (southern townships)	0	0	2	2	5,232	0	0	0	0		30	20
Division total	2	6	24	32	142,004	1	2	2	5	41,398	300	193

State or district	All wells drilled for oil or gas							Strat and service—Year to date	All wells—Year to date
	Oil	Gas	Dry	Total	Footage	Year to date	Year ago		
Northern Texas 9	14	1	10	25	71,106	159	119	19	178
Eastern Texas (5 and 6)	1	1	5	7	32,607	74	159		74
West coast Texas 7B	7	2	15	24	71,551	218	159	15	233
Texas Panhandle 10	4	2	3	9	61,231	96	57	1	97
West Texas 7C, 8, 8A	41	13	7	61	345,105	593	459	23	616
New Mexico (southern townships)	5	0	2	7	24,706	115	100	4	119
Division total	72	19	42	133	606,306	1,255	1,053	62	1,317

TRIBUTE TO BOB ALLISON, SPORTS WRITER

Mr. FANNIN. Mr. President, it was with great sorrow that I learned of the death of one of America's finest sports writers, Bob Allison of the Phoenix Gazette.

He died last Friday, April 5, after a year-long fight against leukemia.

Bob Allison joined the Gazette in 1937, and he had been sports editor for the past quarter century. Tens of thousands of Arizonans followed his columns as our area was transformed from a State in which high school football was the biggest sports event into a center of major sports activity comparable with almost any place in this Nation.

His skill was recognized nationally in 1964 when he was named "Sportswriter of the Year" by the National Association of Sportswriters and Sportcasters.

Mr. President, I know that Bob Allison had many fans and admirers all over America. I ask unanimous consent that articles from the Gazette and The Arizona Republic paying tribute to the great newsman be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Phoenix Gazette, Apr. 6, 1974]

BOB ALLISON, GAZETTE SPORTS EDITOR, DIES

Robert B. "Bob" Allison, who joined The Phoenix Gazette in 1937 as a combination news and sports writer, and served the newspaper more than 25 years as sports editor, died yesterday at Good Samaritan Hospital.

Allison, a Mesa native, had been suffering from leukemia since last spring. He was 57.

He was perhaps best known through his column, "Along The Way," the last edition of which appeared in Tuesday's Gazette.

He was named sports editor of The Gazette in 1947, and earned a reputation for fairness and clarity of expression which made "Along The Way" one of the most respected columns in the state.

The direct cause of death was listed as a cerebral hemorrhage.

Eugene C. Pulliam, publisher of The Gazette and The Arizona Republic, said of Allison: "Bob was one of the most beloved men in the Gazette and Republic family.

"Almost any good thing that could be said about a man could be said about Bob Allison.

"He was a sweet man whose companionship always was enjoyed by his fellow employes. He knew sports as few writers did and loved to write about them. And the readers of The Gazette loved and appreciated what he wrote.

"Bob Allison was a man of great courage. He battled his fatal illness with the same great spirit he showed as a combat soldier in World War II, and a strongly competitive sports editor.

"It is a heart breaking experience to have to say good-bye to such a great friend and loyal associate."

Allison was named "Sportswriter of the Year" in 1964 by the National Association of Sportswriters and Sportscasters.

His Gazette assignments, wide-ranging and varied, included such major sports assignments as the Indianapolis 500, the U.S. Open and U.S. Amateur Gold Championships, the World Series, heavyweight championship boxing, and major baseball, backetball and football events.

Allison was graduated from Mesa High School in 1933 and attended Arizona State Teachers College (now Arizona State University) where he became editor of the college newspaper, the predecessor of the State Press.

In 1938, Allison became editor of the Flagstaff Journal. The following year, he returned to the Phoenix area, and joined The Gazette as a combination all-purpose newswriter and sportswriter under sports editor Larry Grill.

World War II interrupted his sports career. Allison joined the U.S. Army in January 1944 and served in combat with the 86th Infantry Division in Europe until the Germans surrendered. His unit was then reassigned as occupational troops in the Philippines. He was discharged honorably as a staff sergeant in 1946.

He returned to The Gazette and was named sports editor the following year.

He was also a charter member and past president of the Phoenix Press Box Association, a member of the journalism fraternity, Sigma Delta Chi; a charter member of the Phoenix Press Club, a director of Golf Writers of America, a member of the Football Writers Association and a charter member of the Arizona Golf Hall of Fame.

He resided with his family at 2341 W. Kein Drive. Survivors include his wife, Mary; a daughter, Judy Samuels; stepchildren, John Wilson and Mary Ann Emmons; a brother, Lewis, and three grandchildren.

[From the Phoenix Gazette]

(By Joe Gilmartin)

ON SECOND THOUGHT

Everybody always said Bob Allison was such a nice guy.

If I heard it once, I heard it a thousand times.

And every time, it seemed to irritate me a little bit more, until finally I almost wanted to scream.

"He's not a nice man, dammit! He's a great

man. One of the greatest newspapermen I ever met."

But I never did.

Of course, I meant to tell him. In fact, as he fought the unfightable fight the last few months, I even picked out the exact day I was going to tell him what I thought. It was called tomorrow.

WHERE ELSE?

Friday evening when managing editor Alan Moyer called to tell me tomorrow has been canceled, I cried. I cried hard.

I can't ever remember a time when I've felt sorrier for myself.

Today, as I sit here in what has to be the emptiest roomfull of desks, typewriters, telephones, file cabinets, waste baskets, and junk that ever there was, I'm still feeling sorry for myself.

Where else am I going to find someone with his ability to judge news and people . . . his knowledge of writing . . . his patience with my peculiarities . . . his willingness to do the office drudgery so that I and others would be free to concentrate on the "glamor". . . .

Where else?

A SLOW STUDY

Technically, Bob was the boss, but in truth, he wasn't terribly good at bossing.

Yet, in a field where unselfishness and loyalty often are smothered by instincts of self preservation, he built the most loyal and unselfish sports staff I've ever seen.

In the 13 years I've been here, nobody ever went away mad. All this he did not by being boss, but by being Bob.

He didn't use his knowledge and expertise like a club. Rather than hit you over the head with it, he just kept it handy for whenever you needed it.

And he had the patience to wait until you got smart enough to realize you did need it.

We had perhaps four or five major disagreements in 13 years, and, in each case, he was right and I was wrong.

In each case, he gave me all the time I needed to find it out. (And in one case, it took me almost two years.)

AN EPITAPH

For a piece about Bob, this column seems to have an awful lot about me, but I'm just hoping that in sharing some of the things he meant to me, I can make you understand that he was so much more than just a nice man.

Bob left so much of himself with each member of the staff that the casual reader may not realize he's gone.

But we will.

If I could have one day of my own life back, it would be the tomorrow that Moyer's call canceled.

If I could give one piece of advice, it would be: If you have something important you've been meaning to tell somebody important, don't wait.

And if I were asked to write an epitaph for Bob Allison, it would be:

He Gave At The Office.

And gave, and gave, and gave . . .

[From the Arizona Republic, Apr. 7, 1974]

BOB ALLISON'S LEGACY

It was no secret to Bob Allison, his colleagues, friends and most of the sports community that death was near every precious day.

But to read his column, to see him at the Phoenix Gazette's sports desk dashing off headlines and bantering with his young staff, Bob Allison's terrible personal burden never showed.

Death came Friday, ending a year-long fight against leukemia.

If Bob Allison could have dictated a eulogy, he would have asked to be remembered for the personal and professional pride he instilled in young craftsmen who learned their journalistic trade from him.

When other men might have given up, Bob Allison found the strength and courage to be at his typewriter producing breezy, newsy sports columns which made him a reading favorite for over 25 years in Phoenix.

Colleagues and readers in Arizona were only part of a large legion of admirers. Sports editors around the country voted him "Sportswriter of the Year" in 1964.

Those who worked around Bob in a business made more grueling by deadlines knew him as a gentle leader who pitched in to handle his share of the drudgery of a copy desk. A spanking new private office away from the hurried pace was not where Bob Allison hung his hat. He chose to be at a typewriter near his team.

Bob Allison the man, the friend, the craftsman—will be grievously missed. But the mark of excellence he gave to a generation of sportswriters will endure in the memories and skills of journalists for years to come.

SPECIAL CONFERENCE ON THE EFFECTS OF THE ENERGY CRISIS ON TOURISM

Mr. GURNEY. Mr. President, I would like to report to the Congress concerning final arrangements for the Special Conference on the Effects of the Energy Crisis on Tourism which has been arranged in conjunction with the tourism hearings held by the Senate Commerce Committee Subcommittee on Foreign Commerce and Tourism on March 29 and April 1.

Tourism is as important to the American economy and the American people as any other industry. Because of this, as I announced at the Tourism Subcommittee hearings, this major Conference on Tourism was called to take place on May 3, 1974, in Orlando, Fla. Tourist-oriented industries throughout Florida and other interested States, as well as representatives of the executive and legislative branches of Government, will participate in the Conference.

The purpose of this special conference is to delineate actions which can be taken by Government at the national level to diminish the critical effects of the energy crisis on the tourism industry, with special emphasis given to States such as Florida, which have highly developed tourist industries.

The conference will be composed of seven tourist-related industry groups which will be charged with the responsibility of developing specific recommendations and suggestions to be delivered to Federal and State officials for subsequent implementation

The urgent need for this conference can be readily underscored by taking a brief look at the tourism industry:

In 1972 the tourism industry contributed approximately $61 billion to the U.S. economy and provided direct employment to approximately 1.6 million Americans.

In Florida, tourism is one of the largest single industries, accounting for 15 percent of the State's total gross State product—GSP—in 1973. The energy crisis has hit this industry harder than any other. The tourism decline directly attributable to the energy crisis was 15 percent for Florida during the month of March alone.

The lifting of the Middle East oil embargo does not represent a solution to this crisis. We should indeed take advantage of the qualified relief due to the lifting of the embargo to plan now for future emergencies.

Anyone desiring to participate in the Special Conference on the Effects of the Energy Crisis on Tourism should contact my office, 5107 Dirksen Senate Office Building, Washington, D.C. 20510.

Without objection, I ask that the program for the Conference be printed in the RECORD following this statement.

There being no objection, the program was ordered to be printed in the RECORD, as follows:

PROGRAM: SPECIAL CONFERENCE ON THE EFFECTS OF THE ENERGY CRISIS ON TOURISM

(Friday, May 3, 1974—Gold Key Inn, Orlando, Fla.)

9:30 a.m. Coffee, Foyer of Inn.

10:15 a.m. Welcome, U.S. Senator Ed Gurney, Main Conference Room.

10:25 a.m. Welcome, Federal Energy Office Deputy Administrator John Sawhill.

10:30 a.m. Group Discussions: Hotels and Motel; Restaurant; Attractions; Camping; Chambers of Commerce. Transportation: Carriers and Agents; Retail and Wholesale Sales.

12:00 noon. Luncheon Break.

1:30 p.m. Discussion Group Work Sessions (Finalization of Recommendations).

3:00 p.m. Oral Presentations of Group Chairmen to Senator Gurney and Deputy Administrator Sawhill.

4:00 p.m. Remarks, FEO Deputy Administrator John Sawhill.

4:30 p.m. Remarks, United States Senator Ed Gurney.

5:00 p.m. End of Conference.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. ABOUREZK). The period for the transaction of routine morning business is now concluded.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 3044, which the clerk will state.

The legislative clerk read as follows:

S. 3044, to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Kansas (Mr. DOLE) No. 1127 which the clerk will state.

The legislative clerk read as follows:

Amendment No. 1127, proposed by the Senator from Kansas (Mr. DOLE), in the nature of a substitute.

The PRESIDING OFFICER. Time on this amendment is limited to 30 minutes, to be equally divided and controlled by the Senator from Kansas (Mr. DOLE) and the Senator from Nevada (Mr. CANNON), with the Senator from New Hampshire

(Mr. COTTON) being guaranteed 5 minutes of that time.

Who yields time?

Mr. DOLE. Mr. President, I yield such time as I may require.

As I indicated yesterday afternoon, we have gone full circle with public financing. At the outset, the promotors and the sponsors of public financing were, in effect, suggesting that we had to go to public financing to purify the poltical process, that those of us in politics must accept public funds in order to purify the political process, that for some reason, private contributions—even though they would require disclosure, even though we might set a spending ceiling, even though we would have strict reporting requirements—would lead to the suspicion that those who accepted private contributions, from whatever sources, were suspect, perhaps corruptible, or corrupt.

However, in the course of debate, we have seen a transformation. We now are asked to vote on the measure, unless there is significant change, to provide a mix—that is, some public financing and some private financing.

As I stated yesterday, it does appear that the original intent of the sponsors has been forgotten. We now hear speeches and statements from the sponsors of public financing suggesting that perhaps partly private and partly public money is all right, for some reason.

Mr. President, if, in fact, there is this great concern about the need for purifying the political process for those of us in politics, those who contribute, those who work in campaigns, or those who make contributions in kind, then in my opinion it should be one way or the other. There should be either total public financing, or there should be total private financing with adequate safeguards to make certain—as certain as we can—that there will not be these abuses which have been referred to over and over and over again, based on Watergate and based on elections before 1972.

My substitute campaign reform proposal would omit public financing, but it does provide reform. It does provide, in essence, what the Senate provided last year in passing S. 372 which is still awaiting action on the House side.

In addition, it has new provisions. It has an annual limitation on contributions of $3,000 for individuals and organizations. It has a limit on cash contributions of $50.

It addresses itself to the problem of so-called campaign "dirty tricks." There is a prohibition and penalty for violating the provisions of that section. It does, as the other bills do, provide for certain changes in the Federal Election Campaign Act of 1971 with reference to reporting, disclosure, and registration of candidates and committees. It establishes a nonpartisan Federal Election Commission and provides assistance to the States to promote compliance with the work of that commission.

It deals with disclosure of financial interests—disclosure by Federal employees, and it covers the President, the Vice President, Members of Congress, candidates for Federal office, and anyone in GS–16 or above, or anyone paid over $25,000 a year.

It provides additional incentives for small contributors by doubling the tax credit for contributions to $25 and the deduction to $100; and of course that would be doubled to $50 and $200 for a joint return. It deals with gift tax treatment of political contributions. It deals with the length of Presidential and congressional campaigns by requiring that Presidential primaries should not be held before May 1 and that congressional primaries not take place before the first Tuesday in August. In essence it provides the reform we have been discussing since last year.

It seems to the Senator from Kansas that since we have created the Watergate Committee and the taxpayers have poured out millions and millions of dollars in expenditures for the Watergate Committee that we are acting prematurely in the case of the bill before us. The hearings started on May 12, 1972, as I recall; and we were told at that time by the distinguished Senator from North Carolina (Mr. ERVIN) and the distinguished Senator from Tennessee (Mr. BAKER) that after the hearings were conducted, certain legislative recommendations would be made, if necessary to clean up the political process. That report is not due to be filed until late May of this year. There have been no recommendations at all from the Watergate Committee.

Now, there appears to be some rush toward a judgment in the Senate of the United States. We all voted to create this committee, to look into political excesses and abuses and to recommend what we might do to correct those excesses and abuses. Now we find ourselves, perhaps based on the emotion of the moment, trying to pass legislation which permits the Mmebers of Congrss to dip into the Federal Treasury for the total cost or partial cost of their campaigns.

It is my belief that the American people have yet to fully understand the implications of "public financing." I suggest that this is just a foot in the door. I suggest that the last minute efforts yesterday by sponsors of total public financing to water it down, to reduce the size of public financing, really demonstrated their lack of commitment to public financing—or perhaps their awareness that the American people are beginning to understand the impact of public financing because of publicity it may have received during the past 2 or 3 weeks. It occurs to the junior Senator from Kansas that the American people are concerned about a great many things and the financial concerns of politicians are not high on their list. We addressed ourselves for about 7 days this year to whether or not we should have a pay raise. Now we are in the third week of addressing ourselves—and taking almost every minute of every day—to whether or not the Senator from Kansas and others should have their campaigns paid for out of the Public Treasury. I do not believe this is of any great interest to the American people. They want to purify the political process; but in doing that, I do not believe they ever expected the Federal Government to give every candidate for public office, for the House of Representatives or for the Senate, a blank check on the Federal Treasury.

Mr. President, an historian of America's legislative process might have foreseen a fairly sizable reaction to the spectacular political revelations of the past year or so. After all, the Sherman Act, the National Labor Relations Act, the Social Security Act, and a number of other important laws were sparked by major events or trends in our Nation's 200 years of development.

But I question whether anyone could have predicted the direction that has been taken by many in Congress and numerous other observers in reaction to the bizarre and disturbing scandals which have recently swept Washington.

WATERGATE COMMITTEE CREATED

As the Senate will remember, its first response—and I believe an appropriate one—to the initial revelations of Watergate was the passage of Senate Resolution 60 establishing the Select Committee on Presidential Campaign Activities. This committee was clearly and specifically charged "to conduct an investigation" and "to determine whether in its judgment any occurrences which may be revealed by the investigation and study indicate the necessity or desirability of the enactment of new congressional legislation to safeguard the electoral process."

As every Senator knows this committee has devoted hundreds, perhaps thousands, of hours and several million dollars to fulfilling its mandate, and as every Senator should know the leadership of the select committee has been mindful of this legislative aspect of its responsibilities from the outset.

The opening statements of Senators ERVIN and BAKER on the committee's first day of hearings on May 17, 1973, are explicit in this regard.

Senator ERVIN. Of necessity the committee's report will reflect the considered judgment of the committee on whatever new legislation is needed to help safeguard the electoral process . . .

Senator BAKER. This committee was created by the Senate to . . . find as many of the facts, the circumstances and the relationships as we could, to assemble those facts into a coherent and intelligible presentation and to make recommendations to the Congress for any changes in statute law or the basic charter document of the United States that may seem indicated.

When Senate Resolution 60 was considered, there were many strong and ringing statements in the Senate to the effect that a deliberate, thorough and unemotional investigation of Watergate was the appropriate and proper response for Congress to make in the face of the apparent abuses and illegalities which had been revealed to that point. The resolution was passed, the committee was created, and substantial sums have been provided for its work.

Of course, the date for submission of the committee's report has been extended beyond the original February 28, 1974, date. But the reason for this exten-

sion is the massive job of the committee, not procrastination or unreasonably delay on its part. And the Senator from Kansas has heard no suggestion that delay in submission of this report would in any way detract from the value of its legislative recommendations.

ACTION WITHOUT EXPERTS' RECOMMENDATIONS

So why should the Senate—after chartering a new committee and expending millions of the taxpayers' dollars to make its legislative recommendations as thorough and complete as possible—now pass a bill to deal with these matters before the select committee even has an opportunity to file its report? This is clearly illogical, it makes no sense as a matter of sound legislative procedure, and increases the danger that we will take mistaken or ineffective action.

If we are going to pass legislation without the benefit of our committees' recommendations, why bother having committees at all? Why not just save a lot of money and have the Senate sit as a committee of the whole and hold hearings and mark up bills and perform all the other jobs of our committee system?

URGE TO "DO SOMETHING"

Of course, the immediate American reaction to any spectacular development is to "do something." Whether that development is Sputnik, a missile gap, an energy crisis or whatever, the American people and especially Congress seem to consider immediate action, the necessary and essential response.

That such action is not always required is a secondary consideration. And this point was clearly illustrated by the fact that the energy crisis came and went without any help from Congress a month or two back.

But that is another whole story that we do not want to become tied down to today. I cite it, though, as evidence that pure "action" is not always necessary to solve a crisis.

Sometimes, however, events do point to clear requirements for consented efforts. The abuses engaged in by monopolies cried out for the responses of the Sherman Act. Violence, disruption, and death in disputes between labor and industry were unavoidable signals for enactment of the NRLA. There are countless examples of this uniquely American propensity and capability for responding to situations with sound, sensible, and highly beneficial legislation being placed on the statute books. And these political scandals may eventually prove to be such a case.

WHERE ARE WE GOING AFTER WATERGATE?

But a look at the current trend of events in the Senate today gives rise to a real concern as to whether we will see such a result in the wake of what has become known by the shorthand term "Watergate."

If this mass of unfortunate and deplorable happenings is held up against the "action" that is being generated in response to it, the American people must begin to wonder what is going on.

Of course, "Watergate" has come to mean many things to many people. But looking beyond the emotions, rhetoric, and other trappings that have been hung on it, it boils down to basic elements that can be described primarily in terms of the substantive criminal law. This is what the indictments, trials, and grand jury proceedings are all about. And as far as I can tell, the prosecutors have had no trouble in matching title 18's provisions to the conduct that has come under their scrutiny.

MILLIONS IN TAXES FOR BUMPER STICKERS

But what has been done? Without waiting for the recommendations of its own expert committee and in the face of criminal conduct which had no real relation to campaign finances, an apparent majority in the Senate is proposing to spend millions upon millions of the American people's tax dollars on campaign bumper stickers, buttons, television spots, newspaper ads, and billboards.

These expenditures of tax dollars would be made on behalf of candidates who seek 435 seats in Congress, 100 seats in the Senate and the offices of President and Vice President.

Multiply that by two or more parties in every race, primaries, runoffs and general elections, and you are talking about a lot of bumper stickers. And it mounts up to a sizable sum of those tax dollars that are so important to every citizen as April 15 approaches each year.

For example, in Kansas alone a Senate race with Democratic and Republican primaries could have a taxpayers' price-tag of more than $1 million. And adding the cost of five congressional races, you quickly reach a cost of more than $2 million for a non-Presidential election year.

PUBLIC FINANCING IS NOT REFORM

The pending legislation is the so-called Public Financing bill.

A better name might be the Politicians Subsidy Act. It has been the subject of long and heated debate both in and out of the Senate, on and off of the "Today" show. And the end is not yet in sight, since a motion to close debate failed on Thursday.

I supported enactment of the landmark 1971 Federal Election Campaign Act and the amendments to it which passed the Senate last year, so I feel that I speak as one who is committed to campaign reform. But I cannot give my support to a proposal merely because some would label it as "reform." And this is my position on public financing.

Basically, my objections fall into two general areas: Concerns as to public policy and the requirements of the Constitution.

In the area of public policy, I am forced to the conclusion that public financing is unnecessary, ineffective, and fundamentally dangerous.

UNNECESSARY STEPS

Public financing is unnecessary because, regardless of all the crocodile tears on Capitol Hill, there is money to support the political system—cleanly, honestly and sufficiently—without milking the Federal Treasury. The campaigns of BARRY GOLDWATER in 1968 and GEORGE MCGOVERN in 1972 are the best evidence available that small contributors can be tapped—even against hopeless odds—to support major campaigns.

As far as I know we still subscribe to the free enterprise system in this country. And a basic element of this system is the old saying that if you build a better mousetrap the world will beat a path to your door. I do not recall anything in the free enterprise ethic that mentions Government beating a path to your door with handouts merely if you want to build a better mousetrap. So why should there be any difference between mousetrap makers, shoe salesmen, lawyers—or politicians?

With a few notable exceptions, we have gotten along pretty well with this philosophy in America. Newcomers have entered their chosen fields and found success or failure on the strength or weakness of what they had to offer. I see no reason for changing now. So far, no one has made even a convincing case to me that giving away Federal tax dollars to help politicians buy bumper stickers will accomplish anything for the general good.

It might make it easier for lazy people to get into politics. After all, if you did not have to seek out financial support, it would make campaigning a lot less strenuous. And it would save a lot of political stomachs from fundraiser overdoses of cold roast chicken and creamed peas.

But politics does not need lazy people. It needs men and women who will go to the public, sell their ideas and programs and who will work to attract public support of all kinds for their campaigns. And politics needs commitment and participation by the people—with their time, with their efforts and with their finances given to the candidates who earn their support.

There is much that can be done to encourage more people to give to the candidates and parties of their choice. Tax deductions and credits for small contributions are particularly appropriate and a sensible means of accomplishing this most desirable goal.

INEFFECTIVE REMEDY

Public financing is also objectionable, because it is an ineffective remedy for the ills of Watergate. In fact every public financing feature that is before the Senate today could have been in force for 5 years, and still the Democrats' headquarters would have been bugged, Ellsburg's psychiatrist's office would have been burglarized, coverups would have been attempted, lies would have been told—and GERALD FORD would still be Vice President of the United States.

Public financing is simply not a solution for human stupidity, individual criminality, or personal greed. Perhaps some might have felt better about the Watergate mess if the hundred dollar bills that were floating around had come from the U.S. Treasury instead of a Mexican bank. But I do not see how it would have made much difference to the overall outcome of the affair or to the criminal charges in question.

Other proposals have been made with regard to specific criminal code changes, and I support many of them and believe they are responsive to some of the problems which do exist in politics.

DANGEROUS IMPLICATIONS

A third point of objection I have to the policy of public financing is the danger it poses to the political system.

Admittedly, there are inequities in the present state of affairs. Incumbents may have excessive advantages—both official and unofficial. Wealthy individuals and their families may be able to unfairly outspend an opponent in a campaign. Big business, labor and any number of special interest groups may be able to pump too much cash into the campaigns of their friends, and television, news magazines, and syndicated columnists may have too much influence over the information conveyed about candidates and their activities.

But is an artificial one-candidate, one-dollar formula of equality among candidates really an improvement over what we have today? I do not believe so.

When everybody gets the same amount of money, when everybody can only spend the same—what stresses will be put on the system as people jockey for new advantages?

Will it mean that the wealthy individual will quit his job 2 or 3 years ahead of the election, so an elaborate "non-political" publicity campaign can gain the exposure required for a successful race? If so, where does this leave an equally or better qualified man, say a young lawyer with a wife and family to support, who also might want to throw his hat in the ring? How could he hope to compete against such an opponent on an equal dollar basis after a headstart like that?

As financial equality was imposed would we see more newscasters, astronauts, football players, and TV stars suddenly cashing in on their fame to become politicians?

And what about incumbents under such a system? How are you possibly going to give some unknown first-time candidate equality with an incumbent Senator or Congressman—or an incumbent President. I suppose you could lock every Member of the Senate and House in his office from June to November every election year, but then what would prevent NBC from broadcasting the sounds they made trying to get out?

I do not mean to be facetious, but this whole concept of forced equality in the political arena is a source of grave concern to me.

FORCED POLITICAL ACTIVITY

Looking at the constitutional side, is public financing not a form of forced political activity which treads upon the first amendment's rights?

It is one thing to require a person to pay—through his taxes—for anything, the paraphernalia and frivolities of politics, which many men and women believe are wasteful and stupid.

But what of using a Catholic's tax dollars to support a candidate who calls for unlimited abortion? What of taking a black man's taxes to support an advocate of racial persecution? How many wheat farmers want their taxes spent to elect a proponent of export quotas? How many parents would like to see their tax dollars put a probusing candidate in the Senate?

I do not believe these questions can be ignored as public financing is viewed in a constitutional perspective.

Of course, the entire area of campaign reform treads on some very thin ice in regard to the Bill of Rights. Contribution limits, spending restrictions, even disclosure requirements, call in to play some basic principles of our Constitution which should be examined closely. But foremost among all of these concerns I would rank public financing, for how can the Government force a person to support the advocacy of views in the political arena which may be contrary to his economic and social interests or totally abhorrent to his most basic religious, ethical, or personal beliefs?

REFORM SHOULD BE PRESSED

Let me say, however, that, as I have indicated, there are areas of campaign reform that should be pressed.

Tax incentives for small contributors is one point. Stiffer criminal sanctions for voting fraud and so-called dirty tricks is another.

Overall, though, I believe the basic premises of the 1971 Campaign Act are still valid and should be maintained. Full and detailed financial disclosure is the cornerstone of this approach. And coupled with effective contribution limits—which you will recall we have not really had yet—and with incentives for shorter and less costly campaigns, I believe the American people can be provided with a much stronger and better political system. And this can be accomplished without adding millions of dollars to the tax-load of the American people of tampering with our basic rights as free citizens.

In this regard, I invite the Senate's attention to a recent Reader's Digest article by one of our most distinguished and respected former colleagues, Senator John Williams of Delaware. In a few brief pages Senator Williams, in the manner which characterized his great service to the Senate, sets forth the basic requirements for constructive and effective campaign reform.

I ask unanimous consent that the text of his article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AFTER WATERGATE A PLAN TO CONTROL CAMPAIGN BANKROLLING

(By John J. Williams)

It will probably be a long time before we can fully assess the impact of Watergate and related scandals on American life. Indeed, at this point we cannot foresee what more may yet emerge from continuing investigations. But from the squalid evidence already visible, it is clear that political corruption in this country is not just a moral problem. It is one that imperils the very survival of our democracy.

There is, of course, no magic solution to the problem of corruption, and we should be wary of any political nostrum that purports to offer one. But the recent scandals do illuminate one area where reforms are both essential and possible. For the reprehensible, clandestine political acts connected with Watergate were financed and made possible by an excess of campaign donations, many of them secretly and illicitly obtained. Equally important, the flow of massive contributions into both parties has created the impression among millions of Americans that the government of the United States can be bought.

To restore public confidence in the integrity of government, we need to end the dependency of our candidates on special-interest contributions. This we can do to a significant extent by reducing the costs and changing the methods of campaign financing. I believe there are a number of reasonable steps that can be taken toward this goal.

1. *Shorten the campaign.* Political campaigns cost so much, in part, because they last so long. The custom of prolonged campaigning originated at a time when much of the country was sparsely populated and a candidate had to travel by train or even on horseback for many months to communicate with the electorate. This tradition has been made obsolete by the jet airplane, television and other mass media. Yet our campaigns still drag on needlessly, consuming vast amounts of money and providing endless repetition.

I recall that after President Eisenhower once spoke in my state of Delaware, I complimented him on his speech. "Well, Senator," he replied, "the first time I made that speech. I thought it was pretty good. The next ten times I made it, I thought it was okay. Now I've made it so many times I think it's terrible."

I doubt that there is a politician alive who has not felt that way or who could not tell the people all he knows and thinks in two or three months. Thus, I believe that Congress should fix a uniform, nationwide date for the primaries and nominating conventions affecting all federal offices. By commencing the primary campaigns in early August, and the general-election campaigns in early October, we would at once sharply lower the cost of politics. At the same time, we would improve the quality of political discourse and heighten public interest in it.

2. *Grant free television time and mailing rights.* Candidates in the seven Congressional districts in and around Detroit usually pay about $2000 for one minute of prime network television time. With costs in other metropolitan areas—New York, Los Angeles, Chicago, Philadelphia—even higher, it is not surprising that candidates for federal posts had to spend $32 million for TV and $28 million for radio in 1972.

In urging free time for legitimate candidates, it is important to recognize that television and radio stations exist and make handsome profits because they have been given public property—namely, transmission channels, of which there are a limited number. So it seems to me only fair that the stations partially repay the public at election time by providing bona-fide candidates with the means of free communication of their political views. At the same time, the present law, which requires stations to give equal time to anyone claiming to be a candidate, whether he has any serious credentials or not, should be repealed.

Congress should then promulgate criteria by which state-election officials can certify bona-fide candidates for national office. It should also stipulate how much time stations must allot to them. This free access to broadcast media would greatly diminish what is often the largest item in a campaign budget.

The dependency of candidates on outside contributions could be further lessened by allowing them to mail one or two political statements to all voters free of charge. Presently prevailing printing and mailing costs make such mailings prohibitive. A Senate candidate running in California would most likely need to spend at least $1.1 million to reach every registered voter in the state. In Ohio, the total would be more than $500,000; in New Jersey, $400,000; in Georgia, $250,000.

Incumbent Congressmen and Senators are already permitted to make mass mailings of "non-political" material that promotes their re-election efforts. By giving challengers limited mailing privileges, we would level the political scales now tipped in favor of those in office. In Great Britain, the practice of awarding candidates mailing privileges—and free television time—has proved both workable and effective.

3. Get Big Business and Big Labor out of political bankrolling. The law has long recognized, in theory at least, that it is wrong to allow corporations and unions to try to buy votes through political donations. As far back as 1907, Congress prohibited business contributions and unsecured loans by banks for political purposes, a ban that was reaffirmed by laws enacted in 1925 and 1971. Congress applied the same prohibition to unions in 1943 and 1947. But corporations and unions—as well as both major political parties—have flouted the intent of these prohibitions with virtual impunity.

As of last December, for example, at least eight executives had publicly admitted that their corporations made illegal contributions to the 1972 Nixon campaign. But Democrats as well as Republicans have shared in such political largess. Dairy lobbyists who gave $100,000 to the Republicans in 1969 also passed out hefty contributions to prominent Democrats in a position to influence Congressional legislation affecting dairy interests.

As for the unions, many, by a variety of measures, extract "voluntary contributions" from their members. These fixed "contributions," regularly deducted from each member's paycheck along with his dues, go into political funds controlled by union bosses. In the 1968 and 1972 elections, millions of rank-and-filers disagreed with the political candidates subsidized by their dollars. But they had no voice in the matter. Unions further aid favored candidates by financing "political education" and "voter registration" drives. Although nonpartisan in name, such campaigns are actually ultra-partisan because they are conducted only in those areas and among those voters known to favor the union leaders' candidates. Author Theodore H. White notes that in 1968 unions registered 4.6 million voters, distributed 115 million political leaflets, supplied 72,225 house-to-house canvassers, and on Election Day deployed 94,500 volunteers for political purposes.

To be sure, political activity—including genuinely voluntary contributions—should be encouraged among all citizens. But Congress should enact stringent new laws which effectively bar corporate and union contributions in any form.

4. Make small contributors the backbone of political financing. While reducing the costs of campaigns, we should endeavor to spread the legitimate costs that do remain among as many citizens as possible. Technically, present law makes it illegal for anyone to give a candidate more than $5000. However, a donor may contribute to unlimited numbers of local committees established solely to funnel money to a candidate. Thus, big contributors continue to supply a disproportionate share of campaign funds.

Recognizing that candidates should not become beholden to a comparatively few large donors, Congress is currently considering a proposal to have the federal government finance campaigns for national office. Worthy as the *aims* of this proposal are, I think such a plan is both undesirable and impractical. For one thing, federal financing would make political parties unresponsive to the people. Guaranteed millions of dollars from the public treasury, a party could pursue extremist or outworn aims year after year simply because it would not have to go to the people for financial support. In areas that are predominantly Democratic or Republican, candidates of the less-favored party would receive tax funds vastly disproportionate to their popular support.

The federal-financing proposal also seeks to impose a ceiling on overall campaign expenditures by limiting the amount a candidate may spend and by restricting individual donations to $100. In reality, this subsidy scheme could easily lead to even costlier campaigns, with the federal treasury simply adding on another layer of money. While candidates themselves could not exceed specified limits, nothing would prevent so-called "public interest" organizations from using their own money to promote politicians of their choice. Nor could a wealthy office-seeker be kept from promoting himself before he officially became a candidate.

As an alternative to straight federal financing, I think we should adopt an idea first advocated by President Kennedy. Its objective is to stimulate myriad small contributions, which would leave candidates unobligated to a few big donors. Such stimulus could be provided by allowing taxpayers a 50-percent tax credit on donations up to, say, $300. Thus, if a man earning $10,000 and a man earning $100,000 a year each contributed $300, the two of them would be treated equally—each would receive a tax rebate of $150.

Simultaneously, to discourage large contributions, Congress should bar a candidate from receiving money through more than one committee and prohibit anyone from giving a candidate more than $3000—with stiff tax penalties and jail terms for those caught cheating. Candidacies founded upon the spontaneous, truly voluntary support of many small contributors would be the most likely to produce the best political representation for all the people.

5. Enforce the campaign-funding laws. If properly enforced, existing statutes are, by and large, adequate to deal with the individual instances of dishonesty that will always be with us. Thus, no new laws were necessary during the past two years to successfully prosecute former Vice President Spiro T. Agnew; Sen. Daniel Brewster of Maryland; Representatives Cornelius Gallagher of New Jersey and John Dowdy of Texas; and former Illinois Governor Otto Kerner. However, too often existing laws *have not been enforced.*

To provide for enforcement of the reforms that inevitably will be enacted, Congress should establish a federal-election commission composed equally of Democrats and Republicans. The assurance that future scandals will not be covered up, no matter who is involved, will of itself help revive public confidence.

Watergate has damaged the country, and it would be foolish to pretend otherwise. And beyond Watergate we see flaws, inadequacies and multiplying problems in many sectors of our society. But, for all its defects, our democracy is still worth preserving and improving. Thus, it is vital that the Congress begin now to cleanse our politics and thereby to revitalize our faith in the democratic process. If the men presently in Congress do not act convincingly and effectively in the coming months, then at the polls next November all of us can exercise the old-fashioned American recourse of replacing them with men who will.

DOLE SUBSTITUTE PROPOSAL

Mr. DOLE. The substitute campaign reform measure which I have authored and which has been cosponsored by the Senator from Colorado (Mr. DOMINICK) embodies my views on the proper direction for the work started in 1971 to be continued. And in most respects it accords with Senator Williams' recommendations.

It would in part:

Allow broadcast of debates between major party candidates for all Federal offices;

Place a $3,000 annual limit on all individual and organization contributions;

Restrict the amounts a wealthy candidate or his family could spend on a campaign;

Forbid cash contributions above $50;

Establish a Federal election commission to supervise all congressional and Presidential campaigns;

Require full disclosure of every candidate's, officeholder's and high Federal official's finances;

Expand tax credits and deductions for small contributions;

Shorten the campaigns for Congress and the Presidency;

Limit the use of the congressional franking privilege; and

Establish strict penalties for voting fraud and campaign "dirty tricks."

This gives a broad outline of the features of amendment No. 1127; but for a more detailed picture, I ask unanimous consent that its table of contents be printed in the RECORD at this point.

There being no objection, the table of contents was ordered to be printed in the RECORD, as follows:

Mr. DOLE. Mr. President, I believe my amendment embodies a responsible and constructive approach to the job of campaign reform. Personally, I would prefer that the Senate consider the Watergate Committee's report before acting in this area at all. However, if we must have action at this time, I feel we should build upon the basis of full disclosure and campaign costs limitations that was established in the 1971 act.

My amendment is consistent with that act. It responds to the abuses and problems which were disclosed in the 1972 campaign and it avoids the pitfalls, uncertainties and dangers of such a radical experiment as tax-supported political campaigns.

I am not putting it forward as a complete answer or the only possible answer to the problems we are facing. The comments, criticisms, and suggestions for improvement from any Senator would be welcome. There may be oversights in its provisions and other Senators may feel it goes too far in some areas. But I believe my proposal would provide a basis for discussion and hopefully for agreement on the proper approach to be taken. It is offered in that spirit, and I would urge its favorable consideration by my colleagues.

Mr. President, my proposal, the substitute, contains the repeal of the existing tax return checkoff with respect to presidential campaigns. However, during the debate and discussion, it occurred to the Senator from Kansas that there is widespread acceptance for this idea of providing voluntary, national support for a truly national office. Therefore, I ask unanimous consent that my amendment No. 1127 be modified by striking section 602, or 502 as it was erroneously printed, on page 60, and renumbering the present section 603 as 602.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. This does retain the voluntary checkoff system, and I believe it is appropriate.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

Mr. DOLE. Yes.

The modification is as follows:

Strike section 602 on page 60 and renumber the present section 603 as "602."

Mr. DOLE. This substitute eliminates public financing and is campaign reform. We have a clear choice, when the vote comes on this substitute, as to which way we wish to proceed.

Mr. President, I reserve the remainder of my time.

I ask unanimous consent that the name of the distinguished Senator from Colorado (Mr. DOMINICK) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. DOLE. The Senator from New Hampshire is allotted 5 minutes.

Mr. COTTON. Mr. President, I should like to ask the Senator from Kansas to add my name as a cosponsor of the amendment.

Mr. DOLE. Mr. President, I ask unanimous consent that the name of the Senator from New Hampshire be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, I will try to crowd into 5 minutes a few comments on this bill. I felt it appropriate to do so when the substitute measure of the Senator from Kansas was before the Senate.

During the time I served in the State legislature of my State, we worked long and hard to devise a corrupt practices act that would be as effective and as airtight as we could bring about in the matter of keeping campaigns clean and above board and in protecting the rights of those who are not heavily endowed with this world's goods to have an opportunity to run for office. During those years, I learned some practical lessons I have never forgotten.

There is no question whatever that we want to do anything that is practical and reasonable and effective and in our power to satisfy the people of this country and to keep our elective process as clean as possible. But the matter of public financing of political campaigns, in the opinion of this Senator, who has completed 50 years of service—in the State legislature and various State offices, including 28 years of service in Congress—is a very impractical and ineffective approach; and it is a wasteful and dangerous approach. Despite the very obvious sincerity of others—and I respect the opinions of every Senator on this matter—I am steadfastly against it.

I commend the Rules Committee, under the leadership of the distinguished Senator from Nevada and the distinguished Senator from Kentucky and others, for a job well done, considering what they had to work with and what many Members of the Senate seem to be demanding. They have come up with as reasonable a bill as possible. However, in the last analysis, the only way to effectively purify and keep elections clean is exposure. It cannot be done effectively any other way, in the opinion of this Senator.

We are hearing on every side—and we are justly hearing on every side—about opening up so that the people may know. Everybody wants to televise the proceedings on the floor of the Senate and in the various committees, and they want the people to know.

The way to achieve pure elections is to have the people know. That is provided in this substitute and I shall support the substitute.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. COTTON. The 5 minutes I had went by quickly. May I have a little more time?

Mr. DOLE. I have a minute and a half. The Senator may have 1 minute of it.

The PRESIDING OFFICER. Under the rules, once cloture has been voted a Senator cannot yield his time to some other Senator.

Mr. COTTON. I have an hour of my own. I ask that it be taken out of that time. I do not want to crowd anyone else in the debate.

Mr. President, I ask unanimous consent that I may be allowed to use 5 minutes out of my hour, beyond the time that was ordered by unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. Mr. President, I would permit that 5 minutes to be charged against my time on this particular amendment.

The PRESIDING OFFICER. The ruling of the Chair is, if there is no objection to the use of 5 minutes of the Senator's own hour on this amendment, that will be ordered. However, it cannot be charged against any other Senator's time, except by unanimous consent.

Mr. CANNON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. What I am trying to do is this. We have a time limitation. I have so much time under the time limitation and the Senator from Kansas has the other half of the time. I do not care if the time is charged to me or not, but I do have control of one-half of the time in opposition to the amendment and I desire to let the Senator have 5 minutes out of that time.

The PRESIDING OFFICER. The Chair would advise the Senator that the parliamentary situation is that although the Senator from Nevada has charge of 12.5 minutes on this amendment, that comes out of the Senator's 1 hour under the cloture rule. Five minutes of that 12.5 minutes could be transferred by unanimous consent to the Senator from New Hampshire and that additional 5 minutes would then be charged to the Senator from New Hampshire's 1 hour under cloture.

Mr. COTTON. Mr. President, is it not proper for me to ask unanimous consent for 5 minutes or even 10 minutes from my own hour, and that it not be charged to the time allotted to this measure?

The PRESIDING OFFICER. Yes, it can be done by unanimous consent.

Mr. COTTON. Then I ask unanimous consent.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COTTON. Not more than 10 minutes to be taken out of my hour and not charged to either the Senator from Nevada or the Senator from Kansas.

The PRESIDING OFFICER. The Chair would ask: Does that mean an ad-

ditional 10 minutes beyond the 5 minutes?

Mr. COTTON. Yes, 10 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, this is all I intend to say on this bill and I would like to have this time.

Now, as I was saying when we got into this time situation, the only effective way to control elections is exposure. It is useless to put limits on contributions and limits on expenditures. Those limits are not needed if periodically during the campaign, not after the campaign is over, after someone has been nominated or elected, but periodically during the campaign, twice a month or once a month over the preceding period, and certainly 10 days before the primary or election, there shall be reported by the candidates every expenditure made by him on his behalf, every cent that has been contributed and its source, every cent that has been promised and the source, every cent that has been spent and how it was spent, and every promise or contract made to expend money in the future. This would make public what we all know—that is, for instance, that if someone has a million dollars and I have only $50,000, and we sit down at the poker table, it does not make any difference what stakes we play for, he has the advantage because he can spare whatever he needs to use.

There is no way on earth campaign expenditures really can be limited because expenditures are simply driven under ground. But if we could have the kind of law that provides for rigid, complete disclosure, periodically during the campaign of every candidate, then contributions could not be passed around among various people, divided up, or driven under ground.

I would set a penalty for falsifying in any way the receipts and expenditures of the candidate, and provided for an immediate appeal to the court of highest jurisdiction in the State. If he were found guilty, his name would be removed from the ballot and he would be held to be ineligible to hold public office for 5 years. That would put teeth in it. From the experience of this Senator, in all the years he has been here, that is the way to do it.

This matter of digging into the public Treasury and taking the taxpayers' money to finance campaigns makes me very sad. For many years I have served, as Senators know, as the ranking minority member of the Subcommittee on Health, Education, and Welfare of the Committee on Appropriations in the Senate. When I think of the needs we have, when I think of the taxpayers' money we could use in our campaign against cancer, when I think of the people who are dying in remote areas of this country because they cannot get a kidney dialysis, when I think of the need, whether it is called the Kennedy bill, the administration bill, or something in between for taxpayers' dollars to bring down the cost of hospitalization and health in this country, and when I think of the needs in education, it just grates on my nerves to be talking about digging into taxpayers' money to finance political campaigns, because if we have strong laws that permit people to finance their own campaigns, maintaining the bar against labor unions contributing and various other safeguards, there is no need to use one single precious taxpayers' dollar in politics when there are so many crying human needs we must satisfy.

We will soon be working on the situation of people facing the tremendous cost of catastrophic illness, of people who desperately need medical care, and every dollar we take is taken from places where dollars are desperately needed. We can place limits from now to kingdom come, we can say that there shall not be a multiplicity of committees, and we can put all these restrictions in, but there is always a way around every one of them. It just drives campaigns underground. The keynote today is exposure—let the public know. If they know—not after the elections, but periodically—then they can know what is going on and they can take precautions to prevent certain happenings.

Those are the reasons why I shall support the substitute, even though I would like to go further than it goes. Those are the reasons why I shall be compelled to vote against the bill, although I am as anxious as any Senator to restore the confidence of the American public in our elective process and in our public servants.

I should mention, Mr. President, that in discussing my own feelings about this bill, one Senator here objected on the ground that periodic accountings all through the campaign by a candidate for the Senate or the House of Representatives would force the candidate to have a full-time or almost full-time accountant to handle the work. My answer is that the events of recent years have been such that any man running as a candidate on a statewide basis or from any congressional district, with the population we now have, should have the constant assistance of an expert in accounting, and I would not want to run for office myself without such an accountant.

Another reason in favor of frequent accountings rather than limits on expenditures is that the accountings are the fairest and most effective method, since in some States television is an important and effective way of campaigning while in other States it is entirely impractical—sometimes because no station reaches the entire State—and consequently direct mailings or some other methods have to be resorted to by the candidate.

All measures that have been advocated over the last few years have tended to present various new difficulties for some candidates in certain sections. But any way you slice it, artificial limitations encourage evasion of the law, while rigid requirements of disclosure to the people under penalty of being declared ineligible for office would, although not perfect, in my opinion be the best way, and I think the only way, to accomplish our purpose.

Mr. President, I hope the substitute will be adopted, although I again commend the Rules Committee and the leadership of the Senator from Nevada for a constructive job well done; but I cannot vote for the bill and I cannot vote to waste taxpayers' money in politics when it cannot be done effectively. That, in a nutshell, is what I wanted to say on the whole bill. I thank both Senators for their cooperation.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Nevada has 12½ minutes on this amendment; the Senator from Kansas has 1½ minutes.

Mr. CANNON. Mr. President, I am prepared to yield back my time.

Mr. DOLE. Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Kansas, as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Maine (Mr. HATHAWAY), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. HUGH SCOTT. I annonuce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 31, nays 55, as follows:

[No. 131 Leg.]

YEAS—31

Aiken	Curtis	Hruska
Allen	Dole	McClellan
Baker	Dominick	McClure
Bartlett	Eastland	Nunn
Bellmon	Ervin	Roth
Bennett	Fannin	Taft
Brock	Gurney	Talmadge
Buckley	Hansen	Thurmond
Byrd, Harry F., Jr.	Hatfield	Tower
Cotton	Helms	Weicker
	Hollings	

NAYS—55

Abourezk	Hartke	Pastore
Bayh	Haskell	Pearson
Beall	Huddleston	Pell
Bentsen	Humphrey	Percy
Bible	Jackson	Proxmire
Biden	Javits	Randolph
Brooke	Johnston	Ribicoff
Burdick	Magnuson	Schweiker
Byrd, Robert C.	Mansfield	Scott, Hugh
Cannon	McGovern	Sparkman
Case	McIntyre	Stafford
Chiles	Metcalf	Stevens
Clark	Metzenbaum	Stevenson
Cook	Mondale	Symington
Cranston	Montoya	Tunney
Domenici	Moss	Williams
Eagleton	Muskie	Young
Gravel	Nelson	
Hart	Packwood	

NOT VOTING—14

Church	Hathaway	Mathias
Fong	Hughes	McGee
Fulbright	Inouye	Scott,
Goldwater	Kennedy	William L.
Griffin	Long	Stennis

So, Mr. DOLE's amendment (No. 1126), as modified, was rejected.

LEGISLATIVE PROGRAM—UNANIMOUS-CONSENT AGREEMENT

Mr. HUGH SCOTT. Mr. President, I rise for the purpose of inquiring of our distinguished majority leader as to what is the pending business, and what he expects will be the business for the remainder of today and the remainder of the session before the recess.

The PRESIDING OFFICER (Mr. ABOUREZK). Will the majority leader refrain from responding until order is restored? The Senate will come to order. Senators are entitled to hear the majority leader announce the program for the remainder of the week. Senators having conversations will please remove themselves from the Chamber.

The majority leader may proceed.

Mr. MANSFIELD. Mr. President, in response to the question raised, first, I would appreciate it if there would be a show of hands of those Senators who still intend to offer amendments to the campaign practices proposal. (Counting) 1, 2, 3, 4, 5, 6, 7—it looks like 10 or 12. Not more than 15, anyway, and maybe not that many.

Mr. President, if the Senate will agree that it be in order at this time, I ask unanimous consent that there be a time limitation of 30 minutes on all amendments to be offered from now on, the time to be equally divided between the sponsor of the amendment and the manager of the bill.

Mr. HUGH SCOTT. And amendments thereto.

Mr. MANSFIELD. And amendments thereto.

Mr. HUGH SCOTT. I have no objection, except as to the——

Mr. MANSFIELD. This would be all amendments excepting that of the Senator from New York (Mr. BUCKLEY), who may or may not agree, but if he does not agree, he still has the hour which is allocated to each Senator.

Mr. HUGH SCOTT. As long as he is protected, that is fine.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. TAFT. Mr. President, reserving the right to object——

The PRESIDING OFFICER. First, the Chair would advise the majority leader as to the parliamentary situation with regard to the 1-hour time limit. There is a time limit of 1 hour for each Senator under cloture. That also includes any time on amendments. If there is a separate time limit placed on an amendment, and it is used, the time any Senator speaks on that amendment, irrespective of what the time limit on the amendment is, is taken from his hour of total debate, and time is not transferrable.

Mr. MANSFIELD. That is the intention of the joint leadership, that it be taken out of the 1 hour allotted to each Senator. If any Senator wishes to object, I will be glad to withdraw the request.

Mr. TAFT. Reserving the right to object——

Mr. MANSFIELD. If the Senator will withhold that, may I say the purpose is——

Mr. PASTORE. May we have order, please, Mr. President?

The PRESIDING OFFICER. Yes, the point is well taken. The Senate will come to order. Senators are entitled to hear this colloquy. Senators and staff members conversing will remove themselves from the Chamber.

The Senator from Montana may proceed.

Mr. MANSFIELD. The purpose in making this request at this time is that now we will proceed to the tornado disaster relief bill. There will be a number of amendments applied to that measure, and we will stay with it until it is concluded, even though there happens to be a time limitation. Then we will go back on the pending business.

Under the recess resolution, the Senate goes out at the conclusion of business Friday. I am not offering a carrot or a stick, but if it would be possible to get the Senate out on Thursday, I would appreciate it just as much as any other Member.

With that explanation, the Senator from Ohio may reserve his right to object.

Mr. TAFT. I thank the majority leader for his explanation. Do I understand correctly that, should this unanimous consent request be agreed to, each Senator would be limited to 15 minutes in discussing any amendment?

Mr. MANSFIELD. That is correct, but he would have the rest of his time under the cloture rule to discuss the amendment, and the amendment would not be voted upon until he has completed his time under the cloture rule. He may apply it to just the amendment.

Mr. TAFT. Well, when would the vote on the amendment occur? If the amendment is called up, and the Senator talks for 15 minutes, and then desires to take his additional 45 minutes, would he be able to take his additional 45 minutes before the vote occurs?

Mr. MANSFIELD. No, because in accordance with the agreement the time on the amendment would be limited.

Mr. TAFT. That is my understanding. I have an amendment pending on which I would like to have an hour reserved.

Mr. MANSFIELD. I would be willing to make an exception on the same basis as in the case of the Senator from New York, who is unavoidably absent.

Mr. HUGH SCOTT. Mr. President, I think that could be taken care of by the Senator discussing generally what he intends to do for the 45 minutes, and then going into the half-hour on the amendment. He does not need to call it up, in other words, until the end of the 45 minutes.

Mr. TAFT. The Senator from Ohio does not believe that would be appropriate with regard to the procedures that might arise.

Mr. HUGH SCOTT. Then I would be willing to make an exception on behalf of the Senator from Ohio as well as the Senator from New York (Mr. BUCKLEY).

The PRESIDING OFFICER. Is there objection?

Mr. BROCK. Mr. President, reserving the right to object, the Senator from Montana is not saying that an exception is made to the 1 hour under the cloture rule?

Mr. MANSFIELD. No.

Mr. BROCK. If the Senator from Ohio wants to spend his entire 1 hour on one amendment, that would be his privilege, but that would be all.

Mr. MANSFIELD. That is right. In his case that is true, yes.

Mr. BROCK. I thank the Senator.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered, that there be a 30 minutes time limitation on each amendment except for the amendments of the Senator from New York and the Senator from Ohio.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Rhode Island.

Mr. PASTORE. I would assume that the votes on these amendments would occur with some rapidity. I wonder if we could have a unanimous-consent agreement to confine the voting period to 10 minutes on each of these amendments. I think sometimes we just sit here for 5 minutes waiting for the 15-minute time to run out for the call of the roll.

Mr. HUGH SCOTT. Mr. President, if the Senator will defer that request until we can get the Senator from Oregon (Mr. PACKWOOD) to the floor, who has asked that he be present when such a request is made, I would have no objection.

I would like, if the majority leader will yield, to clarify something else. Am I correct that the time taken for the votes on amendments is not taken from the time of any Senator?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUGH SCOTT. And upon any Senator noting the absence of a quorum, the time for the quorum call would come from the time of the Senator who makes the point of order, is that correct?

Mr. MANSFIELD. No, a quorum call under this circumstance, or a vote, would not be charged to any Senator.

Mr. HUGH SCOTT. Then it is understood that the quorum calls in no event are charged to any Senator; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENSON. Mr. President, reserving the right to object——

The PRESIDING OFFICER. There is no unanimous consent request pending at this time.

Mr. MANSFIELD. I yield to the Senator from Illinois.

Mr. STEVENSON. Does the order limit the time on a motion to recommit?

The PRESIDING OFFICER. No, the request was as to amendments only, and not as to motions to recommit.

Mr. MANSFIELD. But if there is a motion to recommit, I would ask that

there be a time limitation on the same basis.

Mr. STEVENSON. I would have to object to that limitation, and would hope an exception would be made if such a motion is made.

Mr. MANSFIELD. I said I would agree to a time limitation on a motion to recommit, and I ask unanimous consent that that be done, a time limitation of one-half hour, with the time to be equally divided between the mover and the sponsor of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 308—RESOLUTION TO PERMIT SENATOR BELLMON TO APPEAR AS A WITNESS IN U.S. DISTRICT COURT IN OKLAHOMA

Mr. HUGH SCOTT. Mr. President, I sent to the desk a resolution and ask for its immediate consideration, notwithstanding the previous order.

The PRESIDING OFFICER. The clerk will state the resolution.

The assistant legislative clerk read the resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution (S. Res. 308) was considered and agreed to.

With its preamble, the resolution reads as follows:

Whereas, Honorable Henry L. Bellmon, a member of this body, has been served with a Subpoena to appear as a witness before the District Court of the United States for the Western District of Oklahoma, to testify at 9:30 o'clock a.m. on the Sixteenth day of April, 1974, in the Case of United States v. Leo Winters, et al; and

Whereas, under the Standing Rules of the Senate, no Senator may absent himself from the service of the Senate without leave of the Senate: Therefore be it

Resolved, that Honorable Henry L. Bellmon is granted leave to appear as a witness before the District Court of the United States in the Case of the United States v. Leo Winters, et al at a time when the Senate is not sitting in Session; and be it further

Resolved, that a copy of this Resolution be submitted to the said Court.

CORRECTION OF A VOTE

Mr. GRAVEL. Mr. President, on April 9, 1974, I was present and voted "Yea" on an amendment offered by Senator KENNEDY to an amendment of Senator STEVENSON. It is vote No. 129. The RECORD indicates that I was necessarily absent.

I therefore ask unanimous consent that the RECORD be corrected to reflect my vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 804 (b), Public Law 90-351, as amended, the Speaker had appointed Mr. KASTENMEIER, Mr. EDWARDS of California, Mr. RAILSBACK, and Mr. STEIGER of Arizona as members of the National Commission for the Review of Federal and States Laws Relating to Wiretapping and Electronic Surveillance, on the part of the House.

The message announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 421. An act to amend the Tariff Schedules of the United States to permit the importation of upholstery regulators, upholsterer's regulating needles, and upholsterer's pins free of duty; and

H.R. 14012. An act making appropriations for the Legislative Branch for the fiscal year ending June 30, 1975, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H.R. 421. An act to amend the Tariff Schedules of the United States to permit the importation of upholstery regulators, upholsterer's regulating needles, and upholsterer's pins free of duty. Referred to the Committee on Finance.

H.R. 14012. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1975, and for other purposes. Referred to the Committee on Appropriations.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1866. An act to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes; and

H.R. 13542. An act to abolish the position of Commissioner of Fish and Wildlife, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. ALLEN).

EXECUTIVE SESSION

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the Senate go into executive session for not to exceed 2 minutes, to consider a nomination now at the desk, and which was reported earlier today.

There being no objection, the Senate proceeded to the consideration of executive business.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. BIDEN). The nomination will be stated.

DEPARTMENT OF DEFENSE

The second assistant legislative clerk read the nomination of John M. Maury, of Virginia, to be an Assistant Secretary of Defense.

Mr. HARRY F. BYRD, JR. Mr. President, I might say that the action of the Senate is now taking has been cleared with the majority and minority leaders, the chairman of the Armed Services Committee, and the ranking minority member of the Armed Services Committee. It was reported unanimously this morning by the Armed Services Committee.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. HARRY F. BYRD, JR. Mr. President, I move that the Senate resume consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

DISASTER RELIEF ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. ABOUREZK). Under the previous order, the Senate will now proceed to the consideration of Calendar No. 751, S. 3062, which the clerk will state.

The assistant legislative clerk read as follows:

S. 3062, a bill entitled the "Disaster Relief Act Amendments of 1974"

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. Debate on the pending bill is limited to 2 hours to be equally divided and controlled between the Senator from North Dakota (Mr. BURDICK) and the Senator from New Mexico (Mr. DOMENICI), with 30 minutes on any amendment in the first and second degree, and 10 minutes on any debatable motion or appeal.

Mr. BURDICK. Mr. President, I ask unanimous consent during consideration of and voting on S. 3062 the following staff members of the Committee on Public Works be granted privilege of access to the Senate floor:

Clark Norton, John Yago, Philip T. Cummings, M. Barry Meyer, Bailey Guard, Judy Parente, Steve Swain, Paul Ebeltoft of my staff, Grady Smith of Senator DOMENICI's staff, and George Shanks of the staff of Senator HARRY F. BYRD, JR.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURDICK. Mr. President, the Disaster Relief Act Amendments of 1974 come before the Senate in the tragic shadow cast by the tornadoes that afflicted five states in mid-United States last week. The destruction and hardship that followed in the wake of these storms has aroused the sympathy of the Nation and I know that the hearts of each one of us go out to the people who have been so sorely tried. Indeed, the realization that the bill before us is of profound significance not simply in legal terms, but in human terms, must weigh

(c)(1) Subtitle C of title I of the State and Local Fiscal Assistance Act of 1972 is amended by adding at the end thereof the following new section:

"SEC. 145. ENTITLEMENT FACTORS AFFECTED BY MAJOR DISASTERS.

"In the administration of this title the Secretary shall disregard any change in data used in determining the entitlement of a State government or a unit of local government for a period of 60 months if that change—

"(1) results from a major disaster determined by the President under section 301 of the Disaster Relief Act Amendments of 1974, and

"(2) reduces the amount of the entitlement of that State government or unit of local government.".

(2) The amendment made by this section takes effect on April 1, 1974.

EMERGENCY COMMUNICATIONS

SEC. 415. The President is authorized during, or in anticipation of, an emergency or major disaster to establish temporary communications systems and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 416. The President is authorized to provide temporary public transportation service in a major disaster area to meet emergency needs and to provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

FIRE SUPPRESSION GRANTS

SEC. 417. The President is authorized to provide assistance, including grants, equipment, supplies, and personnel, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TIMBER SALE CONTRACTS

SEC. 418. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than $1,000 for sales under one million board feet, (2) of more than $1 per thousand board feet for sales of one to three million board feet, or (3) of more than $3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the appropriate Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, he may allow cancellation of a contract entered into by his Department notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

TITLE V—ECONOMIC RECOVERY FOR DISASTER AREAS

SEC. 501. The Public Works and Economic Development Act of 1965, as amended, is amended by adding at the end thereof the following new title:

"TITLE VIII—ECONOMIC RECOVERY FOR DISASTER AREAS

"PURPOSES OF TITLE

"SEC. 801. It is the purpose of this title to provide assistance for the economic recovery, after the period of emergency aid and replacement of essential facilities and services, of any major disaster area which has suffered a dislocation of its economy of sufficient severity to require (a) assistance in planning for development to replace that lost in the disaster; (b) continued coordination of assistance available under Federal-aid programs; and (c) continued assistance toward the restoration of the employment base.

"DISASTER RECOVERY PLANNING

"SEC. 802. (a)(1) In the case of any major disaster area which the Governor has determined requires assistance under this title and for which he has requested such assistance, the Governor, within thirty days after authorization of such assistance by the President, shall designate a Recovery Planning Council for such area or for each part thereof.

"(2) Such Council shall be composed of not less than five members, a majority of whom shall be local elected officials of political subdivisions within the affected areas, at least one representative of the State, and a representative of the Federal Government. During the period for which the major disaster is declared, the Federal coordinating officer shall also serve on the Council.

"(3) The Federal representative on such Council may be the Chairman of the Federal Regional Council for the affected area, or a member of the Federal Regional Council designated by the Chairman. The Federal representative on such Council may be the Federal Cochairman of the Regional Commission established pursuant to title V of the Public Works and Economic Development Act, or the Appalachian Regional Development Act, or his designee, where all of the affected area is within the boundaries of such Commission.

"(4) The Governor may designate an existing multijurisdictional organization as the Recovery Planning Council where such organization complies with paragraph (2) of this subsection with the addition of State and Federal representatives. Where possible, the organization designated as the Recovery Planning Council shall be or shall be subsequently designated as the clearinghouse required by the Office of Management and Budget circular A-95.

"(5) The Recovery Planning Council shall include private citizens as members to the extent feasible, and shall provide for and encourage public participation in its deliberations and decisions.

"(b) The Recovery Planning Council (1) shall review existing development, land use and other plans for the affected area; (2) may make such revisions as it determines necessary for the economic recovery of the area, including the development of new plans and the preparation of a recovery investment plan for the five-year period following the declaration of the disaster; and (3) may make recommendations for such revisions and the implementation of such plans to the Governor and responsible local governments. The Council shall accept as one element of the recovery investment plan determinations made under section 402(f) of the Disaster Relief Act Amendments of 1974.

"(c)(1) A recovery investment plan prepared by a Recovery Planning Council may recommend the revision, deletion, reprograming, or additional approval of Federal-aid projects and programs within the area—

"(A) for which application has been made but approval not yet granted;

"(B) for which funds have been obligated or approval granted but construction not yet begun;

"(C) for which funds have been or are scheduled to be apportioned within the five years after the declaration of the disaster;

"(D) which may otherwise be available to the area under any State schedule or revised State schedule of priorities; or

"(E) which may reasonably be anticipated as becoming available under existing programs.

"(2) Upon the recommendation of the Recovery Planning Council and the request of the Governor, any funds for projects or programs identified pursuant to paragraph (1) of this subsection may be placed in reserve by the responsible Federal agency for use in accordance with such recommendations. Upon the request of the Governor and with the concurrence of affected local governments, such funds may be transferred to the Recovery Planning Council to be *expended in the implementation of the* recovery investment plan.

"PUBLIC WORKS AND DEVELOPMENT FACILITIES GRANTS AND LOANS

"SEC. 803. (a) The President is authorized to provide funds to any Recovery Planning Council for the implementation of a recovery investment plan by public bodies. Such funds may be used—

"(1) to make loans for the acquisition or development of land and improvements for public works, public service, or development facility usage, including the acquisition or development of parks or open spaces, and the acquisition, construction, rehabilitation, alteration, expansion, or improvement of such facilities, including related machinery and equipment, and

"(2) to make supplementary grants to increase the Federal share for projects for which funds are reserved pursuant to subsection (c) of section 802 of this Act, or other Federal-aid projects in the affected area.

"(b) Grants and loans under this section may be made to any State, local government, or private or public non-profit organization representing any major disaster area or part thereof.

"(c) No supplementary grant shall increase the Federal share of the cost of any project to greater than 90 per centum, except in the case of a grant for the benefit of Indians or Alaska Natives, or in the case of any State or local government which the President determines has exhausted its effective taxing and borrowing capacity.

"(d) Loans under this section shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturi-

ties of such loans, adjusted to the nearest one-eighth of 1 per centum, less 1 per centum per annum.

"(e) Financial assistance under this title shall not be extended to assist establishments relocating from one area to another or to assist subcontractors whose purpose is to divest, or whose economic success is dependent upon divesting, other contractors or subcontractors of contracts therefore customarily performed by them: *Provided, however,* That such limitations shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Commerce finds that the establishment of such branch, affiliate, or subsidiary will not result in an increase in unemployment of the area of original location or in any other area where such entity conducts business operations, unless the Secretary has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

"LOAN GUARANTEES

"SEC. 804. The President is authorized to provide funds to Recovery Planning Councils to guarantee loans made to private borrowers by private lending institutions (1) to aid in financing any project within a major disaster area for the purchase or development of land and facilities (including machinery and equipment) for industrial or commercial usage including the construction of new buildings, and rehabilitation of abandoned or unoccupied buildings, and the alteration, conversion, or enlargement of existing buildings; and (2) for working capital in connection with projects in major disaster areas assisted under paragraph (1) hereof, upon application of such institution and upon such terms and conditions as the President may prescribe: *Provided, however,* That no such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan.

"TECHNICAL ASSISTANCE

"SEC. 805. (a) In carrying out the purposes of this title the President is authorized to provide technical assistance which would be useful in facilitating economic recovery in major disaster areas. Such assistance shall include project planning and feasibility studies, management and operational assistance, and studies evaluating the needs of, and developing potentialities for, economic recovery of such areas. Such assistance may be provided by the President through members of the staff, through the payment of funds authorized for this title to other departments or agencies of the Federal Government, through the employment of private individuals, partnerships, firms, corporations, or suitable institutions, under contracts entered into for such purposes, or through grants-in-aid to appropriate public or private nonprofit State, area, district, or local organizations.

"(b) The President is authorized to make grants to defray not to exceed 75 per centum of the administrative expenses of Recovery Planning Councils established pursuant to section 802 of this Act. In determining the amount of the non-Federal share of such costs or expenses, the President shall give due consideration to all contributions both in cash and in kind, fairly evaluated, including but not limited to space, equipment, and services. Where practicable, grants-in-aid authorized under this subsection shall be used in conjunction with other available planning grants, authorized under the Housing Act of 1954, as amended, and highway planning and research grants authorized under the Federal-Aid Highway Act of 1962, to assure adequate and effective planning and economical use of funds.

"DISASTER RECOVERY REVOLVING FUND

"SEC. 806. Funds obtained by the President to carry out this title and collections and repayments received under this title shall be deposited in a disaster recovery revolving fund (hereunder referred to as the 'fund'), which is hereby established in the Treasury of the United States, and which shall be available to the President for the purpose of extending financial assistance under this title, and for the payment of all obligations and expenditures arising in connection herewith. There are authorized to be appropriated to carry out this title not to exceed with. There are authorized to be appropri- $200,000,000 to establish such revolving fund and such sums as may be necessary to replenish it on an annual basis. The fund shall pay into miscellaneous receipts of the Treasury, following the close of each fiscal year, interest on the amount of loans outstanding under this title computed in such manner and at such rate as may be determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, during the month of June preceding the fiscal year in which the loans were made."

TITLE VI—MISCELLANEOUS

AUTHORITY TO PRESCRIBE RULES

SEC. 601. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency or agencies as he may designate.

TECHNICAL AMENDMENTS

SEC. 602. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (4) U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: "(ii) have suffered substantial damage as a result of a major disaster as determined by the President pursuant to the Disaster Relief Act Amendments of 1974".

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "section 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "section 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(d) Section 221(f) of the National Housing Act (12 U.S.C. 1715l(f)) is amended by striking out of the last paragraph "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act Amendments of 1974".

(e) Section 7(a)(1)(A) of the Act of September 30, 1950, Public Law 874, Eighty-first Congress, as amended; 20 U.S.C. 241-1(a)(1)(A)), is amended by striking out "pursuant to section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "pursuant to sections 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "section 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "section 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(h) Section 165(h)(2) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)(2)) is amended to read as follows:

"(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Disaster Relief Act Amendments of 1974,".

(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended by striking out "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act Amendments of 1974".

(j) Section 5708(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act Amendments of 1974".

(k) Section 3 of the Act of June 30, 1954 (68 Stat. 330; 48 U.S.C. 1681 nt.), is amended by striking out of the last sentence "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "section 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(l) Section 1820(f) of title 38, United States Code (80 Stat. 1316, as amended by 84 Stat. 1753), is amended by striking "the Disaster Assistance Act of 1970" and inserting in lieu thereof "The Disaster Relief Act Amendments of 1974".

(m) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to the Disaster Relief Act of 1970 (84 Stat. 1744), or any provision of such Act, such reference shall be deemed to be a reference to the Disaster Relief Act Amendments of 1974 or to the appropriate provision of the Disaster Relief Act Amendments of 1974 unless no such provision is included therein.

REPEAL OF EXISTING LAW

SEC. 603. The Disaster Relief Act of 1970, as amended (84 Stat. 1744), is hereby repealed, except sections 231, 232, 233, 234, 235, 236, 237, 301, 302, 303, and 304. Notwithstanding such repeal the provisions of the Disaster Relief Act of 1970 shall continue in effect with respect to any major disaster declared prior to the enactment of this Act.

PRIOR ALLOCATION OF FUNDS

SEC. 604. Funds heretofore appropriated and available under Public Laws 91-606, as amended, and 92-385 shall continue to be available for the purpose of completing commitments made under those Acts as well as for the purposes of this Act. Commitments for disaster assistance and relief made prior to the enactment of this Act shall be fulfilled.

EFFECTIVE DATE

SEC. 605. This Act shall take effect as of April 1, 1974.

AUTHORIZATION

SEC. 606. Such funds as may be necessary are hereby authorized to be appropriated to the President to carry out the purposes of this Act.

Mr. BURDICK. Mr. President, I ask unanimous consent that the Senator from Alabama (Mr. SPARKMAN) may be made a cosponsor of S. 3062.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend

certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. Under the previous order, the Senator from Iowa (Mr. CLARK) is recognized to call up an amendment.

Mr. MANSFIELD. Mr. President, will the Senator yield to me for 1 minute?

Mr. CLARK. I yield.

MEDIA POLLS

Mr. MANSFIELD. Mr. President, I have been informed that at least one Senator—and perhaps others—has been contacted by a media organization as to what his position would be if an event of an extraordinary nature occurred in the Senate. That Senator raised some question about such a procedure. I want to join that Senator and to express the hope that, although under the first amendment of the Constitution the media has that right, there would be no polls taken of Senators so that we could be as open-minded as possible and as free from pressures of this kind as necessary.

Mr. HUGH SCOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. HUGH SCOTT. I think it was nearly a year ago that I expressed much the same sentiment at a conference of members of my party. I would join in what the distinguished majority leader has said—that it is the request of the leadership, subject to a Senator's own right to say what he thinks on any subject. I request that they would defer expressing an opinion as to what they may or may not have in mind when, as, and if we might be confronted by those situations, and I would hope that they would resist poll seeking information, in their own interest as well as in the interest of the dignity of the Senate, because this is not a ball game; as the Senator has said, it is not a circus; it is not a contest; it is not something on which ideas should be wagered. It is an extremely serious matter, and it is of a nature on which it would be well to avoid any challenge or question in the future based on what some Senator has said. Having said that, I realize that Senators may say what they wish, but I feel obliged to say what I said a year ago.

Mr. MANSFIELD. The Senator is correct. The media can do what they wish under the first amendment, but the Senate has an obligation if and when certain extraordinary situations arise. So far, I am very proud of the way the Senate has conducted itself, and that includes each and every single Member of the Senate.

Mr. HUGH SCOTT. I am, too.

ORDER FOR ADJOURNMENT UNTIL 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that immediately after the two leaders or their designees have been recognized under the standing order tomorrow, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Senators BIDEN, ROTH, MUSKIE, HATHAWAY, CLARK, BIDEN again, STEVENS, NELSON, JAVITS, HARTKE, ERVIN, MONDALE, MATHIAS, STENNIS, and ROBERT C. BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. FANNIN. Mr. President, the Senate apparently is on the brink of passing a campaign financing bill designed to fool the American people into thinking that it solves the major problems in our political system. Nothing could be further from the truth.

In addition to its many other shortcomings, this bill fails completely to advance any remedy for the illegal and undesirable activities of unions in the campaign process.

Unions make their greatest impact by providing services for their chosen candidates for office. These services are provided by union staff, union supplies, and union equipment paid for out of union dues.

The great concern we have heard in the debate over campaign reform involves the amount of money donated to candidates, and the money these candidates spend on their campaign.

This money simply is used to purchase campaign services on behalf of the candidate.

If we are going to prevent people or organizations from donating money to candidates, then it follows that we also must prevent the donation of services which are the equivalent of money.

Unions simply short circuit the system by providing campaign workers who are on union payrolls, union computers, union presses, union vehicles, union phones, and other such services. These services are the same as money to the candidate.

If it is illegal for someone to donate money to candidates to purchase these services, why then is it not illegal for anyone or any organization to donate equivalent services. We are talking about services that are worth tens and hundreds of thousands of dollars—even millions in some national campaigns.

Mr. President, I am deeply concerned about what is happening here. Union leaders are seeking a "veto-proof" Congress, and they are going to great lengths to accomplish this goal.

As a Republican, I have a vested interest and you would expect me to be concerned. What worries me is that most Democrats apparently fail to see the great danger here. We face the situation where neither the Democrats nor the Republicans will be in charge of the Congress—it will be a few union leaders who will be able to call all the shots if they are successful in winning the strong control of Congress which they seek.

Our Government has functioned well over the decades and centuries because we have sought to provide a balance of all the interests in our society. Today we are in great danger of providing the unions—which represent only about 10 percent of the American people—a stranglehold on our Government. This legislation would aid them in gaining this stranglehold.

Mr. President, the union leaders have bragged that they have the most powerful political machine in the Nation, and I for one believe them. They are very powerful because Congress has not only failed to restrain them, but seems to encourage them to exercise an influence far in excess what is good for the country. An article in today's Wall Street Journal demonstrates very clearly how far the unions are going.

We have heard arguments that when a candidate accepts $1,000 or $5,000 from a contributor there is a danger that he becomes indebted to that contributor and thus loses independence and objectivity once in office.

What then, happens when a candidate gets $27,000 or about 44 percent of his funds from a union, plus union services that probably are worth double or triple the cash? How objective can he be, if elected, when it comes to considering legislation which has the stamp of approval of COPE, AFL–CIO, or the like.

Mr. President, I ask unanimous consent that the article from the Wall Street Journal be reprinted in the RECORD:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICS AND LABOR—UNIONS MAKE BIG BID TO ELECT A CONGRESS THAT IS VETO-PROOF

(By James C. Hyatt)

SAGINAW, MICH.—Bob Traxler had only five minutes to make his pitch when he appeared before AFL–CIO political leaders early this year to promote his race for Congress. So he kept his message short.

"I told them I had come with a tin cup, a white cane and dark glasses," he recalls. I said. "'Send money.'"

They have. Unions have provided over $27,000 so far. And lots of help besides.

For scores of pro-labor candidates such as Mr. Traxler, labor's goal of electing a "veto-proof Congress" this year means getting generous amounts of money, manpower, organizational talent and the other aid that can make the difference in a close race.

Mr. Traxler does have to wrestle with many worries as he strives for victory in a special House election next Tuesday. For one thing, he is seeking to become the first Democrat elected from Michigan's Eighth Congressional District since the Depression. For another, he is running in a district that gave the last Congressman, Republican James Harvey, a

59% victory in 1972. But winning labor's active help isn't something he must worry about.

The list of unions whose political arms are supporting his campaign reads like a labor Who's Who: the United Auto Workers, the Machinists, the United Transportation Union, the Amalgamated Clothing Workers, the Retail Clerks, the National Education Association, the International Brotherhood of Electrical Workers, the Firefighters, the Meatcutters and the Communication Workers.

THE MEMBERS PITCH IN

Individual union members are pitching in hard for the Democrat. Wallace "Butch" Warner, a cable splicer who is president of a Communications Workers local, has taken leave from his job in Saginaw to help coordinate labor's efforts in the Traxler campaign; a telephone hot line from the political to the union headquarters speeds appeals for campaign manpower.

Jim Chalou, a tool and die maker, is assigned full-time by the Allied Industrial Workers to drum up Traxler support; he figures he has "probably been in at least 25 or 26 plants" making his pitch. Several hundred UAW members have helped out, putting up yard signs, licking envelopes and distributing literature.

Of the $61,000 contributed to the Traxler cause through last Thursday, about 44% came from labor groups. The largest single donation, $12,000, was made by the UAW, and one high official of that union says it might cough up another $10,000 or so if necessary.

Labor's activity here, however effective in this campaign, is certainly a springtime warm-up for the heavy politicking that unions are planning for next fall. Union strategists figure that more than 70 House elections will be close enough for labor to influence the results. Already, labor's war chests are bulging, and union men are intent on electing a "veto-proof" Democratic Congress.

REAPING DIVIDENDS

The unions' intensive participation in three other special House elections this year has reaped dividends. Winning Democrats in Johnstown, Pa., Cincinnati and Grand Rapids all benefited from heavy union aid.

Labor's efforts have Republicans worried, and they are trying to turn union politicking into an issue. Thus, Vice President Gerald Ford has attacked union "outsiders" for taking over Democrats' campaigns and injecting "massive out-of-state money" into the special House campaigns. James Sparling, the GOP candidate here, charges: "The AFL–CIO and the UAW bosses want this Eighth District seat. Cost is no object; money is no object."

Without question, labor's involvement is crucial if Mr. Traxler is to win the election. And for all concerned, this is no ordinary political event.

President Nixon will appear in the Saginaw district today, a development that dismays some Republicans and delights many Democrats. Certainly the contest here will be widely interpreted as a referendum on the Nixon presidency, and the result will be seen as a harbinger of autumn election sentiment.

THE WATERGATE WEAKNESS

Labor analysts believe that Mr. Nixon's Watergate weakness gives them a real chance of electing enough Democrats to make the next Congress "veto-proof." Such a Congress, union men say, would override the President and enact bills closing many tax "loopholes" and imposing tighter controls on multinational corporations and energy-producing companies. Enactment of a liberal program of national health insurance also is a top labor goal.

While Democrats would need to elect nine more Senators and 44 more House members to gain a two-thirds edge in Congress, labor isn't setting its goal quite that high; it can usually count on some Republican support for overriding vetos. "We need to elect 23 more friends in the House and seven in the Senate," an AFL–CIO spokesman says. He adds that George Meany, the federation president says that "it is a tough job but one we think we can do." (Most politicians believe that labor's goal is achievable in the House; in the Senate, however, the consensus guess is that Democrats probably will make a net gain of only three seats or so.)

Electing a "veto-proof Congress," of course, doesn't mean supporting Democrats only. Republican Sens. Richard Schweiker and Jacob Javits have labor's backing, and so do several GOP House members. In a speech last week to a building-trades rally, AFL–CIO lobbyist Andrew Biemiller warned against "knocking off good friends of ours on the Republican side of the aisle."

But Democrats are the big beneficiaries of labor's aid, and the unions have a lot to spread around. By Feb. 28, union political-action groups had $5,032,584 on hand, reports Common Cause, the self-styled people's lobbying group, which monitors campaign contributions. The sum is about equal to unions' reported political spending in the presidential year 1972.

This year's early war chest includes $1 million amassed by several maritime unions ("We're going to reward our friends and punish our enemies," vows Jesse Calhoun, president of the Marine Engineers' Beneficial Association) and $717,000 gathered by the UAW.

And the push is on for more political cash. COPE, the AFL–CIO's Committee on Political Education, the political action arm of the federation, has renewed its usual request for a $2 voluntary contribution from each union member. While the federation usually hits about 25% of that goal, "there are indications that COPE fund raising is more successful this year," one AFL–CIO official says.

The Machinists Union, which raised $246,209.47 last year, is planning a "special $2-per-member drive" to aid the objective of a "veto-proof Congress." The Brotherhood of Railway Clerks, proposing to seek $10 a member for this year's congressional races, finds contributions so far running about twice as high as usual.

Union political money has already shown up impressively in the earlier special elections this year. The Democratic winners in the first three races spent $75,000 to $90,000 each; labor contributions ranged from $18,000 to $25,000.

Most political forecasters figure that the total outlay here will top the sum spent in any of the earlier special elections and will set a high for the district as well. But money alone won't win. The key must be voter turnout, and that's where labor's activity could be crucial.

Indeed, the union-backed campaigns organization in this congressional district provides an example of how labor will operate in many campaigns next fall. The full-time and part-time manpower that unions are pumping into the Traxler campaign is giving the Democrat much higher visibility among union members than he otherwise could achieve.

To help rouse potential supporters, Mr. Traxler has laid out $9,238 for a campaign film and film-showing equipment. In the hands of his labor backers, that may turn out to be his most valuable investment.

The film, carried by campaigners to union halls and other rallies, is a 14-minute account of "Bob Traxler's Journey for Change," a piece larded with references to a childhood "Tom Sawyer existence" and shots of a pipe-smoking candidate looking thoughtfully at Michigan farmland. His 11 years in the Michigan Legislature are recalled, including his sponsorship of a law letting charitable organizations run bingo games. The working people in the audience are told of employes "losing their jobs because of wrong decisions by the administration" and by the auto companies. (Of 24,400 workers normally employed by General Motors in Saginaw and nearby Bay City, about 2,480 were laid off at last count. The local jobless rate is about 10%.)

Mr. Chalou, who is president of an Allied Industrial Workers local, finds the film effective as he campaigns for Mr. Traxler. "When the candidate can't be there," he says, "the film does the job." It was probably shown 200 times before the primary, which was held March 19.

Mr. Chalou has also distributed 22-by-28-inch lawn signs to union members—"the ones that live on main roads"—and on primary day, he called other union leaders and reminded them to turn out voters. He personally handed out 800 sample ballots in the town of Bad Axe, placing them on car windshields. Of the 309 members in his local, Mr. Chalou figures that a dozen or so have worked in the campaign up to now.

(Why is he involved? "A fellow can only take so much," he says. "I've seen enough of my fellow workers get batted around by high prices, by inflation, and by Presidents paying $750 in taxes on a $250,000 income.")

To enlist additional union manpower, his fellow coordinator, Mr. Warner, can not only call on his own Communications Workers local but also can tap some of the 240 other union locals in this congressional district.

And he can always call Frank Garrison, a third local union man who started early and full-time on the Traxler campaign. Mr. Garrison is permanently assigned to the UAW's Saginaw Community Action Program—its political- and social-action arm. His union has perhaps the biggest single union interest in the Traxler race; the UAW has 43,000 active members in the district, plus 5,0000 to 6,000 retirees.

"Our members have been calling and asking, 'Can we help?'" Mr. Garrison says. "They've put up yard signs, licked envelopes, distributed literature door to door." Night workers have volunteered to help during the day, and others promise to "lose a day of work on election day to help." Laid off auto workers provide other help. "Richard Nixon made it possible for them to volunteer in our campaign," says Jim Goff, Mr. Traxler's campaign organizer.

Some labor groups that haven't been particularly active politically in other years are fired up for Mr. Traxler. The Michigan Education Association's Eighth District teacher members have campaigned actively for him. Some helped arrange voter-registration drives in high schools to line up 18-year-old voters. The drive registered perhaps 2,000 young voters in the district, potentially 3% or 4% of the expected Traxler turnout and certainly enough to win a close election.

Despite this congregation of labor help for Democrat Traxler, not all Republicans are alarmed. State GOP Chairman William McLaughlin says, "You take labor's involvement for granted in Michigan. I don't get ulcers over it."

Moreover, Mr. Sparling, the GOP candidate, isn't exactly campaigning by himself. Five or six staff members from the Republican National Committee have been to Saginaw to help map his election strategy. A big-name Republican, Sen. Charles Percy, has appeared on Mr. Sparling's behalf. Last weekend, Sparling campaigners put on a

"door-to-door blitz"; several hundred volunteers came from outside the district to help.

Mr. HART. Mr. President, now that the Senate has invoked cloture on the campaign reform bill, S. 3044, and turned back repeated efforts to weaken its provisions, I am hopeful we can send a strong bill to the House of Representatives and provide the country with at least one constructive effort to remedy the disastrous effect of Watergate on our body politics.

In these brief remarks, I wish not only to urge support for the committee bill, but also to respond to several disturbing themes which I have heard during the past few weeks of debate.

For several months the American people and the Congress have been told to "stop wallowing in Watergate" and to get on with "the Nation's business"—as if the problems of inflation, the energy crisis and our other dilemmas were unrelated to the preoccupations of the White House, or were unrelated to the corrosion of public confidence in their elected leaders.

Now, during debate on this bill, a companion theme has emerged: "Lets stop wallowing in campaign reform" we are told, "and lets get on with the Nation's business."

Mr. President, I am confident that tactic will meet with as singular a lack of success in diverting the American people as has its predecessor. For the public understands full well that the election of a representative Government—free from both the actual danger and the appearance of undue influence—is very much their business.

It is not necessarily true that he who pays the political piper will always call the tune. Nevertheless, it is hardly reassuring to the average citizen to know that big donors at least have access to go backstage before the performance and request a few favorite melodies.

Sure, I can go to bed at night with a fair degree of confidence that my votes have not been improperly influenced by a contribution. But try to tell that to some of my constituents who disagree strongly with my views. And particularly after the revelations of the past 18 months, who can really blame them.

It is surprising, however, that after all the scandals which have emerged—and the obvious repercussions this has had on public trust of elected leaders—some still seek to portray this bill as a greedy grab by those in office, as a private raid on the Public Treasury.

Yet the President and Congress act on an annual budget in the hundreds of billions of dollars. What wiser investment could a democracy make than a few dollars per voter each year—the best estimate of what this proposal would cost—to restore confidence that public spending decisions are made with the public interest in mind, and not the private interests of those who underwrite our campaigns. We are willing to pay for clean air, clean lakes and clean streets—at least I hope we are. We should also be willing to pay for clean elections.

Moreover, a moment's reflection also reminds us that perpetuation of the present system of campaign financing is far more advantageous to we who are incumbents, than would be a fair system of adequate funding insured for both incumbent and challenger alike.

We need not worry about the cry that the only reason for the low rating of politicians in the polls is a cynicism generated by our debate on this measure, itself. Clearly that claim presumes an exaggerated view of the impact our debate here has on millions of citizens who already have formed strong opinions about the trust their Government deserves. And it most seriously underestimates the devastating effect the past 2 years' revelations have had on the public's view of honesty and responsiveness in Washington.

Of course, campaign finance reform is not a panacea for all the ills of Watergate. No one has suggested that. It will not provide a safeguard against perversion of the processes of justice to cover up scandal, or curb the potential for invoking "national security" to cloak constitutional abuses.

But it is the single most constructive step we can take right now to minimize the pressures for illegal actions, to reduce the potential for financial manipulations which generate their own corruptive momentum, and to help restore the essential public confidence in Government.

As Senator MANSFIELD observed in his state of the Congress address:

> We shall not finally come to grips with the problems except as we are prepared to pay for the public business of elections with public funds.

Now let us look at the bill before us. Under the leadership of the distinguished chairman of the Rules Committee (Mr. CANNON) and the chairman of the Subcommittee on Privileges and Elections (Mr. PELL) the committee has provided a comprehensive, fair yet far-reaching bill. The committee report indicates great sensitivity to the issues of policy such as the impact of its proposal on our party system, the constitutionality of schemes to screen candidates and distinguish between major and minor parties, the problem of Federal control of campaigns, and other important questions. The report, and the hearings of the committee, belie the claim that the bill is based on hasty, ill-considered action, without adequate attention to the underlying issues involved in campaign finance.

S. 3044 incorporates the provisions for spending and contribution limits and a strong independent commission to enforce the Federal elections laws, all of which the Senate passed last summer as part of S. 372 which now awaits action in the House.

It provides for Federal assistance to qualified candidates in primary elections for nomination in congressional and Presidential races. After raising a threshold fund to demonstrate some significant base of support, primary candidates would be eligible to receive Federal assistance on a matching basis for every $100 per contributor.

In the general elections, once having received their party's nomination, all major party House, Senate, and Presidential candidates are entitled to Federal payments equal to their overall spending limit. However, they may take as much or little of this available fund as they wish, and raise the rest of their campaign funds in allowable private contributions.

Minor party candidates would receive a proportionate share of the assistance available to major party candidates in general elections.

Without discussing all of the bill's provisions, I do wish to comment on four major criticisms which have been leveled against the committee bill. First, the question of why any public financing is necessary; second, the argument that private financing should play the dominant role; third, the opposition to including primaries in any financing scheme; and finally, questions about the proposal's constitutionality.

WHY IS THE PUBLIC FINANCING NECESSARY?

The most fundamental objection to S. 3044 is the claim that low contribution limits will take care of the "corruption image." If you eliminate the potential influence of large gifts that takes care of Watergate, the argument goes, so why get bogged down in the tricky problems of devising a fair, workable public funding scheme?

This is a myopic view of meaningful campaign reform. We should not deal with the Watergate horrors in a way which will perpetuate and intensify the pervasive advantage enjoyed by incumbents in their bid for reelection.

In large states such as my own, California or New York, Senate campaigns are costly. The funds for an adequately informative, competitive race will be difficult to raise, even for a well-known incumbent, in the small amounts we seek to impose as contribution limits for any one donor.

Without substantial public financing, the great danger is that nonincumbent challengers will have even more difficulty raising adequate resources.

This crucial point has been obscured by repeated reference to the wonderful involvement of thousands of citizens contributing a few dollars from their cookie jar for the candidate of their choice. That is indeed an appealing image and of course I encourage and endorse the desirability of full citizen involvement in politics. But that does not mean that truly small contributions will be an adequate source of funds for large, expensive campaigns.

The committee report focused this issue sharply, at page 5:

> The only way in which Congress can eliminate reliance on large private contributions and still ensure adequate presentation to the electorate of opposing viewpoints of competing candidates is through comprehensive public financing.
>
> Modern campaigns are increasingly expensive and the necessary fundraising is a great drain on the time and energies of the candidate. Low contribution limits alone will compound the problem. . . . Drastically reducing the amounts which may be expended by the candidate would ease this burden, but at the cost of increasing the present disadvantage for non-incumbent challengers and endangering the whole process of political competition.

That, Mr. President, is why we must pass a bill with both contribution limits and comprehensive public financing for Federal elections.

PRIMARY RELIANCE ON PUBLIC FINANCING

Some of my colleagues who favor a modest amount of public assistance, oppose the availability of full public funding. They argue that the availability of substantial public funds should turn on the candidate's ability to raise first an equally large amount of private donations.

At bottom, this reflects the view that if a candidate has less support at the outset of a campaign—perhaps because he is not as well known as his incumbent opponent—it is appropriate that he has less resources with which to campaign. I would prefer a fairer approach to competitive elections.

The danger of primary reliance on a matching fund approach is the self-perpetuating advantage for the candidate who is initially better known. He would usually be able to raise more private contributions of small denomination than could his opponent. This would bring larger sums of Federal matching funds, and he could then mount a more elaborate campaign than his challenger to raise even more private funds, which would then be matched with more Federal money, and so on.

The use of matching funds to provide an ongoing test of support may be a valid screening technique in the primaries. But once a major party has chosen a candidate, we are no longer concerned with screening frivolous candidacies. Both candidates in the general election should have adequate resources to seek support from the voters during the campaign, including the support of those initially inclined to favor their opponent.

With primary reliance on matching small contributions, a less well-known challenger must bootstrap his campaign by winning additional support before he can get enough Federal assistance to mount a fully competitive campaign. The Federal Government would be interposing a pre-election popularity contest before the voters have had an opportunity to hear a full debate of the issues. Instead, the voters choice should be tested in November at the end of the campaign, and not at its outset.

SHOULD PRIMARY ELECTIONS BE INCLUDED

Unfortunately, I am sure that the same intense pressure to eliminate primary elections from the public financing feature of S. 3044 exerted during the Senate's deliberation will also be felt in the House.

The logic in favor of including all elections is simple, but compelling. It is impossible to justify the expenditure of substantial public funds in order to help purify the political process, if the candidates receiving that assistance must still raise the full costs of expensive primary campaigns from private contributors in order to win their party's nomination in the first place. Meaningful reform of campaign financing practices requires inclusion of primary as well as general election.

CONSTITUTIONAL ISSUES RAISED REGARDING S. 3044

Finally, Mr. President a few words are in order in response to the continued suggestions, although often vague, that this bill would be found unconstitutional.

First, some suggest it is unconstitutional to limit the amount which a person can contribute to my campaign, or to limit the total amount I can spend.

However, the Senate has already faced that issue twice, in 1971 and again last summer. Each time, we decisively found that the power to preserve the integrity of the electoral process, as well as the underlying purpose of the first amendment to prevent oligopoly in the political marketplace by a powerful few, provides ample basis for reasonable regulation.

Next it was suggested that the threshold fund used to screen out frivolous candidates in primary elections imposes an unconstitutional burden on some political aspirants. But as the committee report notes, the Supreme Court has upheld the use of filing fees and other charges as a means of preventing a proliferation of candidates. Similarly, the Court has approved differential treatment of major and minor parties, based on past performance at the polls, if the difference is reasonably related to a state interest such as the desire to avoid splintering a coherent party system. See *Bullock* v. *Carter* 405 U.S. 134 (1971); *Jeness* v. *Fortson* 403 U.S. 431 (1971).

The committee bill would not freeze the status quo; it does not prevent any political party from getting its candidate on the ballot, nor from organizing resources to support them.

As the Supreme Court recognized in the Jeness case:

> Sometimes the grossest discrimination can lie in treating things that are different as though they were exactly alike. 403 U.S. at 442.

Only a few weeks ago, the Supreme Court reaffirmed these principles in two decisions, Storer against Brown—March 26, 1974—and American Party against White—March 26, 1974.

On the basis of these decisions and other cases dealing with the regulation of elections and the treatment of major, minor, and independent candidates, I am convinced the measure would be upheld as a reasoinable, fair and workable scheme to promote the integrity of elections, to insure the influence of many diverse points of view in the political marketplace, and to balance these goals against the other first amendment and equally protection interests which are involved.

To end where I began, Mr. President, this proposal for public financing would not guarantee the election of wise and honest men and women. But it would remove the major cause of cynicism and distrust in our system. Now is the time to act to remove the distorting effect of reliance on private fundraising both from the campaign and from the operation of Government.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent, with the consent of the distinguished Senator from Iowa (Mr. CLARK), that his pending amendment, No. 1013, be temporarily laid aside in order that I may call up my amendment No. 988, and I do this with the understanding that the Senator from Iowa (Mr. CLARK) not lose his right to the floor following disposition of my amendment.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, this is a very minor amendment.

The PRESIDING OFFICER. The clerk will read amendment No. 988.

The legislative clerk read the amendment offered by Mr. HUGH SCOTT for himself and Mr. KENNEDY (No. 988) as follows:

> On page 19, after the period in line 19, insert the following: "The Secretary of the Treasury may accept and credit to the fund money received in the form of a donation, gift, legacy, or bequest, or otherwise contributed to the fund.".

Mr. HUGH SCOTT. Mr. President, this is a very minor matter which is proposed on behalf of the distinguished Senator from Massachusetts (Mr. KENNEDY) and myself. It has to do with the fact that under present law individuals may make tax-deductible contributions to candidates.

The Presidential election campaign fund at the Treasury Department is financed solely from dollars checked off on income tax returns, and therefore the Treasury Department advises us it will not accept small contributions earmarked for this fund.

Amendment No. 988 simply authorizes the Secretary of the Treasury to receive private contributions and earmark them for the fund is so requested. These contributions would be tax deductible, as is the case under present law, with respect to direct contributions to candidates.

This has to do with a contribution of the Senator from Massachusetts and myself of $75 each, representing payment for two newspaper articles, which was accepted by the Treasury as a gift to the Treasury but which could not be earmarked. Therefore, the purpose of the amendment is to permit earmarking. It is not ex post facto at all.

Mr. President, I understand the amendment has been cleared with the Senator from Kentucky (Mr. COOK) and with the manager of the bill on the majority side of the aisle, and I ask for its immediate consideration.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I yield myself 1 minute.

I would like to ask a question. The Senator said this amendment would permit earmarking for tax credit purposes. I do not think it would permit earmarking other than insofar as its being deposited to go to this special account.

Mr. HUGH SCOTT. That is right.

Mr. CANNON. So it could not be earmarked for any other purpose.

Mr. HUGH SCOTT. Oh, no, not for any purpose except being channeled to this fund instead of being channeled to the general Treasury, as it is now.

Mr. CANNON. The Senator also mentioned that a tax deduction could be

taken. I do not think it could be taken without another change elsewhere in the law.

Mr. HUGH SCOTT. I am advised by the Treasury that a tax deduction can be taken, but only as a charitable contribution.

This may be a surprise to the Senator, but the U.S. Treasury is considered a charity in this regard.

Mr. CANNON. I did not think it was a charity, but a tax credit could be taken as a charitable contribution.

With that explanation, I am willing to accept the amendment.

Mr. KENNEDY. Mr. President, I am pleased to join the distinguished minority leader, Senator HUGH SCOTT, in proposing the pending amendment. By authorizing the Secretary of the Treasury to accept tax-deductible gifts earmarked for the Federal election campaign fund, the amendment will establish a constructive supplement to the dollar checkoff under existing law.

As we know, the preliminary results under the dollar checkoff for the 1973 tax year are highly encouraging. Approximately 15 percent of the returns being filed are using the checkoff. At the present rate, the campaign fund in the Treasury will contain upwards of $50 million by 1976, or more than enough to make the 1976 Presidential election a historic first—paid for entirely out of public funds.

But more is necessary, especially if the dollar checkoff is to be adequate for financing other Federal elections out of public funds. My hope is that, as the checkoff becomes more familiar to taxpayers, its use will continue to increase, so that the Federal election campaign fund will be sufficient to pay for all Federal elections.

In the interim, the pending amendment is a useful method to supplement the dollar checkoff fund. Under current law, taxpayers are entitled to a charitable deduction for gifts made to the Treasury. However, unless there is a specific authorization in the law allowing gifts to be made for a specified program, the gifts simply go into the general fund of the Treasury. The pending amendment would enable taxpayers to earmark their gifts for the Federal election campaign fund, and I am pleased that the managers are willing to accept it.

Mr. CANNON. I yield back my time.

Mr. HUGH SCOTT. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment offered by the Senator from Pennsylvania for himself and the Senator from Massachusetts (Mr. KENNEDY), No. 988.

The amendment was agreed to.

Mr. CLARK. Mr. President, on behalf of myself and Senators BELLMON, CRANSTON, HART, GRAVEL, MATHIAS, and SCHWEIKER, I call up my amendment No. 1013. I ask unanimous consent to modify the amendment to make technical corrections.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. Mr. President, what was the request?

The PRESIDING OFFICER. Will the Senator restate the request?

Mr. CLARK. I ask unanimous consent to make a technical correction in amendment No. 1013.

Mr. CANNON. Mr. President, reserving the right to object, may I ask the Senator to state the nature of the technical correct? I would like to know whether it is going to change in essence some important provision of the amendment.

Mr. CLARK. It would not change any important provision of the amendment. It is my understanding it would not be in order if it did. We had talked with the Parliamentarian previously to make sure it was not a substantial change.

I send a copy of the technical correction to the manager to look at. It simply clarifies a definition somewhat, we felt.

Mr. CANNON. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendments, as modified, are as follows:

On page 75, line 21, strike out "nomination for election, or".

On page 76, strike out line 19 through line 22 and insert in lieu thereof the following:

"(3) For purposes of this section, the term 'campaign' includes all primary, primary runoff, and general election campaigns related to a specific general election, and all primary, primary runoff, and special election campaigns related to a specific special election.".

Mr. CLARK. Mr. President, I ask unanimous consent that following the disposal of this amendment my Amendment No. 1118 be the next order of business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, as it now stands, S. 3044 sets a contribution limitation of $3,000 for individuals and $6,000 for organizations, applied separately to primary, primary run-off, and general elections.

Our amendment has one simple effect: it would eliminate the bill's distinction between primaries, primary run-offs, and general elections, setting a true contribution limit of $3,000 for individuals and $6,000 for organizations, applied to a candidate's entire campaign for public office.

Throughout the debate on S. 3044, many Senators have referred to the $3,000 contribution limitation in the bill. But, in fact, the limitation now in effect in S. 3044 sets a much higher limit. In any given campaign, an individual might actually be able to contribute $6,000 altogether—$3,000 in the primary and $3,000 in the general election—or even $9,000 if there were a primary runoff. For organizations, the limit could be as much as $18,000.

The Rules Committee has incorporated the contribution limits set in S. 372 in the present bill. But S. 372 had no provisions for public financing—it was merely an attempt to limit campaign expenditures and private contributions.

However, with the comprehensive public financing system in the bill now, there is no need to allow such excessive contributions—up to $9,000 for individuals and $18,000 for organizations. This amendment would put those limits at $3,000 and $6,000 respectively.

Three thousand dollars is a large chunk of money in any campaign. No individual contributed more than $3,000 to my campaign, and I am sure that many of my colleagues had the same experience. Clearly, a $3,000 limitation, with $6,000 for groups, is not going to cause any hardship for anyone, whether or not they decide to use public financing.

Even the $3,000 and $6,000 limitations this amendment proposes are excessive—a person or organization contributing this much would obviously enjoy more access than the average voter, and I think everyone is aware of that.

But more important than the actual effect of these large donations is the question of how they will be viewed by the public. To the average American, $9,000 or $18,000 is an incredibly large amount for a candidate for public office to accept from any single individual or group. But the present legislation would permit just such contributions.

The limits proposed in this amendment still represent big money, but a contribution limit of this kind would at least be a step in the right direction. And the American people would know it.

The Rules Committee bill represents a truly significant reform of the American political process. I think all of us have been continually impressed by Chairman CANNON's skillful handling of the legislation, and by the commitment to meaningful campaign reform demonstrated by a majority of the Senate. I believe this amendment is fully consistent with the scope and intent of S. 3044, and I urge its adoption.

Mr. CANNON. Mr. President, I yield myself 5 minutes.

We have gone up the hill and down again on this particular issue. We have seen before, in the course of debate on the bill, amendments to change the limits on contributions. The Senator from Iowa has pointed out that the amounts ought to be cut in half from what we have in the bill now, because of the matching portion of public financing. But we do not authorize a candidate to go to public financing. If we were to adopt this amendment, it is quite likely we would force every candidate to go to public financing, whereas some of them if they were given reasonable enough limits, might desire to go the private financing route. But if they did, they would then be still more unduly restricted, as under S. 372, and much more unduly restricted than we have desired to restrict them.

I urge that the Senate stand fast on the position it has already taken by voting to reject this amendment.

Mr. President, I reserve the remainder of my time.

Mr. CLARK. Mr. President, in answer to the distinguished Senator from Nevada on his particular point, I think it is still possible and very practical for a candidate to run a campaign on private financing and keep within the $3,000 or $6,000 limitation. I say that out of personal experience, because, as the RECORD will show, in the 1972 campaign I accepted no contributions in excess of

$3,000. There are many Senators who have committed themelves to accept no more than that in the coming campaign of 1974. Some have a limitation as strict as $1,000; some $2,000; others, $3,000. They will not receive any public financing in the 1974 campaign. So although some restrictions are imposed, a candidate cannot take $18,000, in the case of groups, and he cannot take in excess of $3,000, in the case of individuals. He can take only $3,000. That is the intent of the amendment. It seems to me that when we talk about taking amounts such as $7,000, $8,000, $9,000, or $10,000, from individuals, we are talking about a very, very heavy influence on the person who receives such a large contribution.

Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were not ordered.

Mr. CLARK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the Clark amendment.

The yeas and nays were ordered.

Mr. CANNON. Mr. President, I move to lay the amendment on the table, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada (Mr. CANNON) to lay the amendment of the Senator from Iowa (Mr. CLARK) on the table. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 37, nays 54, as follows:

[No. 134 Leg.]

YEAS—37

Baker	Ervin	Pastore
Bennett	Fannin	Pell
Bentsen	Hansen	Percy
Bible	Hartke	Ribicoff
Brock	Hatfield	Scott, Hugh
Buckley	Hathaway	Stennis
Byrd, Harry F., Jr.	Hruska	Stevens
Cannon	Huddleston	Talmadge
Cook	Magnuson	Tower
Curtis	McGovern	Tunney
Dominick	Metzenbaum	Weicker
Eastland	Montoya	Williams
	Moss	

NAYS—54

Abourezk	Eagleton	Metcalf
Aiken	Fulbright	Mondale
Allen	Gravel	Muskie
Bartlett	Gurney	Nelson
Bayh	Hart	Nunn
Beall	Haskell	Packwood
Bellmon	Helms	Pearson
Biden	Hollings	Proxmire
Brooke	Humphrey	Randolph
Burdick	Jackson	Roth
Byrd, Robert C.	Javits	Schweiker
Case	Johnston	Sparkman
Chiles	Kennedy	Stafford
Clark	Mansfield	Stevenson
Cotton	Mathias	Symington
Cranston	McClellan	Taft
Dole	McClure	Thurmond
Domenici	McIntyre	Young

NOT VOTING—9

Church	Hughes	Scott, William L.
Fong	Inouye	
Goldwater	Long	
Griffin	McGee	

So the motion to lay on the table was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from Iowa (Mr. CLARK).

On this question the yeas and nays have been ordered.

Mr. CANNON. Mr. President, I yield myself 2 minutes to explain to my colleagues what this amendment will do, because I think many of them do not understand what the amendment would do.

The PRESIDING OFFICER. Time on the amendment has expired.

Mr. CANNON. Mr. President, this Senator has not used all of his time on the amendment. He used only 2 minutes on the amendment. No one else has used the time.

The PRESIDING OFFICER. The Senator is correct.

The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, under the——

Mr. CHILES. Mr. President, would a motion to table be in order after the time has been yielded back?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Nevada may proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered, and the Senator from Nevada is recognized for 2 minutes.

Mr. CANNON. Mr. President, the bill's provisions with relation to private contributions is such that a person can receive a contribution of not to exceed $3,000 from another person for any one election—a primary, a runoff, or a general election.

If this amendment is adopted, it would limit the $3,000 in contributions to a one-time contribution for any election—for the total election. So that in a year, if a person had a primary election, a runoff election, and a general election, the maximum private contribution that could be received from one person would be $3,000 rather than $3,000 per election as it is under the bill.

This would automatically have the effect of driving a candidate toward public financing, because of his inability to raise adequate amounts.

I yield back the remainder of my time.

Mr. CLARK. Mr. President, I would simply like to add to the statement of the distinguished Senator from Nevada by saying that he states the amendment very accurately and very exactly. That is the intent of the amendment, to prevent any individual from contributing more than $3,000 in that campaign—in other words, in the primary, in the runoff, and in the general. Otherwise, we do not have a $3,000 limitation but a $9,000 limitation from any individual, and $9,000 from that individual's spouse if they so desire; or an $18,000 limitation in the case of organizations.

That is the purpose of this amendment, to restrict it to $3,000 for individuals and $6,000 for groups.

The PRESIDING OFFICER. All time having been yielded back on this amendment, the question is on agreeing to the amendment of the Senator from Iowa (Mr. CLARK).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Illinois (Mr. PERCY), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 65, nays 24, as follows:

[No. 135 Leg.]

YEAS—65

Abourezk	Dole	Metcalf
Aiken	Domenici	Metzenbaum
Allen	Eagleton	Mondale
Bartlett	Ervin	Moss
Bayh	Fulbright	Muskie
Beall	Gravel	Nelson
Bellmon	Gurney	Nunn
Bennett	Hart	Packwood
Bentsen	Hartke	Pastore
Bible	Haskell	Pearson
Biden	Hatfield	Proxmire
Brooke	Helms	Randolph
Buckley	Hollings	Ribicoff
Burdick	Humphrey	Roth
Byrd, Harry F., Jr.	Jackson	Schweiker
Byrd, Robert C.	Johnston	Stafford
Case	Kennedy	Stevens
Chiles	Magnuson	Stevenson
Clark	Mansfield	Symington
Cotton	Mathias	Taft
Cranston	McClure	Thurmond
	McIntyre	Williams

NAYS—24

Baker	Hansen	Pell
Brock	Hathaway	Scott, Hugh
Cannon	Hruska	Sparkman
Cook	Huddleston	Stennis
Curtis	Javits	Talmadge
Dominick	McClellan	Tower
Eastland	McGovern	Tunney
Fannin	Montoya	Weicker

NOT VOTING—11

Church	Hughes	Percy
Fong	Inouye	Scott,
Goldwater	Long	William L.
Griffin	McGee	Young

So Mr. CLARK's amendment was agreed to.

Mr. CLARK. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of amendment No. 1118 proposed by the Senator from Iowa (Mr. CLARK).

The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 7, line 9, strike out "$10,000;" and insert in lieu thereof "$5,000;".

On page 7, line 14, strike out "20 percent" and insert in lieu thereof "10 percent".

Mr. CLARK. Mr. President, I offer this amendment on behalf of myself and Senators BEALL and MATHIAS.

Mr. President, I ask unanimous consent to modify my amendment.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. Mr. President, reserving the right to object, I would like to know the nature of the perfecting amendment first.

The PRESIDING OFFICER. The modification will be stated.

The assistant legislative clerk read as follows:

After line 4, insert the following:

On page 7, line 17, strike out "$125,000;" and insert in lieu thereof "$75,000;"

The PRESIDING OFFICER. Is there objection to the modification? Without objection, the amendment is so modified.

Mr. CLARK. Mr. President, this amendment would reduce the threshold amounts required under the bill to qualify for matching public payments in congressional and senatorial primary elections. It cuts in half the levels set in the committee bill.

Although these limits are intended to prevent frivolous candidates from receiving public financing, the threshold amounts set by the committee are so high that they will almost certainly preclude public financing for many serious candidates as well.

Some of the opponents of S. 3044 have called the bill an "incumbency protection bill," charging that public financing will inevitably favor incumbent office holders. Chairman CANNON and the Rules Committee have very scrupulously maintained the rights of challengers in this legislation, and it should be done here as well.

But the primary threshold amounts—set as high as they are—represent an exception. Incumbents could reach the threshold easily—a single hundred-dollar-a-plate dinner might be enough. But for challengers, it would be an overwhelming task. As Senator BEALL said during debate on March 27:

Sometimes there is a difference between demonstrating public support and collecting money. Sometimes one can get the votes but not the dollars to back up the votes.

It seems to me that by using this formula, a terrible burden is placed upon those people who might want to challenge an incumbent in a primary, and I do not think that is in keeping with the purpose of the legislation.

I started out by saying that I am not opposed to public financing combined with private financing. But I am opposed to public financing that discriminates against people who want to challenge the incumbents.

The best example I can offer of the dangers inherent in this section of the committee bill is the Democratic races for the House and Senate in Iowa in 1972. Altogether, there were nine Democrats competing for the nominations for six House seats and one Senate seat. Mr. President, not a single one of us would have qualified for public financing under the committee formula.

And I am not talking about frivolous candidates. Of the seven who were nominated, not one candidate received less than 45 percent of the vote in the general election. Four of us were elected to the Congress, and three of us defeated incumbents in the process. But again, not a single one of us would have been able to get public financing in the primary under the committee bill.

It is also very interesting to examine the 1972 campaigns of the 13 freshman Senators.

According to reports filed 5 days before the primary, at least 7 of the 13 would not have qualified for public financing in the primary under the present formula. Of the six others, of course, there were three incumbent Congressmen, an incumbent Governor, and an incumbent mayor of the State's largest city. The seven of us were not frivolous candidates—after all, we won. But under the committee's requirements we would not have been able to demonstrate enough public support to qualify for matching public funds.

Mr. President, we are not dealing with a threshold which must be raised to receive a flat subsidy. We are only talking about a level which must be met before the Government will match small contributions on a dollar for dollar basis. The Rules Committee correctly states in its report that one of our primary goals must be to—

Ensure adequate presentation to the electorate of opposing viewpoints of competing candidates through comprehensive public financing.

We can take a step toward achieving that goal by passing this amendment and cutting the threshold amount for public financing in the primaries.

Mr. President, I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, I do not have any strong feelings one way or the other about the amendment. For people who oppose public financing this means it is easier to get public financing. It lowers the threshold amount in the case of Representatives from $10,000 to $5,000 and in the case of a candidate for the Senate from $25,000 to $12,500.

Now it was the feeling of the committee we should have some reasonable threshold amount to demonstrate that a man had some sort of public appeal before he could go the public financing route.

As far as I am concerned, if the Senate wants to, it can take away all the threshold and just say everybody is eligible. We did not think it was a good idea.

I reserve the remainder of my time.

Mr. CLARK. Mr. President, I yield to the Senator from Maryland (Mr. BEALL).

Mr. BEALL. Mr. President, I rise in support of the amendment offered by the Senator from Iowa. As he pointed out, both Senator MATHIAS and I are cosponsors of the amendment. He also alluded to the colloquy I had, on the first day of the debate, with the distinguished chairman of the Rules Committee on this subject matter. I used the Republican Party of Maryland as an example of an unfair advantage that would be given to an incumbent if we allowed the 20 percent threshold to remain in the bill before a candidate would become eligible for his share of public financing.

In the State of Maryland, unfortunately, there are only 480,000 Republicans, but 1.5 million Democrats. We would be allowed under the bill, because we have a voting-age population of 2.7 million, at the rate of 10 cents per voting age population, $270,000 in primary elections. If we take 20 percent of that, it comes to $54,000.

I think it is absurd to expect that someone can raise $54,000 in a primary when only 480,000 voters are registered in his party. This is excessive. I think that it is impossible for any challenger to raise $54,000 when he is running against an incumbent, especially when he has only 480,000 voters registered in his party, because we have a limit on contributions, and it would be very, very difficult for anybody to challenge an incumbent.

I think if we are going to move in the direction of public financing, then we had better make sure that we are not making the Congress of the United States a self-perpetuating body. It seems to me that is just what we are doing if we are creating the high thresholds where challengers will not be able to get the kind of money they need to participate in public funds.

I think it should go further, but I think it is extremely reasonable to lower the threshold from 20 to 10 percent. Therefore, I hope the Senate will adopt the amendment in order to make it fair to those who are going to be involved in future primaries.

The PRESIDING OFFICER. Who yields time?

Do Senators yield back their time?

Mr. CLARK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CLARK. Mr. President, I yield back my remaining time on the amendment.

Mr. CANNON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back on the amendment, the question is on agreeing to the amendment of the Senator from Iowa (Mr. CLARK), as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Illinois (Mr. PERCY), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 34, nays 54, as follows:

[No. 136 Leg.]

YEAS—34

Abourezk	Cranston	Mondale
Aiken	Hart	Montoya
Beall	Hartke	Nelson
Bible	Haskell	Packwood
Biden	Hatfield	Proxmire
Brooke	Hathaway	Randolph
Buckley	Humphrey	Ribicoff
Burdick	Johnston	Schweiker
Case	Mathias	Weicker
Chiles	McIntyre	Williams
Clark	Metcalf	
Cook	Metzenbaum	

NAYS—54

Allen	Ervin	Nunn
Baker	Fannin	Pastore
Bartlett	Gravel	Pearson
Bayh	Gurney	Pell
Bellmon	Hansen	Roth
Bennett	Helms	Scott, Hugh
Bentsen	Hollings	Sparkman
Brock	Hruska	Stafford
Byrd, Harry F., Jr.	Huddleston	Stevens
	Jackson	Stevenson
Byrd, Robert C.	Javits	Symington
Cannon	Kennedy	Taft
Cotton	Magnuson	Talmadge
Curtis	Mansfield	Thurmond
Dole	McClellan	Tower
Domenici	McClure	Tunney
Dominick	McGovern	Young
Eagleton	Moss	
Eastland	Muskie	

NOT VOTING—12

Church	Hughes	Scott, William L.
Fong	Inouye	
Fulbright	Long	Stennis
Goldwater	McGee	
Griffin	Percy	

So the Clark amendment, as modified, was rejected.

Mr. CRANSTON obtained the floor.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. CRANSTON. Mr. President, I yield to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I shall use my own time, of course, but I intend to limit my remarks on the amendment to 5 minutes.

I call up my amendment No. 1185 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 15, line 11, after the word "held" insert the following: "(except that if the office sought is President or Senator the amount shall be 14 cents)".

Mr. JAVITS. Mr. President, this amendment proposes to restore, for the offices of President and Senator, the amount of 14 cents per voter instead of 12 cents which resulted from the Allen amendment, which was successful here by a vote of 46 to 43.

The reason for limiting it to President and Senator is twofold. First, not to reargue the Allen amendment, which would not be fair to Senator Allen nor to the Senate, I omit the Members of the House of Representatives; and second, because it really is not necessary to include the Members of the House of Representatives, as they have a limit of $90,000, which, considering the general population of congressional districts, which is under one-half million, is not out of line with either the 12-cent figure or the 14-cent figure.

The amendment applies only to elections, not to primaries. I am not seeking to change that at all. But the fact is that this is a qualified amendment; and the reason I give the Senate this opportunity is the fact that really the amounts are getting down to the point where, with any kind of big State, and small States are even more affected, where a Senator like myself or any other Senator who has had considerable time in the Senate has to go to the people with so many issues—it is simple, after all, to take a Senator apart when we vote here 400 or 500 times a year, and when votes are connected in philosophy or have a historical relationship, or you have strategic or tactical situations that face you—and you try to run around in a State with 15 million people, even 15 cents speedily fails.

I do not mind telling the Senate I ran, with the aid of my State committee, a campaign in 1968 that cost me, aside from the help they might give, about $1,250,000. That same campaign would cost about $2 million today, and if you subtract the State—and many State organizations now do not want to get involved with Federal law—you run into a campaign that may cost $2,500,000 to $3,000,000.

I cannot raise that. I cannot afford it. But if the committee thought 15 cents was a reasonable figure, I think we ought to have an opportunity to vote on a figure larger than that now set, which I consider too low.

All you have to do is deduct one-fifteenth from the column 15 cents for the Presidency; that results in roughly $19 million for the Presidency, rather than the figures which are set up here, $21 million-something for the 15-cent fund, and similarly down that column.

I simply lay this question before the Senate: Under these conditions, the only chance we have to somewhat raise the figures, for purposes of negotiation with the other body, is in an amendment that is qualified. This is qualified.

I ask unanimous consent that the names of Senators MONDALE and DOLE be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. CANNON. Mr. President, I yield myself 2 minutes.

I would hope that the Senate would not change the position it has already taken on this particular issue. It is true that the committee reported the 15 cents in the general election and the 10 cents in the primary, but that issue has been debated on the Senate floor, and we did reduce it by a vote to 12 cents and 8 cents. I voted for that amendment; I think it was a good amendment.

I will say to my colleague that while he indicates that in a State such as his he may be limited, the limit applies both ways; it also applies on whoever the opponent or challenger may be.

One of the purposes of the overall bill is to try to contain or restrain the cost of campaigns. We are not going to restrain them if we fix the limit that can be spent at higher than is normally spent.

With the exception of a few races in the last election—I do not recall the exact number, but there were not many races that did exceed, though some of them exceeded very materially, the limit we have set in the bill.

I would point out that under the limited bill now, for the State of New York, a candidate there could spend, in the primary, $1,213,000 and could again spend $1,508,000 in the general election under the bill as it now stands. If the Senate should adopt this amendment, it would increase that amount for the general election by roughly $126,000, it would appear.

So I say to my colleague that I believe we have settled this matter in a reasonable fashion. I think if we are going to try to contain the cost of the campaign, we have got to fix limits, not just fix a figure far above that which we have expended.

I reserve the remainder of my time.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. I will yield myself 1 more minute to reply, and that is all. We have very completely argued these questions before.

All that I say is this: It is as tough for the challenger as for the challenged, in view of the enormous increase in costs, and I do not see any disposition on the part of the American people not to want a campaign which reveals the positions of both sides. That costs money, unfortunately, in this particular society.

When you realize that there are city campaigns which cost $2 and $3 million for a candidate for mayor, I do not think these sums, at a 14-cent level, are at all out of line. I have given the Senate my own figures. These I know. I sweated blood raising them, so I know them only too well.

I am not anxious to make them more, but it is simply, in my judgment, the necessities of the situation.

Finally, we always talk a lot about committee deliberations, with the committee hearing evidence, thinking it over, and debating it in committee, so that

they come to the right conclusion. Here we have a committee, and the manager of the bill says they did not come to the right conclusion, that he voted against it. So, since he voted against it, he has got to vote against it again.

I hope very much that will not be the logic of the Senate. The committee came up with 15 cents. The Senate, by a majority of 46 to 43, reduced it to 12 cents. Here is an opportunity to again come closer to the amount the committee, which deliberated, provided.

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. Mr. President, I think I have an hour, if I wanted to talk that long.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMINICK. I yield myself 2 minutes, in order to back up my distinguished friend from New York. I am sure everyone will say that if he and I are on the same side on this issue, one of us is obviously wrong, but we will find out pretty quickly.

I will say to the Senate as a whole that I think, to begin with, this whole bill is unconstitutional. I do not think you can put a limit on the right of any individual to support in any legal way that he wants to the candidate of his choice. I think that is what we have attempted to do. One three-judge Federal court has already so ruled, in connection with the bill that is now part of the law. The ruling has not been appealed. They ruled on that ground, that this is a violation of the first amendment, and I think that is exactly what it is.

Second. I think we have sought to do indirectly, by what my distinguished friend from Alabama did and as a matter of fact what this bill does, what we cannot do directly; namely, limit the amount you can expend; and you have to include whatever anyone expends, no matter whether they have any connection with you or not, as an overall limitation; thus we are denying them the right to support the candidates of their choice.

Third. As I think everyone has known from the beginning, I am and always have been totally opposed to public financing. I think it is a real rip-off of the taxpayer. That is not a part of this amendment, which would seem to me only sensible, that if we are going to have an unconstitutional bill, which I think is a disaster from beginning to end, and I think we are all acting as masochists, if I may say so, to the detriment of the taxpayer, then we ought to have a limit which is high enough. So I am happy to support it and will support the amendment but I am going to vote against the whole bill no matter what happens.

Mr. ALLEN. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 4 minutes.

Mr. ALLEN. What this amendment seeks to do is to go over ground that the Senate went over yesterday. It seeks, in effect, to reconsider the vote which was taken on yesterday, and one motion to reconsider has already been made and tabled. So actually this is a method of doing indirectly what the Senator is prevented from doing under the rules directly; that is, reconsidering that vote and offering his own amendment. The distinguished Senator had the opportunity yesterday. If he thought there was some magic to the 14-cent figure, he could have offered that as an amendment when the Senator from Alabama put in the amendment calling for a 12-cent per person of voting age limitation on the general election. He saw fit not to do that.

After the Senate has acted and a motion to reconsider has been made and tabled, the distinguished Senator from New York comes in and says that a subsidy of $1,519,000 in a Senate race in New York is insufficient unless they recapture two-thirds of the reduction that was made on yesterday in order that the 100-percent Government subsidy for general election campaigns in New York and other States can be increased.

The 2-cent increase does not sound like a great deal, but it amounts to millions of dollars throughout the entire Nation and, of course, the amount is several hundred thousand dollars in New York.

As the distinguished chairman of the committee stated, this would provide for primary and general elections expenditures for the Senate seat. The 12 cents and the 8-cent figures would provide for a campaign fund in the primary and in the general election.

If there were to be a run-off, it would be another million dollars, but just the primary and general election is $2½ million. So I believe a candidate could struggle along on $2½ million in a campaign. If the Senate thinks it should be increased, of course, it can do so; but I want to stress that what the Senator seeks to do is to reconsider the action of the Senate, which has already been sought to be reconsidered, and the Senate refused to do so. The Senator limits it to President and Senator. As he stated, the House is already 14 cents above, anyhow. So actually there is a full reconsideration of the action of the Senate yesterday and a substitution of another figure which the Senator was at liberty to offer yesterday, had he seen fit so to do.

So I hope that the amendment will be rejected and that we will be able to go on to other matters that the Senate has not yet considered about this bill.

Mr. President, I reserve the remainder of my time.

Mr. JAVITS. Mr. President, I yield myself 1 minute to make a point which I think, is pretty interesting. I thought my friend from Alabama was a real expert on the rules of the Senate although he has served here a lot less than others have. I regret to say I must call this to his attention, that I could not move to reconsider yesterday because I was on the losing side. I thought that 15 cents was right, so I could not move to reconsider. I am not going to reconsider today. I am just saying that we have another chance, before we lock up the bill, to take another look at this, because of the expertise of the committee, and get closer to their figure.

Mr. ALLEN. Mr. President, I did not say that the Senator should have moved to reconsider, because the Senator from Alabama made that motion yesterday. I said that the effect of what the Senator is doing here is to seek to reconsider. That action was sought to be taken yesterday and the Senate refused to reconsider it because it favored it. What the Senator is trying to do now is to do indirectly what the rules forbid him from doing directly, since the motion to reconsider has already been tabled and another motion is not in order.

Several Senators addressed the Chair.

Mr. TOWER. Mr. President, I should like to support the amendment offered by the Senator from New York. To begin with, to place an arbitrary limit on campaign expenditures based on a per capita figure is foolish, because campaign costs vary from State to State.

The Senator of New York can reach a great many of his constituents, perhaps half of them, via the subway. But in my State, to get to the various major population centers, because of population dispersal, I have to lease an aircraft because many cities in Texas are not served by the commercial airlines. Of course, no one is served by trains any more and the bus service is not all that good. So campaign costs vary from State to State.

To place an arbitrary limit on this is stupid and foolish, in my opinion, in the first place, because it takes none of these things into consideration.

The reason we have 50 sovereign States and different ways of exercising the police power in those States, is that situations, people, geography, and everything else, differ from various regions of the country to others.

But if we are going to place an arbitrary limit, let us err on the side of giving too much rather than too little, because it is unfair to many people who are campaigning to be expected to get by with 12 cents a voter. We cannot do it. The figure of 12 cents is unrealistic, as has been pointed out eloquently and ably and precisely by my friend from New York.

So I hope the Senate will follow his urgings, that we raise the limit to 14 cents.

Mr. DOLE. Mr. President, I yield myself 1 minute to ask a question of the distinguished chairman. I think I understand it, but do these limitations—I am addressing my question to the distinguished Senator from Nevada—if one is unopposed or at least one is certain he is unopposed, he does not know it until filing deadline. What happens to the limitation so far as the primary is concerned?

Mr. CANNON. The provisions in the bill limit the amount spent to not more than 10 cents. If a person has no opponent in the primary, that is in addition to the amount permitted in the general.

Mr. DOLE. That is the primary reason I am supporting the Senator from New York. Perhaps some of the one-party States, where we do not have any opponent, we are not worried about it. Perhaps the Senator from Alabama may be

unopposed—he probably is—but it does not make much difference at this point whether it is 10 cents, 12 cents, 30 cents, or whatever. But in a two-party State, where we have a primary and a general election, it makes a great deal of difference.

It makes a great deal of difference whether the opponent may have a primary and you have no primary. He can spend up to the limit in the primary and the general, even though the primary opponent may be a token opponent. Some are getting resourceful and they are talking about setting up a token opponent in a primary in order to bypass certain provisions of the law, which indicates the foolishness of this. So, to set up a strawman in the primary he can spend more money in the primary and get ready for the general election.

As the Senator from Texas has stated, perhaps on this question, where the committee initially recommended 15 cents per voter, the compromise should be at 14 cents because those States are there and everything depends on our own situation from time to time. For instance, in Kansas, which is a small State bordered by the State of Missouri, where television costs are high, we start our campaign early and try to play it straight and we have already spent 4 or 5 cents per voter and we are still far from the general election. We find many other things like that entering into the situation, so that we have been hiring people with contributions that have been coming in to our campaign, and every expense has been registered and every expenditure has been disclosed, but when we do that you soon learn, if you have an opponent, that 14 cents is not unrealistic.

The PRESIDING OFFICER (Mr. NUNN). The question is on agreeing to the amendment of the Senator from New York.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 37, nays 51, as follows:

[No. 137 Leg.]

YEAS—37

Abourezk	Case	Haskell
Baker	Clark	Hatfield
Bayh	Cranston	Hathaway
Beall	Dole	Huddleston
Biden	Domenici	Hughes
Brock	Dominick	Humphrey
Brooke	Hart	Javits
Buckley	Hartke	Johnston
Kennedy	Pell	Tunney
Mansfield	Schweiker	Williams
Mondale	Scott, Hugh	Young
Pastore	Stevens	
Pearson	Tower	

NAYS—51

Aiken	Ervin	Muskie
Allen	Fannin	Nelson
Bartlett	Gravel	Nunn
Bellmon	Gurney	Packwood
Bennett	Hansen	Proxmire
Bentsen	Helms	Randolph
Bible	Hollings	Ribicoff
Burdick	Hruska	Roth
Byrd, Harry F., Jr.	Jackson	Sparkman
	Magnuson	Stafford
Byrd, Robert C.	Mathias	Stevenson
Cannon	McClellan	Symington
Chiles	McClure	Taft
Cook	McGovern	Talmadge
Cotton	McIntyre	Thurmond
Curtis	Metcalf	Weicker
Eagleton	Montoya	
Eastland	Moss	

NOT VOTING—12

Church	Inouye	Scott, William L.
Fong	Long	Stennis
Fulbright	McGee	
Goldwater	Metzenbaum	
Griffin	Percy	

So Mr. JAVITS' amendment was rejected.

Mr. ALLEN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. CRANSTON. I am delighted to yield.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

UNANIMOUS-CONSENT REQUEST

Mr. ROBERT C. BYRD. Mr. President, I take the floor at this time, through the courtesy of the distinguished Senator from California, to inquire as to how many amendments remain to be called up at this time. One, three, five, seven, nine—

Mr. ALLEN. I have two amendments that will require only 5 minutes each.

Mr. ROBERT C. BYRD. Very well. We have 11 amendments remaining.

Mr. President, I have not discussed this request with the leadership on the other side of the aisle nor have I discussed it with anyone on this side of the aisle.

Mr. President, I ask unanimous consent that the time on any remaining amendment be limited to 15 minutes, with 5 minutes to the manager of the bill and 10 minutes to the mover of the amendment.

Mr. PACKWOOD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Does the Senator have an amendment?

Mr. PACKWOOD. Yes.

Mr. ROBERT C. BYRD. Would the Senator object if an exception were made for his amendment?

Mr. PACKWOOD. Yes, I would.

Mr. ROBERT C. BYRD. Mr. President, would the Senator object if the request were modified to limit the time to 20 minutes on any amendment, to be equally divided?

Mr. PACKWOOD. Let me ask the Senator's intention in terms of attempting to finish tonight or going over until tomorrow.

Mr. ROBERT C. BYRD. Well, it would suit me either way, frankly. I will stay here as long as Senators want to stay or go over until tomorrow. But my thought was that if time could be cut down on amendments, then it might be that we could go until 7 or 7:30 this evening; or we could go over until tomorrow and finish tomorrow—or later tonight—whatever Senators prefer.

Mr. PACKWOOD. If we could reach a unanimous-consent agreement to adjourn tonight at 7:30 and come back tomorrow I would have no objection to the limitation proposed.

Mr. PASTORE. Mr. President, I came to my office this morning at 8 o'clock. I have been busy today with a half dozen conferences, I have gone to every meeting it was my responsibility to attend, and I have been on the floor. Here it is 5:30 and it looks as if these amendments are still coming forth. We have had cloture imposed.

I say there should be a sense of fairness in the Senate. When we get to the hour of 6 o'clock we should quit and come back tomorrow. We have not had notice that we were going to stay tonight. Most of us have family obligations. I think that should be taken into consideration. I think this matter has gotten completely out of hand and the time should come to put a stop to it.

If it becomes necessary to stay late tomorrow night we should have notice so that we can advise our families that we will not be home for dinner tomorrow evening.

We have been considering this bill since the latter part of March. I wonder what will happen to the bill anyway when it goes to the House, and here we are straining ourselves and keeping ourselves from our families, which I think is a great injustice. I hope we can reach an agreement. Now there has been a request for a yea and nay vote.

It takes 20 minutes. I have heard about 11 amendments, and then some other Senator came along and put up his fingers. I do not think it was the "V" sign—it was two more amendments. That makes 13. That is 4 hours and 20 minutes alone on rollcalls.

Now, when are we going to go home and when are we going to finish the bill? I say the time has come when we ought to have an agreement to quit at 6:30 tonight and come in tomorrow morning, at 9 o'clock, 8 o'clock, 5 o'clock——

SEVERAL SENATORS. Five o'clock.

Mr. PASTORE. Five o'clock, and finish the bill, but please do not let that dinner get cold tonight.

Mr. HUGH SCOTT. Mr. President, will the Senator yield for an interjection?

Mr. PASTORE. I will yield for anything.

Mr. HUGH SCOTT. Mr. President, if the Senator will yield for an interjection, I would like to note, for the Senator's scheduling table, that I believe there are about 15 Senators who are scheduled to

speak for 15 minutes each tomorrow, and that will chew into the Senators' travel schedule like crazy if we cannot figure out some way to get out of here by 3 o'clock tomorrow. We have about 25 Senators who want to get out of here.

Mr. PASTORE. Mr. President, I would ask unanimous consent at this time that those 15 Senators who have 15-minute speeches begin to talk after passage of this bill and let them stay here until midnight tomorrow night.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. ROBERT C. BYRD. Mr. President, I will revise my unanimous-consent request in this fashion: That time on any amendment be limited to 20 minutes; that time on any debatable motion or appeal, with the exception of a motion to recommit, which Senator STEVENSON was interested in earlier today, be limited to 10 minutes, to be equally divided; that the time on any motion to recommit be limited to 30 minutes; and that the vote on final passage occur at no later than 3 p.m. tomorrow.

Mr. BUCKLEY. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. With this further proviso: that time on any rollcall, with the exception of the first rollcall tomorrow, be limited to 10 minutes, the warning bells to be sounded after the first 2½ minutes.

Mr. BUCKLEY. Mr. President, reserving the right to object, I do have an important constitutional point that I intend to raise, and although I do not believe I would use my full hour, I do not want to give up my full hour.

Mr. ROBERT C. BYRD. Would the Senator wish to speak tonight? I will be happy to remain, and he can make his speech tonight.

Mr. PASTORE. It will be in the RECORD. We will read it.

Mr. BUCKLEY. I would hope to get the ears of more than one or two Senators on that important constitutional question.

Mr. ROBERT C. BYRD. I hope the Senator will make his speech this evening, because Senators are on notice that he is going to make the speech, and before the final vote they would look at the RECORD tomorrow and read it.

Mr. BUCKLEY. With all due respect, I doubt that they will.

Mr. ROBERT C. BYRD. I am afraid that they would not stay to listen at this hour of the day, or even tomorrow, may I say to the Senator. I have been here 16 years and I have not seen anyone capture their attention in that way.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. If the consent agreement is not agreed to, that would mean we could stay here tonight and Senators could bring up their amendments, and have votes on them, unless there were a motion to adjourn, which would be debatable.

Mr. PASTORE. No, there is no debate on such a motion.

Mr. ROBERT C. BYRD. A motion to adjourn is not debatable.

Mr. President, I repeat my request that there be a limitation of 20 minutes——

Mr. PACKWOOD. Mr. President, if the Senator will yield, if we are including in that proposed agreement a vote at 3 o'clock tomorrow, can we have assurances of leaving here at 7 o'clock this evening instead of 10 o'clock?

Mr. PASTORE. I will buy 6:30.

Mr. PACKWOOD. Six-thirty—fine.

Mr. BAYH. Mr. President, reserving the right to object, perhaps this is inappropriate, and I seldom find myself on the opposite of an issue with my distinguished friend from Rhole Island, but, you know, Mr. President, we have been kicking this bill around for a long, long time. Some people have expressed strong reservations about it. I do not deny that every Senator has his parliamentary right to prolong the debate, but I will tell you, Mr. President, the people of Indiana would be glad to let Senators remain here so their suppers will get cold. It would be a pretty good precedent if we stayed here until we finished this bill for campaign reform. We have debated it at length. Two-thirds of the Senate have exercised their will to limit debate on it, and now we ought to be willing to give up our conveniences and work until we finish action on the bill.

Mr. PASTORE. Come, come, come, Mr. BAYH. This is getting to be a little ridiculous. This Senator can sustain any inconvenience that is necessary to do his job. All I am saying is that it has been the custom and the habit of this body that when we are going to stay here beyond 7 o'clock, we receive notice of it the day before.

I do not know the obligations of the Senator from Indiana for his own family, but I have my family waiting for me tonight. When he talks about inconvenience, all I am saying is that we have been here for a month, and we are not going to finish this bill tonight. All I am saying is, let us come in early tomorrow morning and let us get started early and do our job.

Mr. BAYH. Mr. President——

Mr. PASTORE. I do not want to be a tinhorn hero, but I am a little surprised at my colleague from Indiana. He is not more conscious of his responsibility than the Senator from Rhode Island, and when he says we are going to give up our conveniences because this is important, whom are we kidding? [Laughter.]

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. Senators will please take their seats.

Mr. BAYH. Mr. President——

Mr. ROBERT C. BYRD. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Indiana.

Mr. ROBERT C. BYRD. How did the Senator from Indiana get the floor?

The PRESIDING OFFICER. Because he addressed the Chair for the last 5 minutes while the Senator from Rhode Island was speaking.

Mr. ROBERT C. BYRD. Very well.

Mr. BAYH. Mr. President, I hope my friend from Rhode Island will read what I said, and if he can point to anything which, either by direction or indirection, implied or suggested that my friend from Rhode Island was not one of the most dedicated Members of this body, willing to sacrifice his own conveniences, then I will stand corrected. I think he knows of my great respect for him. My statement goes not to any degree of piosity, but it seems to be clear to me that a lot of people are looking for us to stand up and get this thing behind us. I think we have a great opportunity to do so. I am not asking for any merit badges, but I am telling you, Mr. President, a lot of people think this is important. This might give us an opportunity to do something a little exceptional and get it behind us, and what it does to my family is not going to be different from what it does to anybody else's.

Mr. ROBERT C. BYRD. Mr. President, we could argue this point ad infinitum. I would hope we would try to reach an agreement. Let me try again.

I ask unanimous consent that time on any amendment be limited to 15 minutes, with 10 minutes to the mover of such amendment and 5 minutes to the manager of the bill; that time on any debatable motion or appeal be limited to 10 minutes, to be equally divided in accordance with the usual form, with the exception of a motion to recommit, on which the Senator from Illinois (Mr. STEVENSON) wanted 30 minutes today and was assured of that by the majority leader; and that time on any rollcall vote be limited to 10 minutes, with the warning bells to be sounded after the first 2½ minutes; with the time allotted under the cloture rule to be vitiated; with a waiver of paragraph 3 of rule XII; and that the vote on final passage occur at no later than 3 tomorrow afternoon.

Mr. HUGH SCOTT. Mr. President, will the Senator accept an amendment to his request—that the Senator from New York (Mr. BUCKLEY) be recognized first tomorrow at the end of the special orders and be allowed to use not more than 30 minutes of his time at that time and may then proceed on his amendment in the time limited?

Mr. ROBERT C. BYRD. With that modification.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. AIKEN. I should like to say that for more than a week I have had six amendments to improve this bill very much. But in the interest of bringing consideration of this bill to an early conclusion, I have refrained from offering the amendments. However, if we come in tomorrow, I should like to offer the six amendments. I assume that they will be permitted if we come in tomorrow. If we can finish tonight, I shall be glad to bring this unhealthy situation to an earlier close.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. BAKER. Mr. President, the purpose of my rising at this time is to ask the Senator from West Virginia, if I fully

understand his remarks. Is the time on these amendments from this point forward to be limited to 15 minutes, 10 minutes for the proponents and 5 minutes for the manager of the bill?

Mr. ROBERT C. BYRD. The time allotted under the cloture rule would be vitiated.

Mr. BAKER. That is what I wanted to bring up. Is the Senator asking that the cloture vote be vitiated?

Mr. ROBERT C. BYRD. No. I would ask only that the time limitation under the cloture rule be vitiated, because otherwise the 15 minute agreement on any amendment would be worthless.

Mr. BAKER. Do I understand that we are going to run for any very great length of time tonight?

Mr. ROBERT C. BYRD. No, I did not say that. I would have to leave that up to the Senate.

Mr. BAKER. I am perfectly agreeable to any time limitation. I was wondering what the leadership had in mind.

Mr. ROBERT C. BYRD. With the number of amendments that have been adopted, and with the number of Senators who want to speak tomorrow morning, it would be necessary to go for a while yet tonight.

Mr. BAKER. Well, would the Senator say 7 or 7:30?

Mr. ROBERT C. BYRD. Yes, in order to finish tomorrow at 3 o'clock, but even then, Senators may be shut off from debate on their amendments at 3 p.m.

Mr. BAKER. My final concern is with reference to the statement by my friend from Rhode Island (Mr. PASTORE), that we would receive notice the day before if we were going to run beyond 7 o'clock. If that is so, I should like to be put on that list.

Mr. ROBERT C. BYRD. I know of no such list.

Mr. PASTORE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on any amendment be limited, to instead of 30 minutes, to 20 minutes, the time to be equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. DOMINICK. Mr. President, reserving the right to object—and this is a point I wanted to make before—the Senator from West Virginia indicated to the Senator from Tennessee that this vitiated the 1-hour cloture rule.

Mr. ROBERT C. BYRD. Only if we were able to get unanimous consent to the package agreement earlier proposed.

Mr. DOMINICK. I happen to be one of those who do not have amendments, but I may want to talk on an amendment or talk on the bill, and I would hate to give up my hour without any agreement.

Mr. ROBERT C. BYRD. Without an agreement, the Senator will not lose his right.

Mr. DOMINICK. That is correct. Without an agreement, I would not be losing my right. But if we got a unanimous-consent agreement, I would, as I understand.

Mr. ROBERT C. BYRD. But the request I now propose is only with respect to time on amendments.

Mr. DOMINICK. But objection has already been made to that.

Mr. ROBERT C. BYRD. But I am now proposing a different consent request.

Mr. AIKEN. If the Senator believes that we can postpone completing this work tonight and come in tomorrow, would it be possible to complete the bill and get a final vote on it before the adjournment for Easter?

Mr. ROBERT C. BYRD. Yes, I think so. The idea, in trying to get a definite time limitation, is to accommodate Senators who wish to make plane reservations to go afar. Some of them want to get away by 3 o'clock p.m. tomorrow.

Mr. AIKEN. I would be willing to agree to a time limitation for tonight. If we are to come in tomorrow, we might just as well strike this proposal.

Mr. ROBERT C. BYRD. I will be glad to try again.

Mr. President, I ask unanimous consent that time on any amendment be limited to 15 minutes, 10 minutes to the proposer of the amendment and 5 minutes to the manager of the bill, with time on any amendment to an amendment, motion, or appeal limited to 10 minutes, to be divided in accordance with the usual form, with section 3 of rule XII being waived, with time under the cloture rule being vitiated, and that the vote on final passage of the bill occur at no later than 10 o'clock tonight.

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD and several other Senators objected.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I will make a final effort. I renew my request that time on any amendment be limited to 15 minutes, to be divided 10 minutes to the mover of the amendment and 5 minutes to the manager of the bill, with 10 minutes on any rollcall votes for the remainder of the bill; and that the warning bells be sounded after 2½ minutes. I shall make no further request.

Mr. PASTORE. Mr. President, how long will we be going tonight?

Mr. ROBERT C. BYRD. I am not going to attempt to answer that question. When Senators are ready to quit, I shall be glad to move to adjourn. As long as Senators want to stay, I will stay.

Mr. PASTORE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I ask that the time that has been utilized be charged to me under the rule and that no time be charged to the able Senator from California (Mr. CRANSTON).

Mr. METCALF. Mr. President, under section 3 of rule XII, to whom is the debate that is taking place being charged?

The PRESIDING OFFICER. It has been assigned to the Senator from West Virginia.

Mr. ALLEN. Mr. President, I yield myself 1 minute. I have used only 1 minute, so the parliamentarian has advised me; and I certainly do not intend to use the whole hour.

I believe there is only one way out of the situation, and that is to move to table the bill. I move that the bill be laid on the table, and I call for the yeas and nays.

Mr. ROBERT C. BYRD. Mr. President, the Senator from California had the floor before yielding to me.

The PRESIDING OFFICER. Does the Senator from California yield for the purpose of allowing the Senator from Alabama to make his motion?

Mr. CRANSTON. No, I do not.

Mr. ALLEN. I thought the Chair had recognized the Senator from Alabama.

The PRESIDING OFFICER. The Senator from California has the floor. The Senator from California yielded to the Senator from West Virginia for a unanimous-consent request.

AMENDMENT NO. 1177

Mr. CRANSTON. Mr. President, I call up my amendment No. 1177 and ask that it be stated.

Mr. HUGH SCOTT. Mr. President, my congratulations to the Senator from California.

Mr. CRANSTON. I thank the Senator from Pennsylvania.

Mr. President, this is mainly a technical amendment.

Mr. STEVENS. Mr. President, will the Senator yield for a question?

Mr. CRANSTON. I yield.

Mr. STEVENS. Mr. President, as I understand, there is no time limitation.

The PRESIDING OFFICER. There is an existing agreement of a half-hour on each amendment.

Mr. STEVENS. I thank the Chair.

The PRESIDING OFFICER. This is superimposed on the 1 hour that each Senator has under the cloture rule.

The amendment will be stated.

The legislative clerk read as follows:

S. 3044

On page 5, line 19, following the word "office", insert the words ", and if, in a State which registers voters by party, that said party's registration in such State or district is equal to 15 per centum or more of the total voter registration in said State or district".

Mr. CRANSTON. Mr. President, this is largely a technical amendment which will, I believe, improve on the committee's intent in section 501(8) of S. 3044. As written, the bill provides that if only one political party qualifies as a major party entitled to full funding, a political party whose candidate received in the last election less than 25 percent of the total votes cast in that election but more than 15 percent would qualify as a major party. I believe that that provision was included because of concern expressed by several Senators, including myself, that occasionally in a two-party State an incumbent may be sufficiently popular as to receive more than 75 percent of the vote in a given election.

I support section 501(8) of the bill, but I wish to suggest that it be modified to take into account the following situation which has arisen this year in California.

There are five incumbent Democratic Congressmen who are facing no Republican opponents this fall. However, in two of these districts there are candidates

seeking the nomination of the Peace and Freedom Party and of the American Independent Party. It therefore appears likely that on the November ballot these two Democratic Congressmen will find themselves opposed by nominees of these minor parties. It is entirely possible that Republicans or Democrats wishing to vote against the Democratic incumbent for whatever reason would vote for a minor party candidate. Thus, a minor party candidate will become the recipient of such protest votes and could conceivably receive 15 percent of the total vote cast. As a result in the 1976 election, under the provision of the bill as it is before us, either of the minor parties might be entitled to receive full funding as a major party. The fact is that in neither district does either party have as much as 1 percent of the total voter registration in the district.

Therefore, Mr. President, I would like to suggest that in addition to receiving 15 percent of the votes cast in the previous election, a party, in order to qualify as a major party, should also have voters in the district equal to at least 15 percent of the total registered voters.

That is what my amendment would do. It adds the language:

and if, in a State which registers voters by party, that said party's registration in such State or district is equal to 15 percent or more of the total voter registration in said State or district.

This would prevent the unjust enrichment of the political coffers of minor parties who have no basis for being treated as major parties.

Mr. CANNON. Mr. President, I yield myself 20 seconds. The eloquence of the Senator from California has convinced me of the merits of his amendment, and I am prepared to accept it. I yield back the remainder of my time.

Mr. CRANSTON. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment (No. 1177) of the Senator from California.

The amendment was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1125

Mr. CRANSTON. Mr. President, I call up my Amendment No. 1125, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CRANSTON's amendment (No. 1125) is as follows:

On page 15, line 18, strike the words "primary or".

On page 15, line 20, strike the words "primary or".

On page 15, line 21, strike the words "(a) or".

Mr. CRANSTON. Mr. President, this amendment, incidentally, is cosponsored by the Senator from Kansas (Mr. DOLE).

As presently written, S. 3044 provides that a candidate unopposed in a primary or general election can spend only 10 percent of what he would be able to spend if he had opposition. I have no objection to this restricted spending limit for a candidate unopposed in a general election. The primary, however, is a totally different matter.

Let me give two examples of what might happen if the bill is enacted in its present form:

The most likely situation would involve an incumbent unopposed in his own primary, while two—or more—individuals seek the nomination of the other party. The two challengers might well decide that the best way to win their party's nomination is to campaign against the incumbent—with each challenger ignoring the other. Thus the incumbent would be subject for a period of several weeks or months to a campaign against him by two opponents, both of whom would be permitted to outspend him 10 to 1.

A second example involves a primary election where the incumbent has nominal opposition and the person seeking the nomination of the other major party is unopposed. The incumbent would ignore the opponent within his own party and campaign on his record for a period of weeks or months during which time he would be able to outspend his real challenger in the other party by 10 to 1.

Both situations are obviously inequitable and unfair.

Let me point out the situation which I face this year, and what might happen under a public financing system with this limitation on primary spending.

As it happens, I have two virtually unknown opponents in my own Democratic primary in June. Neither man is conducting a visible campaign, to the best of my knowledge. It is for all practical purposes, then, that I am unopposed, and it could well have been that neither man filed and thus I would have been actually unopposed.

There are four highly visible, active candidates seeking the Republican nomination for the U.S. Senate. All four are raising money and all four have to be classed as serious candidates for the Republican nomination.

As the bill is written, these four candidates would be entitled to spend $4½ million campaigning against me during a period of at least 4 months, while I would be able to spend only a hundred thousand dollars defending myself against their attacks. Now it is true, under the bill the situation would be equalized under the general, with each candidate able to spend the same amount. But the huge disadvantage of being outspent better than 40 to 1 in the primary might well create an insurmountable disadvantage from which a candidate could not recover.

There has been some suggestion that the 10-percent figure might be changed, allowing an unopposed candidate in a primary to spend 20 percent. At 20 percent, I would be able to spend only 5 percent of what my opponents could spend. At 50 percent I would be able to spend only 12½ percent of what my opponents could spend.

Even if my amendment is accepted, with four opponents all of whom may be conducting their primary campaigns by running against me, I would be outspent 4 to 1. But at least no one candidate would be able to spend more than I would be permitted to spend.

There is an additional disadvantage for an unopposed candidate of such a limitation in the primary. Much of the groundwork for the general election must be laid in the primary. The candidate's campaign organization must be put together, for if the candidate waits until the general election, he will find that both staff and workers have been preempted by other candidates and campaigns. He must travel, he must speak, he must make public appearances—even though he may decide not to put on a substantial media campaign. All of these activities cost money.

Finally, he may wish to begin his direct mailing solicitation of small contributions during the primary—the cost of which, in a State like California, could quickly eat up the total amount a candidate would be allowed to spend.

I suspect—and this is another very serious objection, I believe, to the present language of the bill—that it the bill is enacted in its present form, no candidate of either party would ever allow himself to be unchallenged. This could lead to nonserious candidates put up by serious candidates of either party—or by the parties themselves—to assure that the serious candidate receives full funding. Such a situation would be unhealthy, unwise, and might well lead to a greater need for Federal funding than would be the case if an unopposed primary candidate were allowed to spend as much as an opposed primary candidate—and if he chose to. Under a matching system, I doubt that an unopposed primary candidate would, under normal circumstances, raise or spend as much as a candidate with opposition.

My amendment, No. 1125, would simply strike any reference to the primary from section 504(c) of the bill. I urge Senators to support the amendment.

I am delighted to yield to my distinguished cosponsor of the amendment, the Senator from Kansas (Mr. DOLE), on his time.

Mr. DOLE. I will use my time, but I would like to ask the Senator a question.

Mr. COOK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COOK. What does the Senator mean, on his time?

Mr. DOLE. I have 48 minutes left, or 43.

Mr. COOK. Well, there are 30 minutes on an amendment. Is the Senator utilizing time on the amendment, or on his hour?

Mr. DOLE. Both.

Mr. COOK. All right. That makes sense.

Mr. DOLE. As I understand it, the Senator from California would strike section 504(c)?

Mr. CRANSTON. We would strike the

provision that makes it impossible to spend more than 10 per cent in a primary.

Mr. DOLE. All right. As a cosponsor of the amendment, I should know what it does, but I wanted to make certain.

I agree with the Senator from California. As discussed with him earlier, I believe the present provisions will lead to the serious primary candidate having a non-serious primary opponent, if he is faced with a tough general election to permit him to spend a greater total amount.

We are going to see more and more efforts to evade or avoid the law if this restriction remains. I support the amendment and am pleased to cosponsor it with the Senator from California.

I also raise the question, How do we know when we are going to be opposed in a primary? In Kansas, the filing deadline is June 20. I started campaigning a year ago. In the process, I have spent a great deal of money—for a small State like Kansas—making preparations for a primary, if I have one, and if not, then for the general election.

I may yet have a primary because we have several months before June 20. Seems to me this is one of the restrictions in the bill which makes the entire proposition at least appear to be unworkable. I have made expenditures based on the supposition that I could have a primary. If unopposed then I can only spend 10 percent and the rest must be charged, I guess, against what I might have spent in the general election. This is not fair so I believe the amendment would be helpful.

Mr. CRANSTON. I think the Senator from Kansas very much.

Mr. CANNON. Mr. President, I think the Senator from Kansas has made a very good point about the fact that a person may be campaigning long before he finds out that they are not going to have a primary and he might well have spent more than the 10-percent limit we have in the bill. It is a valid point and I am willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

Mr. BUCKLEY. Mr. President, during the course of the past 2 weeks we have examined and debated many facets of S. 3044. Many of us have questioned specific provisions of the legislation on conceptual and practical grounds. We have questioned the effect such legislation might have on our two-party system, on challengers seeking to unseat incumbent officeholders and on the faith of the American people in their elected leaders.

In addition, several Senators have questioned the wisdom of spending millions of tax dollars to pay for political campaigns. Others have introduced amendments designed to tamper with the mechanics of the legislation; to raise this limit or lower that spending ceiling.

I have supported many of these amendments and I have joined in raising practical and theoretical questions concerning the wisdom of this approach to campaign reform. The voting on the various amendments we have considered convinces me that there is a majority in this body willing to go along with S. 3044 regardless of the consequences.

It is clear that the pressure for reform is enough to force many Senators to go along with a proposal that might easily create more problems than it will ever solve. The argument has been cast in a way that allows those in favor of S. 3044 to appear as heroes in the press while those of us who oppose it are made to look like the villians of the piece.

In fact, however, the legislation under discussion is far too important and far too complicated to be decided on the basis of slogan and lobbyist pressure. We have an obligation to look at the facts, to analyze the specifics of the legislation before us and at least to guess at the consequences that might follow its passage.

That, in my view, is what those who question the wisdom of the bill have been trying to do for some time now.

It would be unfortunate if we were to move to a vote on this legislation without a thorough discussion of the constitutional implications of some of its provisions. As I indicated when I introduced my amendment No. 1140, I hoped thereby to stimulate a discussion of these implications.

Briefly, my amendment would eliminate the expenditure ceilings imposed by section 504 of S. 3044 on Federal candidates, retaining them only as ceilings on the maximum amount of Federal money a candidate might receive. Thus while every major candidate would be assured of adequate funds to wage a campaign, there would be no overall ceiling on campaign expenditures on behalf of a given candidate.

I have introduced the amendment in this form because most constitutional experts who have analyzed campaign reform proposals of the kind we are debating today have concluded that limits on total expenditures raise the most serious constitutional questions. It is their belief that such limits are necessarily violative of the first amendment and would be found unconstitutional if a proper case were brought before the Supreme Court.[1]

In a moment, I will analyze the reasoning that leads so many scholars to this conclusion. At this point, however, I would simply like to note that some who are supporting overall limits today were not at all sure of their constitutionality when we were debating the 1971 Federal Election Campaign Act.

The senior Senator from Massachusetts (Mr. KENNEDY), for example, who now seems so certain that S. 3044 deserves our support, evidently felt at the time of our earlier debate of this issue that a limit on total expenditures would raise grave constitutional questions.

He said at that time that a ceiling on total expenditures "is a step that cannot be justified except under the most stringent circumstances, in accord with the standard of 'clear and present danger', established long ago by the Supreme Court as the test by which denials of free speech under the first amendment must be measured. To me, no ceiling on total campaign spending in present circumstances can meet this test." [2]

As we get into the discussion on this question I hope the Senator from Massachusetts and others who like to consider themselves civil libertarians will try to square their views on the first amendment with their support of this legislation. It is my feeling that try as they might they will not be able to do so because I am convinced that S. 3044 directly infringes on the freedom of speech and association guaranteed to all Americans by that amendment.

I realize that there has been popular pressure for reform in the wake of Watergate and believe that most of those who are supporting S. 3044 are doing so because they want to respond to the perceived need for some sort of reform, and because they have not really though about the constitutional questions that troubled the Senator from Massachusetts only 3 years ago.

But good intentions are not enough; good intentions alone will neither guarantee good laws nor protect the laws we do pass from a stringent, critical examination by the courts. This is especially true when we pass legislation that limits freedom of speech—and that is exactly what we are going to be doing if we pass S. 3044 as presently written.

Thus, as Prof. Martin Redish pointed out in a New York University Law Review article:

> To argue that campaign spending limitations . . . may violate the First Amendments is in no way to contend that the problems with which these measures deal are not serious difficulties, nor, for that matter, that they would be ineffective in solving them. But the courts have felt compelled to invalidate laws intended to foster legitimate societal interests because of their conflict with the First Amendment in many situations.[3]

Redish's point is, of course, precisely the point that I have made: The fact that S. 3044 was drawn up by well-meaning men to solve a problem they perceived as important will not get it past a court interested in defending the right of free speech as defined by the first amendment.

Thus in 1971, with the best of intentions, we passed the Federal Election Campaign Act, portions of which have already been struck down as unconstitutional by a three-judge panel here in the District of Columbia.

Just last fall, Judge Bazelon ruled for the panel that title I of that act is unconstitutional. In the case of ACLU against Jennings, the Court avoided a general decision on spending limits per se, but did conclude that our attempt to close spending loopholes violated free speech guarantees.

And in an amicus brief, filed in that case, the New York Times described our work as "shot through with constitutional deficiencies" and "patently inconsistent with basic first amendment freedoms." If we do not examine the constitutional problems inherent in the legislation now before us we are liable to

Footnotes at end of article.

have our handiwork described in even harsher terms by higher courts in the future.

It is at least possible that the limited discussion of the constitutional problems inherent in this bill is a direct result of Common Cause's attempts to assure would-be supporters of the legislation that it does not present a constitutional problem. To this end, Common Cause's lobbyists have circulated a legal memorandum that discounts the constitutional questions. I have referred this memorandum to Prof. Ralph Winter of the Yale Law School, for his analysis.

Based on what Professor Winter tells me, the Common Cause memorandum may be charitably described as slovenly, professionally incompetent, and in its use or misuse of citations, grossly misleading. I ask unanimous consent to have printed at the conclusion of my remarks his analysis of some of the more obvious flaws in this memorandum.

The PRESIDING OFFICER (Mr. McINTYRE). Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUCKLEY. Mr. President, we should realize that in spite of Mr. Gardner's assurances to the contrary, constitutional experts feel spending limits do raise serious and probably fatal constitutional questions. Thus, a number of constitutional scholars have argued that the first amendment has as a primary objective the encouraging of the dissemination of information to voters so as to aid them in the performance of their electoral functions.[4]

The Supreme Court gave voice to this aspect of the first amendment in New York Times against Sullivan.[5] In that decision the Court gave firm support to the view that self-government requires that the public be able to be exposed to a full range of opinion about matters of public concern. The case itself did not involve an election, but it did involve an elected official about whom allegedly libelous statements had been published. The Court held that the first amendment precluded an award of damages in the absence of a showing of "actual malice."

The Court's reluctance to countenance actions that might limit the public's right of access to political information was also a deciding factor in Mills against Alabama,[6] a case involving a law passed for admirable purposes by well-meaning men.

The Mills case impresses me as interesting in that it dealt with an Alabama law prohibiting the solicitation of votes on election day. The legislature enacted the law as a campaign reform measure to prevent emotional or slanted last-minute appeals to which an opposition candidate could not reply. The case arose when the publisher of the Birmingham Post-Herald was convicted of running an editorial on election day that urged voters to vote in a certain way.

In overturning the publisher's conviction, Mr. Justice Black wrote:

> Whatever differences may exist about interpretations of the First Amendment, there is practically universal agreement that a major purpose of that Amendment was to protect the discussion of governmental affairs. This, of course, includes discussions of candidates, structures and forms of government, the manner in which government is operated or should be operated, and all such matters relating to the political processes.[7]

In commenting on the Mills decision, Professor Redish observes that:

> Once it is recognized that a significant purpose of the First Amednment is to insure that the public will be provided with information necessary to the performance of its self-governing function, it follows that information disseminated in the course of an election campaign must rank high in terms of First Amendment values.[8]

A thorough reading of these cases demonstrates rather clearly that the Court views with suspicion any regulations or laws having the effect of reducing the total amount of discourse or discussion on public questions. If this is so, it is difficult to see how the Court could uphold spending limitations of the kind included in S. 3044.

Still, those who support spending limits and have considered the constitutional problems seem to believe that the power and, indeed, the duty of the Congress to regulate Federal elections must be balanced against first amendment considerations and that in such a balance considerations of free speech must give way to the perceived need for such limits to guarantee a "clean" electoral system.

No one denies that Congress has the right to regulate Federal elections, but this does not automatically mean that laws designed to accomplish this will not be struck down if in conflict with the first amendment.

The problem has been summarized clearly in a 1972 article by the editors of the Columbia Journal of Law and Social Problems:

> Any limit on a candidate's right to purchase the use of communications media limits his ability to speak effectively to his fellow citizens, and may limit their right to be informed of his identity and positions on political issues.[9]

It goes without saying that the same reasoning applies with equal or even greater force to any citizen not a candidate who is prevented from publishing his views of a candidate by virtue of limitations on spending.

The question then is whether the restrictions on free speech contemplated by the authors of this legislation can be justified constitutionally. Though the majority of the Court has generally rejected what might be termed the absolutist view of the first amendment championed by the late Justice Black, it has nevertheless been extremely reluctant to allow laws that limit freedom of speech to stand.

Thus, as the Court stated in Konigsberg against State Bar in 1961, valid restrictions on freedom of speech must fall within one of two categories:

> On the one hand, certain forms of speech, or speech in certain contexts, have been considered outside the scope of constitutional protection . . . On the other hand, general regulatory statutes, not intended to control the content of speech, but incidentally limiting its unfettered exercise, have not been regarded as the type of law the First . . . Amendment forbade Congress . . . to pass, when they have been found justified by subordinating valid government interests, a prerequisite to constitutionality which has necessarily involved a weighing of the government interest involved.[10]

The first category here includes cases involving advocacy of overthrow of the government, obscenity, and other cases where the speech itself is offensive to the public safety or to morals. I do not know of anyone who seriously contends that campaign rhetoric resulting from present spending levels falls within this category.

The second category includes a number of cases involving situations in which the government while in pursuit of some legitimate goal, restricts or curtails freedom of speech as a means of achieving that goal. To validate a law in this category the Court conducts a sort of "balancing test" of the kind alluded to in the Konigsberg language I quoted a moment ago.

Some experts, such as Profs. Ralph Winter and Alexander Bickel, also of the Yale Law School, take the position that the balancing test would be inapplicable in a case involving expenditure limitations. As Winter has testified before the Senate Commerce Committee:

> There is no countervailing interest . . . to "balance" against a campaign restriction on speech inasmuch as the restriction is imposed not to preserve some other legitimate interest of society but solely for the sake of restricting the speech itself . . .[11]

Thus, Professor Winter would find himself in agreement with Mr. Justice Black's opinion in Barenblatt against United States:

> There are, of course, cases suggesting that a law which primarily regulates conduct but which might also indirectly affect speech can be upheld if the effect on speech is minor in relation to the need for control of the conduct. With these cases I agree . . . But (they did not) even remotely suggest that a law directly aimed at curtailing speech and political persuasion could be saved through a balancing process.[12]

The question then is whether a limit on political spending is, in fact, a law "directly aimed at curtailing speech."

Winter's position on the question seems most in line with recent constitutional thought, though I recognize that some would disagree. The Senator from Iowa (Mr. CLARK) quoted Prof. Archibald Cox on the floor of the Senate a few days ago to the effect that limitations on spending are not really limitations on speech because they are limitations "once removed."[13]

I have great respect for Professor Cox and for his opinions, but I am afraid this contention strikes me as a bit far-fetched.

Prof. Joel Fleishman of Duke University considered this question in a 1971 study of campaign reform legislation that is worth reading and quoting:

> It is exceedingly unlikely that the Court would create a new category of unprotected speech particularly for political speech and association, since it has been continually shrinking the vitality of the pre-existing categories of obscenity, libel, "fighting words" and "speech plus". With the possible exception of the last, those categories would

See footnotes at end of speech.

indeed be strange bedfellows for an activity that the Court has called "the essence of self-government" and to argue that the presence of money converts political speech into "speech plus" would . . . deny protection entirely to most forms of political campaigning.[14]

Mr. Justice Douglas would no doubt agree with Professor Winter and have trouble with Professor Cox's reasoning if he still stands by what he wrote in United States against United Auto Workers some years ago:

The making of a political speech up to now has always been one of the preferred rights protected by the First Amendment. It usually costs money to communicate an idea to a large audience. But no one would seriously contend that the expenditure of money to print a newspaper deprives the publisher of freedom of the press. Nor can the fact that it costs money to make a speech—whether it be hiring a hall or purchasing time on the air—make the speech any the less an exercise of First Amendment rights.[15]

Thus, Mr. Justice Douglas, like Professor Fleishman and Professor Winter, would be forced to class a limit on expenditures with a limit on speech. By so classifying it, he would also be forced to rule it an unconstitutional infringement of a vital freedom.

To sum up this point, let me return again to Professor Winter:

A limit on what a candidate may spend is a limit on his political speech as well as on the political speech of those who can no longer effectively contribute money to his campaign. In all the debate surrounding the First Amendment, one point is agreed upon by everyone: no matter what else the rights of free speech and association do, they protect explicit political activity. But limitations on campaign spending and contributing expressly set a maximum on the political activity in which persons may engage . . . The First Amendment prohibits the setting of a legal maximum on the political activity in which an individual may engage. This is the case whether or not the maximum is imposed in the name of equalizing or whether an actual discriminatory effect can be shown. Even under a "balancing" test, such regulation is invalid because there is no countervailing interest (for example, preserving public peace) to "balance" against the restriction on speech.[16]

But even if we assume for the sake of argument that Professor Cox and his friends at Common Cause could convince a court that spending limits are indirect or incidental as opposed to direct limits on political speech, it is still not at all clear that a court would find them constitutional.

Mr. Justice Rutledge described the burden supporters of laws incidentally affecting the publicizing of citizens' views must bear in the 1948 Supreme Court case of United States against Congress of Industrial Organizations:

The loss inherent in restrictions upon expenditures for publicizing views . . . forces upon its authors the burden of justifying the contraction by demonstrating in dubitable public advantage arising from the restriction outweighing all disadvantages, thus reversing the direction of presumptive weight in other cases.[17]

This is a difficult test and a heavy burden; a test and a burden, I submit, that the limits in this bill cannot pass and its authors are not able to bear.

The supporters of limits of the kind included in S. 3044 evidently believe they can meet this test by arguing that only by imposing such limits can we purify our electoral process. By turning the concept of free speech on its head, they are forced to argue that the imposition of restrictions will have the effect of expanding rather than contracting First Amendment rights.

Mr. President, I find this second argument novel and worthy of examination. But first I must point out that many experts disagree with the first argument.

Indeed, after an examination of the evidence, the majority of those who have written on campaign reform in general have rejected spending limitations as unwise, unneeded and probably unconstitutional. Given this fact, the authors and supporters of S. 3044 will undoubtedly have an extremely difficult time demonstrating the "indubitable public advantage" the courts would be looking for as evidence that such a law should be sustained.

But let me return now to the argument that by limiting speech we would be expanding it. This argument was summarized in the 1972 issue of Harvard Civil Rights—Civil Liberties Law Review which argued that a limitation would prevent "either side from flooding the media with a single point of view . . . (and) prevent one candidate from destroying, by sheer volume rather than by reason, the effectiveness of informational advertising presented by opposing candidates." [18]

This is an interesting view, but one that Professor Flieshman notes—

Assumes that someone—presumably Congress—knows how much information is the right amount and reflects a basic distrust in the capacity of individual citizens to discount the greater volume of political advertising in reaching their decisions.[19]

Professor Redish also rejects this rather novel argument saying that while:

It is generally argued that a wealthy candidate should not be permitted to "buy an election" with his finances and that legislated limits on campaign spending are therefore necessary. The reasoning implicit in this argument seems to be that when one candidate's financial resources are limited, the only equitable solution is to require the wealthier candidate to reduce his spending to a level approximating that of his opponent. In other words, if a portion of the voting public is to be generally unfamiliar with one candidate's view and records because of his financial inability to become well known, it is only fair that the public be almost as uninformed about the other candidate. Such reasoning presents at the very least a prima facie conflict with the first amendment policy of encouraging as much communication in the political realm as possible.[20]

I state that if my amendment is adopted we will retain Federal financing at the stipulated levels, thereby assuring all candidates of adequate money with which to bring their own platforms into the view of the public without venturing into the unconstitutional realm of stating that no more than legislative limits may be spent

I have to agree with Redish, Winter, and Fleishman on these points. It seems to me beyond question that spending limitations of the kind under consideration are in violation of the first amendment.

I recognize that the Supreme Court has never faced a case involving these limitations, but in analagous cases a majority has always followed a line of reasoning that if applied to expenditures limitations would force a finding of unconstitutionality.

Let us not forget that portions of the 1971 act have already been declared unconstitutional and that we have an affirmative obligation to square our actions with the dictates of the Founding Fathers. There is no way we can do that and still support S. 3044 as written.

Before I conclude, I would like to return to the statement by the Senator from Massachusetts (Mr. KENNEDY) 3 years ago. I have read the memorandum Common Cause has prepared supporting the constitutionality of spending limits and I have read as much of the literature on the subject as time has permitted.

The fact that strikes me is that to argue in support of the constitutionality of these limits requires one to accept a theory of the first amendment that civil libertarians have uniformly rejected as antithetical to the concept of free speech in a democratic society.[21]

I only hope that those who, like the Senator from Massachusetts, have reversed field and have either accepted the argument that such limits on political discourse can be justified or are ignoring the question, realize that they are promoting a view of the Constitution that might prove dangerous to the very concept of a free society.

It is a view that I, for one, cannot accept and I, therefore, urge the adoption of this amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD the footnotes referred to in my prepared text.

There being no objection, the footnotes were ordered to be printed in the RECORD, as follows:

FOOTNOTES

[1] See A. Rosenthal, *Federal Regulation of Campaign Finance: Some Constitutional Questions* (Princeton, N.J.: Citizens' Research Foundation (ed.), 1972); H. Alexander, *Money in Politics*, (Washington, D.C., Public Affairs Press, 1972); A. Rosenthal, *Campaign Financing and the Constitution* (Cambridge, Mass., 8 Harvard Journal on Legislation 359, 1972); J. Fleishman, *Freedom of Speech and Equality of Political Opportunity: The Constitutionality of the Federal Election Campaign Act of 1971* (51 North Carolina Law Review 389, 1973); M. H. Redish, *Campaign Spending Laws and the First Amendment* (46 N.Y. University Law Review 900, 1971); H. R. Penniman and R. Winter, *Campaign Finances: Two Views of the Political and Constitutional Implications*, (American Enterprise Institute, Washington, D.C. 1971); Ralph Winter, *Campaign Financing and Political Freedom*, (American Enterprise Institute, Washington, D.C., 1973); T. Emerson, *The System of Freedom of Expression*, 1970.

[2] Press release of Senator Kennedy cited in 8 Harvard Journal on Legislation 640, 665 (1971).

[3] Redish, *supra*, at 903.

[4] See especially Redish, *supra*, at 900 and Fleishman, *supra*, generally.

[5] 376 U.S. 254 (1964).

[6] 384 U.S. 214 (1966).

[7] 384 U.S. at 218–19.

[8] Redish, *supra*, at 910.

[9] *Campaign Spending Controls Under the*

Federal Election Campaign Act of 1971, 8 Columbia Journal of Law and Social Problems 285, 299 (1972).

[10] 366 U.S. 36, 50–1, (1961).

[11] From Winter's testimony before the Subcommittee on Communications, Senate Comm. on Commerce Hearings on S. 382, 92nd. Congress, 1st Secs. 576 (1971).

[12] 360 U.S. 109, 141–42 (1959) (dissenting opinion).

[13] Congressional Record for April 5, 1974 at S. 5338.

[14] Fleishman, *supra*, at 441.

[15] 352 U.S. 567, 544 (1957).

[16] Winter, *supra, Money, Politics and the First Amendment*, in *Campaign Finances* 45, 60.

[17] U.S. v. C10, 355 U.S. 106, 140–45 (1948).

[18] 7 Harvard Civil Rights, Civ. Lib. L. Review 351 at 228 (1972).

[19] Fleishman, *supra*, at 455.

[20] Redish, *supra*, at 912.

[21] Emerson, *supra*.

EXHIBIT 1

MEMORANDUM ON THE CONSTITUTIONALITY OF S. 3044 AND DEFECTS IN THE COMMON CAUSE MEMORANDUM ON THE SUBJECT

This memorandum is in response to your inquiry concerning the legal memorandum submitted by Mr. John Gardner of Common Cause during Senate hearings on campaign reform last fall. I am familiar with that memorandum, and in my judgment it misrepresents the state of present case law by misstating the important of revelant Supreme Court decisions and by relying on precedents which most scholars agree have lost their vitality. This analysis is not as detailed and specific as I would like because such an analysis will require more time to prepare, but I do herein attempt to point out some weaknesses in the Common Cause argument.

Ironically the Common Cause memorandum relies on a number of decisions that have long been the target of much criticism from many of those who now vigorously support S. 3044. Common Cause's position incorporates what can only be described as a horse and buggy view of the first Amendment.

The Common Cause memorandum makes several arguments to which I shall respond seriatem.

I. CAMPAIGN SPENDING IS AN ASPECT OF FREEDOM OF SPEECH AND RESTRICTIONS THEREON RAISE CONSTITUTIONAL PROBLEMS

Common Cause argues that Campaign Financing is more action than speech and thus more regulatable by Congress. According to the memorandum, private Campaign Financing should be viewed as essentially analogous to picketing and demonstrations. Even if this is the case, however, the power of Congress to impose restrictions must be very, very limited, for it is quite clear from relevant Supreme Court decisions that peaceful picketing and demonstrations which merely advocate certain ideas of public interest are not subject to governmental restriction. If Common Cause is in fact right in the argument it makes, then presumably Congress could pass a law restricting the number of demonstrators that could come to Washington on behalf of a cause. If the law, as the quotation from Professor Freund suggests, restricts the protection to acts of verbal communication, only then Congress might declare that being a part of a large peaceful demonstration is not protected by the First Amendment.

Common Cause also argues that private Campaign Financing is "all too often only an attenuated form of bribery: the donation of money is likely to communicate to the candidate the information that the donor seeks either a direct *quid pro quo* . . . or, more usually, an indirect form of influence, such as access or consultation". This sweeping charge alleges too much; for all kinds of political activity create an indistinguishably analagous situation. For example, Common Cause's willingness to spend large amounts of money to purchase advertising attacking Congressmen who disagree with the group's views creates precisely the same indirect form of "influence" and also guarantee Mr. Gardner's lobbyists access to those Congressmen who fear Common Cause's well-financed wrath.

One may also question whether Common Cause is willing to make such a sweeping statement when directed at Congressmen and Senators with whom it is in sympathy rather than with whom it disagrees. The logic of Common Cause's statement strongly suggests, for example, that Chairman Rodino is unable to exercise independent judgment during the present impeachment inquiry because of the large contributions he receives from organized labor which strongly and vigorously supports impeachment of the President. Such implications should be rejected.

In the event that the Common Cause assertions are true, it is truly a case of overkill to call for a widespread attack on private financing rather than more precise legislation aimed at bribery.

Private campaign financing does, contrary to Common Cause assertions, perform valuable functions in the political process and must be viewed as an aspect of political freedom.

"All political activities make claims on society's resources. Speeches, advertisements, broadcasts, canvassing, volunteer work—all consume resources. Money is the medium of exchange by which individuals employ resources owned by others. If political activities are left to private financing, individuals are free to choose which activities to engage in, on behalf of which causes, or whether to do so at all. When the individual is deprived of this choice, either because government limits or prohibits his using money for political purposes or takes his money in taxes and subsidizes the political activities it chooses, his freedom is impaired.

Money is fungible with other resources suitable for political use and, distributional questions apart, the individual who contributes a resource directly, for example, time and labor, is in many ways indistinguishable from the individual who contributes money which in turn purchases time and labor. Money, it must be conceded, though, is the most "fungible" resource.

Campaign contributions, therefore, perform honorable and important functions. The contribution of money allows citizens to participate in the political process. Persons without much free time have few alternatives to monetary contributions other than inaction.

Campaign contributions are also vehicles of expression for donors seeking to persuade other citizens on public issues. Contributing to a candidate permits individuals to pool resources and voice their message far more effectively than if each spoke singly. This is critically important because it permits citizens to join a potent organization and propagate their views *beyond their voting districts*. Persons who feel strongly about appointments to the Supreme Court, for example, can demonstrate their convictions by contributing to the campaigns of sympathetic senators.

Nor is there anything inherently wrong with contributing to candidates who agree with one's views on social an economic policies, even where those policies may benefit the donor. Obviously, groups pursue their self-interests and seek support from others. *This is a salient characteristic of a free political system.* Those who seek to regulate that kind of contribution can stand with those who would deny the vote to welfare recipients to prevent that vote from being "bought" by promises of higher benefits. So long as we accept the bestowal of economic favor as a proper function of government, potential recipients will tend to exchange this support for such favors.

Contributions of this sort may represent broad interests that might otherwise be underrepresented. Suppose land developers mount a campaign against proposals to restrict the use of large undeveloped areas. Certainly they represent their own economic interests, but they also functionally represent potential purchasers, an "interested" group that would otherwise go unnoticed since few persons would consider themselves future purchasers at the critical moment.

These functions of campaign contributions are often ignored because critics of the present system mistake cause and effect. A senator may support union causes because he receives large union contributions but in fact it may be more likely that he receives contributions because he supports the causes.

Contributions also serve as a barometer of the intensity of voter feeling. In a majoritarian system, voters who feel exceptionally strongly about particular issues may be unable to reflect their feelings adequately in periodic votes. As members of the anti-war movement often pointed out, the strength of their feelings as well as their numbers should have been taken into account. If a substantial group feels intensely about an issue, a system which does not allow that feeling to be heard effectively may well be endangered. Campaign contributions are perhaps the most important, and least offensive, means by which the intensity of feeling can be expressed. People who feel strongly about United States support for Israel, for example, are able to voice that conviction with greater effect through carefully directed campaign donations than in periodic elections in which the stance of the available candidates does not permit a clear signal to be given.

This function might be discounted if large contributions reflected only intense but idiosyncratic views. For the most part, however, intense feelings will not generate substantial funds unless large numbers of citizens without great wealth also share those convictions. Campaign contributors in these circumstances serve as representatives or surrogates for the entire group. That Mr. X, who favors free trade, can make larger contributions than Mr. Y, who does not, really matters little, if Mr. Z agrees with Mr. Y and gives heavily.

Candidates seeking change, moreover, may have far greater need for, and make better use of, campaign money than those with established images or those defending the existing system. Money is, after all, subject to the law of diminishing returns and thus generally of less use to the well-known politician than to the newcomer. The existence of "seed money" may be an important agent of change.

The challenge to the arguments that private campaign financing enlarges political freedom and contributes stability to the system is essentially distributional: because money is maldistributed throughout the society, its use in political campaigns undesirably skews the political process by allowing wealthy individuals too much power. As noted present evidence does not demonstrate that monetary support is available only for certain ideas. Quite the contrary, it strongly suggests that a wide array of causes and movements on the right and left can attract money. Still, individuals can increase their personal political power through contributions, and even if they functionally represent like-thinking but poorer people, it might be

argued that wealth nevertheless is skewing the process.

This argument rests on the assumption that by reducing the personal political power of the large contributor, political influence will be spread more evenly through the society. Such an assumption seems almost surely wrong, for limitations on the use of money may aggravate rather than diminish any distortion. Direct access to the resources most useful for political purposes may be even more unevenly distributed than wealth.

For example, restrictions on private campaign financing may well enhance the power of those who control the media, particularly if public subsidies are modest in size and thus increase candidate dependence on the goodwill of the media. Limitations on the use of money must also increase the relative power of individuals with large amounts of free time and the ability to attract public attention. Finally, groups with the ability to take their money "underground" and operate independent "issue" (rather than "political") campaigns will have their power increased. It has been reported, for example, that unions favor a ban on contributions because their own power would be relatively increased as a result of the host of "indirect contributions" they can provide.

What emerges is the likelihood that restrictions on private campaign financing will not increase the political power of the people generally but will further concentrate it in already powerful segments of the community. Ironically, the increment will largely fall to various sectors of the well-to-do, because direct access to resources useful for political purposes (free time, control of the media, ability to operate "issue" campaigns) is concentrated not in the poor but in the wealthy. Private campaign financing in short may in fact be a means of spreading political power and expanding the range of discourse.

The call for regulation of campaign financing can be extended to other kinds of resources and could easily become a call for substantial limitations on political freedom. The allegations about the influence of money reflect a basic and disturbing mistrust of the people.

If campaign financing really "distorts" legislative or executive behavior, candidates can raise its effect as an issue and the voters can respond at election time. The call for legislation must be based on the belief that the voters cannot be relied upon to perceive their own best interests. If one really believes the people are this easily fooled and in need of this protection, however, there may be no end to the campaign tactics eligible for regulation and no end to calls for increases in the power of those "protecting" the public.

II. LIMITATIONS ON PURCHASES OF POLITICAL ADVERTISING ARE UNCONSTITUTIONAL

Common Cause argues that it is permissible for Congress to place a limitation of $1,000 on any individual or committee expenditure on behalf of a candidate. It is ironic that the limit supported is a fraction of what Common Cause has spent on newspaper advertising attacking Congressman Hays for opposing this very kind of legislation under S. 3044. No one individual or committee would be able even to purchase a full page ad in the New York Times stating its views on the election of a particular candidate under the terms of S. 3044. That calls for such legislation come from organizations which have been wielding such financial power in purchasing advertising is both ironic and instructive.

The Supreme Court has held explicitly that paid advertising which comments on matters of public interest is protected by the First Amendment. This was the explicit holding in the *New York Times v. Sullivan*. Two other decisions of the Court made clear that such advertising doesn't lose constitutional protection because the advertisers are seeking "action on laws in the hope that they may bring about an advantage to themselves and a disadvantage to their competitors . . . to disqualify people from seeking a public position in matters which they are financially interested would itself deprive the government of a valuable source of information and . . . deprive the people of their right to petition in the very instances in which that right might be of the most important to them". *Eastern Rail Road Presidents conference* V. *Noerr Motor Freight*, 365 U.S. 126, 127 (1961).

Common Cause attempts to escape the conclusions in these cases by distinguishing between organizations which address themselves to public issues and do not endorse or support candidates and organizations which do endorse candidates. The distinction, however, is totally irrational. Consider Common Cause's own advertisements referring to representative Hays. The legal distinction Common Cause would make discriminates between that kind of advertisement and the very same advertisement which concludes by advising Hays' constituents to vote against him.

Common Cause would add to the advertisements now prohibited by statute communications by an organization to its members. But why should one's statements to members be covered, while one's statements to one's neighbors are not, simply because they appear in the form of a newspaper advertisement.

Beyond that, what Common Cause suggests creates a huge loophole in the act. All special interest organizations need do now is use their money to purchase advertising supporting candidates on the issues but stopping short of explicit endorsement. Indeed, the statute for that reason probably increases the power of special interests over the electoral process and thereby further limits the influence of the individual citizen.

Finally, the distinction Common Cause makes is not explicitly set out in S. 3044. Indeed, it is not at all clear from the language of that statute whether Common Cause's advertisement about Representative Hays would not in fact be prohibited if made during an election campaign.

III. S. 3044 IS NOT SAVED FROM CONSTITUTIONAL CHALLENGE ON THE GROUNDS THAT IT PRESERVES THE INTEGRITY OF THE ELECTORAL PROCESS

Common Cause argues in its memorandum that ceilings on campaign contributions and expenditures are constitutional because they are designed to preserve the integrity of the electoral process. This claim is an example of the group's gross misrepresentation of the effect this legislation might have. Limitations on expenditures necessarily assist incumbent officeholders. This is particularly true when the incumbent is setting the level. The incumbent has the advantage of being well-known as well as the in kind benefits the Government provides such as offices, a staff, access to mailing privileges, access to media facilities, etc. All of these can be turned to political advantage and give incumbents an advantage that can be overcome only if a challenger can raise and spend an amount of money sufficient to off-set it. S. 3044 includes extremely low limits and is therefore essentially an incumbent's bill. For example, the average spent by challengers who unseated incumbents in House races in 1972 amounted to $125,000. No limit even suggested in the Congress approaches that figure. If the legislation passes no challenger will be able to spend close to that amount.

The idea proposed by Common Cause that "this is an area in which the Court should properly refer to the expertise of Congress . . . might be considered ludicrous were it not so seriously made. The expertise of incumbents is in maintaining their incumbency. Any legislation and particularly legislation which can be turned to the advantage of incumbency so easily should be scrutinized with the greatest of care.

IV. S. 3044 CANNOT BE JUSTIFIED ON THE GROUNDS THAT IT EFFECTUATES FIRST AMENDMENT RIGHTS OF LESS AFFLUENT CITIZENS

Common Cause has argued that legislation such as S. 3044 is justified on the grounds that it protects first amendment rights of less affluent citizens by:

(1) "protecting the ability of even poor candidates to run for office,

(2) by preventing the drowning out of other political viewpoints by the best financed voices,

(3) by assuring the equality of the voting rights of the less affluent citizens by limiting the influence on candidates of affluent contributions."

Even if these goals might justify the severe restrictions included in S. 3044, there is no basis to believe the legislation will effectuate them. Quite the contrary, it is likely to be counter-productive in that respect.

Candidates and causes which begin without substantial sums have traditionally relied on large contributors or patrons. What they need has been called by some "seed money"—and is likely to come only from a small number of large contributors. S. 3044 does not give money to candidates that do not already have substantial support.

There is no reason, moreover, to anticipate that less affluent persons would be better off under S. 3044. As I have already indicated above, the greater advantage of the wealthy is the free time they can devote to politics as well as their ability to get into the public eye through "non-political" activities. S. 3044 maximizes rather than minimizing many of the advantages of the relatively more affluent.

For many of the same reasons S. 3044 will not prevent the "drowning out of contrary viewpoints or insure the equality of voting rights of less affluent citizens." S. 3044 will not spread political power throughout the society. What it will do is give an advantage to those with direct access to resources which are easily put to political purposes. Those with free time (students and the wealthy), those who control the media (the wealthy), and those organizations which can run "issue" campaigns (wealthy organizations) will all have their power increased. The poor and the powerless will be helped not at all.

The whole point of the exercise now going on in Congress is not the cleansing of the political process but the skewing of it. Those in power are seeking to maximize that power instead a number of special interest groups which attempt to wield influence to the use of money in forms of money other than campaign contributions are seeking to increase their power.

Mr. BUCKLEY. Mr. President, I call up my amendment No. 1140.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 6, beginning with "that—" on line 20, strike out through "contributions" on line 24, and insert in lieu thereof "that no contributions".

On page 7, line 15, strike out "spend" and insert in lieu thereof "receive".

On page 10, lines 19 and 20, strike out "the amount of expenditures the candidate may make" and insert in lieu thereof "the maximum amount of payments the candidate may receive".

On page 13, beginning with the comma on line 9, strike out through line 14 and insert in lieu thereof "exceeds the maximum amount of payments he may receive in con-

nection with that campaign under section 504.".

On page 13, line 15, strike out "EXPENDITURE" and insert in lieu thereof "PAYMENT".

On page 13, line 17, strike out "(f)" and insert in lieu thereof "(d)".

On page 13, beginning with "who" on line 19, strike out through line 21 and insert in lieu thereof "may receive payments under section 506 in connection with his primary election campaign in excess of".

On page 13, line 24, strike out "(g)" and insert in lieu thereof "(e)".

On page 14, line 9, strike out "(A)".

On page 14, line 10, strike out "make expenditures in any" and insert in lieu thereof "receive payments under section 506 in connection with his campaign in any".

On page 14, line 17, strike out "expend in that State" and insert in lieu thereof "receive under section 506".

On page 14, beginning with line 19, strike out through line 3 on page 15.

On page 49, lines 16 and 17, strike out "616, and 617" and insert in lieu thereof "and 616".

On page 49, line 23, strike out "616, or 617" and insert in lieu thereof "or 616".

On page 71, lines 13 and 14, strike out "AND EXPENDITURES".

On page 71, beginning with line 19, strike out through line 17 on page 75.

On page 75, line 18, strike out "615." and insert in lieu thereof "614.".

On page 77, line 9, strike out "616." and insert in lieu thereof "615.".

On page 77, line 17, strike out "617." and insert in lieu thereof "616.".

On page 78, line 19, strike out "616, and 617" and insert in lieu thereof "and 616".

On page 78, in the matter below line 22, strike out the item relating to section 614 and redesignate the items relating to sections 615, 616, and 617 as 614, 615, and 616, respectively.

On page 15, line 5, strike out "(f)" and insert in lieu thereof "(d)".

On page 15, beginning with "who" on line 5, strike out through line 8 and insert in lieu thereof "may receive payments under section 506 in connection with his general election campaign in excess of the greater of—".

On page 15, line 10, strike out "(g)" and insert in lieu thereof "(e)".

On page 15, line 19, strike out "make expenditures" and insert in lieu thereof "receive payments".

On page 15, beginning with line 22, strike out through line 3 on page 17.

On page 17, line 4, strike out "(f)" and insert in lieu thereof "(d)".

On page 17, line 21, strike out "(g)" and insert in lieu thereof "(e)".

On page 18, line 4, strike out "(h)" and insert in lieu thereof "(f)".

On page 18, lines 6 and 7, strike out "expenditure" and insert in lieu thereof "payment".

On page 18, line 10, strike out "(h)" and insert in lieu thereof "(g)".

On page 48, lines 18 and 19, strike out "616, and 617" and insert in lieu thereof "and 616".

The PRESIDING OFFICER. Who yields time?

Mr. BUCKLEY. Mr. President, I yield myself such time as I may require.

Mr. President, are we under a time limitation?

The PRESIDING OFFICER. There are 15 minutes on each side. The Senator has 15 minutes plus the time remaining from his 1 hour.

Mr. BUCKLEY. Mr. President, I call up the amendment and ask unanimous consent that the reading of the amendment be dispensed with. It reads like gobbledygook, but its effect is to remove the ceiling on overall expenditures. In other words, all those portions of the bill that would place a total limit on campaign expenditures would be excised. As I explained earlier, however, it would preserve the Federal financing aspects of the bill.

Mr. President, I would also like to send to the desk a modification of my amendment and ask unanimous consent that it be accepted.

The PRESIDING OFFICER. Without objection, the modification is made.

The modification is as follows:

On page 4 of the amendment, after line 20, insert the following:

On page 65, between lines 6 and 7, insert the following:

EXPEDITIOUS REVIEW OF CONSTITUTIONAL QUESTIONS

SEC. 214. Title IV of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new section:

JUDICIAL REVIEW

"SEC. 407. (a) The Federal Election Commission, the national committee of any political party, and individuals eligible to vote for President are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this Act or of Chapter 29 of title 18, Unite dStates Code. The district court shall immediately certify all questions of constitutionality of this Act to the United States court of appeals for that circuit, which shall hear the matter sititng en banc.

"(b) Notwithstanding any other provision of law or rule any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal must be brought within 20 days of the court of appeals decision.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any question certified under subsection (a)."

Mr. BUCKLEY. Mr. President, it is a modification that I am sure will prove acceptable to the managers of the bill. It merely provides for the expeditious review of the constitutional questions I have raised. I am sure we will all agree that if, in fact, there is a serious question as to the constitutionality of this legislation, it is in the interest of everyone to have the question determined by the Supreme Court at the earliest possible time.

Mr. President, I ask for a division and that the various provisions of my original amendment be considered en bloc.

The PRESIDING OFFICER. Is there objection? There is none, and it is agreed to.

Mr. BUCKLEY. Mr. President, I suggest the absence of a quorum.

Mr. DOMINICK. Mr. President, will the Senator withhold that request and yield to me?

Mr. BUCKLEY. I yield.

Mr. DOMINICK. Mr. President, I want to congratulate the Senator on what was a very forceful, thoughtful, and erudite speech. I was not so erudite, but I got on my feet and said, first, that we were being masochistic and we were being unconstitutional and we were dealing with public funds that I thought was a travesty on the taxpayers; but the Senator brought up a number of cases, over and beyond the three-judge-court case that I referred to, which has already ruled, in effect, that a limitation on expenditures is unconstitutional. This is in connection with S. 372.

So I congratulate the distinguished Senator. I suspect he is not going to win on a vote, but I think this may be very good history for the country and for the courts in determining what we are voting for when this bill finally goes down.

Mr. BUCKLEY. I thank the Senator from Colorado. I think that the constitutional aspects of the legislation before us have been almost totally ignored by the press, the Congress, and in most of the discussions we have seen in columns and editorials. Yet, the importance of protecting the first amendment in all its aspects, especially in its political aspects, is so essential to a free society that I urge this body not to be swept into enacting legislation that we will all live to regret; legislation that will most assuredly be found to be unconstitutional once its key provisions are tested.

It is for these reasons that I have offered my amendment. I understand it may be an exercise in futility; yet I think the effort must be made.

Mr. NUNN. Mr. President, will the Senator yield for a question?

Mr. BUCKLEY. I yield.

Mr. NUNN. I understand the Senator's constitutional question, and I think he has performed a real service in bringing it out in clear fashion. I would like to ask, however, what his amendment does.

Mr. BUCKLEY. Its effect is to eliminate limitations on total expenditures by or on behalf of a candidate. It does not affect the public financing aspects of this bill. It assures that, within the limitations set, all candidates for Federal office will be provided with public campaign funds. My intent is as I indicated in my formal remarks to raise the important constitutional questions that I feel should be answered before we vote on final passage.

Mr. NUNN. But it would eliminate the overall limitation on what a candidate could spend in a campaign?

Mr. BUCKLEY. Yes, and on what may be contributed, though not on the limits on what an individual could legally contribute.

Mr. NUNN. It simply affects what a candidate could spend.

Mr. BUCKLEY. Yes.

Mr. NUNN. Does it affect the subceilings on advertising and media expenses?

Mr. BUCKLEY. No, my concern is with the problems raised by a ceiling on total spending.

Mr. NUNN. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I yield myself 1 minute.

I certainly would like to support the amendment of the distinguished Senator from New York, but without taking a position on that or having a vote on it, I would like to direct a motion to the bill as a whole, and if that fails, then the Senator's amendment would still be in order.

Mr. President, I move that the bill and pending amendment be now laid on the table, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Mississippi (Mr. STENNIS), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY), and the Senator from North Dakota (Mr. YOUNG), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), is absent on official business.

The result was announced—yeas 31, nays 57, as follows:

[No. 138 Leg.]

YEAS—31

Aiken	Curtis	Hruska
Allen	Dole	Johnston
Baker	Dominick	McClellan
Bartlett	Eastland	McClure
Bellmon	Ervin	Nunn
Bennett	Fannin	Roth
Brock	Griffin	Talmadge
Buckley	Gurney	Thurmond
Byrd, Harry F., Jr.	Hansen	Tower
Cotton	Helms	Weicker
	Hollings	

NAYS—57

Abourezk	Hartke	Muskie
Bayh	Haskell	Nelson
Beall	Hatfield	Packwood
Bentsen	Hathaway	Pastore
Bible	Huddleston	Pearson
Biden	Hughes	Pell
Brooke	Humphrey	Proxmire
Burdick	Jackson	Randolph
Byrd, Robert C.	Javits	Ribicoff
Cannon	Kennedy	Schweiker
Case	Magnuson	Scott, Hugh
Chiles	Mansfield	Sparkman
Clark	Mathias	Stafford
Cook	McGovern	Stevens
Cranston	McIntyre	Stevenson
Domenici	Metcalf	Symington
Eagleton	Mondale	Taft
Gravel	Montoya	Tunney
Hart	Moss	Williams

NOT VOTING—12

Church	Long	Scott, William L.
Fong	McGee	Stennis
Fulbright	Metzenbaum	Young
Goldwater	Percy	
Inouye		

So the motion to table the bill (S. 3044) was rejected.

Mr. MANSFIELD. Mr. President, will the Senator from New York yield briefly to me?

Mr. BUCKLEY. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the pending amendment, which I understand is divided into two parts—and I understand that if need be he intends to ask for a rollcall vote on both—there be a limitation of 10 minutes. This meets with the distinguished Senator's approval and that of the leadership and the managers of the bill on each of the two parts, if there is a rollcall, the time to be equally divided between the Senator from New York (Mr. BUCKLEY) and the manager of the bill, the Senator from Nevada (Mr. CANNON), and that the votes on each, if any, be limited to 10 minutes. That would include, may I say, before the final judgment is made, a motion to table as well.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New York is recognized.

Mr. BUCKLEY. Mr. President, as the distinguished majority leader has stated, my amendment is divided into two parts. I shall ask for the yeas and nays on the first part.

The PRESIDING OFFICER. The Senate will be in order. The Senator will suspend until order is restored.

The Senator may proceed.

Mr. CANNON. Mr. President, will the Senator yield to me on my time?

Mr. BUCKLEY. Gladly.

Mr. CANNON. Mr. President, the second part of the division of the amendment of the Senator from New York relating to judicial review is acceptable to me, and I would like to propose, if he wishes me to, that I would accept that part of the division. That is, as I understand, agreeable to the Senator.

Mr. BUCKLEY. Mr. President, I am delighted. I had hoped that the managers would accept it.

Mr. CANNON. The Senator will, then, ask for the yeas and nays on the first part?

Mr. BUCKLEY. Therefore, I ask for the yeas and nays only on the first part.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. MCINTYRE). The question is on agreeing to the second part of the amendment of the Senator from New York.

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from New York may proceed.

Mr. BUCKLEY. Mr. President, I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 2 minutes on the amendment.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Nevada may proceed.

Mr. CANNON. For the benefit of my colleagues who were not here during the discussion, the distinguished Senator from New York raised the constitutional question as to a limitation on contributions and expenditures. Basically, that is what this amendment does: It just removes all limitations on contributions and expenditures. Accordingly, I am opposed to the amendment, and I hope it will be defeated.

Mr. President, I reserve the remainder of my time.

Mr. BUCKLEY. Mr. President, I just want to clarify one point. My amendment does not affect limits on individual contributions. The limitations written in the bill remain. What my amendment does do is lift the ceilings on total expenditures.

In other words, as I understand it, at a certain time the total contributions received by a candidate reach the statutory limit now written into this bill, and then no one can come along and choose to express his support of that candidate by contributing additional money to him.

In my remarks, I cited the opinion of any number of constitutional lawyers to the effect that such a limitation is clearly violative of first amendment freedom of speech and association.

Mr. President, if the distinguished Senator from Nevada has yielded back his time, I yield back the remainder of mine.

The PRESIDING OFFICER. All remaining time has been yielded back.

Mr. PASTORE. Mr. President, I move to lay the amendment on the table.

Mr. COOK. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. MCINTYRE). The question is on agreeing to the motion of the Senator from Rhode Island (Mr. PASTORE) to lay on the table part 1 of the amendment of the Senator from New York (Mr. BUCKLEY). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Ohio (Mr. METZENBAUM), the Senator from Rhode Island (Mr. PELL), and the Senator from Mississippi (Mr. STENNIS), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), and the Senator from North Dakota (Mr. YOUNG), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), is absent on official business.

The result was announced—yeas 64, nays 21, as follows:

[No. 139 Leg.]

YEAS—64

Abourezk	Eastland	Moss
Allen	Ervin	Muskie
Baker	Gravel	Nelson
Bartlett	Hart	Nunn
Bayh	Hartke	Pastore
Beall	Haskell	Pearson
Bellmon	Hatfield	Proxmire
Bentsen	Hathaway	Randolph
Bible	Hollings	Ribicoff
Biden	Huddleston	Schweiker
Brooke	Hughes	Scott, Hugh
Burdick	Humphrey	Sparkman
Byrd, Harry F., Jr.	Jackson	Stafford
Byrd, Robert C.	Javits	Stevens
Cannon	Johnston	Stevenson
Case	Kennedy	Symington
Chiles	Magnuson	Taft
Clark	Mansfield	Talmadge
Cranston	McGovern	Tunney
Dole	McIntyre	Weicker
Eagleton	Mondale	Williams
	Montoya	

NAYS—21

Aiken	Dominick	McClellan
Brock	Fannin	McClure
Buckley	Griffin	Metcalf
Cook	Gurney	Packwood
Cotton	Hansen	Roth
Curtis	Helms	Thurmond
Domenici	Hruska	Tower

NOT VOTING—15

Bennett	Long	Scott,
Church	Mathias	William L.
Fong	McGee	Stennis
Fulbright	Metzenbaum	Young
Goldwater	Pell	
Inouye	Percy	

So Mr. PASTORE's motion to lay the first part of Mr. BUCKLEY's amendment on the table was agreed to.

Mr. MANSFIELD. Mr. President, the Senate is quite tired. It has been a long day. It has been a hard day. We will have another long day tomorrow, I am afraid.

It is my understanding that the distinguished assistant majority leader, the Senator from West Virginia (Mr. ROBERT C. BYRD), has already gotten permission for the Senate to come in at 9:30 a.m. tomorrow.

It is my further understanding that a number of Senators have special orders for the purpose of conducting two colloquies.

It is anticipated that sometime around 12 o'clock or shortly thereafter, the next amendment, whichever it may be, will be pending. I would hope that some Member of the Senate who is going to offer an amendment will lay it before the Senate so that it will be the pending business at the conclusion of morning business.

Mr. TOWER. Mr. President, if the Senator will yield, I would be delighted to call up my amendment now.

Mr. MANSFIELD. Offer it right now.

AMENDMENT NO. 1153

Mr. TOWER. Mr. President, I call up my amendment No. 1153 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

TITLE VI—REVIEW OF MEMBERS OF CONGRESS INCOME TAX RETURNS

On or before July 1 of each and every year year hereafter, the Joint Committee on Internal Revenue Taxation shall obtain from the Internal Revenue Service all returns of income filed by each Member of Congress for the five previous years. Upon receipt of such returns, the committee staff shall submit such income returns to an intensive inspection and audit for the purpose of determining the correctness with respect to the Member's tax liability.

Upon completion of its inspection and audit, the Joint Committee on Internal Revenue Taxation shall prepare and file a report of the results of its inspection and audit with the committee chairman who shall thereupon forward a copy to the Member concerned and to the appropriate officer of the Internal Revenue Service for such further action with respect to such return as the Internal Revenue Service shall deem proper.

Mr. MANSFIELD. Mr. President, will the Senator from Texas be here sometime shortly after 12 o'clock tomorrow to begin debate on his amendment?

Mr. TOWER. I will be glad to come in, as the Senator from Rhode Island (Mr. PASTORE) has already suggested, at 5 o'clock in the morning. (Laughter.)

Mr. MANSFIELD. We have special orders.

Mr. TOWER. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator from Texas consider a reduction of the time on his amendment from 30 to 20 minutes?

Mr. TOWER. Mr. President, perhaps it could be dispensed within 15 minutes, if I may have 10 minutes and the manager of the bill 5. [Laughter.]

Mr. MANSFIELD. The manager of the bill says that will be fine with him. So, Mr. President, I ask unanimous consent that there be a time limitation on the Tower amendment now pending of 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, there will be no further votes tonight. This will conclude the consideration of the pending business at the moment.

Mr. TOWER. Mr. President, is there something which precludes me from speaking for 5 minutes tonight?

Mr. MANSFIELD. Well, we wanted to start it tomorrow. Too many Senators are tired right now.

Mr. President, I ask unanimous consent that Calendar No. 744, S. 3231, a bill to provide indemnity payments to poultry and egg producers and processors be limited to not to exceed 1 hour when it is called up tomorrow.

The PRESIDING OFFICER. The Chair would inquire, does that time include the bill and the amendments?

Mr. MANSFIELD. There are no amendments, I understand. Not to exceed 1 hour on the bill.

The PRESIDING OFFICER. The Chair is informed that there are three amendments at the desk.

Mr. MANSFIELD. All right. Within that, I ask unanimous consent that there be 10 minutes on each amendment, to be equally divided and controlled between the manager of the bill and the sponsor of the amendment.

Mr. GRIFFIN. Mr. President, reserving the right to object—assuming that the amendments are germane to the bill?

Mr. MANSFIELD. They have to be germane to the bill.

Mr. GRIFFIN. I thank the Senator.

Mr. JAVITS. Mr. President, I am a cosponsor of one of the amendments. How much time was allocated to the amendment, 10 minutes?

Mr. MANSFIELD. 10 minutes.

Mr. JAVITS. That is only 5 minutes to a side. Will you give us 10 minutes on the amendment we are interested in?

Mr. MANSFIELD. Not to exceed—well, the one that Senator JAVITS is interested in, let that time limitation be 20 minutes, with 10 minutes to a side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, now there are some nominations which were reported from the Foreign Relations Committee today unanimously, relative to appointments in the United Nations.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider those nominations, which were reported earlier today.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED NATIONS

The second assistant legislative clerk read the names of the following persons to be Representatives of the United States of America to the Sixth Special Session of the General Assembly of the United Nations:

John A. Scali, of the District of Columbia.

William E. Schaufele, Jr., of Ohio.

John H. Buchanan, Jr., U.S. Representative from the State of Alabama.

Robert N. C. Nix, U.S. Representative from the State of Pennsylvania.

Clarence Clyde Ferguson, Jr., of New Jersey.

Barbara M. White, of Massachusetts, to be the Alternate Representative of the United States of America to the Sixth Special Session of the General Assembly of the United Nations.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed.

Mr. MANSFIELD. Mr. President, may I ask the clerk whether there are any further nominations reported by the Committee on Foreign Relations today?

The PRESIDING OFFICER. There are no other nominations.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

CALENDAR CALL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 750, Senate Concurrent Resolution 81, and Calendar No. 752, S. 3304.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICANS MISSING IN SOUTHEAST ASIA

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 81) relating to unaccounted-for personnel captured, killed, or missing during the Indochina conflict, which had been reported from the Committee on Foreign Relations with amendments.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time that the technical amendments be considered en bloc and approved.

The amendments were agreed to.

The concurrent resolution (S. Con. Res. 81), as amended, was agreed to.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The preamble was agreed to.

The concurrent resolution, as amended, with its preamble, reads as follows:

Whereas the Agreement on Ending the War and Restoring Peace in Vietnam, signed in Paris on January 27, 1973, and the joint communique of the parties signatory to such agreement, signed in Paris on June 13, 1973, provide that such parties shall—

(1) repatriate all captured military and civilian personnel,

(2) assist each other in obtaining information regarding missing personnel and the location of the burial sites of deceased personnel,

(3) facilitate the exhumation and repatriation of the remains of deceased personnel,

(4) take such other steps as may be necessary to determine the fate of personnel still considered to be missing in action; and

Whereas the Government of the Democratic Republic of Vietnam and the Provisional Revolutionary Government of Vietnam have failed to comply with the obligations and objectives of the agreement and joint communique, especially the provisions concerning an accounting of the missing in action; and

Whereas the Lao Patriotic Front has failed to supply information regarding captured and missing personnel or the burial sites of personnel killed in action, as provided in the Laos agreement of February 21, 1973, and the protocol of September 14, 1973; and

Whereas it has not been possible to obtain information from the various Cambodian authorities opposed to the Government of the Khmer Republic concerning Americans and international journalists missing in that country: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that new efforts should be made by the Government of the United States through appropriate diplomatic and international channels to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to comply with their obligations with respect to personnel captured or killed during the Vietnam conflict and with respect to personnel still in a missing status; that every effort should be made to obtain the cooperation of the various parties to the conflict in Cambodia in providing information with respect to personnel missing in Cambodia; and that further efforts should be made to obtain necessary cooperation for search teams to inspect crash sites and other locations where personnel may have been lost.

SEC. 2. The Government of the United States should use every effort to bring about such reciprocal actions by the parties to the peace agreements, including the Government of the Republic of Vietnam and the Royal Lao Government, as will be most likely to bring an end to the abhorrent conduct of the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front regarding the missing in action.

SEC. 3. The Congress declares its support and sympathy for the families and loved ones of the Americans missing in action, who have suffered such deep human anguish for so long due to the undisclosed fate of the missing in action.

SEC. 4. Upon agreement to this resolution by both Houses of the Congress, the Secretary of the Senate shall transmit a copy of such resolution to the President of the United States.

INDEMNIFICATION FOR LOSS OR DAMAGE TO ARCHEOLOGICAL FINDS OF PEOPLE'S REPUBLIC OF CHINA

The bill (S. 3304) to authorize the Secretary of State or such officer as he may designate to conclude an agreement with the People's Republic of China for indemnification for any loss or damage to objects in the "Exhibition of the Archeological Finds of the People's Republic of China" while in the possession of the Government of the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State or such officer as he may designate is authorized to conclude an agreement with the Government of the People's Republic of China for indemnification of such Government, in accordance with the terms of the agreement, for any loss or damage suffered by objects in the exhibition of the archeological finds of the People's Republic of China from the time such objects are handed over in Toronto, Canada, to a representative of the Government of the United States to the time they are handed over in Peking, China, to a representative of the Government of the People's Republic of China.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMISSION FOR SENATOR BARTLETT TO APPEAR AS A WITNESS

Mr. GRIFFIN. Mr. President, on behalf of the minority leader, the Senator from Pennsylvania (Mr. HUGH SCOTT), I send a resolution to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will read the resolution.

The legislative clerk read as follows:

Whereas Senator Dewey F. Bartlett, a Member of this body, has been served with a subpoena to appear as a witness before the District Court of the United States for the Western District of Oklahoma, to testify at 9:30 o'clock A.M. on the sixteenth day of April, 1974, in the case of United States v. Leo Winters et al; and

Whereas it is the sense of the Senate that by virtue of the provisions of the Constitution of the United States said court has no authority to compel the attendance of any Member of the Senate as a witness before said court during his attendance at any session of the Senate; and

Whereas, under the Standing Rules of the Senate, no Senator may absent himself from the service of the Senate without leave of the Senate: Therefore be it

Resolved, That Senator Dewey F. Bartlett is granted leave to appear as a witness before the district court of the United States in the case of the *United States v. Leo Winters* et al, at a time when the Senate is not in session or at a time when Senator Bartlett determines that such appearance will not interfere with his duties in the Senate.

Resolved, That a copy of this resolution be submitted to the said court.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the resolution.

There being no objection, the resolution was considered and agreed to.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF THE UNFINISHED BUSINESS, S. 3044, TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the orders for the recognition of Senators tomorrow are concluded, the Senate resume consideration of the unfinished business, S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL 10 A.M. FRIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until 10 a.m. Friday. I ask this merely for insurance purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9:30 a.m.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated: Messrs. BIDEN, ROTH, MUSKIE, HATHAWAY, CLARK, BIDEN again, STEVENS, NELSON, JAVITS, HARTKE, ERVIN, MONDALE, MATHIAS, STENNIS, and ROBERT C. BYRD.

SENATE
FLOOR DEBATES
ON
S.3044
APRIL 11, 1974

Organized labor has much money to pursue its political goals. In the 1972 presidential campaign, it spent an estimated $50 million. Neil McBride, labor writer for the Associated Press, estimates that backing by COPE is worth $10 million to a presidential candidate.

Moreover, while much is said about the contributions by business to various political candidates, little has been said about labor's assistance which, for instance, totalled $191,295 to members of the House Judiciary Committee alone. Of that total $30,293 went to Chairman Peter Rodino, and all but $2,100 went to Democrats. Indeed, some 98 per cent of labor's political muscle is exerted in behalf of Democrats.

The AFL–CIO already has some scalps hanging on its belt in the 1974 elections. More than a dozen labor groups were active in the 12th district in Pennsylvania to support the winner, Rep. John Murtha. Labor forces also claim credit for the election of Rep. Richard Vander Veen in the 5th district in Michigan.

Finally, not the least source of confidence among labor leaders that they are on their way to having a veto-proof Congress is the determined pressure in Washington for public financing of campaigns and strict limitations on campaign spending. If the contributions to those whom labor opposes are reduced, then the unions' non-financial contributions will be all the more effective.

If Congress has a goal of assuring fair elections it can do no less than place a dollar value on indirect assistance by such groups as COPE so that all candidates at least have equal campaign handicaps.

CONCLUSION OF MORNING BUSINESS

Mr. CANNON. Mr. President, is there any further morning business?

The PRESIDING OFFICER (Mr. HATHAWAY). Is there any further morning business? If not, morning business is concluded.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. HATHAWAY). Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 3044, which the clerk will state.

The legislative clerk read as follows:

S. 3044, to amend the Fedreal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Texas (Mr. TOWER), No. 1153, with the time thereon to be divided 10 minutes to the Senator from Texas and 5 minutes to the Senator from Nevada (Mr. CANNON).

Mr. TOWER. Mr. President, I yield myself such time as I may require.

Mr. President, this amendment provides that on or before July 1 of each year, the Joint Committee on Internal Revenue Taxation shall obtain from the Internal Revenue Service all returns of income filed by each Member of Congress for the previous 5 years. After receipt, the committee shall submit these returns to an intensive inspection and audit for the purpose of determining the correctness with respect to the Member's tax liability. The report of the committee shall be forwarded to each Member and to the Internal Revenue Service.

It does not take long to realize that this is the procedure which was followed on the income tax returns of President and Mrs. Nixon.

The question posed in this amendment is simple: will Congress vote to bring upon its Members the same, intensive audit that President Nixon underwent? Today's vote will provide the answer.

When certain facts about the president's income tax were leaked to the media some months ago, President Nixon stepped forward and offered the joint committee the opportunity to review his return. The committee did so and found the President owing. But, much to his credit, the President said he would pay every last cent he owed— and he even denied himself the appeals recourse available to every other American citizen.

I believe it is only right that the Congress take the same steps to insure that our quest for fiscal integrity not only extends to the executive branch, but to the legislative as well. If some members of Congress who were so eager to see the President's tax returns gone over with a fine-tooth comb would vote "yea" today, we would have passage with very few dissenters.

In this day of distrust for public office holders. I think it is imperative that members of Congress—as well as the President—open their tax returns for public inspection. The legislation which I propose is an important and essential part of any campaign reform. It, in my opinion, would do much to improve the attitude of the American people toward their elected representatives.

I strongly urge adoption of this amendment.

Mr. President, I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield 2 minutes to the Senator from Montana (Mr. MANSFIELD).

The PRESIDING OFFICER. The Senator from Montana is recognized for 2 minutes.

Mr. MANSFIELD. Mr. President, this morning, the distinguished Senator from Vermont asked for, through the leadership, and was granted, the privilege of consideration.

It is my intention to make that same request at the conclusion of my brief comments.

What I intend to do, if the Senate will allow me to do so, is to offer an amendment to the Tower amendment so that on page 1, line 6, after the word "Congress," to insert the following:

Each employee or official of the executive, judicial, and legislative branches whose gross income for the most recent year exceeds $20,000,

Mr. President, this is a proposal which I have been trying to have accepted by the Senate for more than a decade, because I feel that as long as we have three equal branches of Government, all three should be treated the same.

First, Mr. President, I ask unanimous consent at this time that the amendment which I have just proposed be considered in order as an amendment to the Tower amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. TOWER. Mr. President, reserving the right to object, if the amendment is considered, does that bar me from the use of my remaining time?

Mr. MANSFIELD. Not at all, because it comes within the 15 minutes, as I interpret it.

Mr. TOWER. Mr. President, I will not object, but I intend to speak against the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I offer my amendment at this time and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Amendment to amend No. 1153, on page one, line six, after "Congress" insert ", each employee or official of the Executive, Judicial, Legislative Branch whose gross income for the most recent year exceeds $20,000,.

Mr. MANSFIELD. Mr. President, my intention is to ask for the yeas and nays on this, but first I ask unanimous consent that the distinguished assistant majority leader, the Senator from West Virginia (Mr. ROBERT C. BYRD) be added as a cosponsor of the amendment, as well as the distinguished Senator from Kansas (Mr. DOLE).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TOWER. Mr. President, I would assume that as the sponsor of the original amendment, I have additional time to argue against the amendment of the Senator from Montana (Mr. MANSFIELD)?

Mr. MANSFIELD. Mr. President, if the Senator will yield to me briefly, on my time, I would ask that the name of the distinguished Senator from Florida (Mr. CHILES) also be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I think that the amendment of the Senator from Montana would impose too great a burden on the joint committee and its staff because it would involve thousands of people. They are not elected public officials. My purpose with my amendment was to have the elected Members of Congress, the coordinate branch with the executive branch, submit to the same kind of scrutiny that the President of the United States has been subjected to. He and the Vice President are the only two elected members of the executive branch

Therefore I think that the scope of the amendment should be confined at this time to elected Members of Congress.

I do not argue against the merits of what my distinguished friend from Montana seeks to do. It would seem to me that some other mechanism might be used for that purpose, such as the Comptroller General of the United States.

For that reason, I would not want to accept nor will I vote for the amendment of the Senator from Montana in its present form.

Mr. CANNON. Mr. President, I yield 1 minute to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. McCLELLAN.This amendment, if adopted, will it be subject to further amendment after adoption?

The PRESIDING OFFICER. Is the Senator asking whether or not he can offer an amendment to this amendment?

Mr. McCLELLAN. Yes. After this amendment has been disposed of.

The PRESIDING OFFICER. The Senator cannot do so without unanimous consent, unless this is an amendment that has been printed and is at the desk, and has been offered before cloture has been invoked.

Mr. McCLELLAN. I would have to have unanimous consent. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that I may offer an amendment after this amendment has been disposed of.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CANNON. Mr. President, what is the time situation?

The PRESIDING OFFICER. The question is now on the amendment of the Senator from Montana. The yeas and nays have been ordered.

The Senator from Nevada has 2 minutes remaining. The Senator from Texas has 5 minutes remaining.

Mr. TOWER. Mr. President, I would simply like to ask the distinguished Senator from Montana if he would not alter his amendment to give this responsibility to the General Accounting Office rather than the joint committee, because I think the joint committee should focus on the returns of the Members of Congress and that that attention should not be diluted by their having also to pay attention to all these other matters.

Mr. MANSFIELD. The Senator is proposing that the amendment offered by the Senator from Montana, which applies to the executive branch and the judicial branch, be under the supervision of the Comptroller General rather than the joint committee.,

Mr. TOWER. That is my suggestion, because I think the joint committee staff would have to be beefed up just to handle the returns of Members of Congress. If we go into all the myriad of bureaucarcy, it will be a formidable task.

Mr. MANSFIELD. I would be delighted to agree to that, because I want to assert the principle that many of us have been trying for more than a decade to assert, and that is to treat the three equal branches of government on an equal basis. If we are going to ask Senators to lay out their tax returns, then I think that members of the judicial branch and members of the executive branch earning $20,000 a year or more should accept the same responsibility. I am prepared to do it. I would be willing to.

I have been trying to do so for more than 10 years. So I would be glad to modify the amendment.

Mr. President, I ask unanimous consent that my amendment be modified along the lines of the suggestion made by the distinguished Senator from Texas.

Mr. CANNON. What is it?

Mr. MANSFIELD. It places it in the Comptroller General.

Mr. McCLELLAN. I had an amendment for that purpose.

Mr. MANSFIELD. Will the Senator join me in that change?

Mr. McCLELLAN. Yes.

I do not think the Joint Committee on Internal Revenue and Taxation should see our returns if we are not going to see theirs. I believe that this agency of Congress, the Comptroller General's Office, is the proper one to do it.

Mr. TOWER. Mr. President, I think I can clear up this matter.

If the Senator from Montana would temporarily withdraw his amendment, I will ask unanimous consent to modify my amendment to bring the entire matter under the jurisdiction of the Comptroller General, and then I think that would make it a little more simple for the Senate.

Mr. MANSFIELD. I must respectfully decline to do so. I am interested in a principle I have been trying to achieve for more than a decade. I would not object to the distinguished Senator from Texas changing it from the Joint Committee on Internal Revenue and Taxation, which would have supervision, to the Comptroller General. But the principle I am trying to achieve has to stay in, so far as I am concerned; and it is the principle that the Senator from Arkansas, the chairman of the Committee on Appropriations, is likewise trying to achieve, insofar as the supervisory factor is concerned.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. McCLELLAN. If we are going to do this, then the Joint Committee on Internal Revenue and Taxation is not the body to examine the Senator's returns and mine. They are Members of this body. Who would audit their returns? It ought to go to the Comptroller General.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, in one way or another, instead of the joint committee having the supervisory responsibility, that function be transferred in the amendment now pending to the Comptroller General of the United States.

Mr. TOWER. I think the Senator from Montana misunderstood me. I was going to modify my amendment, which would make it easier for his amendment to be attached. That, then, would not require any modification on the part of his amendment.

Mr. MANSFIELD. That would be fine. If the Senator will ask unanimous consent to make that substitution as to what and who the supervisory agency would be, I have no objection. I am trying to retain in there the principle I have been trying to achieve.

Mr. TOWER. Mr. President, I ask unanimous consent that it be in order that I propound the unanimous-consent agreement to amend my amendment as follows——.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The clerk will read the modification.

The legislative clerk proceeded to read the amendment as modified.

Mr. TOWER. Mr. President, I ask unanimous consent that further reading of the modification be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment as modified will be printed in the RECORD.

The amendment as modified is as follows:

On page 1, line 4, strike "Joint Committee on Internal Revenue Taxation" and insert "Comptroller General of the United States".

On page 1, line 7, strike "committee staff" and insert "Comptroller General of the United States".

On page 2, line 3, strike "its" and insert "such".

On page 2, lines 3 and 4 strike "Joint Committee on Internal Revenue Taxation" and insert "Comptroller General of the United States".

On page 2, strike line 6 through "and to" on line 7.

On page 2, line 10, after "proper." insert "The Comptroller General of the United States shall deliver a copy of such report and results of such audit and inspection to the Members or candidate concerned.

"Section 2. The Internal Revenue Service shall assist the Comptroller General of the United States as necessary in administering the provisions of this title."

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. What is the pending business?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Montana.

Mr. TOWER. Provided the unanimous-consent agreement I propounded is not objected to.

The PRESIDING OFFICER. The unanimous-consent agreement has not been objected to, and it is so ordered.

Mr. TOWER. So that now the amendment of the Senator from Montana is in order. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Do Senators yield back their time on the amendment of the Senator from Montana?

Mr. TOWER. I yield back the remainder of my time.

Mr. CANNON. I yield myself 1 minute.

Mr. President, I would simply point out that this is exactly what we have required, in subtsance, elsewhere in the bill.

On page 79, we adopted heretofore, in S. 372—and it is in this bill—a provision, the Cannon amendment, in section 401.

The ony difference is between the amount of $20,000 and $25,000. In the bill as it now stands, it reads:

Who is compensated at a rate in excess of $25,000 per annum.

So the amendment of the Senator from Montana is $5,000 per annum more restrictive. But this requires a full and complete disclosure by every member of the executive, the legislative, and the judicial branches who is compensated in excess of that amount, and candidates for congressional seats, and the President and the Vice President, to make a full disclosure in accordance with the terms and provisions hereof; and it requires everything in there that is required on an income tax return.

Mr. TOWER. Mr. President, I submit that disclosure and audit are not the same thing; that the Senator from Montana with his amendment and I with my amendment require an audit; whereas, all that the current provision of the bill provides is for disclosure.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Montana (Mr. METCALF), the Senator from Ohio (Mr. METZENBAUM), the Senator from West Virginia (Mr. RANDOLPH), are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Kentucky (Mr. COOK), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), is absent on official business.

The result was announced—yeas 71, nays 16, as follows:

[No. 140 Leg.]

YEAS—71

Abourezk	Gravel	Moss
Aiken	Gurney	Muskie
Allen	Hart	Nelson
Bartlett	Hartke	Nunn
Bayh	Haskell	Packwood
Beall	Hathaway	Pastore
Bentsen	Helms	Pearson
Bible	Hruska	Pell
Biden	Huddleston	Proxmire
Brooke	Hughes	Ribicoff
Buckley	Humphrey	Roth
Burdick	Jackson	Schweiker
Byrd, Robert C.	Javits	Scott, Hugh
Cannon	Johnston	Sparkman
Case	Kennedy	Stafford
Chiles	Magnuson	Stevens
Clark	Mansfield	Stevenson
Cotton	Mathias	Symington
Cranston	McClellan	Thurmond
Curtis	McClure	Tower
Dole	McGovern	Tunney
Domenici	McIntyre	Weicker
Eagleton	Mondale	Williams
Eastland	Montoya	

NAYS—16

Baker	Dominick	Percy
Bellmon	Ervin	Stennis
Bennett	Fannin	Taft
Brock	Griffin	Talmadge
Byrd, Harry F., Jr.	Hansen	Young
	Hatfield	

NOT VOTING—13

Church	Hollings	Metzenbaum
Cook	Inouye	Randolph
Fong	Long	Scott, William L.
Fulbright	McGee	
Goldwater	Metcalf	

So Mr. MANSFIELD's amendment to Mr. TOWER's amendment was agreed to.

Mr. PERCY. Mr. President, I voted against the Mansfield amendment to the Tower amendment earlier today but voted for the Tower amendment as amended as I wanted to make it clear I have not the slightest objection to having my own tax returns audited. Even though I am sympathetic with Senator MANSFIELD's concern for equality of treatment for Members of Congress, I voted against the Mansfield amendment as I feel it is wrong to simply single out the tax returns for the past 5 years of all legislative, executive and judicial branch employees making over $20,000 a year to be audited.

What is the manpower required by GAO to do this? No one knows. How many employees would this involve? No one could tell me before the vote, but it was assumed the number probably is in the hundreds of thousands.

How many millions of dollars a year will this cost? No one can tell me.

On a cost-effective basis, this could be an unnecessary waste of Federal Government funds. I am hopeful this amendment will never be implemented into law.

The PRESIDING OFFICER. The Senator from Arkansas (Mr. MCCLELLAN) is recognized.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MCCLELLAN. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, due to the very strong possibility of a number of votes on amendments following one another, there be a time limitation of 10 minutes on rollcalls from here on out.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MCCLELLAN. I believe I have unanimous consent to offer an amendment at this time. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. MCCLELLAN. Mr. President, the amendment which I intended to offer, and which I will now not offer, is the same modification that the distinguished Senator from Texas made to his original amendment. That modification corrects one of the flaws I observed in the original amendment. I did not want it; I did not think it was wise to have the Joint Committee on Internal Revenue Taxation auditing the Senator's return or my return. I did not know who was going to audit their's. I thought it was better to have the Comptroller General audit them. I am satisfied with the amendment.

Mr. GRIFFIN and Mr. TOWER addressed the Chair.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Texas. The yeas and nays have been ordered. All time has expired.

Mr. TOWER. Mr. President, I am supposed to have some more time, because was not time assigned to the Senator from Montana?

The PRESIDING OFFICER. No.

Mr. TOWER. That came out of my time?

The PRESIDING OFFICER. No.

Mr. TOWER. Mr. President, I ask unanimous consent that I may proceed for 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. TOWER. Mr. President, if I may have the attention of the Senator from Montana, was it not his intent that the results of such an extensive audit be made public information?

Mr. MANSFIELD. Yes.

Mr. TOWER. That is the intent of the Senator from Texas, so I want that understood as a part of the legislative history.

Mr. BUCKLEY. Mr. President, when I voted for the Mansfield amendment to the Tower amendment, it was not my understanding that the opinions of the Comptroller General would be published. I had assumed that the purpose of the Senator from Montana was to make sure that the tax returns of everyone in the Federal Government receiving $20,000 or more would be given the closest scrutiny, so that any question or irregularities would be called to the attention of the proper authorities, and any questions resolved in accordance with normal procedures and subject to normal safeguards.

However, in light or the colloquy between the Senators from Montana and Texas, I will have to reverse my position, and vote against the Tower amendment as amended. I simply see no legitimate purpose, in fact, to be served through this gratuitous invasion of privacy.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. The question then is on the amendment of the Senator from Texas as amended by the amendment of the Senator from Montana. Is that not correct?

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the amendment of the Senator from Texas, as modified, and as amended by the amendment of the Senator from Montana. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from South Carolina (Mr. HOLLINGS), the Sen-

ator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announced that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG) and the Senator from Arizona (Mr. GOLDWATER), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 69, nays 20, as follows:

[No. 141 Leg.]

YEAS—69

Abourezk	Fannin	Moss
Aiken	Gravel	Muskie
Allen	Griffin	Nelson
Bartlett	Gurney	Nunn
Bayh	Hartke	Packwood
Beall	Haskell	Pastore
Bellmon	Hathaway	Pearson
Bentsen	Helms	Pell
Bible	Hruska	Percy
Biden	Huddleston	Proxmire
Brooke	Hughes	Ribicoff
Burdick	Humphrey	Schweiker
Byrd, Robert C.	Jackson	Scott, Hugh
Cannon	Johnston	Sparkman
Case	Magnuson	Stafford
Chiles	Mansfield	Stevens
Clark	Mathias	Stevenson
Cook	McClellan	Symington
Cotton	McGovern	Thurmond
Curtis	McIntyre	Tower
Dole	Metcalf	Weicker
Domenici	Mondale	Williams
Eagleton	Montoya	Young

NAYS—20

Baker	Dominick	Kennedy
Bennett	Eastland	McClure
Brock	Ervin	Roth
Buckley	Hansen	Stennis
Byrd, Harry F., Jr.	Hart	Taft
	Hatfield	Talmadge
Cranston	Javits	Tunney

NOT VOTING—11

Church	Hollings	Metzenbaum
Fong	Inouye	Randolph
Fulbright	Long	Scott, William L.
Goldwater	McGee	

So Mr. TOWER's amendment (No. 1153), as modified, was agreed to.

Mr. TOWER. Mr. President, I call up my amendment No. 1131 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 76, between lines 18 and 19, insert the following:

"(3) For purposes of this section, with respect to a political committee which establishes, administers, and solicits contributions to a separate segregated fund supported by payments from a corporation or labor organization, as permitted under section 610, the term 'contribution' includes the fair market value of services which an individual who is an employee or member of such corporation or labor organization, respectively, provides to such a committee for, or for the benefit of, a candidate, or which such an individual provides to, or for the benefit of, a candidate at the direction of such a committee.".

On page 76, line 19, strike out "(3)" and insert in lieu thereof "(4)".

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a limitation of 15 minutes on this amendment, 10 minutes for the distinguished Senator from Texas (Mr. TOWER), sponsor of the amendment; and 5 minutes for the distinguished Senator from Nevada (Mr. CANNON), who is in charge of the bill.

Mr. GRIFFIN. Mr. President, I wonder if we could have a little more time on this amendment. It is a very important amendment, and there are other Senators, including the junior Senator from Michigan, who are very much interested in making certain that the Senate knows and understands what the amendment is all about and how important it is.

Mr. TOWER. Mr. President, I will certainly be agreeable to the granting of more time. May we make it 15 minutes to a side?

Mr. MANSFIELD. That is agreeable to me.

Mr. President, I withdraw my request.

Mr. TOWER. Mr. President, I yield myself such time as I may require.

This is a very simple amendment. Nevertheless, without it this bill cannot be objectively considered to be the "comprehensive" proposal that the proponents of it maintain it is.

This proposal amends title III of the bill, specifically section 615, dealing with limitations on contributions. As the bill now stands, an individual contribution is limited to $3,000 per candidate for each election and $6,000 for a political committee. The amendment specifically addresses the nature of a contribution by such a political committee by stating that "for purposes of this section with respect to a political committee which establishes, administers, and solicits contributions to a separate segregated fund supported by payments from a corporation or labor organization, as permitted under section 610, the term "contribution" includes the fair market value of services which an individual who is an employee or member of such corporation or labor organization, respectively, provides to such a committee for, or for the benefit of, a candidate, or which such an individual provides to, or for the benefit of, a candidate at the direction of such a committee."

This amendment would, therefore, have the fair market value of services provided at the direction of a political committee established by a labor organization or a corporation to a particular candidate counted toward the political committee's contribution limitation.

Mr. President, unless this amendment or an amendment similar in scope is approved, this so-called campaign reform bill will be nothing more than a sham. I, myself, have some philosophical reservations about imposing a contribution limitation on individual expenditures. Nevertheless, such a limitation seems inevitable. Therefore, if this legislation is to achieve the goal of controlling the aggregate impact which special interests have on our electoral process, then the limitation must apply to all contributions and not just direct cash contributions.

As far as the impact of special interests are concerned, what difference does it make whether that influence is obtained by direct cash contributions or services rendered. The influence obtained, and the danger to the political process that this bill is said to address, is not retarded or controlled when organizations are allowed to contribute thousands upon thousands of dollars in noncash services to candidates.

Under the bill as currently before us, the individual American who wishes to contribute a small sum to the candidate of his or her choice is given a subservient status when placed alongside the types and levels of contributions this amendment seeks to control and limit. The integrity of the small contributor and his or her contribution remains in doubt.

This amendment treats corporations and organized labor equally. Admittedly it has been labor unions which have impacted upon our political system by making their members available to engage in political activity by working on a candidate's campaign, doing direct mail solicitations and other traditional forms of activity. Nevertheless, I wonder whether, if this bill is passed without this amendment, corporations also will shift their emphasis to providing services to a candidate rather than direct contributions. The end effect will be that the political process will be subject to the same abuses that were apparent long before this bill was drafted.

Mr. President, a recent article in the Wall Street Journal highlighted the extent to which noncash contributions have been utilized by one particular union—the International Association of Machinists.

I want to emphasize that the vast amount of contributions in the nature of services were only obtained through a discovery proceeding as part of a legal case brought by a number of union members who successfully alleged that their dues money was being used illegally. If it were not for this discovery proceeding, the information would never have been made public. I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNIONS AND POLITICS: MONEY'S JUST ONE TOOL MACHINISTS USE TO HELP FAVORED OFFICE SEEKERS—INDIRECT AID IS A BIG ITEM, COURT RECORDS INDICATE; HOW DEMOCRATS BENEFITED

(By Byron E. Calame)

LOS ANGELES.—Like the President himself, some of Richard Nixon's foes in organized labor have been surrending sensitive political records.

The International Association of Machinists, in a case initiated by a group of dissident members of the union, was forced by a federal court here to release thousands of documents. They reveal in unusual detail how the IAM goes about electing its friends to federal office.

This rare glimpse into the inner workings of one of the AFL-CIO's largest (800,000 members) and most politically active unions shows that there is a lot more to a union's political clout than the direct financial contributions reported to government watchdogs—and labor's political experts say the machinists probably adhere to the campaign spending laws as closely as any union.

The documents indicate that direct gifts

are often overshadowed by various services provided free of charge to favored candidates under the guise of "political education" for union members. The indirect aid includes some of labor's most potent political weapons; assignment of paid staff members to candidates' campaigns, use of union computers, mobilization of get-out-the-vote drives.

TRIPS AND DINNERS

Dues have also been used, the documents indicate, to supply IAM-backed candidates with polls and printing services and to finance "nonpartisan" registration drives, trips by congressional incumbents back home during campaigns, and dinners benefiting office seekers endorsed by the machinists. Machinist-backed candidates are almost invariably Democrats.

An important question is whether these dues-financed activities violate federal laws that for decades have barred unions and corporations from using their treasury funds to contribute "anything of value" to candidates for federal office. Money for such direct contributions by unions must come from voluntary donations coaxed out of the members. The federal statutes do permit unions to spend dues for partisan politicking directed at the union's members and their families, on the theory that this sort of thing is internal union business, and the money used for this activity is called "education money," or "soft money."

The political activities of the machinists' union are, indeed, aimed at the union's members and are therefore proper, says William Holayter, director of the union's political arm, the Machinists Non-Partisan Political League.

DRAWING THE LINE

Even labor's critics concede that it is sometimes hard to draw the line between activities designed to sell a candidate to a union's members and those intended to sway voters in general. A member of the machinists assigned to promote a candidate among other machinists may inevitably find himself wooing other voters as well.

Still, the machinists' documents suggest that the union has often sought to provide maximum assistance to a candidate by use of soft money. "The problem," says one labor political strategist, "is that the machinists put too much in writing." The late Don Ellinger, the widely respected head of the Machinists Non-Partisan Political League who died in 1972, evidently had a penchant for memos.

Spending reports filed with the Senate for the 1970 campaign show that the Machinists Non-Partisan Political League openly gave Sen. Gale McGee $5,000; the internal records now disclose that the Wyoming Democrat also received at least $9,300 in noncash assistance. Direct donations to Texas Democrat Ralph Yarborough's unsuccessful Senate reelection bid in 1970 were listed at $8,950; one document indicates he got other help worth at least $10,680. While the league poured $15,200 directly into Democrat John Gilligan's unsuccessful 1968 bid for an Ohio Senate seat, the documents show it indirectly provided more, $15,500.

RECEIPT UNREPORTED

Available records indicate that few, if any, campaign committees for machinist-backed candidates listed indirect aid from dues money as contributions. Prior to a 1972 toughening of disclosure requirements, candidates evidently found it easy to spot loopholes that were used to avoid reporting such indirect assistance.

The dissident machinists who forced disclosure of their union's files had brought their suit with the backing of the National Right to Work Legal Defense Foundation. The dissidents wanted the court to bar the union from using dues money for any political activity—including such clearly legal endeavors as politicking directed at its own members and traditional union lobbying efforts. The real goal of the right-to-work foundation is to eliminate the forced payment of dues. A federal judge dismissed the suit Dec. 19, largely because the union offered to start rebating the dues of any member who disagrees with the union's stand on political or legislative issues. The dissident group appealed the decision Jan. 10.

One questionable arrangement of the machinists helped reelect Sen. McGee in 1970. Alexander Barkan, director of the AFL–CIO Committee on Political Education, asked the machinists early that year to put the names of 65,000 "Democrats in Wyoming" on the machinists' computer for the Senator's use in "mailings, registration, etc." The minutes of the Machinists Non-Partisan Political League executive committee show that Mr. Ellinger recommended handling the chore but warned that it would have to be financed with "general-fund money" (the league's separate kitty composed of voluntary donations) and would be considered "a contribution toward the Gale McGee campaign."

Despite the warning, internal records show that bills totaling $9,302.74 for the operation were paid out of the league's political-education fund, built from dues money. Computing & Software Inc. was paid $4,696.84, Minnesota Mining & Manufacturing Co. received $414, and $4,191.90 went to reimburse the IAM treasury for cards it provided.

Doubts about such arrangements may be raised in the coming report by the Senate Watergate committee. Though Republican hopes for public hearings on union campaign contributions will probably be disappointed, the committee staff has asked unions broad and potentially explosive questions about the services provided to candidates.

Watergate revelations, some union politicians believe, have demonstrated that labor can never collect enough rank-and-file donations to rival campaign contributions by business bigwigs. "There is no way we can match them," says Mr. Holayter of the machinists. "It's silly to try." Hence the importance of the indirect contributions.

This is one reason why the AFL–CIO is pressing for public financing of federal campaigns: its strategists obviously figure that a ban on direct contributions would leave labor in a better position relative to business than it is in now.

If past performance is any guide, the machinists' union would still be a valuable supporter for its political favorites if public financing were adopted. Its indirect assistance in staffers' time alone has totaled in the tens of thousands of dollars, the court documents show.

Printing is another campaign expense that the IAM often helps its friends meet. With the 1970 elections coming up, an aide to Rep. Lloyd Meeds passed to the machinists a bill for the printing of the Washington Democrat's quarterly newsletter. "The newsletter went to every home in the Second District," the aide rejoiced in one of the released documents. "We had a tremendous, positive response to it." Although the newsletter had been distributed far beyond the IAM's ranks in an election year, a soft-money check for $695.17 to the printer was quickly dispatched to a local union official.

Early in the 1972 reelection drive of Sen. Thomas McIntyre, the Machinists Non-Partisan Political League agreed to spend $1,000 "for assistance in newsletters" put out by the New Hampshire Democrat. And earlier, during Rep. John Tunney's successful 1970 bid for a California Senate seat, the league picked up a $1,740 tab for printing of a brochure that compared the Democrat's voting record with that of the GOP incumbent, George Murphy. Some of the brochures were passed out at a county fair.

The amount of union staff time devoted to candidates' campaigns is difficult to pin down. Irving Ross, a certified public accountant retained by the suing dissident machinists to analyze the IAM documents, filed an affidavit giving "incomplete" tabulations. Mr. Ross says the time that IAM "grand lodge representatives" and "special representatives" spent on campaigns in 1972 was worth $39,175. The amounts were $58,241 in 1970 and $42,921 in 1968, he says. The IAM says the figures are too high, but it didn't challenge them in court.

A status report prepared by the machinists political unit in late August 1970 shows that at least one field representative was working full time on each of over 20 congressional campaigns. IAM agents often become almost part of the candidate's campaign staff. When Robert Brown was assigned full time to Indiana Sen. Vance Hartke's reelection campaign in May 1970, he set up an office right in the Democrat's headquarters and had the title of chairman of the Indiana Labor Committee for Hartke. Another IAM representative, William Wolfe, was assigned to Yarborough campaigns in Texas in 1970 and 1972—and was being paid out of the union treasury in May 1972 even though a new law effective in April 1972 specifically barred a union from using dues money to pay for services rendered to a candidate, thus spelling out more clearly an old prohibition.

The union also takes machinists out of the shop for campaign duty, giving them "lost time" compensation out of dues money to make up for the loss of regular pay. Thus, the files show, two Baltimore machinists got $282.40 a week while working for the Humphrey presidential campaign for five weeks in 1968. A Maryland IAM official said later that the two "did a first-rate job, especially in smoking out the local Democratic politicians who were inclined to cut the top of the ticket" and persuading them not to do so.

Rep. Richard Hanna of California got $500 from the machinists to help finance a $6,000 "nonpartisan" registration effort to help get him reelected in 1970. In a letter requesting the union's aid, the Democrat predicted that the drive would "raise the district to at least 53.5% Democratic . . . because most of the unregistered voters are Democrats." He said the registrars would be preceded by "bird dogs," meaning that Democratic workers would roam out ahead of the registrar to identify residence of unregistered Hanna supporters.

The machinists' union's airline credit cards come in handy when incumbents are eager to get home in election years. Early in 1969, the executive committee of the machinist political unit authorized the expenditure of $3,600 to buy plane tickets home for unnamed "western Senators" during the following year's campaign. The league's "education fund" provided Sen. Yarborough and his aides with $705.60 worth of tickets during his 1970 reelection campaign. The files show that $500 went to Sen. Albert Gore, Democrat of Tennessee, during his losing reelection effort in 1970.

Machinist officials contend the organization pays for such travel because the candidate speaks to a union group or "consults with union leadership" in his district. But correspondence in the files indicates that this is more of a rationalization than a reason. Take a 1969 Ellinger memo to Sen. Yarborough outlining procedures "for all transportation matters." It states:

"We would like our files to contain a letter . . . indicating that you intend to be in Texas on a particular date to consult with the leadership of our union. If a trip includes a member of your staff, the letter should also name the staff member as being included in the consultation."

"Appreciation dinners" for Senators and Representatives often serve as a conduit for "soft money." Consider the ten $100 tickets the IAM bought to a 1969 testimonial gathering for Sen. Frank Moss, Democrat of Utah, who faced an election in 1970. "Since Moss is not yet an announced candidate, we can use educational money for this event and later consider this as part of our overall contribution," the minutes of the league's executive committee explain.

Mr. TOWER. Mr. President, I want to emphasize that this amendment is drafted with the intent of controlling these kinds of noncash contributions without restricting voluntary services which an individual renders to a candidate solely at his own initiative independent from the political committee. The amendment is aimed at work done by employees of the corporation or members of the union which is under the control or direction of the political committee. The services could easily be contributed in the form of cash contributions but are not.

Mr. President, I say to all of my colleagues that if we are sincere about limiting individual contributions and consequently the aggregate impact which special interests have had on our electoral process, then we all must bite the bullet. It would be far worse to approve half-baked reforms than no reforms at all.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TOWER. I yield to the Senator from Vermont.

Mr. AIKEN. Would the Senator's amendment inhibit the granting of the use of a WATS line of a corporation, labor union, or Member of Congress?

Mr. TOWER. It does not prohibit it, but it must be charged against the limit, as far as its fair market value is concerned, that that organization can contribute.

Mr. AIKEN. If a corporation or a union feels that it would like to lend a fleet of cars for political purposes, would the amendment prohibit that?

Mr. TOWER. It would not prohibit it, but it would require that it be considered as a contribution within the limits imposed on the organization.

Mr. AIKEN. It would be charged to their allowable expense?

Mr. TOWER. It would be charged to their allowable, that is correct.

Mr. AIKEN. I thank the Senator. I have an amendment similar to this which I shall probably put in the RECORD later, but as long as the Senator from Texas has proposed his, it is so nearly like the one I have in mind that I probably will not offer mine.

Mr. TOWER. I thank my friend from Vermont.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. TOWER. I yield to the Senator from Washington.

Mr. MAGNUSON. Suppose a person wanted to spend 10 days working on my or the Senator's campaign who happened to be a member of a union. How would the Senator handle that?

Mr. TOWER. This is a matter that I dealt with in my remarks. That would be legal, provided he was not doing so under the direction of his union or as an officer of a corporation, and it was not being done for or under the direction of the corporation or organization.

Mr. MAGNUSON. He could not be directed by the union?

Mr. TOWER. That is correct. In other words, if an official of BIPAC, let us say, which is a business and industrial political action committee, if an officer of that of that organization was working in a campaign at the direction of that committee, then his services would have to be counted.

Mr. MAGNUSON. But it in no way acts to prohibit an individual——

Mr. TOWER. No, I made that very clear, that this impacts not at all against the activities of individuals not under any control or direction.

Mr. MAGNUSON. They might take time out to do it on their own?

Mr. TOWER. That is right. I have individual volunteers working in my campaigns.

Mr. MAGNUSON. What would happen if a group of individuals got together on their own?

Mr. TOWER. That would be legal if they were not working under the direction of a political action committee.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. TOWER. I yield to the Senator from South Carolina.

Mr. THURMOND. In the event that an individual of that group was or several were inspired by a union, then what would be the effect?

Mr. TOWER. I think this would have to be a matter of adjudication, probably, to determine it. If there was a complaint that someone was working at the direction of the organization, it could, of course, be a matter for adjudication.

Mr. THURMOND. In other words, if the individual or the group, of their own free will and accord, without any direction, suggestion, or inspiration from the union, goes out and works, that is all right?

Mr. TOWER. The Senator is correct.

Mr. THURMOND. But if they do so under direction, suggestion, or inspiration from them, that would violate this section, is that correct?

Mr. TOWER. That is right.

Mr. BIDEN. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. BIDEN. If the union endorses a candidate, and it so happens that an employee who is a member of a union ends up working for that candidate on his own, is it assumed that he is working for that union?

Mr. TOWER. No, it is not, and this would not be charged against any legal contribution that was made to the candidate by the organization endorsing him, as long as he is a self-starter, working on his own initiative and not under the direction of the contributing organization.

Mr. BIDEN. How is the direction determined?

Mr. TOWER. Well, if, for example, the union says, "All right, tomorrow morning you and you and you report to somebody's campaign headquarters and get to work and work 4 hours during the day," then you have to figure the fair market value of that 4 hours of labor as a part of the contribution. But if the individual union member, regardless of the fact that his union has endorsed a candidate, walks in and volunteers to work, that is his own business.

Mr. BIDEN. It sounds like a fairly equitable thing, but will it not turn out to be a sham? Will it not be understood that we are pulling another fraud on the American people?

Mr. TOWER. I think it depends on how the law is enforced. The whole act could be a sham, for all I know.

Mr. BIDEN. How could anyone legitimately enforce it, when there is no tighter determination as to what constitutes whether or not someone is working at the behest of a union leader? Suppose the union leader just says, "I think, TOWER, I like that guy BIDEN. Were I you, I would be out supporting the amendment and that ends it." Then you show up at my headquarters.

Mr. TOWER. If I had been coerced against my will——

Mr. BIDEN. You would not do that, would you?

Mr. TOWER. I would file a complaint.

Mr. BIDEN. I am not worried about coercion. I am worried about who determines whether you are chargeable to me.

Mr. TOWER. The court would make a determination of that, in a situation like that. The election commission—the organism set up in the bill

The point I am trying to make is if someone were directing a person to work in a campaign on the organization's time, someone who is an employee of that organization——

Mr. CANNON. That would be a direct violation of section 610 right now. That would be a violation of existing law.

Mr. TOWER. No, no—in a political committee.

Mr. CANNON. It is a violation for a union or a corporation to direct someone——

Mr. TOWER. That is not my understanding.

Mr. CANNON. To work in a campaign.

Mr. GRIFFIN. Mr. President, I was not intending to comment on the question of the distinguished chairman. If it is really a violation, then there would be no objection——

Mr. TOWER. That is right.

Mr. GRIFFIN. To accept the Senator's amendment. But I should like to ask a question on a different point, for purposes of trying to determine what the amendment does and would mean.

In 1970, in the election in Michigan for Governor, as I recall, there were allegations that the UAW gave members who were striking against General Motors at that time—in order to draw their strike benefits, they had to march in a picket line—the option, as I understand it, of going to work in the Democratic campaign. If they did work in the Democratic campaign then they were given credit as though they had walked the picket line and drew their strike benefits.

Would the Senator from Texas have

some comment on what impact his amendment would have on that?

Mr. TOWER. It would be prohibited under the provisions of the amendment.

Mr. GRIFFIN. I thank the Senator from Texas.

Mr. TOWER. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. STAFFORD). Who yields time?

Mr. CANNON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 2 minutes.

Mr. CANNON. Mr. President, I simply point out that under section 610 of the Corrupt Practices Act at the present time, it is unlawful for any corporation whatever, or any labor organization, to make a contribution or expenditure in connection with any election, and so forth. Certainly, if a corporation or a labor union pays the salary of an individual and puts that person out to work for a candidate, that is unlawful. It is unlawful under existing law. I should like to know whether the Senator intends to go beyond that.

In section 610 as modified—we have amended 610 to clarify the definitions, and it says, as used in the section, the phrase "contributions or expenditures"—then it goes on to define them as follows:

But shall not include communications by a corporation to its stockholders and their families or by a labor organization to its members and their families on any subject; nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and their families, or by a labor organization aimed at its members and their families; the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization: . . .

Is it the Senator's intention to change any part of that existing law that I have just referred to?

Mr. TOWER. It is the intention of the Senator from Texas. The language of the amendment reads this way:

For purposes of this section, with respect to a political committee which establishes, administers, and solicits contributions to a separate segregated fund supported by payments from a corporation or labor organization, as permitted under section 610, . . .

The PRESIDING OFFICER. The time of the Senator from Nevada has expired. Does the Senator yield himself additional time?

Mr. CANNON. Mr. President, I am not yielding to him on my time. He is using his own time. I cannot yield my time, so I am not using up my time.

The PRESIDING OFFICER. The Chair is informed that the Senator yielded to the Senator from Texas for a question on his 2 minutes.

Mr. CANNON. Well, Mr. President, under the rule on cloture, a Senator cannot yield his own time. I would ask the Parliamentarian if that is correct. I yielded for a question but the answer has to come on the time of the person who is answering.

The PRESIDING OFFICER. The Chair would state that the time does not come out of the other side.

Mr. CANNON. For answering a question? I am not answering a question. I am still listening. [Laughter.]

Mr. TOWER. And I have already provided the answer.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Texas is recognized for 1 minute.

Mr. TOWER. Mr. President, most of this talk has been about labor organizations but the same kind of abuse can be practiced by a corporation as well. As I pointed out in my remarks, if this amendment is not passed, then corporations might be encouraged to contribute time and effort which is not measured in monetary terms.

The unions are solidly against this amendment, which is true, so in all probability it will not pass. Nonetheless, it should be understood it cuts both ways, against labor organizations as well as business organizations.

Mr. CANNON. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 1 minute.

Mr. CANNON. It would appear that what the Senator is attempting to do is to prohibit any volunteers who are in a separate organization, on a voluntary basis, from working, without charging that time. I presume that would apply to the young Republicans, to the young Democrats, or to any other organization.

Mr. TOWER. No. It applies only to section 610. The specific reference is made to section 610.

Mr. CANNON. It certainly reaches into the "separate segregated funds" in which we have already determined——

The PRESIDING OFFICER. The 1 minute of the Senator has expired.

Mr. CANNON. Mr. President, I yield myself another minute.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 1 additional minute.

Mr. CANNON. We have already tried to encourage the use of voluntary organizations and to encourage the establishment of "separate segregated funds" both in union organizations and in management organizations so that they can participate on a voluntary basis in the election process.

Mr. President, I submit that this is just an attempt to reverse the position that Congress has already taken and is well established.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I yield back the remainder of my time.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Texas (No. 1131).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Ohio (Mr. METZENBAUM), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 40, nays 48, as follows:

[No. 142 Leg.]

YEAS—40

Aiken	Curtis	McClure
Allen	Dole	McIntyre
Baker	Domenici	Packwood
Bartlett	Dominick	Percy
Beall	Eastland	Roth
Bellmon	Ervin	Stafford
Bennett	Fannin	Stennis
Biden	Griffin	Stevens
Brock	Gurney	Taft
Buckley	Hansen	Thurmond
Byrd, Harry F., Jr.	Haskell	Tower
Chiles	Helms	Weicker
Cotton	Hruska	Young
	McClellan	

NAYS—48

Abourezk	Hathaway	Muskie
Bayh	Huddleston	Nelson
Bentsen	Hughes	Nunn
Bible	Humphrey	Pastore
Brooke	Jackson	Pearson
Burdick	Javits	Pell
Byrd, Robert C.	Johnston	Proxmire
Cannon	Kennedy	Ribicoff
Case	Magnuson	Schweiker
Clark	Mansfield	Scott, Hugh
Cook	Mathias	Sparkman
Cranston	McGovern	Stevenson
Eagleton	Metcalf	Symington
Gravel	Mondale	Talmadge
Hart	Montoya	Tunney
Hartke	Moss	Williams

NOT VOTING—12

Church	Hollings	Randolph
Fong	Inouye	Scott, William L.
Fulbright	Long	
Goldwater	McGee	
Hatfield	Metzenbaum	

So Mr. TOWER's amendment (No. 1131) was rejected.

Mr. TUNNEY addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. COOK. Mr. President, will the Senator yield to me briefly?

Mr. TUNNEY. I yield.

OUTER CONTINENTAL SHELF LEASES

Mr. COOK. Mr. President, yesterday I was notified that the Department of the Interior had accepted 91 bids for their Outer Continental Shelf oil and gas drilling rights off the coast of Louis-

iana. At the same time, I was informed that 23 bids were rejected on the basis of insufficient returns to the Government.

The total bonus payments to the United States from acceptable bids were $2,092,510,853.50 for the rights to drill on 421,218 acres off the Gulf of Mexico. As the amount offered for the 23 bids rejected totalled $82,584,660, I requested that I be informed as to the value that the Government placed on these leases per barrel of recoverable oil or M ft³ of recoverable gas. I was informed today by the Bureau of Land Management that a value of $5.50, $6.50, and $7.50 per barrell of oil had been used and a value of 45 cents, 55 cents, and 65 cents per M ft³ placed on the gas.

Mr. President, this is very interesting in that at the present time the Federal Government requires that this natural gas be sold in interstate market and further sets the rate at which this gas be sold. Since this average rate in the interstate market is now some 27 cents per M ft³ and much lower than the price established by the Federal Government on the value of the gas, it would seem to me that we are placing the industry itself at a great disadvantage. Accordingly, I intend to bring this matter to the attention of the Federal Power Commission and the Department of the Interior to determine if some reconciliation can be made concerning these valuable natural resources.

On several occasions on the floor of the Senate, I have raised my voice in opposition to the programs which have forced this Nation to become dependent on foreign powers for its energy fuels. I am convinced that we have not solved our problems, and while this Congress has passed a few pieces of emergency energy legislation, nothing has been done to address the long-range problems.

I submit to my colleagues that we must increase—not decrease—our efforts to find new energy sources and to develop those which we know to be available.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1136

Mr. TUNNEY. Mr. President, I call up my amendment No. 1136.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 9, line 24, strike out all through page 10, line 2, and substitute in lieu thereof the following:

SEC. 503. (a) (1) Every eligible candidate is entitled to payments in connection with his primary election campaign in an amount which is equal to the amount of contributions received by that candidate or his authorized committees, except that no contribution received as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 15 minutes on the pending amendment, 5 minutes to be allotted to the manager of the bill, the Senator from Nevada (Mr. CANNON) and 10 minutes to the sponsor of the amendment, the Senator from California (Mr. TUNNEY).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, this amendment relates only to primary campaigns and it specifies that only monetary contributions will be eligible for reimbursement from Federal funds. The contribution of services and products and loans would not be eligible for matching once the threshold has been reached that will then trigger the contribution of Federal funds. The way the bill now reads there is a loophole as it relates to the contribution of services, products and loans. These products, services, and loans cannot be used for the purpose of reaching the threshold of contributions which will then trigger the use of Federal funds.

Once the threshold is met, the language of the bill is silent as it relates to loans and contributions of products and services.

What could happen is that a person after he reached the threshold and is eligible for Federal contributions, would have a fund-raising dinner at a hundred dollars a plate, but the notice sent out would read that the money contributed would only be a loan. Then, when the candidate received from the Federal Government on a matching basis the contribution as specified by the legislation, that $100 loan would be returned to the invitee. I think it would start a new rage in political dinners. I can foresee situations where many people would turn out to the dinner with the idea that their $100 was only going to be used on a loan basis and that they were going to get the money back. This would provide a greater contribution by the Federal Government to the primary campaigns than is envisioned in the law as written, because it is supposed to be on a 50–50 basis once the threshold is reached.

This amendment would close that loophole and make the donations conform to the language prior to the time the threshold is reached.

I hope the committee will accept the amendment.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

I do not share any skepticism of the reliability of people who are candidates for public office, nor do I assume a person would have time to go out for a $100-a-plate fundraising dinner to pledge the people that their money would be returned after the candidate received matching funds from the Federal Government. It would be completely illegal under the present act.

However, I see no difficulty in providing that language and I would be happy to accept the language if it made the Senator feel better. It does not add anything to the legal portions of the bill.

Mr. President, I am willing to accept the amendment.

Mr. TUNNEY. Mr. President, I am prepared to yield back the remainder of my time.

Mr. CANNON. I yield back my time on the amendment.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 1176, AS MODIFIED

Mr. BROCK. Mr. President, I call up my amendment No. 1176 and I ask unanimous consent that the amendment may be modified as indicated.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 77, between lines 5 and 6, insert the following:

"(g) This section does not apply to contributions made by the Democratic or Republican Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee,".

The PRESIDING OFFICER. The question is on agreeing to the modification. Without objection, the amendment is so modified.

Mr. BROCK. Mr. President, I raise this matter again because of the confusion we had in previous debate with regard to the effect of my exempting amendment of House and Senate campaign committees and the amendment of the junior Senator from Iowa which repealed, effectively, that first amendment.

This amendment is far more limited in impact and would achieve my original intent.

I have discussed this matter with the Chairman of the Committee on Rules and Administration and described what it does specifically. It removes only the committees from the law insofar as contributions are concerned. But it specifically does not affect their limitation of the $1,000 ceiling or the ceiling on contributions they can receive from an individual or group.

I hope the amendment will now prove satisfactory to this body.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I supported the principle of this amendment when the Senator first presented it. I have no objection to the amendment and I am prepared to accept it.

Mr. CLARK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Iowa?

Mr. CANNON. I yield to the Senator from Iowa on his time.

The PRESIDING OFFICER. The Senator from Iowa is recognized on his time.

Mr. CLARK. Mr. President, this amendment, of course, already has been debated and voted on. With respect to exempting the congressional and senatorial campaign committees from any contribution limitations, it is exactly the same amendment that was repealed in this body on Monday by a vote of 44 to 35.

The only thing that is changed about the amendment is one letter, which was just agreed to. Indeed, if there had been an objection to that change, the amendment would not have been in order.

It seems to me we are simply wasting a lot of the Senate's time by voting on substantially the same amendment we have already repealed. The Senate has expressed its will very clearly on this issue, and I, therefore, move to lay the amendment on the table, and ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to table. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Ohio (Mr. METZENBAUM), and the Senator from West Virginia (Mr. RANDOLPH are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG) and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 49, nays 40, as follows:

[No. 143 Leg.]

YEAS—49

Abourezk	Haskell	Nunn
Aiken	Hathaway	Packwood
Allen	Huddleston	Pastore
Bayh	Hughes	Pearson
Bible	Humphrey	Pell
Biden	Jackson	Proxmire
Brooke	Javits	Ribicoff
Burdick	Johnston	Roth
Byrd, Harry F., Jr.	Kennedy	Schweiker
Byrd, Robert C.	Magnuson	Stennis
Case	Mansfield	Stevenson
Chiles	Mathias	Symington
Clark	McGovern	Talmadge
Eagleton	McIntyre	Tunney
Gravel	Mondale	Weicker
Hart	Montoya	Williams
	Moss	

NAYS—40

Baker	Domenici	Metcalf
Bartlett	Dominick	Muskie
Beall	Eastland	Nelson
Bellmon	Ervin	Percy
Bennett	Fannin	Scott, Hugh
Bentsen	Griffin	Sparkman
Brock	Gurney	Stafford
Buckley	Hansen	Stevens
Cannon	Hartke	Taft
Cook	Hatfield	Thurmond
Cotton	Helms	Tower
Cranston	Hruska	Young
Curtis	McClellan	
Dole	McClure	

NOT VOTING—11

Church	Hollings	Metzenbaum
Fong	Inouye	Randolph
Fulbright	Long	Scott, William L.
Goldwater	McGee	

So Mr. CLARK's motion to lay on the table Mr. BROCK's amendment, as modified, was agreed to.

Mr. BROCK. Mr. President, I have another amendment; but before I address it, I should like to express my regret at the way the previous vote was brought upon us. I think that the Senator from Iowa (Mr. CLARK), as a matter of honest conviction, thought that the amendment I had offered was the same amendment as had been debated previously. He was in error. I have to assume that he did not know that. But the fact is that when we get into that kind of situation, when time is left on an amendment and a statement is made that could be rebutted, a motion to table precludes the opportunity for rebuttal. I regret very much that we did not have a chance to explain the amendment to the Senate.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. CLARK. The Senator from Iowa consulted the Parliamentarian yesterday after the amendment of the Senator from Tennessee had been offered, and got an opinion from the Parliamentarian that the amendment was not in order as it was written. That was the basis for my statement. Obviously, having been given consent to amend the amendment by one letter, the amendment was in order.

As the amendment was printed, it was not in order, according to the advice of the Parliamentarian, Dr. Riddick. That was the basis of my statement.

Mr. BROCK. The statement is to the effect that the amendment was not changed by one word, not one phrase, not one fact.

I would say to the Senator from Iowa that perhaps he did not read the amendment, or perhaps he saw the wrong version, because the amendment, even as originally submitted at the desk, was not altered in a substantial way from that which was originally offered, from which we eliminated the section which resulted in the thousand dollar ceiling. We eliminated the first paragraph in its entirety. That paragraph related to section 614, on page 75.

We changed the language in the second paragraph to be specific in terms of the removal of exemption in terms of money.

But I would hope that Senators did not vote out of an erroneous impression. I am perfectly willing and prepared to lose a vote on the merits. I understand that. I hope that is the case in this particular instance. I wish we had had plenty of time to explain it. I would feel more comfortable if I had lost after I had had a chance to present a point of view different from that of the Senator from Iowa.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BROCK. Certainly.

Mr. CLARK. There is a very easy way to test the validity of that argument, because the Senator from Tennessee offered two amendments, Nos. 1176 and 1181, both of which are identical in every respect. Amendment No. 1181 is still available. If that amendment is in order, it could be called up at this time, and the Parliamentarian could rule on its validity.

Mr. BROCK. I think that even I would object to that, because it is identical to the original language in every jot and tittle. Perhaps that is how the Senator became confused in saying that they were the same, verbatim. They were not. But I shall not pursue that particular matter. I do not think that enough Senators are in the Chamber to change the outcome. I am not certain that the outcome is not pretty well predictable. We have set our course upon legislation that simply cannot be enacted. We have decided to exercise our privilege to amend the bill to the point where it is a disaster. It cannot be effectuated by any stretch of the imagination.

So perhaps we had better proceed with the charade. I cannot obviously support the bill as it is written. I consider it an insult to the American people and to their intelligence. I consider it an abridgement of their freedom and rights. But that is something they will have to decide when they face the issue.

Before I terminate my rather brief part in these proceedings, I should like to say one thing more. The members of the Committee on Rules and Admnistration have labored long and hard on the bill. The chairman, the distinguished Senator from Nevada (Mr. CANNON), and the ranking minority member, the distinguished Senator from Kentucky (Mr. COOK), have endured graciously and with a great deal of self-restraint. They have done an exquisite job, and to them I wish to pay my respects.

I should also like to pay my respects to the committee's chief counsel, Jim Duffy; to Jim Medill, the minority counsel of the subcommittee; and to Joe O'Leary, of the Committee on Rules and Administraton.

I wish also to thank Lloyd Ator and Bob Cassidy, of the legislative counsel's office.

These men have done outstanding work on this bill. They have assisted me with candor, ability, and integrity. I am very grateful to them, and I desire to have the RECORD show my appreciation.

Mr. President, I thank my colleagues for their attention.

Mr. AIKEN. Mr. President, I advised the Senate last night that I had six amendments which I thought would strengthen the bill now before us and make it more acceptable and more workable.

However, I find that two of those amendments have already been discussed by this Senate. A third one was partially covered by the amendment offered by the Senator from Texas (Mr. TOWER), which was defeated earlier today; and I realize that no amendment is now going to improve the fortunes of this bill or of any other bill which proposes to strengthen our election laws at this time.

I am very much in favor of stronger

election laws. I realized when we virtually insisted that the committee report out a bill by a certain date this spring that we were not giving them time enough to write a really good bill.

As the bill now stands, it is quite obvious that no bill at all will become law which resembles this one as it now stands.

I appreciate the fact that the Senate has given me the right to offer these amendments, the four which I have left, even though they were not printed. But at this time I feel that I would like to simply offer them, with a short description of each, for printing in the RECORD.

They are four good amendments, which would have made a better bill of this measure, but with the way the bill has been handled and treated up to now, with the amendments which have been defeated and the amendments which have been approved, it is worse than no bill at all, and it is my firm belief that if this bill is accepted by the Senate it will mean no strengthening of the election laws this year at all.

It could be possible to strengthen these laws if the bill were recommitted and the committee were to have a chance to profit by the examples of the past 2 weeks. But I am not going to make the motion to recommit. If it is to be recommitted, that will have to be moved by those who have been strongly in favor of the bill. As it is now, I ask unanimous consent that my four proposed amendments and a résumé of each be printed in the RECORD.

There being no objection, the résumés and amendments were ordered to be printed in the RECORD, as follows:

RÉSUMÉ No. 1

Mr. President, one way to cut down campaign expenses is to cut down campaign costs, and one way to do this is to shorten the time for campaigning.

It will cut down the time for spending.

There is no sense why we spend so much time campaigning.

The British and the Canadians accomplish the same end result in a far shorter time and for a fraction of our costs.

My amendment follows the intent, although not the language, of S. 343 which is pending before the House Elections Subcommittee.

This should be part of S. 3044.

This amendment requires that primary elections for Federal office be held during a period that extends from the Tuesday after the first Monday in June until general election date.

This will change our present situation which has primaries among the States scattered throughout the calendar year from Winter to Fall, but it still gives the States wide latitude in picking or choosing a time for their primaries to suit their specific requirements.

Presidential preference primaries would also be held anytime after the first Tuesday after the first Monday in June until convention time. Party conventions would be held beginning the 3rd Monday in August.

This amendment falls in line with the objectives of S. 3044 which seeks to reform our election laws.

This amendment is a step towards cutting down our election costs and expenditures.

On page 86, line 17, insert the following:

AMENDMENT

TITLE VI—TIMES OF CONDUCTING FEDERAL OFFICE PRIMARY ELECTIONS AND NATIONAL NOMINATING CONVENTIONS

CONGRESSIONAL PRIMARIES

SEC. 601. (a) If, under the law of any State, the candidate of a political party for election to the Senate or to the House of Representatives is determined by a primary election or by a convention conducted by that party, the primary election or convention shall be held on or after the Tuesday after the first Monday in June. If a subsequent, additional primary election is necessary to determine the nominee of any political party in a State, that additional election shall be held within thirty days after the date of the first such primary election.

(b) For purposes of this section—

(1) the term "State" means each of the several States of the United States, the Commonwealth of Puerto Rico, the Territory of Guam, and the Territory of the Virgin Islands; and the District of Columbia.

(2) a candidate, for election as Resident Commissioner to the United States, in the case of the Commonwealth of Puerto Rico, or as Delegate to the House of Representatives, in the case of the Territory of Guam or the Territory of the Virgin Islands, shall be considered to be a candidate for election to the House of Representatives.

PRESIDENTIAL PREFERENCE PRIMARY ELECTIONS

SEC. 602. (a) No State which conducts a presidential preference primary election shall conduct that election before the first Tuesday after the first Monday in June during any year in which the electors of the President and Vice President are appointed.

(b) For purposes of this section, the term—

(1) "presidential preference primary election" means an election conducted by a State, in whole or in part, for the purpose of—

(A) permitting the voters of that State to express their preferences for the nomination of candidates by political parties for election to the office of President, or

(B) choosing delegates to the national nominating conventions held by political parties for the purpose of nominating such candidates; and

(2) "State" means each of the several States of the United States, and the District of Columbia.

NATIONAL NOMINATING CONVENTIONS

SEC. 603. (a) The Congress finds that—

(1) the Presidential preference primary election (as defined in section 602(b)(1)) and the conventions held by national political parties for the purpose of nominating candidates for the office of President and Vice President constitute an integral part of the process by which such officers are chosen by the people of the United States;

(2) by limiting the length of time during which the general election campaign for election to such offices occurs, the integrity of the electoral process is better secured; and

(3) in order to protect the integrity of the Presidential election process and to provide for the general welfare of the Nation, it is necessary and proper for the Congress to regulate the part of that process relating to the nomination of candidates for election to the Office of President by prescribing the time during which such elections and conventions shall be held.

(b) Any political party which nominates its candidate for election to the Office of President by national nominating convention shall hold that convention beginning on the third Monday of August of the year in which the electors of the President and Vice President are appointed.

(c) The district courts of the United States shall have jurisdiction, upon application made by the Attorney General, to enjoin the members of a political party from conducting a national nominating convention for the purpose of nominating the candidate of that party for election to the Office of President in violation of the provisions of subsection (b).

RÉSUMÉ No. 2

Mr. President, the amendment I am offering would prohibit the short campaign advertising spot of ten, fifteen, twenty, or thirty seconds or up to five minutes unless it is a live or videotaped presentation by the candidate, speaking on his own behalf and without any props, backdrops or sound effects.

In other words, a candidate under this amendment can purchase short television advertising spots for his campaign only if it is of his speaking directly to the electorate.

He can be photographed seated at a table or perhaps standing at a lecturn, whatever his preference.

The focus is directly on the candidate and the purpose is to communicate stands and issues.

That is really what a campaign is about—to get one's positions and ideas to the voter to to persuade the voter that these positions and ideas would best serve him.

Our campaigns have become too much of a Madison Avenue image and candidates are packaged as a commodity to be bought and sold.

And they are sold like many of our products on the market today—by the short spot which develops an image, but tells us substantially little about the product itself or the ingredients which make up this product.

A candidate can speak for himself.

Madison Avenue isn't needed.

Our campaigns are expensive and costs are increasing rather than being cut down.

And television advertising is a prime expense.

If adopted, this amendment will encourage discussion of specific issues.

It will also cut down costs because it can't be expensive to produce the short spot in which the candidate stands in a television studio in front of a television camera.

This is also an easy restriction to enforce.

If we are seriously interested in cutting down our campaign costs, tihs is an ideal amendment to support and include in this legislation.

AMENDMENT

On page 26, between lines 17 and 18, insert the following:

(d) Section 315 of such Act (47 U.S.C. 315) is amended by redesignating subsections (d), (e), (f), and (g) as (e), (f), (g), and (h), respectively, and by inserting after subsection (c) the following new subsection:

"(d) No television broadcasting station may sell or otherwise make available broadcast time in segments of less than five minutes duration for use by or on behalf of a legally qualified candidate in connection with his campaign for nomination for election, or election, to Federal elective office. The preceding sentence does not apply in the case of a personal appearance by a candidate photographed in a broadcasting studio without photographic, musical, or other embellishment, whether for simultaneous transmission or through the use of videotape, during which the candidate speaks for the duration of the broadcast."

On page 26, line 18, strike out "(d)" and insert in lieu thereof "(e)".

On page 27, line 14, strike out "(e)" and insert in lieu thereof "(f)".

RÉSUMÉ No. 3

Mr. President, this amendment would prohibit corporations or labor unions from setting up a special, segregated fund for the purpose of collecting funds for contribution to a candidate or to a campaign committee or other activities to exert influence in an election.

This does not deny an individual his constitutional rights.

This amendment still permits individual corporate employees, the president, clerk or line assemblyman—or a union member—local president, shop steward or journeyman—to participate in a campaign. They all can contribute the dollar amounts allowed by law and try to persuade their neighbors to vote their way.

It would eliminate the potential political mischief and abuse.

This amendment returns to the situation prior to 1971 Federal Election Campaign Act when Congressional sanction was given for corporations and labor unions to establish and administer separate, segregated funds for political purposes.

It would lessen to some extent the influence of these organizations in our campaigns and give the individual citizen a greater role in our elections, which election reformers say is needed.

That is what they are arguing: eliminate the force of the vested interests and give the man-in-the-street a more dominant influence in our elections.

One start in that direction is to eliminate the source of influence that can be exerted by an organization—business or otherwise—and by the political money pots these organizations can muster up.

AMENDMENT

On page 28, line 7, after the semicolon insert "or".

On page 28, line 11, strike out the semicolon and insert in lieu thereof a semicolon, closing quotation marks, and another semicolon.

On page 28, strike out lines 12 through 16.

On page 29, beginning with line 1 strike out through "organization" in line 5.

On page 30, beginning with line 19, strike out through line 2 on page 31 and insert in lieu thereof the following:

"(3) does not include the value of services rendered by individuals who volunteer to work without compensation on behalf of a candidate;";

On page 65, line 22, after the semicolon insert "and".

On page 66, line 2, strike out "party; and" and insert in lieu thereof "party.".

On page 66, strike out lines 3 through 5.

On page 71, strike lines 1 through 12 and insert in lieu thereof the following:

PROHIBITION OF THE ESTABLISHMENT OF SEPARATE SEGREGATED POLITICAL FUNDS BY CORPORATIONS AND LABOR ORGANIZATIONS

SEC. 303. Section 610 of title 18, United States Code, is amended by striking out the last paragraph and inserting in lieu thereof the following:

"It is unlawful for any national bank, corporation organized by authority of any Law of Congress, other corporation, or labor organization to establish, administer, or solicit contributions to a separate segregated fund to be utilized for political purposes or to encourage any person to make a contribution or expenditure by physical force, job discrimination, financial reprisals, or the threat thereof, or by requiring any person to make a contribution or expenditure as a condition of employment or as a condition of membership in a labor organization.".

On page 74, line 21, after the semicolon insert "and". On page 74, line 23, strike "party; and" and insert in lieu thereof "party.".

On page 74, beginning with line 24, strike out through line 4 on page 75.

RÉSUMÉ No. 4

Mr. President, if we want to control campaign contributions and expenditures. This amendment aims to cover one area pretty much left untouched by S. 3044.

When it comes to monetary contributions, the Committee is specific.

An individual can contribute no more than $3,000 to any single Federal candiate and no more than $25,000 in total political contributions during a calendar year.

Contributions of $100 or more must be by written instrument.

There is nothing to prevent my offering the use of my office in Town X, its desks, telephones water lines, Xerox machine for campaign workers to use for one day, one weekend or more for the purpose of contacting voters or getting out the vote, or mass produced articles.

This is as important in a close contest as the television broadcast or the mailing, but there is a difference.

There is no way that this "in-kind" contribution is required to be on the reports of the candidates.

This amendment allows the monetary contribution; it allows the services of a campaign volunteer.

This amendment would require, however, that a candidate purchase and make a monetary expenditure for this campaign service.

Such an expenditure would have to be realistic and in accordance wtih going rates and expenses in the area for office space and equipment expenditures.

A dollar would not cover the cost of using, for instance, a mid-city office or even the basement of a home for a fund-raising cocktail party.

These are all extras that benefit a candidate and should very much be counted as part of his campaign.

To omit would be to misrepresent the actual campaign cost and violate the spirit and intent of S. 3044, which is to have complete disclosure and accounting for campaign activities.

AMENDMENT

On page 77, line 10, strike out "No" and insert in lieu thereof the following: "No person may make a contribution of goods or services to, or for the benefit of, any candidate or political committee other than a contribution of that person's personal services. "No".

Mr. AIKEN. I am sorry that the situation has turned out as it has. I very much wanted to strengthen our election laws, but I think any prospect of strengthening them has gone down the drain. I cannot even vote for the bill itself as it is now.

Mr. CANNON. Mr. President, I yield to the majority leader.

Mr. MANSFIELD. Mr. President, could we have a show of hands as to how many amendments there might still be to be considered?

It looks like three or four. Would the Senator from Ohio, who is to be recognized next, consider a further time limitation?

Mr. TAFT. Yes, I would be agreeable.

Mr. MANSFIELD. 15 minutes to be equally divided, or 10 minutes?

Mr. TAFT. 15 minutes would be adequate.

Mr. MANSFIELD. I make that unanimous consent request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1151

Mr. TAFT. Mr. President, I call up my amendment No. 1151, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment, which is as follows:

On page 52, line 8, change the period to a comma and insert thereafter the following: "except that a political committee described in section 301(d)(2) may be designated as the central campaign committee of more than one candidate for purposes of the general election campaign.".

Mr. TAFT. Mr. President, I ask unanimous consent to substitute a perfecting amendment changing the language of the bill.

The PRESIDING OFFICER. Without objection, the amendment will be so modified.

Mr. TAFT's amendment (No. 1151, as modified) is as follows:

On page 52, line 8, change the period to a comma and insert thereafter the following: "except that a political committee described in section 301(d)(2) may be designated as the central campaign committee of more than one candidate for purposes of the general election campaign. And if so designated, it shall comply with all reporting and other requirements of law as to each condidate for whom it is so designated as if it were the central campaign committee for that candidate alone.

Mr. TAFT. Mr. President, this amendment would exempt national and State political party organizations from the restriction that a "political committee" can serve as the "central campaign committee," or financial administrator, for only one political candidate's general election campaign. Its purpose and effect would be to allow the national and State party organizations to perform this bookkeeping function for as many candidates as desired. The amendment does not change the accounting and disclosure requirements which the bill imposes on each candidate's campaign operations, nor does it change the amount of contributions and expenditures allowable either for any single candidate or for the political parties acting as independent entities.

I believe that this amendment is necessary so that the political parties will be able to administer financial operations for any candidate who agrees that this approach is desirable, as the parties do now in some cases. As the Vice President emphasized in Chicago last Saturday, if the Republican National Committee had been responsible directly for financial administration of the 1972 Presidential campaign, the chances of a Watergate occurring might have been eliminated. By permitting total party financial operation of general election campaigns at the State and national levels, my amendment should provide an alternative that in some cases would foster better supervised and more professional campaign operations.

Specifically, it would eliminate the problem that has been pointed out so vividly with regard to CREEP. With this bill, as now amended, for all practical purposes we have institutionalized

CREEP. We make it absolutely necessary and required by law that the national, and in the case of State elections the State, campaign committees could not act as the central campaign committee for financial or other purposes of the candidates who are nominated.

This, to me, is sheer foolishness. I have tried to get this amendment in previously. It is not in any way an attempt to change the reporting requirements. I think the language of the amendment as modified makes that abundantly clear; I thought it was clear previously.

For the purpose of the record, I would also say that a number of candidates in my own State in recent campaigns have used the State committee for this purpose, and it has been, I think, a very economical way to handle the campaigns. The present Attorney General of the United States, William Saxbe, as I recall, in his Senate campaign in 1968 used the Ohio State Committee as his campaign committee to do all the reporting required federally, statewide, or otherwise.

I think this is a change that makes sense. The bill still has a great many problems in it, but I think we at least ought to get this on record as expressing the desire of the Senate.

Mr. CANNON. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I ask unanimous consent, after discussing the matter with the interested parties, that on the Packwood-Baker amendment there be a 15-minute limitation, 10 minutes to the sponsors of the amendment and 5 minutes to the chairman of the committee, and that on the Allen amendments there be a 10-minute time limitation, 5 minutes to each, the time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I yield myself 1 minute.

In S. 372, passed just last year, we had a precise prohibition against a central campaign committee acting as such for more than one candidate. I think that is probably the reason it was carried over here in this bill.

The Senator from Ohio has now modified his amendment to make it absolutely clear that the campaign committee, if it were designated the political committee or the senatorial campaign committee for more than one candidate, would have to comply with precisely the same reporting provisions as if that were the sole candidate they were acting for.

With that restriction, as he has now modified his amendment, I am willing to accept that. I have discussed it with the minority representative, and we are willing to accept the amendment.

Mr. TAFT. I thank the chairman. I yield back the remainder of my time.

Mr. CANNON. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HELMS). All remaining time having been yielded back, the question is on agreeing to the amendment (No. 1151) of the Senator from Ohio, as modified.

The amendment was agreed to.

AMENDMENT NO. 1058

Mr. ALLEN. Mr. President, I call up my amendment No. 1058 and ask that it be stated.

The PRESIDING OFFICER (Mr. HELMS). The amendment will be stated.

The legislative clerk read as follows:

On page 8, line 7, strike the period, insert in lieu thereof a comma and add the following: "with not less than $2,500 in matchable contributions having been received from legal residents of each of at least forty States.".

Mr. ALLEN. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 3 minutes.

Mr. ALLEN. This amendment has to do with the threshold amount required for a candidate for the Presidential nomination of one of the major parties. The threshold amount, before participation by the Federal Government is required, is set at $250,000. That could all be obtained in one city, one county, or one State. It would encourage the proliferation of minor candidates for the Presidency, with more Federal subsidies, and would not limit the race to the real contenders.

The purpose of the amendment is to say, in effect, that a person must have a national following before he is able to obtain Federal subsidies. It would require not less than $2,500 matchable contributions—these contributions up to $250,000—not less than that would have to be received from legal residents of 40 States, at least; in other words, $100,000 or $250 would have to be scattered out equally among the 40 States, assuring that we would have men of national caliber and reputation participating in the Federal subsidy and it would discourage entry of one-issue candidates, candidates of localized pressure groups.

I am hopeful that the chairman and the ranking minority leader would accept the amendment. It would strengthen the bill, if we already have public financing, which I hope we will not have.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 2 minutes.

Mr. CANNON. There is a great deal of merit to what the distinguished Senator from Alabama has said, that we should not permit a single State candidate to be in a position to qualify under the bill, although I believe his provision of 40 States would be rather burdensome, which would require a potential candidate to campaign quite broadly throughout the country. That certainly might be burdensome because of the fact that many of the States are rather sparsely populated.

I have discussed this with the ranking minority member, and if the Senator were to change his amendment from a 40-State requirement to perhaps 15 or 20 States, we would be inclined to accept it, because it does seem to be rather burdensome to have the 40-State requirement.

Mr. ALLEN. In changing it to 20 States, say, if I should be agreeable to that suggestion, would the distinguished chairman and the distinguished ranking minority member agree that the $2,500 should be raised to $5,000, which would still require $100,000 equally divided among the 20 States?

Mr. COOK. That would be okay.

Mr. CANNON. That would be reasonable. If we could reduce it to 20 States, with $5,000, we would accept the amendment.

Mr. ALLEN. Mr. President, I ask unanimous consent that I may modify my amendment in that fashion in order that it can receive the backing of the chairman and the ranking minority leader.

The PRESIDING OFFICER (Mr. DOMENICI). Is there objection to the request of the Senator from Alabama? The Chair hears none, and it is so ordered. Will the Senator please send his modification to the desk?

Mr. COOK. Mr. President, will the Senator from Alabama yield me some time?

Mr. ALLEN. I yield 2 minutes to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 3 minutes.

Mr. COOK. Mr. President, unless there is a prerequisite under the rules, I wonder whether the President of the Senate could request that the modification be made by the clerk in the amendment now at the desk, changing it from $2,500 to $5,000 and from 40 States to 20 States.

Mr. ALLEN. Mr. President, I have made the change and send the modification to the desk.

The PRESIDING OFFICER. The amendment is so modified. The clerk has already made the changes.

The text of the amendment, as modified, reads as follows:

On page 8, line 7, strike the period, insert in lieu thereof a comma and add the following: "with not less than $5,000 in matchable contributions having been received from legal residents of each of at least twenty States.".

Mr. ALLEN. Mr. President, I yield back the remainder of my time.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeing to the amendment as modified of the Senator from Alabama (Mr. ALLEN) (No. 1058).

The amendment as modified (No. 1058), was agreed to.

AMENDMENT NO. 1078

Mr. BAKER. Mr. President, is it in order to call up my amendment No. 1078 at this time?

The PRESIDING OFFICER. The amendment is in order.

Mr. BAKER. Mr. President, I call up my amendment No. 1078 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 25, strike out lines 15, 16, and 17 and insert in lieu thereof the following:

(b)(1) Section 315(b) of such Act (47 U.S.C. 315 (b)) is repealed.

(2) Subsections (c), (d), (e), (f), and (g) of such section are redesignated as sub-

sections (b), (c), (d), (e), and (f), respectively.

Mr. BAKER. Mr. President, this amendment is offered on behalf of myself and the Senator from Oregon (Mr. PACKWOOD) and the Senator from Colorado (Mr. DOMINICK).

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, this amendment would repeal the lowest unit cost provisions of the Communications Act of 1934, as amended. It is entirely consistent with the pending legislation which repeals broadcast advertising spending limits in favor of overall expenditure limitations.

Three years ago when the Senate considered the question of lowering the cost of broadcast advertising, there was little expectation that we would later consider such comprehensive public financing of both Presidential and congressional campaigns. In fact, we probably would not have considered such an unprecedented approach to campaign financing had it not been for the events of the past 2 years. Nevertheless, as we debate this measure, it is important to remember the circumstances surrounding the enactment of the lowest unit cost requirement 3 years ago.

At that time, we were trying to grapple with the problem of limiting expenditures on broadcast advertising while making the cost for that advertising reasonable from the vantage of the least known challenger. However, we were not considering that question in the context of providing Government subsidies for up to 80 percent of the candidate's total campaign expenses. Thus, it would now seem reasonable to reconsider the question of whether the lowest unit cost provisions of the Communications Act are necessary. I firmly believe they are not.

Under the pending legislation, there is no limit on the amount of money that can be spent on broadcast advertising. There is, of course, the overall expenditure limitation, but there is no specific limit within that ceiling which affects that aspect of a particular campaign. That is consistent with the committee's objective of allowing the candidate the maximum degree of flexibility with regard to how his or her campaign funds are spent. At the same time, however, we are encouraging the excessive use of broadcast advertising by not only subsidizing a substantial portion of the candidate's campaign, but also by requiring that radio and TV time be offered at as much as 50 percent below the prevailing advertising rates. Moreover, we are perpetuating what I consider to be an essentially unfair practice as it relates to both the individual broadcaster and the commercial advertiser.

That practice consists of affording political candidates a commercial discount which it takes other advertisers 13 weeks to earn. Obviously, candidates for public office are different from other advertisers in a number of ways, including their purpose for advertising and their ability to pay. However, substantial public financing of campaigns would clearly diminish the latter consideration and make qualified candidates more than able to afford the required amount of radio and TV advertising time. Thus, why require the stations to offer the time at a substantially reduced rate?

We do not require it of newspapers, so why should we continue to require it of broadcasters? Studies of 1972 campaigns for Federal office indicate that many radio and TV stations chose to refuse to sell political advertising time to any candidate rather than be forced to sell time to all candidates at the lowest unit cost. They did so because they still had the right to refuse a particular type of advertising as long as they refused it across the board. That does not necessarily mean that they neglected their responsibility to cover campaigns for public office, but rather that they would rather not accept any payment for political advertisements than to have to accept the lowest unit cost and the concomitant dislocation among their regular advertisers.

Granted there is ample precedent for the Federal Government regulating radio and TV broadcasters, but we do not impose similar limitations on the printed media for very good reasons; and I submit that there is no longer any reason to impose the lowest unit cost requirement on the broadcast media.

Title 47, section 312, subsection (a) (7) states that the Federal Communications Commission may revoke any station license or construction permit—

> . . . for willful or repeated failure to allow reasonable access to or to permit purchase of reasonable amounts of time for the use of a broadcasting station by a legally qualified candidate for Federal elective office on behalf of his candidacy.

What that means is that every station has a statutory obligation to give reasonable coverage, either through advertising, or by other means to each legally qualified candidate for Federal office. However, if we continue to require stations to charge the lowest unit cost, an increasing number will decide against permitting political advertising in favor of providing a reasonable amount of another form of coverage, thereby reducing the flexibility of the candidate to choose how to run his own campaign.

This is not the intent of S. 3044, as I understand it, and I would urge that as long as candidates are financially able to afford broadcast advertising at the prevailing rates, that we no longer discriminate against stations by requiring them to charge the lowest unit cost.

Now, Mr. President, the distinguished Senator from Oregon (Mr. PACKWOOD) has a statement he wishes to make at this time, and I now yield to him such time as he may require.

Mr. PACKWOOD. Mr. President, in 1971 when this body considered the lowest unit rate provision of the Federal Election Campaign Act of 1971, I was highly skeptical that enactment of this provision would indeed end in an equitable situation for all parties concerned—the candidate, the broadcaster, and the voter. If anything, inequities have been underscored in the intervening period. A bad situation has developed which undercuts more than one-half of our candidates for Federal elective office, it has created a serious financial dilemma for broadcasters, and the resultant confusion has ill-served the voters of our Nation.

I supported in 1971 an amendment which would have struck the lowest unit rate provision from the measure we were debating. The amendment failed, and today, 3 years later, my past skepticism has been more than substantiated. I am cosponsoring the senior Senator from Tennessee's (Mr. BAKER) amendment which would repeal this unfair provision.

Three years ago, arguments heard in this Chamber professed that everyone would benefit from enactment of the lowest unit rate billing. More time, because advertising would be at its cheapest, would be available to the candidates. More candidate time on radio and television could only bode well for an informed vote in the primary or general election. And the broadcasters, well, their revenues would increase because of the new surge in political advertising during the designated period.

However well-intentioned this amendment might have been, it has not created a fair and equal access to the public for all candidates. Some broadcasters have taken the option of refusing broadcast time to political candidates altogether.

I do not blame them, Mr. President, when they, in order to respect business contracts of many years, refuse political advertising. But the consequences or our inane rule are regrettable and I do place blame on our decision of 3 years ago that forced some broadcasters into this position. The serious ramification we must face is that we, as incumbents, along with our public recognition, place nonincumbents at a terrific disadvantage without the availability of radio and television time to publicize their positions and beliefs. Time and time again, it has been proven the nonincumbent's greatest weapon is an effective media campaign. Thus, and perhaps we do not recognize it, selfishly we are the winners of the continuance of the lowest unit rate. But we are a small minority, for the challenger loses however right or wrong, the broadcaster loses, and in the end the public loses.

I believe we can do better. I believe the lowest unit rate should be repealed. Although it may increase advertising costs per unit, it will open up access to the public by all the candidates on an even basis. If one purpose of this bill, S. 3044, is to prevent campaign abuse, then surely we have a great opportunity, now, to eliminate an unfair advantage of incumbency by insuring access to all broadcast media.

I urge my colleagues' support for this amendment, and ask unanimous consent that a letter I received from Mr. Alan H. Davidson, sales manager for KNND Radio in Cottage Grove, Oreg., illustrating many of these very concerns, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KNND RADIO,
Cottage Grove, Oreg., April 5, 1974.

Senator BOB PACKWOOD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PACKWOOD: Today we received your press release concerning your call for repeal of the lowest unit rate requirements for political advertising on broadcast media. We as KNND wholeheartedly support this effort, not only from the monetary viewpoint, but generally for the reasons you listed.

As you are obviously aware, each election year radio and television stations are deluged with candidates who are interested in buying broadcast time. Selling this time at our lowest published rate imposes an undue burden upon the station since we are regulated by the Federal Government as to how much time we are allowed to sell.

We believe that a broadcast station should not be required to sell out its time at less than its worth. When this happens it also poses a hardship on the local advertiser who may want to advertise and pay the earned rate, but can not because of the lack of availabilities.

This is the reason of course that many stations are now limiting political availabilities or refusing political advertising, which in turn denies the candidate an opportunity to reach the people.

I sincerely hope that all of the broadcasters in the state of Oregon will support your efforts in this direction.

Respectfully,

ALAN H. DAVIDSON,
Sales Manager, KNND Radio.

Mr. PACKWOOD. Mr. President, let me explain what our experience has been in Oregon. It has not been a problem to me personally, but it has been to a number of other candidates seeking nomination for Federal office. Two Congressmen—one of them a Congresswoman, retired this year, and there are numerous candidates in each district seeking the Republican nomination and the Democratic nomination. There are also numerous candidates seeking the Democratic nomination for the Senate.

The problem they find is that they are having a very difficult time buying any time on television or radio. It is almost impossible to buy any prime time at all. It is perfectly understandable why they are not. We are asking radio and television stations to bear the burdensome cost of the campaign by selling time at the lowest unit rate, instead of selling it at the highest unit rate. This means the rate they charge their most frequent advertisers, those who advertise 25 or 100 times a month, Bear in mind that if they sell to one candidate, they have to offer to every other candidate in that race at the same time spot that they are selling to all. That is fine for the incumbents. Nothing could be better for us than if neither we nor the challenger, who might be unknown, could buy any television or radio time on prime time.

It is very unfair.

I believe that we made a mistake when we passed this lowest unit rate bill 3 years ago. I voted against it at the time. It has worked out as I feared that it would. It is not giving the candidates more access to the public but is denying the candidates any access to the public.

Therefore, I believe that we would be wise to repeal the amendment so that all candidates will have equal access to the public through the broadcast media.

Mr. CLARK. Mr. President, will the Senator from Oregon yield, on my time?

Mr. PACKWOOD. I yield.

Mr. CLARK. I should like to ask the Senator a question about his amendment. Is there anything to prevent TV and radio stations from charging the highest unit rate? It seems to me, in the past, that was the practice. At least it was in the campaign in which I was involved. I did not pay the average rate but the very, very high rate. Is there anything to prevent that from happening in the Senator's amendment?

Mr. PACKWOOD. There is nothing to prevent that from happening in the amendment. It would simply repeal the lowest unit rate.

Mr. CLARK. In view of the fact that in existing law there is a limitation as to how much a candidate must spend in the electronic media, would this amendment, if passed, have any real effect in lowering that limitation? In other words, if the costs go up, the Senator is not providing in his amendment for an additional limitation, as I read the amendment?

Mr. PACKWOOD. If you cannot purchase advertising at the lowest unit rate, or limit it to $50,000 in advertising, you cannot buy as much, so you have to pay more. To that extent, it would lower it.

Mr. CLARK. I thank the Senator very much.

Mr. PASTORE. Mr. President, if the Senator will yield, on my time, in opposition——

Mr. BAKER. Mr. President, I asked that the Senator from Rhode Island be notified that this amendment was pending. The manager of the bill, the Senator from Nevada (Mr. CANNON), is not now in the Chamber. I wonder whether it might not be in order to give the Senator from Rhode Island the manager's time?

Mr. COOK. I have 5 minutes, and I yield 2 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, at the proper time, when the time has expired, I will move to table the amendment. I think the amendment comes up at a very unfortunate time.

This matter was discussed thoroughly before the Communications Committee, and we took a position that is absolutely contrary to the spirit and letter of this amendment.

Why do we give this rate to candidates? No. 1, a license is granted to perform a public service. All of us know that in this day and age, the most expensive item a candidate has to meet is the charges for radio and television, so much so that these charges have skyrocketed to the point where you have to go out and hold hundred-dollar dinners just to get radio time, especially if you run in a statewide election.

Mr. President, all we are trying to do is to say to the licensee, "If you have given a preferential rate to anybody—to anybody—at any time, you cannot charge during a campaign period, whether it be for President, whether it be for Senator, whether it be for Representative, whether it be for dogcatcher, one penny more than you charged the lowest rate." What is wrong about that? This is limited to a specific period of time.

The argument is made that the reason why these preferential rates are given is that some advertising concern has a regular program every week or every month. A candidate cannot have a program every week or every month. If you run for the Senate, you run every 6 years. If you run for the House, you run every 2 years. If you run for the Presidency, you run every 4 years. So how could you ever come under the terms and the standards of this preferential rate? That is precisely what the story is.

A suggestion was made not too long ago by Adlai Stevenson, Sr., and I think it has tremendous merit today, that within a certain period of time before the election; namely, about 8 weeks before the election—the national networks give free time to the prominent candidates running for the Presidency; and that is about the best public service they could afford to the people of this country. Unfortunately, the networks came in and opposed it. They said, "Don't make it mandatory. Just relieve us from section 315 and we'll give the proper time to the candidates."

I took their word for that, and they lived up to it. I submitted a resolution, and as a result, in 1960, we had the Kennedy-Nixon debates. That is how that all came about.

What this is intended to do is to take away from the candidates the same privilege of the lowest rate—instituted by whom? By the licensee, himself. He does not have to give anybody a preferential rate; but once he does, he cannot take it away from the candidate.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PASTORE. Can I take time out of my own time?

The PRESIDING OFFICER. The Senator can do so by unanimous consent.

Mr. PASTORE. I ask unanimous consent.

Mr. COOK. Mr. President, I ask unanimous consent that the Senator have such time as he may need out of his hour.

Mr. PASTORE. Out of my hour, because I am hitting high gear. [Laughter.]

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. STEVENS. I worked with the Senator from Rhode Island on this matter, he will recall.

It is the lowest unit charge for the same class and for the amount of time, for the same period. With those protections, the same class and the amount of time for the same period, we are not getting any benefit from any other rate.

My little station survived under one of the heaviest onslaughts they ever had from candidates, in the last election.

This is a fair provision as it stands, and if we took it off, the rates for television and radio time would go sky high.

I am grateful to the Senator from Rhode Island for having accepted the limitation, but I cannot understand the comments of the Senator from Oregon in view of the limitations of section 315 (b) with regard to the same class of time, the same time frame—that is, whether or not it is prime time—and for the same period of time, which is for the 45 days preceding the election.

Mr. BAKER. Mr. President, I reserve the right to object. There has not yet been a ruling on the unanimous-consent request of the Senator from Rhode Island.

If we are going to extend the time for debate into the Senator's hour under rule XXII, it seems only fair that in the same unanimous request we extend the time on the other side.

I now ask unanimous consent that I be given the same time out of my hour that he has out of his hour.

Mr. PASTORE. That is all right. I will take only 2 minutes.

Mr. BAKER. So long as we have equal time.

Mr. PASTORE. I make this point very strongly——

The PRESIDING OFFICER. The Chair has ruled that the unanimous-consent request of the Senator from Tennessee and the Senator from Rhode Island is granted. It is granted for 2 minutes.

The Senator from Rhode Island.

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Do I correctly understand that I have similar treatment on this side?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. I thank the Chair.

Mr. PASTORE. The point I am making, and I hope I can make it as emphatically as possible, is that this is not the time, this is not the place, this is not the bill in which to repeal something that has been thoroughly investigated, thoroughly studied, and passed almost unanimously by committee of Congress. I hope that at this junctive we will not disturb something that is as fundamental as the principle that is involved in the discussion we are having today.

When the time has expired, I am going to move to table the amendment.

Mr. BAKER. Mr. President, I have the distinction of serving as the senior Republican on the Subcommittee on Communications, on which the distinguished Senator from Rhode Island is the chairman. He and I jost a good bit and this and a few other issues from time to time. We are familiar with each other's arguments. There is no point in my trying to belabor those issues with him, because he has heard them before. He heard my opposition to this provision when it was considered by the subcommittee, when it was considered by the full committee, and when it was considered by the Senate, and he has heard my opposition to this provision at every opportunity I have had to express it for the last 3 years.

I was opposed to it at the time we first took it up, I am still opposed to it, and I am trying to repeal it. I think it is wrong, because by this section, we politicians have legislated to ourselves a subsidy out of the hides of everybody else who advertises on radio and television. We say that, because Procter & Gamble or General Motors, or whoever it is, earns a unit rate that is lower than a one-time or a five-time rate, we have to get the same unit rate. We do not do that to newspapers. We do not do it to magazines. We do it, because we have the authority to regulate radio and television stations and we have the right to lift their licenses. We pass a law that says, "Give us the lowest cost you give to everybody else at the same time on the networks, with the same quality of service, because we regulate you and we have the life-and-death power to give you a license or take it away." That is not fair play, in my book.

If we are going to do it for radio and television stations, we ought to do it for newspapers, magazines, billboards, the people who manufacture bumper stickers and fingernail files with campaign slogans on them, and for whatever other paraphernalia we use. We say, "Give us the low rate you charge your regular customers despite the fact that we order one-hundredth the amount of time that they order."

It seems to me that we single out the industry that we regulate and make them give us a rate we have not earned, when they would normally charge according to the quality and frequency of service acquired.

I reserve the remainder of my time.

Mr. PACKWOOD. Mr. President, let me elaborate further on the situation.

Take the city of Portland, Oreg., with a number of television stations. Six Democratic candidates, as I recall, vied for the nomination for Congress. Each of them is entitled, if they can get the time, to buy time on television at the lowest rate, at the same price paid by the Chevrolet dealer who advertises night after night. There are many other advertisements during prime time that are not at the lowest unit rate.

If a broadcaster sells an ad to one candidate at 6:30, he must make time available during prime time for every other candidate at the lowest unit rate.

We are asking them to bump off other ads from which they can collect more money in order to put us on. The upshot, at least in Oregon, is that many of them are saying, "To heck with it; we are not going to take any political ads; nobody is going to get on television."

That is fine for incumbents, but incumbents start out with a name advantage and a news advantage.

Now, they are justifiably going to say, "We are not going to bump off any of our advertisers who pay a higher rate in order to put on candidates for Federal office." That has been the effect of the amendment. If that is what the Senator from Rhode Island wants to protect incumbents, that is what he is getting.

The PRESIDING OFFICER (Mr. BROCK). All time of the proponents has expired. The opponents have 2 minutes remaining.

Mr. COOK. Mr. President, I yield 1 minute to my colleague from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. HUDDLESTON. Mr. President, I have a brief comment from the perspective of one who has operated under this law as a broadcaster and one who has operated under this law as a candidate. The bill as written is essential and we can talk about the problems it presents for broadcasters and certainly they would like the full rate. We can mention all of the other media that are not covered, but they do not utilize a public facility and they do not operate in the public interest as broadcasting stations.

This is little enough to require of an industry that gets to enjoy free the airways of this country. One big danger we have when we talk about election reform and the limitation on candidates and the money they spend and who can support them is that we deny the citizens of this country the opportunity to hear the candidates and to know their views. This is one way we can help facilitate that opportunity so that candidates can get on the air and let citizens know what they stand for.

Mr. COOK. Mr. President, I take the last minute to congratulate my colleague from Kentucky and to say if, in effect, stations are saying, "We are not going to take any of them, because we cannot get the higher rate in that time frame," if they want to help incumbents and as a matter of fact they are saying they want to help incumbents and are bumping everyone off of television, we better take a close look at it in committee, because the fact is that the law now provides that we pay them for the time we are using at the lowest cost at that time and not on the overall lowest cost of the station.

As bad as political speeches may be some nights, they cannot be any worse than some of the things we have to watch on television during the course of the week in prime time.

Mr. President, I shall support the Senator from Rhode Island in his motion to table the amendment.

The PRESIDING OFFICER. All time has expired on the amendment.

Mr. PASTORE. Mr. President, I move to lay on the table the amendment of the Senator from Tennessee.

Mr. BAKER. Mr. President, I ask for yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, will the Senator yield to me briefly?

Mr. CANNON. I yield.

ADJOURNMENT OF THE TWO HOUSES OF CONGRESS FOR THE EASTER HOLIDAY

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate the message from the House of Representa-

tives on House Concurrent Resolution 475.

The PRESIDING OFFICER (Mr. BROCK). The Chair lays before the Senate House Concurrent Resolution 475, which will be stated.

The assistant legislative clerk read as follows:

H. CON. RES. 475

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, April 11, 1974, it stand adjourned until 12 o'clock noon on Monday, April 22, 1974, or until 12 o'clock noon on the second day after its Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

SEC. 2. The Speaker of the House of Representatives shall notify the Members of the House to reassemble whenever in his opinion the public interest shall warrant it or whenever the majority leader of the House and the minority leader of the House, acting jointly, file a written request with the Clerk of the House that the House reassemble for the consideration of legislation.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Strike out line 2 and insert in lieu thereof the following: "when the two Houses adjourn on Thursday, April 11, 1974, they stand"

On line 4, strike out "its Members" and insert in lieu thereof the following: "their respective Members"

Strike out section 2 and insert in lieu thereof the following:

"SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it, or whenever the majority leader of the Senate and the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation."

Amend title by adding after the word "House," "and Senate."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The concurrent resolution (H. Con. Res. 475), as amended, was agreed to, as follows:

H. CON. RES. 475

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Thursday, April 11, 1974, they stand adjourned until 12 o'clock noon on the second day after their respective Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and Senate, respectively, to reassemble whenever, in their opinions, the public interest shall warrant it, or whenever the majority leader of the Senate and the majority leader of the House, acting jointly or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.

Amend the title so as to read "Concurrent resolution providing for a conditional adjournment of the House and Senate from April 11 until April 22, 1974."

Mr. MANSFIELD. Mr. President, the resolution will stay at the desk until it is certain we will finish this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Tennessee.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. TAFT. Mr. President, on this vote I vote "present."

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Ohio (Mr. METZENBAUM), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Montana (Mr. METCALF), and the Senator from South Carolina (Mr. HOLLINGS), are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Hawaii (Mr. FONG), and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The Senator from Ohio (Mr. TAFT) voted "present."

The result was announced—yeas 67, nays 19, as follows:

[No. 144 Leg.]

YEAS—67

Abourezk	Byrd,	Eastland
Aiken	Harry F., Jr.	Ervin
Bartlett	Byrd, Robert C.	Gravel
Bayh	Cannon	Hart
Beall	Case	Hartke
Bellmon	Chiles	Haskell
Bentsen	Clark	Hatfield
Bible	Cook	Hathaway
Biden	Cotton	Huddleston
Brooke	Cranston	Hughes
Burdick	Domenici	Humphrey
Jackson	Moss	Sparkman
Javits	Muskie	Stafford
Johnston	Nelson	Stennis
Kennedy	Nunn	Stevens
Magnuson	Pastore	Stevenson
Mansfield	Pearson	Symington
Mathias	Pell	Talmadge
McClellan	Percy	Thurmond
McGovern	Proxmire	Tunney
McIntyre	Ribicoff	Weicker
Mondale	Schweiker	Williams
Montoya	Scott, Hugh	

NAYS—19

Allen	Eagleton	McClure
Baker	Fannin	Packwood
Brock	Griffin	Roth
Buckley	Gurney	Tower
Curtis	Hansen	Young
Dole	Helms	
Dominick	Hruska	

ANSWERED "PRESENT"—1

Taft

NOT VOTING—13

Bennett	Hollings	Metzenbaum
Church	Inouye	Randolph
Fong	Long	Scott,
Fulbright	McGee	William L.
Goldwater	Metcalf	

So the motion to lay on the table Mr. BAKER'S amendment (No. 1078) was agreed to.

MESSAGE FROM THE HOUSE— ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H.R. 12109) to amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils.

The enrolled bill was subsequently signed by the President pro tempore.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1186

Mr. JAVITS. Mr. President, I call up my amendment No. 1186 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 35, line 15, after the word "election" insert the following: "on the tenth day of December in the year of an election,".

Mr. JAVITS. Mr. President, the only purpose of the amendment is to provide that in any election, instead of filing the final contributions to a campaign which come in after the 28th of the following January, or have been paid in the following January, that the filing be on the 10th of December immediately following the election.

The reason is that any disciplinary action to be taken by anybody with respect to contributions ought to be taken seasonably before the Representative or

Senator is sworn in. Thereafter, it is a very hard row to hoe. That is the reason for the amendment.

I understand that the manager of the bill may be interested in accepting it.

Mr. CANNON. Mr. President, I yield myself 30 seconds.

The Senator from New York has correctly described the amendment. It does create some added burdens, but it does, I think, provide a better, more timely disclosure date after a general election, when it is too late to do anything about the election. The amendment provides a more timely reporting provision than we have in the bill. I am willing to accept the amendment.

Mr. JAVITS. I thank the Senator from Nevada.

Mr. BAKER. Mr. President, I commend the Senator from New York. I think he has submitted a worthwhile, important amendment. I am delighted that the manager of the bill has accepted it.

Senators may remember that I offered an amendment which required reporting before an election, but that amendment was defeated. I think this is a material improvement over the provision that requires reporting in January. I wish to congratulate the Senator from New York.

Mr. JAVITS. Mr. President, may the record show that the idea of the amendment is that of Charles Warren, my legislative aide. He is typical of the brilliant young men who work in all our offices. I am delighted to make this statement.

Mr. BAKER. Mr. President, for the record, my amendment met with the very violent objection of my staff.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I yield myself 2 minutes on the bill. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAYH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1113

Mr. BAYH. Mr. President, I send to the desk a printed amendment, No. 1113. It has been slightly modified.

The PRESIDING OFFICER. Is there objection to the modification? The Chair hears none, and the amendment is so modified. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I yield myself 3 minutes.

This is an amendment that I have discussed with the distinguished floor manager of the bill. I understand that he agrees that the amendment is acceptable.

On reflection, after having stopped the clerk from a further reading of it, I think, with advance warning to the Senate, that if I read it and then sit down, there would be adequate explanation. So I shall read it.

At the appropriate place insert the following new section:

SEC. . Whoever, being a candidate for Federal office, as defined herein, or an employee or agent of such a candidate—

(a) fraudulently misrepresents himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

(b) willfully and knowingly participates in or conspires to participate in any plan, scheme, or design to violate paragraph (a) hereof, shall, for each such offense, be fined not more than $50,000 or imprisoned not more than five years or both.

Mr. BAYH. The purpose of the amendment, Mr. President, is to direct the Senate's attention in the context of the pending bill, which is to be our principal legislative response to the past 18 months of Watergate revelations, to a particular and specific problem which would appear to require a statutory remedy. This is the problem of "dirty tricks." My amendment is intended to make the existing law somewhat more precise in this area and to increase the penalties for its violation.

It has come to the Senate's attention through the hearings conducted by the distinguished Senator from North Carolina (Mr. ERVIN) and his select committee that during the 1972 campaign there occurred at least two incidents in which an employee or agent of the Committee To Re-Elect the President distributed documents bearing the letterhead of Senator MUSKIE's campaign which falsely accused Senators HUMPHREY and JACKSON of the most bizarre type of personal conduct. It is this type of activity with which my amendment is designed to deal.

Under current law, as found in section 612 of title 18, United States Code, is a misdemeanor offense for anyone who is a candidate or agent thereof to distribute, through the mails or in interstate commerce, materials which fail to identify the candidate involved or a committee acting on his behalf. This is the statute to which Donald Segretti pleaded guilty for his activities in the Florida primary to which I have referred.

My amendment would modify section 612 in two respects. First, it would remove the jurisdictional restrictions of the old statute which limited its application to use of the U.S. mails or transportation in interstate commerce. Many of our older statutes have such limitations which were thought at the time to be constitutionally required, but which are clearly not necessary today as applied to candidates for office on the Federal level.

Second, my amendment would make such campaign offenses felonies rather than misdemeanors in those few cases where not only does the candidate or his agent know that statements about another candidate are false but that they are, in fact, damaging to him.

In short, Mr. President, I believe that the amendment will effectively deal with the specific campaign abuses which have been brought to our attention because of the 1972 campaign, without posing the difficult problems that a broader criminal libel statute presents in terms of first amendment guarantees.

Mr. CANNON. Mr. President, I have discussed the amendment with the distinguished Senator from Indiana, the sponsor, and also with the minority representative. We are willing to accept the amendment.

I yield back the remainder of my time.

Mr. BAYH. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Indiana.

The amendment was agreed to.

Mr. CANNON. Mr. President, I send to the desk an amendment and ask for its immediate consideration. I ask unanimous consent to dispense with the reading of the amendment. It is the usual technical, perfecting amendment to correct minor defects in various provisions, in conformity with the usual practice. I ask for the approval of the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 2, beginning with "TABLE OF CONTENTS", strike out through the item relating to section 502 on page 3.

On page 3, line 11, immediately before "'political committee'", insert the following: "'national committee',".

On page 6, line 16, strike out "campaign."

On page 6, line 17, strike out "campaign expenses" and insert in lieu thereof "expenditures".

On page 7, between lines 17 and 18, insert the following:

"(C) he is seeking nomination by a political party for election to the office of President and he and his authorized committees have received contributions for his campaign throughout the United States in a total of more than $250,000.

On page 8, beginning with line 3, strike out through line 7.

On page 8, line 21, strike out "to".

On page 10, line 2, strike out "accepts" and insert in lieu thereof "and his authorized committees receive".

On page 16, line 1, immediately after "State", insert "under subsection (a)(2)(A) of this section".

On page 16, line 17, strike out the comma and "or" and insert in lieu thereof a semicolon.

On page 16, line 20, strike out the period and insert in lieu thereof a semicolon and "or".

On page 16, between lines 20 and 21, insert the following:

"(C) a national or State committee of a political party in connection with a primary or general election campaign of that candidate, if such expenditure is in excess of the limitations of section 614(b) of title 18, United States Code.

On page 18, line 10, strike out "(h)" and insert in lieu thereof "(i)".

On page 29, line 13, strike out "(3)" and insert in lieu thereof "(2)".

On page 31, line 3, strike out "(7)" and insert in lieu thereof "(8)".

On page 31, line 4, strike out "(8)" and insert in lieu thereof "(9)".

On page 36, line 12, strike out "Presidential" and insert in lieu thereof "presidential".

On page 37, line 5, immediately after "inserting", insert "immediately".

On page 37, line 5, immediately after "semicolon", insert "a comma and".

On page 37, line 5, strike out the comma.

On page 39, line 17, strike out "Any" and insert in lieu thereof "Each".

On page 39, line 21, strike out "Any" and insert in lieu thereof "A".

On page 40, strike out beginning with line 3 through line 10 and insert in lieu thereof the following:

"(d) No person who sells space in a newspaper or magazine to a candidate, or to the agent of a candidate, for use in connection with that candidate's campaign, may change any amount for such space which exceeds the amount charged for comparable use of such space for other purposes.

On page 41, line 11, strike out "published regulation" and insert in lieu thereof "a rule".

On page 41, line 12, immediately before the comma,, insert "which is published in the Federal Register not less than 30 days before its effective date".

On page 41, line 16, strike out "will not have any adverse affect on" and insert in lieu thereof "is inconsistent with".

On page 41, line 17, strike out "title" and insert in lieu thereof "Act".

On page 45, line 25, strike out "regulations" and insert in lieu thereof "rules".

On page 46, line 2, strike out "regulations" and insert in lieu thereof "rules".

On page 47, line 9, immediately before "testimony", strike out "or".

On page 47, line 19, immediately before "reasonable", insert "a" and, immediately after "period", insert "of time".

On page 53, line 1, strike out "held and".

On page 53, line 4, strike out "regulation" and insert in lieu thereof "rule".

On page 53, line 15, immediately before "all", insert a comma and "consolidate, and furnish".

On page 53, line 16, strike out the comma "and consolidate and furnish the reports".

On page 54, line 1, strike out "so".

On page 55, line 4, strike out "such".

On page 55, line 9, strike out "single".

On page 56, line 25, immediately after "inserting", insert "in lieu thereof".

On page 57, line 6, immediately after "inserting", insert "in lieu thereof".

On page 57, line 10, immediately after "inserting", insert "in lieu thereof".

On page 57, line 16, immediately after "inserting", insert "in lieu thereof".

On page 57, line 24, immediately after "inserting", insert "in lieu thereof".

On page 58, line 3, immediately after "inserting", insert "in lieu thereof".

On page 58, line 8, immediately after "inserting", insert "in lieu thereof".

On page 58, line 11, immediately after "inserting", insert "in lieu thereof".

On page 58, line 16, immediately after "inserting", insert "in lieu thereof".

On page 58, line 18, immediately after "inserting", insert "in lieu thereof".

On page 58, line 20, immediately after "inserting", insert "in lieu thereof".

On page 58, line 23, immediately after "inserting", insert "in lieu thereof".

On page 59, line 2, immediately after "inserting", insert "in lieu thereof".

On page 59, line 3, strike out the comma.

On page 59, line 4, immediately after "inserting", insert "in lieu thereof".

On page 59, line 9, immediately after "inserting" insert "in lieu thereof".

On page 59, line 25, strike out the comma.

On page 60, line 18, strike out "Any" and insert in lieu thereof "An".

On page 60, line 22, strike out "any" and insert "an".

On page 60, line 22, strike out "Any" and insert "A".

On page 62, line 21, strike out "any" and insert "a".

On page 63, line 14, strike out "campaign expenses" and insert in lieu thereof "expenditures".

On page 64, line 2, strike out "regulations" and insert in lieu thereof "rules".

On page 64, line 3, strike out "regulations" and insert in lieu thereof "rules".

On page 64, line 8, strike out the comma.

On page 64, line 20, strike out "$10,000," and insert in lieu thereof "$100,000,".

On page 65, line 2, strike out "regulations" and insert in lieu thereof "rules".

On page 65, line 13, strike out "out 'and" and insert in lieu thereof "out ', and".

On page 66, lines 1 and 2, strike out "central".

On page 66, line 19, strike out "and".

On page 66, line 25, after the second semicolon, insert "and".

On page 67, line 3, strike out the semicolon and insert in lieu thereof a period.

On page 68, line 9, immediately after "out", strike out "the".

On page 71, line 6, strike out "shall not constitute" and insert in lieu thereof "is not".

On page 71, line 12, strike out "shall not constitute" and insert in lieu thereof "are not".

On page 74, line 5, strike out "Presidential" and insert in lieu thereof "presidential".

On page 74, line 22, strike out "National" and insert in lieu thereof "national".

On page 75, line 2, strike out "of title 18, United States Code,".

On page 76, line 17, strike out "a" and insert in lieu thereof "the".

On page 77, lines 3 and 4, strike out "this section" and insert in lieu thereof "paragraph (1)".

On page 79, line 6, strike out "of a political party".

On page 81, line 10, strike out "In the case of any" and insert in lieu thereof "A".

On page 82, line 3, immediately after "fined" insert "not more than".

On page 82, line 7, strike out "regulations" and insert in lieu thereof "rules".

On page 82, line 10, strike out "shall be considered to have been" and insert in lieu thereof "is considered to be".

On page 82, line 13, strike out "served" and insert in lieu thereof "serves".

On page 82, line 19, strike out the comma and "as amended".

On page 82, lines 22 and 23, strike out the comma and "as amended".

On page 83, line 21, strike out "case" and insert in lieu thereof "adjudication".

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

AMENDMENT NO 1180

Mr. ALLEN. Mr. President, I call up my amendment No. 1180 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be read.

The legislative clerk read as follows:

On page 75, line 23, strike out "exceeds $3,000." and insert in lieu thereof "exceeds—".

On page 75, between lines 23 and 24, insert the following:

"(1) in the case of a candidate for the office of President or Vice President, $2,000; and

"(2) in the case of any other candidate, $1,500.".

On page 76, line 2, strike out "exceeds $3,000." and insert in lieu thereof "exceeds—".

On page 76 between lines 2 and 3, insert the following:

"(A) in the case of a candidate for the office of President or Vice President, $2,000; and

"(B) in the case of any other candidate, $1,500.".

Mr. ALLEN. Mr. President, I yield myself 3 minutes.

Throughout the debate on the bill, it has been the effort of the Senator from Alabama not only to kill all portions of the bill having to do with the public subsidy of candidates for Federal election, but also to reduce the overall amount that candidates for Federal offices may spend in elections—that is, candidates for the House and for the Senate in primaries and in general elections, and candidates for the Presidency in primaries before the conventions and in the general election.

Already there have been turned back by the Senate amendments that would cut the amounts individual contributions to $250 in Presidential races and $100 in House and Senate races; and another amendment that would have limited contributions to $2,000 in Presidential races and to $1,000 in House and Senate races. Those amendments have been turned back. That has caused the Senator from Alabama to feel that many of those who advocate Federal subsidies in elections want the best of two words. They want, in the primary elections everything that they can get from providing contributions at the $3,000 level, which is a very high level in the view of the Senator from Alabama, and at the same time having Federal matching.

So I would hope that the Senate would go along with a reduction in the amount of the overall contributions in Presidential races to $2,000 and for the House and Senate to $1,500. I call attention to the fact that the Senate has voted—voted twice, as a matter of fact—to cut the amount of overall expenses of candidates by 20 percent, by cutting the amount that could be spent in general elections from 15 cents to 12 cents, and from 10 cents to 8 cents in primary elections. There should be no reason why we could not reduce the amount of individual contributions.

So I am hopeful that the Senate in its desire to have campaign reform, and not simply use campaign reform as a shibboleth to cover raiding the Federal Treasury and turn the bill over to the taxpayers, will be in favor of cutting the amount of individual contributions as suggested in the amendment to $2,000 in Presidential races in primary and general elections, and to $1,500 for House and Senate races in primary and general elections.

Mr. President, I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

I wish only to say that the distinguished Senator from Alabama really would like to have it both ways. He opposes the provision on public financing because he does not want to see public financing. On the other hand, he wants to cut private financing down to the

point where it would drive the individual to public financing.

I suggest, Mr. President, that we have been up the hill and down the hill on this. We have considered limitations in almost every conceivable amount except this particular one, and I would hope that the Senator would be willing to abide by the votes we have already had on this matter, and let us dispose of the amendment by voice vote.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. ALLEN. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BROCK). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Alabama (Mr. ALLEN).

In the opinion of the Chair, the nays have it. The amendment is rejected.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I believe the senior Senator from Massachusetts (Mr. KENNEDY) has one or maybe two amendments. As far as I know, those will be the final amendments. So I ask at this time if the distinguished Senator would consider a reduction of the half-hour limitation.

Mr. KENNEDY. Five minutes will be sufficient.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 10 minutes on each of the two amendments, the time to be equally divided between the Senator from Massachusetts (Mr. KENNEDY) and the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, will the distinguished Senator from Massachusetts indicate whether he plans to have rollcall votes?

Mr. KENNEDY. I do not.

Mr. BAKER. Good.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on passage.

The yeas and nays were ordered.

AMENDMENT NO. 1092

Mr. KENNEDY. Mr. President, I call up my amendment No. 1092, in behalf of myself and the Senator from Pennsylvania (Mr. HUGH SCOTT), and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY's amendment (No. 1092) is as follows:

On page 58, line 16, strike out "and".

On page 68, between lines 16 and 17, insert the following:

"(j) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the State level, as determined by the Federal Election Commission; and".

On page 68, line 17, strike out "(j)" and insert in lieu thereof "(k)".

Mr. KENNEDY. Mr. President, I have had an opportunity to talk with the floor manager of the bill, and also the minority manager of the bill, and I believe that the amendment may be acceptable to them.

The purpose of the amendment is to add a definition of "State committee" parallel to the definition of "national committee" already contained in the bill.

The amendment is useful because it identifies the State committees that will be entitled to take advantage of the special "2 cents a voter" spending authority in the bill. Under this authority, a State committee of a political party is entitled to receive private contributions and make expenditures in a general election, above and beyond the expenditure ceiling of the party's candidate himself. In this way, S. 3044 provides a substantial additional role for the political parties at both the State and National level.

Mr. President, the amendment is a minor addition to the bill, and I hope that it may be accepted.

Mr. CANNON. Mr. President, I yield myself 30 seconds.

I have discussed this proposal with the Senator and with the ranking minority Member. The definition is acceptable. It parallels the definition of a State committee with that of the national committee.

I am prepared to yield back the remainder of my time.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BROCK). All remaining time having been yielded back, the question is on agreeing to the amendment (No. 1092) of the Senator from Massachusetts (Mr. KENNEDY).

The amendment was agreed to.

AMENDMENT NO. 1093

Mr. KENNEDY. Mr. President, I call up my amendment No. 1093 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY's amendment (No. 1093) is as follows:

On page 10, strike out line 24 and insert in lieu thereof the following: "election campaign in an amount equal to the greater of—

"(A) an amount which bears the same ratio".

On page 11, line 6, strike out "election." and insert in lieu thereof "election; or".

On page 11, between lines 6 and 7, insert the following:

"(B) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by that eligible candidate as a candidate for that office (other than votes he received as the candidate of a major party for that office) in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding general election.".

Mr. KENNEDY. This amendment is introduced in behalf of myself and the Senator from Pennsylvania (Mr. HUGH SCOTT). I have had a chance, again, to discuss it with the floor manager of the bill and also the minority manager, and I understand that it is acceptable to them.

The purpose of the ammendment is to allow a minor party candidate to qualify for public funds on the basis of the total number of votes he received in the proceeding election, whether as the candidate of a single minor party or as the candidate of more than one minor party.

Under the present bill, a minor party candidate's proportion of public funds is based only on the showing in the preceding election of the minor party that nominated him. In certain cases, this provision might work unfairly to the disadvantage of a minor party candidate who was on the ballot in the previous election under more than one party label.

For example, in the 1968 Presidential election, George Wallace ran under nine separate minor party labels. Although he won a total of 13.5 percent of the votes cast in the election, the most he won under a single party label was 5.08 percent, as the candidate of the American Party.

Under the pending bill, if its provisions had been in effect for the 1972 election, Governor Wallace would have qualified for proportional public funds based on his 1968 track record as a minor party candidate based on his 5.08 percent showing as the candidate of the American party, rather than his 13.5 percent overall showing. Clearly, he should be entitled to use the higher figure, and the pending amendment would accomplish that goal.

Mr. President, I ask unanimous consent that two tables prepared by the Library of Congress, illustrating the votes received by Governor Wallace in 1968, may be printed in the RECORD.

Mr. President, I would note that the effect of the pending amendment is to restore the operation of the formula in the existing dollar checkoff law, enacted in 1971, which now allows minor party candidates to accumulate their votes in the preceding election. I believe that this is the intent of the formula in S. 3044, and I hope the Senate will accept the amendment Senator HUGH SCOTT and I are offering.

ANALYSIS OF VOTES CAST FOR GEORGE C. WALLACE IN THE PRESIDENTIAL ELECTION OF 1968 UNDER VARIOUS PARTY LABELS

Party	Number of States	Number of votes	Percent Wallace vote	Percent total vote
Democratic Party	1	691,425	6.97	0.94
Independent Party	9	1,320,872	13.33	1.80
American Independent Party	13	2,459,735	24.82	3.35
American Party	16	3,721,747	37.56	5.08
George Wallace Party	7	1,228,799	12.40	1.67
Conservative Party	1	88,921	.89	.12
Independent American Party	1	20,432	.20	.02
Courage Party	1	358,864	3.62	.49
George Wallace Independent Party	1	15,678	.15	.02
Total	[1] 50	9,906,473	100.00	13.49

[1] Wallace was not on the ballot in the District of Columbia.

Note: Items may not add to totals because of rounding.

NUMBER OF VOTES RECEIVED BY GEORGE C. WALLACE IN THE PRESIDENTIAL ELECTION OF 1968 UNDER VARIOUS PARTY LABELS, BY STATE

Democratic Party (one State)

Alabama	691,425

Independent Party (9 States)

Alaska	10,024
Illinois	390,958
Massachusetts	87,088
Mississippi	415,349
Oregon	49,683
South Carolina	215,430
South Dakota	13,400
Wisconsin	127,835
Wyoming	11,105
Total vote for Wallace under Independent Party label	1,320,872

American Independent Party (13 States)

Arizona	46,573
California	487,270
Colorado	60,813
Hawaii	3,469
Idaho	36,541
Iowa	66,422
Michigan	331,968
Missouri	206,126
New Mexico	25,737
Ohio	467,495
Pennsylvania	378,582
Utah	26,906
Virginia	321,833
Total vote for Wallace under American Independent Party label	2,459,735

American Party (16 States)

Arkansas	240,982
Delaware	28,459
Georgia	535,550
Kentucky	193,098
Louisiana	530,300
Maryland	178,734
Minnesota	68,931
Montana	20,015
Nebraska	44,904
North Carolina	496,188
North Dakota	14,244
Oklahoma	191,731
Tennessee	424,792
Texas	584,269
Washington	96,990
West Virginia	72,560
Total vote for Wallace under American Party label	3,721,747

George Wallace Party (7 States)

Connecticut	76,650
Florida	624,207
Indiana	243,108
Maine	6,370
New Hampshire	11,173
New Jersey	262,187
Vermont	5,104
Total vote for Wallace under George Wallace Party label	1,228,799

Conservative Party (1 State)

Kansas	88,921

Independent American Party (1 State)

Nevada	20,432

Courage Party (1 State)

New York	358,864

George Wallace Independent Party (1 State)

Rhode Island	15,678

Mr. CANNON. Mr. President, I yield myself 30 seconds.

I have discussed the amendment with the sponsor of the amendment and the ranking minority member of the committee, and we are prepared to accept the amendment.

I yield back the remainder of my time

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BROCK.) All remaining time having been yielded back, the question is on agreeing to the amendment (No. 1093) of the Senator from Massachusetts (Mr. KENNEDY).

The amendment was agreed to.

Mr. DOMINICK. Mr. President, I have often expressed my deep concern about the crisis of confidence in our leadership and the deep sense of frustration and distrust toward our entire Government which has pervaded the mail I have received from Coloradans over the past year.

No government can survive without the confidence and support of the people. Ours has survived because each American has believed elections presented an opportunity for all citizens, candidates and parties to present their ideas fairly and honestly, and to have their views judged by the public.

Recent events have raised serious doubts in the minds of many Americans that this principle is being respected. The resulting crisis of confidence, therefore, goes to the core—the very survival—of our system of government. Out of this concern that we must take whatever action is necessary to restore the confidence of the American people in its leadership and government, last July the Senate passed—and I voted for—the Federal Election Campaign Act of 1973, which provided for numerous needed reforms of election campaigns.

This act of 1973 represented a comprehensive campaign reform bill which required full identification of contributions, annual financial disclosure reports by Members of Congress and candidates. It also limits total expenditures in primary and general elections for Federal offices, individual contributions to candidates, and cash contributions and expenditures.

During consideration of the Federal Election Campaign Act of 1973, proponents of Federal subsidization of campaigns—so-called public financing—failed in their efforts to insert Federal subsidization provisions in the act. In December they failed to attach such provisions to the bill raising the debt limit, but did extract a promise from the Senate Rules Committee that it would report a bill on Federal subsidization. This bill is before us now. Title I contains provisions for Federal campaign subsidies in primary and general election campaigns for Federal offices. The other sections of this bill are similar to the provisions of the Federal Election Campaign Act of 1973 as it passed the Senate.

I support reform and have consistently voted for it. I am against—irrevocably against—efforts to establish a Federal financing system as proposed in title I of this bill.

I believe Federal subsidization represents a step backward in our efforts to restore the confidence of the American people in their system.

Giving taxpayers' money to politicians to run for election can only reduce further whatever confidence Americans retain in their political leadership and institutions. Taking away from the individual the decision as to whom their money will go excludes the individual from a vital part of the political process and reduces the voters' involvement, participation and commitment to candidates and parties. Reducing the dependence of candidates and elected officials upon the rank and file of their party and upon the individual citizen voter will insulate representatives further from individual taxpayers who will be, nonetheless, paying their campaign bills.

Federal subsidies would not only limit an individual's right to spend money to express his preferences and views, but they would also require that the individual's tax money go to someone whose views he opposes, as well as restricting the freedom of those who wouldn't want to support any candidate.

With one Senator elected as an independent and another as a third-party candidate currently sitting with us in the Senate, and a growing bloc of voters who regard themselves as "independents," legislation must treat independent candidates and minor or third parties fairly. Yet assuring independent voices and movements a fair hearing runs the risk of subsidizing frivolous and publicity-seeking campaigns. There would be no quicker way to discredit subsidization and the whole political process. Any legislation setting standards would inevitably discriminate against some individuals and movements and abridge the freedom of individuals to speak out and run for office.

It is equally difficult, if not impossible, to design regulations which apply to primaries, which in many States are more important than general elections. The bill before us does not even attempt to wrestle with other than Presidential primaries. In legislating how money will be distributed, the law can either strengthen a party organization's hold over candidates by channeling money through the parties, or increase the independence of candidates from parties. This is an inappropriate area to legislate, especially given the traditional flexibility and variety of this relationship and the growing numbers of independent voters.

The role of volunteer workers and of nonpartisan groups who work in the political arena is a Pandora's box of legal and constitutional issues whose lid has already been tilted ajar by existing legislation and which would be thrown wide open by Federal subsidization.

We are not going to encourage public participation and confidence in politics by reaching into taxpayers pockets to finance election campaigns. The experience of the past decade should have taught that the solution of pouring Federal money—the tax money of the individual—on a problem and adding complex Federal regulations and a government bureaucracy, has never resolved any problem and in alleviating some symptoms has usually created more ills.

At a minimum we should give the 1971 and 1973 reforms a full trial. We should not be swept up by the hysteria of the current Watergate environment that we

enact unnecessary and dangerous legislation on socalled "public financing." The resultant loss of individual freedom and rights, and the extension of the dead hand of Federal bureaucracy and regulation would serve only to throttle further confidence of American citizens in the responsiveness and integrity of our system of government. To adopt "public financing" would be the ultimate evil legacy of the Watergate era.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

Mr. ALLEN. Mr. President, apparently there are no further amendments to be offered. That is correct, is it not?

Mr. MANSFIELD. As far as we know. Until third reading is achieved, we do not know.

Mr. ALLEN. Since all the amendments have been offered that Senators plan to offer, and since this matter has been under serious discussion under efforts to amend the bill—some of which have been very helpful, some not so helpful; since there is considerable confusion about just what the bill does provide; since there is a body of opinion in the Senate that a big mistake is being made, though I do not subscribe to that view, in not opening the general elections up to matching as well—there was an amendment offered by the distinguished Senator from Illinois (Mr. STEVENSON), the distinguished Senator from Minnesota (Mr. HUMPHREY), the distinguished Senator from New Mexico (Mr. DOMENICI), the distinguished Senator from Ohio (Mr. TAFT), the distinguished Senator from California (Mr. CRANSTON), the distinguished Senator from Minnesota (Mr. MONDALE), and the distinguished Senator from Maryland (Mr. BEALL) that would have set up a formula that would have permitted and, in fact, to get the full amount available could very well have required matching in general elections; I believe they had a formula of 25-percent advance Federal matching in House and Senate races, and then 50–50 the rest of the way, and in Presidential elections a 40-percent advance Federal subsidy, and then 50–50 the rest of the way—and since there are a number of other items in the bill that can be improved upon if this bill were to have further consideration by the Rules Committee; and in view of the fact that there are already bills over in the House that they have not yet digested, I am just wondering if we would serve the part of wisdom to send them another bill which, by the way, is 180 degrees different from the bill we sent them in July, that being S. 372, which does not provide for any Federal subsidies whatsoever.

So I wonder if it might not be well to send this bill back to committee for a little more of the baking process.

Mr. GRIFFIN. Mr. President, will the Senator yield to me for an inquiry?

Mr. ALLEN. I yield.

Mr. GRIFFIN. In the light of the explanation made by the distinguished Senator from Alabama that one of these amendments that would have required matching in the general election has been adopted, then, of course, the bill as it now is about to be voted on provides for full Federal taxpayer financing in the general election; is that the Senator's understanding?

Mr. ALLEN. Yes, that is true, except that there is available the option to participate in the Federal subsidy or not. If the candidate wants 100 percent Federal subsidy, he can get it. If he wants to get a little bit from the private sector, that comes off his public subsidy and, obviously, would not be resorted to.

Mr. GRIFFIN. In view of the rejection of that effort by Senator STEVENSON and others, and in view of the rejection of the amendment offered by Senator DOLE the other day, I wonder whether the Senator would agree with me that it is going to be a rather strange situation, if this bill should become law, because the requirements we now have under present law say that when a TV advertisement goes on the air promoting the candidacy of a particular campaign, there must be, in prominent letters and sound, what they call a disclaimer, "Paid for by the Committee on So-and-So."

Would it not be false and fraudulent advertising if all of that money was actually coming out of the U.S. Treasury? Would there be some kind of action that citizen consumer groups, and so forth, or someone else could take to the FCC, because here, on the one hand, they would be saying the cost was paid for by the committee of candidate Jones, but really it is all being paid for by the taxpayers. Is that the situation we would have?

Mr. ALLEN. I see the point of the distinguished Senator from Michigan and I agree with it. I would assume, however, that the public subsidy would go to the candidate or his committee and, in a sense, would be laundered by the committee.

Mr. GRIFFIN. Laundered?

Mr. ALLEN. So it probably would be a correct statement that the money, which is public money, having been laundered by the committee and used by the committee, it might be, then, that it would be an accurate statement to say it was paid for by the committee.

Mr. GRIFFIN. Does the Senator suppose that the laundering will then be described in some segment of the media as being campaign reform?

Mr. ALLEN. This is campaign reform.

Mr. GRIFFIN. I thank the Senator. I will certainly join him in supporting his motion to recommit the bill.

Mr. ALLEN. Mr. President, it is the intention of the Senator from Alabama to make a motion to recommit. Since that motion is debatable, the Senator from Alabama will, at this time, move that the bill be now recommitted to the Committee on Rules and Administration for further study.

Mr. AIKEN. Mr. President, may I just ask a question. In the laundering of this money by the committee, does the Senator from Alabama believe that a lot of soap would be used?

Mr. ALLEN. Yes, soft soap. [Laughter.]

Mr. ALLEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CANNON. Mr. President, I yield back whatever time I have.

Mr. ALLEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BROCK). All time has now been yielded back.

The question is on agreeing to the motion of the Senator from Alabama (Mr. ALLEN) to recommit the bill, S. 3044, to the Committee on Rules and Administration.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Ohio (Mr. METZENBAUM), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Alabama (Mr. SPARKMAN) is absent on official business.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG) and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 35, nays 53, as follows:

[No. 145 Leg.]

YEAS—35

Aiken	Curtis	McClellan
Allen	Dole	McClure
Baker	Dominick	Metcalf
Bartlett	Eastland	Nunn
Beall	Ervin	Roth
Bellmon	Fannin	Stennis
Bennett	Griffin	Stevenson
Brock	Gurney	Taft
Buckley	Hansen	Talmadge
Byrd, Harry F., Jr.	Helms	Thurmond
Cotton	Hruska	Tower
	Johnston	Weicker

NAYS—53

Abourezk	Hartke	Muskie
Bayh	Haskell	Nelson
Bentsen	Hatfield	Packwood
Bible	Hathaway	Pastore
Biden	Huddleston	Pearson
Brooke	Hughes	Pell
Burdick	Humphrey	Percy
Byrd, Robert C.	Jackson	Proxmire
Cannon	Javits	Ribicoff
Case	Kennedy	Schweiker
Chiles	Magnuson	Scott, Hugh
Clark	Mansfield	Stafford
Cook	Mathias	Stevens
Cranston	McGovern	Symington
Domenici	McIntyre	Tunney
Eagleton	Mondale	Williams
Gravel	Montoya.	Young
Hart	Moss	

NOT VOTING—12

Church	Inouye	Scott, William L.
Fong	Long	Sparkman
Fulbright	McGee	
Goldwater	Metzenbaum	
Hollings	Randolph	

So the motion of the Senator from Alabama (Mr. ALLEN) to recommit the bill (S. 3044) to the Committee on Rules and Administration was rejected.

Mr. ROBERT C. BYRD. Mr. President, I think it would be outrageous to saddle the taxpayers of this country with the price tag of financing the campaigns of Members of Congress. The public campaign financing bill now before the Senate would provide up to $90,000 out of the public treasury for any candidate for the House of Representatives in the general election and as high as $2 million for some candidates for the U.S. Senate in the general election.

At a time when so much money is needed to wage the war on cancer, at a time when many persons in this country cannot afford the high cost of medical care, and when I think of people who are dying in this country because they cannot get a kidney dialysis, it is obvious to me that we should not dig into the taxpayers' money to finance the elections of those of us who run for the House and Senate. I do not think the taxpayers ought to have to pay this price tag, and I shall vote against the bill.

Mr. PELL. Mr. President, as chairman of the Senate Subcommittee on Privileges and Elections and as the sponsor of the bill which formed the basis of our deliberations on public financing; I am delighted with its passage by the Senate.

The bill's basic and significant provisions have survived over strong opposition. We have expressed the will of our people weary at election abuses and frustrated by the scandalous influence of special interests. We have given back to the individual voter his rightful authority, and we have strengthened our democracy.

Mr. STEVENSON. Mr. President, for more than a decade, in and out of public office, I have worked for campaign finance reform. It is, therefore, with reluctance that I express my reasons for voting against this bill.

Most of the provisions in the bill have already been approved by the Senate and sent, in one form or another, to the House. They include limits on individual and committee contributions to campaigns for Federal office, a $25,000-limit on contributions of an individual to all Federal campaigns, ceilings on amounts which can be expended in Federal campaigns, a limit on cash contributions and independent enforcement of campaign finance laws. Among the provisions of the bill as passed by the Senate were many that I either coauthored in bills or brought up on the Senate floor as amendments.

The bill before us adds little, except provisions for public financing of Federal campaigns.

I believe in partial public financing of general election campaigns, and in fact introduced a bill for public financing. The bill before us provides for public financing of primaries, as well as general elections, and upon the easiest and most generous terms. The result of public financing in primaries will be to encourage the favorite son, regional and dark horse candidates, the insincere and the adventurers in our politics, too. What we must do is drive from our politics the large contributions, but not fragment our parties any further. The moneys made available from the public treasury by this bill for the financing of primaries will invite a proliferation of candidacies and with little regard to the legitimacy of the candidates' claim upon the public attention. It will invite high pressured advertising, voter confusion, and will make it even more difficult for a serious candidate of the majority to win the nomination of a major party.

It would be wiser to act with less zeal and more prudence and defer this dangerous experiment until such time as public financing has enjoyed some experience in general election campaigns. We could, in an excess of recent enthusiasm, "reform" our two-party system out of existence by financing the candidacies of virtually all comers in primary campaigns for Presidency and the Congress.

From the beginning I have supported partial public financing of general elections campaigns.

When 100-percent public financing was proposed last fall in the Kennedy-Scott amendment to the debt limit bill, I testified in the Finance Committee in support of partial public financing. When the Kennedy-Scott amendment was considered on the floor in late November, I offered an amendment reducing the lump sum subsidy from 100 percent to 50 percent. My amendment was narrowly defeated. Tuesday, with Senators TAFT, DOMENICI, CRANSTON, HUMPHREY, and MONDALE, I offered another partial public financing amendment. That amendment provided for a maximum of 70-percent public financing in Presidential elections and 62.5-percent public financing in congressional elections. Senator KENNEDY offered an amendment to mine which restored 100-percent public financing in Presidential general election campaigns. His amendment was adopted by a margin of 1 vote. Then he offered an amendment to increase public financing in congressional campaigns to 75 percent, and it failed by a margin of 3 votes. Obviously the Senate is closely divided on the issue of partial versus total public financing. But the Senate voted to table the remains of my amendment. The effect of that lopsided vote was to restore 100-percent public financing for both Presidential and congressional general election campaigns.

It has been said that my amendment improved the bill too much and that the vote then for total public financing sounded the death knell for any public financing. Whether or not that is true, the votes on the two Kennedy amendments provide a good measure of the Senate's true position on the question of partial versus total public financing. The Senate has grave reservations about 100-percent public financing. Those reservations are not reflected in this bill.

This bill provides for 100-percent financing from the Treasury. It permits the candidate to opt for private financing, but few would do so except for the doubtful purpose of waging a demogogic battle against those who dip into the public through for their campaign funds. It would be tempting for some to wage that kind of campaign and with the public distrust of politics running strong, some might succeed against the publicly financed candidate. Making private financing optional thus weakens this bill. At best, it invites private money back in. At worst, it invites private money back in for demagogic purposes.

Most candidates, given a chance to collect $16 million from the Treasury as a Presidential candidate, or $800,000 as a Senate candidate in Illinois, would opt for public financing. Our debate has overlooked the enormous savings in fundraising expenses made possible by public financing. A $1 million grant from the Treasury may save the candidate another $100,000 or more in fundraising expense. And that is all to the good—but it means that few legitimate candidates would opt on these terms for private financing, especially with individual contributions limited to $1,500. Once a candidate opts for public financing, no one can give so much as a nickel to his support.

And that, Mr. President, is what causes me—reluctantly—to vote against this bill. No member of the Senate is more determined to rid our politics of the corrupting influence of large contributions. The amendment I offered would have done so and at the same time permitted small contributions by individuals to the candidates of their choice. It provided for partial public financing of presidential and congressional general election campaigns and partial private financing from contributions of $3,000 or less in the case of individuals and $6,000 or less in the case of committees. The purpose of public financing is to eliminate the large, potential corrupting contributions, not the innocent small contributions.

Because most, if not all, candidates will be unable to resist the lure of 100 percent public financing, this bill would effectively eliminate small contributions. It will place a premium on the arts and artifices of Madison Avenue. The electorate could be misled by the high priced hucksters as never before. Minority candidates will have a chance to succeed as never before. The fragmentation of the parties will follow. I fear for the continued existence of our two-party system should this bill, in its present form, become law.

I fear the consequences of such public largess. Candidates ought to be compelled, day in and day out, to listen to their constituents and solicit their favor. They ought to be forced to go out and seek—from housewives, teachers, businessmen and farmers—small contributions. The Government is too far removed already from the people, the arts of the advertisers are too seductive already. We ought to sanitize our politics—not, with some belated enthusiasm for "reform," sterilize it.

This bill implicitly distrusts the people and their good sense. I think most people take their government seriously. They want to be a part of it, and with rising levels of education and dissatisfaction with politics as usual, they will increasingly demand a voice in the electoral process. They want to feel that they can make a difference. They want, and rightly so, to contribute to the candidates of their choice. This bill would cut the money out—and that is to the good—

but it would also cut the people out—and that is terrible. There is nothing inherently corrupting about a 3 cents, $3, $300, or, for that matter, a $3,000 contribution. This bill says the citizen can contribute nothing to the candidate of his choice—work for him, yes, spend up to $1,000 in advertising of his own buying, yes—but to give him $5 or $1,000, no—because to do so, this bill implies, might corrupt a candidate for President of the United States or the Congress.

On the face of it that makes no sense. It is downright wrong.

This bill not only eliminates a meaningful form of participation by people in their government, it also drives up the costs to the Treasury and the taxpayer.

It is more than most people will tolerate. They are willing to pay the necessary price for the elimination of the big contributions—but no more. This bill will be perceived as yet another transgression by the politician. After all, what reason is there for 100-percent public financing when 60 or 70 percent would eliminate the large contributions by the rich and the powerful and preserve the innocent contributions of the small and the weak—those who only want to serve their party and their country and have a voice.

Some "reform" groups opposed my amendment strenuously. And now they resent the obstinacy of myself, Senator HUMPHREY and others who stood by their convictions and refused to knuckle under. If more of these well-intentioned individuals had ever sought election to public office, they might be more understanding of the decencies of the people and the innocence of participation by small contributors. They might understand the revulsion I feel as a candidate at the prospect of waiting to receive a check from the U.S. Treasury for $900,000. I do not need anywhere near that much public money to wage a successful campaign if I can continue to accept small private contributions.

The goal of reform, as I see it, is the removal of influences which cause public officials to lose their impartiality. The goal goes beyond that to seek the elimination of any appearance of impropriety. The appearance of impropriety can erode public confidence as effectively as its actuality.

The most corrupting influence in our politics is a system of campaign financing which permits wealthy groups and individuals to acquire undue influence by making large campaign contributions. I think this Congress is quite prepared to eliminate that influence—and any appearance of it—but not by itself appearing to wallow in the public trough. This bill could do more to undermine public confidence in the integrity of our political institutions than an unreconstructed system of private financing. The people will not take kindly to a law which effectively compels taxpayer financing of all the costs of political campaigns when for a lesser sum the evils of large contributions could be eliminated.

The Congress will be a more perfect instrument of popular self-government if Members of Congress are free to represent all their constituents, contributors and noncontributors alike, as best they can. There is only one institution which represents the people, and that is the Congress of the United States. It follows that the goal of reform will not be achieved unless we and only we do the legislating.

I say this with sadness because I have sought for a long time to eliminate the evils of money from politics. But I cannot be true to political reform and vote for the public financing provisions of this bill. In its other major particulars it has already been approved by the Senate and awaits action by the House. That being the case, there is no reason to vote for it. I must vote against it and urge my colleagues to do likewise. It would be wiser to start anew with another bill, one that can deserve and attract public support, win passage in the Congress and approval by the President and the courts.

Mr. DOMENICI. Mr. President, I am firmly committed to effective election reform. To be effective in reforming our election procedures, we must follow a comprehensive approach since it does no good to simply plug up some existing loopholes and leave or create others. In other words, we should not be satisfied with replacing an obviously deficient system with one which may be as weak.

My commitment to comprehensive improvement leads me to conclude that public financing is required to achieve the fundamental objectives of limited contributions and limited spending, both of which must be strictly enforced and completely disclosed. I therefore support the principle of helping to finance certain federal elections through the use of public funds and committed myself to support S. 3044 if it had that effect.

After these long weeks of debate and seemingly endless manuvering, I have decided that I can support the bill on final passage despite what I view as glaring deficiencies.

There is no question that the bill contains many improvements over existing procedures. Spending and contribution limitations and full disclosure, although contained in other pending legislation, are significant improvements which must be supported.

Feeling as I do that public financing is a means to an end—election reform—rather than an end in itself, I am afraid that we have put more emphasis on public financing than its actual contribution to election reform would justify.

It appears to me that by this bill we have embraced public financing as a possible cure-all by providing that any candidate in congressional or Presidential general elections can receive 100 percent of the specified spending limit from public funds. To me there is nothing magic in money which has its source with the public rather than individuals or groups. Yet there is, Mr. President, something detrimental in discouraging people to put their financial support behind a candidate in the form of small contributions just as there is in relieving candidates of any inducement to present the merits of his candidacy to try to get those small contributions.

During the hours of debate I pointed these deficiencies as did many of my colleagues. Senators STEVENSON and TAFT and I introduced and brought to the floor amendments designed to put public financing in its true perspective as a tool of election reform. We were, unfortunately narrowly unsuccessful.

The end result of these inflexible attitudes is 100 percent public financing at the option of candidates in general elections which has the deficiencies I have previously mentioned.

Regarding primaries, Mr. President, I am not yet convinced that the public interest is actually served by allowing public financing with such a low-threshold requirement. In addition, abuse of public funding for both primary and general elections when neither has received public financing previously is not only possible but, in my opinion, highly probable. We should have been satisfied to test public financing in general elections before extending it to primary elections. Alternatively we could have limited our first venture into this complicated field to either congressional or Presidential elections instead of flying headlong into large-scale public financing of all primaries and total public financing of all general elections.

So, Mr .President, I am convinced that we are attempting to fly before we have even learned to walk and I am afraid the results will be at best, disappointing, and as the worst, disastrous. In spite of these misgiving I have concluded we would be better off trying to fly than mired down with our present system which has come to be so distrusted by so many concerned Americans. I cannot in good conscience vote for the status quo. Consequently, Mr. President, I will vote in support of final passage of S. 3044 and hope the remainder of the legislative process will correct some of the deficiences I have outlined.

Mr. PERCY. Mr. President, earlier in the debate on S . 3044, title V was deleted from the bill as it dealt with amendments to the tax code which must come from the Finance Committee.

One of the provisions thus deleted was to double the currently allowable tax credits and tax deductions for political contributions—from $12.50 to $25 in the case of tax credits and from $50 to $100 in the case of tax deductions.

Mr. President, I understand why these provisions had to be deleted from the bill, but I feel strongly that such provisions should be enacted into law.

I have a bill pending before the Finance Committee to double tax credits and tax deductions for political contributions, and I have the intention to offer this bill as an amendment to the next appropriate bill reported from the Finance Committee.

I feel that we should take steps to encourage political contributions from a larger number of people, and doubling tax credits and tax deductions for political contributions should accomplish this end.

Mr. TAFT. Mr. President, during the debate on S. 3044, there were several votes I missed upon which I would like

my constituents and others to know my position.

I would have voted yea on Baker amendment No. 1075, to forbid contributions within 10 days of an election and require contribution reports 5 days before the election; yea on the Allen unprinted amendment of April 4 to lower the maximum permissible private contribution to $1,000 for congressional races and $2,000 for Presidential races; yea on the Humphrey amendment No. 1150 to make election day a natitonal holiday; and nay on the Dole April 8 unprinted amendment to require identification of political advertisements partially or fully supported by public funds.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CANNON. Mr. President, I ask for third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas any nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. STENNIS (after having voted in the negative). On this vote, I have a pair with the Senator from West Virginia (Mr. RANDOLPH). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Ohio (Mr. METZENBAUM), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Missouri (Mr. SYMINGTON) are necessarily abent.

I further announce that the Senator from Virginia (Mr. HARRY F. BYRD, JR.) and the Senator from Alabama (Mr. SPARKMAN) are absent on official business.

I further announce that, if present and voting, the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), and the Senator from Missouri (Mr. SYMINGTON) would each vote "yea."

On this vote, the Senator from Ohio (Mr. METZENBAUM) is paired with the Senator from Virginia (Mr. HARRY F. BYRD, JR.).

If present and voting, the Senator from Ohio would vote "yea" and the Senator from Virginia would vote "nay."

On this vote, the Senator from Idaho (Mr. CHURCH) is paired with the Senator from South Carolina (Mr. HOLLINGS).

If present and voting, the Senator from Idaho would vote "yea" and the Senator from South Carolina would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG) and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 53, nays 32, as follows:

[No. 146 Leg.]

YEAS—53

Abourezk	Hartke	Moss
Bayh	Haskell	Muskie
Beall	Hatfield	Nelson
Bentsen	Hathaway	Packwood
Bible	Huddleston	Pastore
Biden	Hughes	Pearson
Brooke	Humphrey	Pell
Burdick	Jackson	Percy
Cannon	Javits	Proxmire
Case	Kennedy	Ribicoff
Chiles	Magnuson	Schweiker
Clark	Mansfield	Scott, Hugh
Cranston	Mathias	Stafford
Domenici	McGovern	Stevens
Eagleton	McIntyre	Tunney
Gravel	Metcalf	Williams
Gurney	Mondale	Young
Hart	Montoya	

NAYS—32

Aiken	Curtis	McClellan
Allen	Dole	McClure
Baker	Dominick	Nunn
Bartlett	Eastland	Roth
Bellmon	Ervin	Stevenson
Bennett	Fannin	Taft
Brock	Griffin	Talmadge
Buckley	Hansen	Thurmond
Byrd, Robert C.	Helms	Tower
Cook	Hruska	Weicker
Cotton	Johnston	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Stennis, against.

NOT VOTING—14

Byrd, Harry F., Jr.	Hollings	Scott, William L.
Church	Inouye	Sparkman
Fong	Long	Symington
Fulbright	McGee	
Goldwater	Metzenbaum	
	Randolph	

So the bill (S. 3044) was passed, as follows:

S. 3044

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

TITLE I—FINANCING OF FEDERAL CAMPAIGNS

PUBLIC FINANCING PROVISIONS

SEC. 101. The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—PUBLIC FINANCING OF FEDERAL ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title, the term—

"(1) 'candidate', 'Commission', 'contribution', 'expenditure', 'national committee', 'political committee', 'political party', or 'State' has the meaning given it in section 301 of this Act;

"(2) 'authorized committee' means the central campaign committee of a candidate (under section 310 of this Act) or any political committee authorized in writing by that candidate to make or receive contributions or to make expenditures on his behalf;

"(3) 'Federal office' means the office of President, Senator, or Representative;

"(4) 'Representative' means a Member of the House of Representatives, the Resident Commissioner from the Commonwealth of Puerto Rico, and the Delegates from the District of Columbia, Guam, and the Virgin Islands;

"(5) 'general election' means any regularly scheduled or special election held for the purpose of electing a candidate to Federal office or for the purpose of electing presidential and vice presidential electors;

"(6) 'primary election' means (A) an election, including a runoff election, held for the nomination by a political party of a candidate for election to Federal office, (B) a convention or caucus of a political party held for the nomination of such candidate, (C) a convention, caucus, or election held for the selection of delegates to a national nominating convention of a political party, and (D) an election held for the expression of a preference for the nomination by a political party of persons for election to the office of President;

"(7) 'eligible candidate' means a candidate who is eligible, under section 502, for payments under this title;

"(8) 'major party' means, with respect to an election for any Federal office—

"(A) a political party whose candidate for election to that office in the preceding general election for that office received, as the candidate of that party, 25 percent or more of the total number of votes cast in that election for all candidates for that office, or

"(B) if only one political party qualifies as a major party under the provisions of subparagraph (A), the political party whose candidate for election to that office in that election received, as the candidate of that party, the second greatest number of votes cast in that election for all candidates for that office (if such number is equal to 15 percent or more of the total number of votes cast in that election for all candidates for that office, and if, in a State which registers voters by party, that said party's registration in such State or district is equal to 15 per centum or more of the total voter registration in said State or district);

"(9) 'minor party' means, with respect to an election for a Federal office, a political party whose candidate for election to that office in the preceding general election for that office received, as the candidate of that party, at least 5 percent but less than 25 percent of the total number of votes cast in that election for all candidates for that office; and

"(10) 'fund' means the Federal Election Campaign Fund established under section 506(a).

"ELIGIBILITY FOR PAYMENTS

"SEC. 502. (a) To be eligible to receive payments under this title, a candidate shall agree—

"(1) to obtain and to furnish to the Commission any evidence it may request about his campaign expenditures and contributions;

"(2) to keep and to furnish to the Commission any records, books, and other information it may request;

"(3) to an audit and examination by the Commission under section 507 and to pay any amounts required under section 507; and

"(4) to furnish statements of expenditures and proposed expenditures required under section 508.

"(b) Every such candidate shall certify to the Commission that—

"(1) the candidate and his authorized committees will not make campaign expenditures greater than the limitations in section 504; and

"(2) no contributions will be accepted by the candidate or his authorized committees in violation of section 615(b) of title 18, United States Code.

"(c)(1) To be eligible to receive any payments under section 506 for use in connection with his primary election campaign, a candidate shall certify to the Commission that—

"(A) he is seeking nomination by a political party for election as a Representative and he and his authorized committees have received contributions for that campaign of more than $10,000;

"(B) he is seeking nomination by a political party for election to the Senate and he and his authorized committees have received contributions for that campaign equal in amount to the lesser of—

"(i) 20 percent of the maximum amount he may spend in connection with his primary election campaign under section 504 (a)(1); or

"(ii) $125,000; or

"(C) he is seeking nomination by a political party for election to the office of President and he and his authorized committees have received contributions for his campaign throughout the United States in a total amount of more than $250,000, with not less than $5,000 in matchable contributions having been received from legal residents of each of at least twenty States.

"(2) To be eligible to receive any payments under section 506 for use in connection with a primary runoff election campaign, a candidate shall certify to the Commission that he is seeking nomination by a political party for election as a Representative or as a Senator, and that he is a candidate for such nomination in a runoff primary election. Such a candidate is not required to receive any minimum amount of contributions before receiving payments under this title.

"(d) To be eligible to receive any payments under section 506 in connection with his general election campaign, a candidate must certify to the Commission that—

"(1) he is the nominee of a major or minor party for election to Federal office; or

"(2) in the case of any other candidate, he is seeking election to Federal office and he and his authorized committees have received contributions for that campaign in a total amount of not less than the campaign fund required under subsection (c) of a candidate for nomination for election to that office, determined in accordance with the provisions of subsection (e) (disregarding the words 'for nomination' in paragraph (2) of such subsection and substituting the words 'general election' for 'primary election' in paragraphs (2) and (3) of such subsection).

"(e) In determining the amount of contributions received by a candidate and his authorized committees for purposes of subsection (c) and for purposes of subsection (d)(2)—

"(1) no contribution received by the candidate or any of his authorized committees as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account;

"(2) in the case of a candidate for nomination for election to the office of President, no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his primary election campaign; and

"(3) in the case of any other candidate, no contribution from any person shall be taken into account to the extent that it exceeds $100 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his primary election campaign.

"(f) Agreements and certifications under this section shall be filed with the Commission at the time required by the Commission.

"ENTITLEMENT TO PAYMENTS

"SEC. 503. (a)(1) Every eligible candidate is entitled to payments in connection with his primary election campaign in an amount which is equal to the amount of contributions received by that candidate or his authorized committees, except that no contribution received as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account.

"(2) For purposes of paragraph (1)—

"(A) in the case of a candidate for nomination for election to the office of President, no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election campaign; and

"(B) in the case of any other candidate for nomination for election to Federal office, no contribution from any person shall be taken into account to the extent that it exceeds $100 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election campaign.

"(b)(1) Every eligible candidate who is nominated by a major party is entitled to payments for use in his general election campaign in an amount which is equal to the amount of expenditures the candidate may make in connection with that campaign under section 504.

"(2) Every eligible candidate who is nominated by a minor party is entitled to payments for use in his general election campaign in an amount equal to the greater of—

"(A) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the candidate of that minor party for that office in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding general election; or

"(B) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by that eligible candidate as a candidate for that office (other than votes he received as the candidate of a major party for that office) in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding general election.

"(3)(A) A candidate who is eligible under section 502(d)(2) to receive payments under section 506 is entitled to payments for use in his general election campaign in an amount equal to the amount determined under subparagraph (B).

"(B) If a candidate whose entitlement is determined under this paragraph received, in the preceding general election held for the office to which he seeks election, 5 percent or more of the total number of votes cast for all candidates for that office, he is entitled to receive payments for use in his general election campaign in an amount (not in excess of the applicable limitation under section 504) equal to an amount which bears the same ratio to the amount of the payment under section 506 to which the nominee of a major party is entitled for use in his general election campaign for that office as the number of votes received by that candidate in the preceding general election for that office bears to the average number of votes cast in the preceding general election for all major party candidates for that office. The entitlement of a candidate for election to any Federal office who, in the preceding general election held for that office, was the candidate or a major or minor party shall not be determined under this paragraph.

"(4) An eligible candidate who is the nominee of a minor party or whose entitlement is determined under section 502(d)(2) and who receives 5 percent or more of the total number of votes cast in the current election, is entitled to payments under section 506 after the election for expenditures made or incurred in connection with his general election campaign in an amount (not in excess of the applicable limitation under section 504) equal to—

"(A) an amount which bears the same ratio to the amount of the payment under section 506 to which the nominee of a major party was or would have been entitled for use in his campaign for election to that office as the number of votes received by the candidate in that election bears to the average number of votes cast for all major party candidates for that office in that election, reduced by

"(B) any amount paid to the candidate under section 506 before the election.

"(5) In applying the provisions of this section to a candidate for election to the office of President—

"(A) votes cast for electors affiliated with a political party shall be considered to be cast for the Presidential candidate of that party, and

"(B) votes cast for electors publicly pledged to cast their electoral votes for a candidate shall be considered to be cast for that candidate.

"(c) Notwithstanding the provisions of subsections (a) and (b), no candidate is entitled to the payment of any amount under this section which, when added to the total amount of contributions received by him and his authorized committees and any other payments made to him under this title for his primary or general election campaign, exceeds the amount of the expenditure limitation applicable to him for that campaign under section 504.

"EXPENDITURE LIMITATIONS

"SEC. 504. (a)(1) Except to the extent that such amounts are changed under subsection (f)(2), no candidate (other than a candidate for nomination for election to the office of President) who receives payments under this title for use in his primary election campaign may make expenditures in connection with that campaign in excess of the greater of—

"(A) 8 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election for such nomination is held, or

"(B)(i) $125,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2)(A) No candidate for nomination for election to the office of President may make expenditures in any State in which he is a candidate in a primary election in excess of two times the amount which a candidate for nomination for election to the office of Senator from that State (or for nomination for election to the office of Delegate in the case of the District of Columbia, the Virgin Islands, or Guam, or to the office of Resident Commissioner in the case of Puerto Rico) may expend in that State in connection with his primary election campaign.

"(B) Notwithstanding the provisions of

subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to ten cents multiplied by the voting age population of the Unted States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(b) Except to the extent that such amounts are changed under subsection (f)(2), no candidate who receives payments under this title for use in his general election campaign may make expenditures in connection with that campaign in excess of the greater of—

"(1) 12 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election is held, or

"(2)(A) $175,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(B) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(c) No candidate who is unopposed in a general election may make expenditures in connection with his general election campaign in excess of 10 percent of the limitation in subsection (b).

"(d) The Commissioner shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State under subsection (a)(2)(A) of this section, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(e)(1) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure;

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate to make the expenditure; or

"(C) a national or State committee of a political party in connection with a primary or general election campaign of that candidate, if such expenditure is in excess of the limitations of section 614(b) of title 18, United States Code.

"(4) For purposes of this section an expenditure made by the national committee of a political party, or by the State committee of a political party, in connection with the general election campaign of a candidate affiliated with that party which is not in excess of the limitations contained in section 614(b) of title 18, United States Code, is not considered to be an expenditure made on behalf of that candidate.

"(f)(1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the begininng of each calendar year (commencing in 1975), as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsections (a) and (b) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(g) During the first week of January, 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"(h) Upon receiving the certification of the Secretary of Commerce and of the Secretary of Labor, the Commission shall publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, and for each State and congressional district under this section.

"(i) In the case of a candidate who is campaigning for election to the House of Representatives from a district which has been established, or the boundaries of which have been altered, since the preceding general election for such office, the determination of the amount and the determination of whether the candidate is a major party candidate or a minor party candidate or is otherwise entitled to payments under this title shall be made by the Commission based upon the number of votes cast in the preceding general election for such office by voters residing within the area encompassed in the new or altered district.

"CERTIFICATIONS BY COMMISSION

"SEC. 505. (a) On the basis of the evidence, books, records, and information furnished by each candidate eligible to receive payments under section 506, and prior to examination and audit under section 507, the Commission shall certify from time to time to the Secretary of the Treasury for payment to each candidate the amount to which that candidate is entitled.

"(b) Initial certifications by the Commission under subsection (a), and all determinations made by it under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 313.

"PAYMENTS TO ELIGIBLE CANDIDATES

"SEC. 506. (a) There is established within the Treasury a fund to be known as the Federal Election Campaign Fund. There are authorized to be appropriated to the fund amounts equal to the sum of the amounts designated by taxpayers under section 6096 of the Internal Revenue Code of 1954 not previously taken into account for purposes of this subsection, and such additional amounts as may be necessary to carry out the provisions of this title without any reduction under subsection (c). The moneys in the fund shall remain available without fiscal year limitation.

The Secretary of the Treasury may accept and credit to the fund money received in the form of a donation, gift, legacy, or bequest, or otherwise contributed to the fund.

"(b) Upon receipt of a certification from the Commission under section 505, the Secretary of the Treasury shall pay the amount certified by the Commission to the candidate to whom the certification relates.

"(c)(1) If the Secretary of the Treasury determines that the monies in the fund are not, or may not be, sufficient to pay the full amount of entitlement to all candidates eligible to receive payments, he shall reduce the amount to which each candidate is entitled under section 503 by a percentage equal to the percentage obtained by dividing (1) the amount of money remaining in the fund at the time of such determination by (2) the total amount which all candidates eligible to receive payments are entitled to receive under section 503. If additional candidates become eligible under section 502 after the Secretary determines there are insufficient monies in the fund, he shall make any further reductions in the amounts payable to all eligible candidates necessary to carry out the purposes of this subsection. The Secretary shall notify the Commission and each eligible candidate by registered mail of the reduction in the amount to which that candidate is entitled under section 503.

"(2) If, as a result of a reduction under this subsection in the amount to which an eligible candidate is entitled under section 503, payments have been made under this section in excess of the amount to which such candidate is entitled, that candidate is liable for repayment to the fund of the excess under procedures the Commission shall prescribe by regulation.

"(d) No payment shall be made under this title to any candidate for any campaign in connection with any election occurring before January 1, 1976.

"EXAMINATIONS AND AUDITS; REPAYMENTS

"SEC. 507. (a) After each Federal election, the Commission shall conduct a thorough examination and audit of the campaign expenditures of all candidates for Federal office who received payments under this title for use in campaigns relating to that election.

"(b)(1) If the Commission determines that any portion of the payments made to an eligible candidate under section 506 was in excess of the aggregate amount of the payments to which the candidate was entitled, it shall so notify that candidate, and he shall pay to the Secretary of the Treasury an amount equal to the excess amount. If the Commission determines that any portion of the payments made to a candidate under section 506 for use in his primary election campaign or his general election campaign was not used to make expenditures in connection with that campaign, the Commission shall so notify the candidate and he shall pay an amount equal to the amount of the unexpended portion to the Secretary. In making its determination under the preceding sentence, the Commission shall consider all amounts received as contributions to have been expended before any amounts received under this title are expended.

"(2) If the Commission determines that any amount of any payment made to a candidate under section 506 was used for any purpose other than—

"(A) to defray campaign expenditures, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray campaign expenditures which were received and expended) which were used, to defray campaign expenditures,

it shall notify the candidate of the amount so used, and the candidate shall pay to the Secretary of the Treasury an amount equal to such amount.

"(3) No payment shall be required from a candidate under this subsection in excess of the total amount of all payments received by the candidate under section 506 in connection with the camapign with respect to which the event occurred which caused the

candidate to have to make a payment under this subsection.

"(c) No notification shall be made by the Commission under subsection (b) with respect to a campaign more than eighteen months after the day of the election to which the campaign related.

"(d) All payments received by the Secretary under subsection (b) shall be deposited by him in the fund.

"INFORMATION ON EXPENDITURES AND PROPOSED EXPENDITURES

"SEC. 508. (a) Every candidate shall, from time to time as the Commission requires, furnish to the Commission a detailed statement, in the form the Commission prescribes, of—

"(1) the campaign expenditures incurred by him and his authorized committees prior to the date of the statement (whether or not evidence of campaign expenditures has been furnished for purposes of section 505), and

"(2) the campaign expenditures which he and his authorized committees propose to incur on or after the date of the statement.

"(b) The Commission shall, as soon as possible after it receives a statement under subsection (a), prepare and make available for public inspection and copying a summary of the statement, together with any other data or information which it deems advisable.

"REPORTS TO CONGRESS

"SEC. 509. (a) The Commission shall, as soon as practicable after the close of each calendar year, submit a full report to the Senate and House of Representatives setting forth—

"(1) the expenditures incurred by each candidate, and his authorized committees, who received any payment under section 506 in connection with an election;

"(2) the amounts certified by it under section 505 for payment to that candidate; and

"(3) the amount of payments, if any, required from that candidate under section 507, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to conduct examinations and audits (in addition to the examinations and audits under sections 505 and 507), to conduct investigations, and to require the keeping and submission of any books, records, or other information necessary to carry out the functions and duties imposed on it by this title.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 510. The Commission may initiate civil proceedings in any district court of the United States to seek recovery of any amounts determined to be payable to the Secretary of the Treasury by a candidate under this title.

"PENALTY FOR VIOLATIONS

"SEC. 511. Violation of any provision of this title is punishable by a fine of not more than $50,000, or imprisonment for not more than five years, or both.

"RELATIONSHIP TO OTHER FEDERAL ELECTION LAWS

"SEC. 512. The Commission shall consult from time to time with the Secretary of the Senate, the Clerk of the House of Representatives, the Federal Communications Commission, and with other Federal officers charged with the administration of laws relating to Federal elections, in order to develop as much consistency and coordination with the administration of those other laws as the provisions of this title permit. The Commission shall use the same or comparable data as that used in the administration of such other election laws whenever possible.".

TITLE II—CHANGES IN CAMPAIGN COMMUNICATIONS LAW AND IN REPORTING AND DISCLOSURE PROVISIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971

CAMPAIGN COMMUNICATIONS

SEC. 201. (a) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended—

(A) by inserting "(1)" immediately after "(a)";

(B) by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively; and

(C) by adding at the end thereof the following new paragraphs:

"(2) The obligation imposed by the first sentence of paragraph (1) upon a licensee with respect to a legally qualified candidate for any elective office (other than the offices of President and Vice President) shall be met by such licensee with respect to such candidate if—

"(A) the licensee makes available to such candidate not less than five minutes of broadcast time without charge;

"(B) the licensee notifies such candidate by certified mail at least fifteen days prior to the election of the availability of such time; and

"(C) such broadcast will cover, in whole or in part, the geographical area in which such election is held.

"(3) No candidate shall be entitled to the use of broadcast facilities pursuant to an offer by a licensee under paragraph (2) unless such candidate notifies the licensee in writing of his acceptance of the offer within forty-eight hours after receipt of the offer."

(b) Section 315(b) of such Act (47 U.S.C. 315(b)) is amended by striking out "by any person" and inserting "by or on behalf of any person".

(c)(1) Section 315(c) of such Act (47 U.S.C. 315(c)) is amended to read as follows:

"(c) No station licensee may make any charge for the use of any such station by or on behalf of any legally qualified candidate for nomination for election, or for election, to Federal elective office unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not exceed the limit on expenditures applicable to that candidate under section 504 of the Federal Election Campaign Act of 1971, or under section 614 of title 18, United States Code.".

(2) Section 315(d) of such Act (47 U.S.C. 315(d)) is amended to read as follows:

"(d) If a State by law imposes a limitation upon the amount which a legally qualified candidate for nomination for election, or for election, to public office (other than Federal elective office) within that State may spend in connection with his campaign for such nomination or his campaign for election, then no station licensee may make any charge for the use of such station by or on behalf of such candidate unless such candidate (or a person specifically authorized in writing by him to do so) certifies to such licensee in writing that the payment of such charge will not violate that limitation.".

(d) Section 317 of such Act (47 U.S.C. 317), is amended by—

(1) striking out in paragraph (1) of subsection (a) "person: *Provided,* That" and inserting in lieu thereof the following: "person. If such matter is a political advertisement soliciting funds for a candidate or a political committee, there shall be announced at the time of such broadcast a statement that a copy of reports filed by that person with the Federal Election Commission is available from the Federal Election Commission, Washington, D.C., and the licensee shall not make any charge for any part of the costs of making the announcement. The term"; and

(2) by redesignating subsection (e) as (f), and by inserting after subsection (d) the following new subsection:

"(e) Each station licensee shall maintain a record of any political advertisement broadcast, together with the identification of the person who caused it to be broadcast, for a period of two years. The record shall be available for public inspection at reasonable hours.".

(e) The Campaign Communications Reform Act is repealed.

CHANGES IN DEFINITIONS FOR REPORTING AND DISCLOSURE

SEC. 202. (a) Section 301 of the Federal Election Campaign Act of 1971 (relating to definitions) is amended by—

(1) striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" in paragraph (a), and by inserting "and" before "(4)" in such paragraph;

(2) striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committee' means—

"(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State central committee of a political party; and

"(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610 of title 18, United States Code;";

(3) inserting in paragraph (e)(1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(4) striking out in paragraph (e)(1) "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee (other than a payment made or an obligation incurred by a corporation or labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, does not constitute a contribution by that corporation or labor organization), or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office";

(5) striking out subparagraph (2) of paragraph (e), and amending subparagraph (3) of such paragraph to read as follows:

"(2) funds received by a political committee which are transferred to that committee from another political committee;";

(6) redesignating subparagraphs (4) and (5) of paragraph (e) as paragraphs (3) and (4), respectively;

(7) striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure'—

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office; and

"(2) means the transfer of funds by a political committee to another political committee; but

"(3) does not include—

"(A) the value of services rendered by individuals who volunteer to work without compensation on behalf of a candidate; or

"(B) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by that corporation or labor organization;";

(8) striking "and" at the end of paragraph (h);

(9) striking the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(10) adding at the end thereof the following new paragraphs:

"(j) 'identification' means—

"(1) in the case of an individual, his full name and the full address of his principal place of residence; and

"(2) in the case of any other person, the full name and address of that person;

"(k) 'national committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the national level, as determined by the Commission; and

"(l) 'political party' means an association, committee, or organization which nominates a candidate for election to any Federal office, whose name appears on the election ballot as the candidate of that association, committee, or organization.".

(b)(1) Section 302(b) of such Act (relating to reports of contributions in excess of $10) is amended by striking ", the name and address (occupation and principal place of business, if any)" and inserting "of the contribution and the identification".

(2) Section 302(c) of such Act (relating to detailed accounts) is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (2) and (4) and inserting in each such paragraph "identification".

(3) Section 302(c) of such Act is further amended by striking the semicolon at the end of paragraph (2) and inserting "and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any);".

REGISTRATION OF CANDIDATES AND POLITICAL COMMITTEES

SEC. 203. (a) Section 303 of the Federal Election Campaign Act of 1971 (relating to registration of political committees; statements) is amended by redesignating subsections (a) through (d) as (b) through (e), respectively, and by inserting after "SEC. 303." the following new subsection (a):

"(a) Each candidate shall, within ten days after the date on which he has qualified under State law as a candidate, or on which he, or any person authorized by him to do so, has received a contribution or made an expenditure in connection with his campaign or for the purpose of preparing to undertake his campaign, file with the Commission a registration statement in such form as the Commission may prescribe. The statement shall include—

"(1) the identification of the candidate, and any individual, political committee, or other person he has authorized to receive contributions or make expenditures on his behalf in connection with his campaign;

"(2) the identification of his campaign depositories, together with the title and number of each account at each such depository which is to be used in connection with his campaign, any safety deposit box to be used in connection therewith, and the identification of each individual authorized by him to make any expenditure or withdrawal from such account or box; and

"(3) such additional relevant information as the Commission may require.".

(b) The first sentence of subsection (b) of such section (as redesignated by subsection (a) of this section) is amended to read as follows: "The treasurer of each political committee shall file with the Commission a statement of organization within ten days after the date on which the committee is organized.".

(c) The second sentence of such subsection (b) is amended by striking out "this Act" and inserting in lieu thereof the following: "the Federal Election Campaign Act Amendments of 1974".

(d) Subsection (c) of such section (as redesignated by subsection (a) of this section) is amended by—

(1) inserting "be in such form as the Commission shall prescribe, and shall" after "The statement of organization shall";

(2) striking out paragraph (3) and inserting in lieu thereof the following:

"(3) the geographic area or political jurisdiction within which the committee will operate, and a general description of the committee's authority and activities;"; and

(3) striking out paragraph (9) and inserting in lieu thereof the following:

"(9) the name and address of the campaign depositories used by that committee, together with the title and number of each account and safety deposit box used by that committee at each depository, and the identification of each individual authorized to make withdrawals or payments out of such account or box;".

(e) The caption of such section 303 is amended by inserting "CANDIDATES AND" after "REGISTRATION OF".

CHANGES IN REPORTING REQUIREMENTS

SEC. 204. (a) Section 304 of the Federal Election Campaign Act of 1971 (relating to reports by political committees and candidates) is amended by—

(1) inserting "(1)" after "(a)" in subsection (a);

(2) striking out "for election" each place it appears in the first sentence of subsection (a) and inserting in lieu thereof in each such place "for nomination for election, or for election,";

(3) striking out the second sentence of subsection (a) and inserting in lieu thereof the following: "Such reports shall be filed on the tenth day of April, July, and October of each year, on the tenth day preceding an election, on the tenth day of December in the year of an election, and on the last day of January of each year. Notwithstanding the preceding sentence, the reports required by that sentence to be filed during April, July, and October by or relating to a candidate during a year in which no Federal election is held in which he is a candidate, may be filed on the twentieth day of each month.";

(4) striking out everything after "filing" in the third sentence of subsection (a) and inserting in lieu thereof a period and the following: "If the person making any anonymous contribution is subsequently identified, the identification of the contributor shall be reported to the Commission within the reporting period within which he is identified."; and

(5) adding at the end of subsection (a) the following new paragraph:

"(2) Upon a request made by a presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates (other than January 31) set forth in paragraph (1), and require instead that such candidates or political committees file reports not less frequently than monthly. The Commission may not require a presidential candidate or a political committee operating in more than one State to file more than eleven reports (not counting any report to be filed on January 31) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, that candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

(b)(1) Section 304(b) of such Act (relating to reports by political committees and candidates) is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (9) and (10) and inserting in lieu thereof in each such paragraph "identification".

(2) Subsection (b)(5) of such section 304 is amended by striking out "lender and endorsers" and inserting in lieu thereof "lender, endorsers, and guarantors".

(c) Subsection (b)(12) of such section is amended by inserting immediately before the semicolon a comma and the following: ", together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefor".

(d) Subsection (b) of such section is amended by—

(1) striking the "and" at the end of paragraph (12); and

(2) redesignating paragraph (13) as (14), and by inserting after paragraph (12) the following new paragraph:

"(13) such information as the Commission may require for the disclosure of the nature, amount, source, and designated recipient of any earmarked, encumbered, or restricted contribution or other special fund; and".

(e) The first sentence of subsection (c) of such section is amended to read as follows: "The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, and during such additional periods of time as the Commission may require.".

(f) Such section 304 is amended by adding at the end thereof the following new subsections:

"(d) This section does not require a Member of Congress to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him before the first day of January of the year preceding the year in which his term of office expires if those services were furnished to him by the Senate Recording Studio, the House Recording Studio, or by any individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

"(e) Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by this section. Statements required by this subsection shall be

filed on the dates on which reports by political committees are filed but need not be cumulative.".

(g) The caption of such section 304 is amended to read as follows:

"REPORTS".

CAMPAIGN ADVERTISEMENTS

SEC. 205. Section 305 of the Federal Election Campaign Act of 1971 (relating to reports by others than political committees) is amended to read as follows:

"REQUIREMENTS RELATING TO CAMPAIGN ADVERTISING

"SEC. 305. (a) No person shall cause any political advertisement to be published unless he furnishes to the publisher of the advertisement his identification in writing, together with the identification of any person authorizing him to cause such publication.

"(b) Each published political advertisement shall contain a statement, in such form as the Commission may prescribe, of the identification of the person authorizing the publication of that advertisement.

"(c) A publisher who publishes any political advertisement shall maintain such records as the Commission may prescribe for a period of two years after the date of publication setting forth such advertisement and any material relating to identification furnished to him in connection therewith, and shall permit the public to inspect and copy those records at reasonable hours.

"(d) No person who sells space in a newspaper or magazine to a candidate, or to the agent of a candidate, for use in connection with that candidate's campaign, may change any amount for such space which exceeds the amount charged for comparable use of such space for other purposes.

"(e) Each political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"'A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.'

"(f) As used in this section, the term—

"(1) 'political advertisement' means any matter advocating the election or defeat of any candidate but does not include any bona fide news story (including interviews, commentaries, or other works prepared for and published by any newspaper, magazine, or other periodical publication the publication of which work is not paid for by any candidate, political committee, or agent thereof); and

"(2) 'published' means publication in a newspaper, magazine, or other periodical publication, distribution of printed leaflets, pamphlets, or other documents, or display through the use of any outdoor advertising facility, and such other use of printed media as the Commission shall prescribe.".

WAIVER OF REPORTING REQUIREMENTS

SEC. 206. Section 306(c) of the Federal Election Campaign Act of 1971 (relating to formal requirements respecting reports and statements) is amended to read as follows:

"(c) The Commission may, by a rule of general applicability which is published in the Federal Register not less than thirty day before its effective date, relieve—

"(1) any category of candidates of the obligation to comply personally with the requirements of subsections (a) through (e) of section 304, if it determines that such action is consistent with the purposes of this Act, and

"(2) any category of political committees of the obligation to comply with such section if such committees—

"(A) primarily support persons seeking State or local office, and

"(B) do not operate in more than one State or do not operate on a statewide basis.".

ESTABLISHMENT OF FEDERAL ELECTION COMMISSION; CENTRAL CAMPAIGN COMMITTEES; CAMPAIGN DEPOSITORIES

SEC. 207. (a) Title III of the Federal Election Campaign Act of 1971 (relating to disclosure of Federal campaign funds) is amended by redesignating section 308 as section 312, and by inserting after section 307 the following new sections:

"FEDERAL ELECTION COMMISSION

"SEC. 308. (a)(1) There is established, as an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission.

"(2) The Commission shall be composed of the Comptroller General, who shall serve without the right to vote, and seven members who shall be appointed by the President by and with the advice and consent of the Senate. Of the seven members—

"(A) two shall be chosen from among individuals recommended by the President pro tempore of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(B) two shall be chosen from among individuals recommended by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House.

The two members appointed under subparagraph (A) shall not be affiliated with the same political party; nor shall the two members appointed under subparagraph (B). Of the members not appointed under such subparagraphs, not more than two shall be affiliated with the same political party.

"(3) Members of the Commission, other than the Comptroller General, shall serve for terms of seven years, except that, of the members first appointed—

"(A) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending on the April thirtieth first occurring more than six months after the date on which he is appointed;

"(B) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending one year after the April thirtieth on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending two years thereafter;

"(D) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending three years therafter;

"(E) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending four years thereafter;

"(F) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending five years thereafter; and

"(G) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending six years thereafter.

"(4) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be reappointed to the Commission only once.

"(5) An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the office of member of the Commission shall be filled in the manner in which that office was originally filled.

"(6) The Commission shall elect a Chairman and a Vice Chairman from among its members for a term of two years. The Chairman and the Vice Chairman shall not be affiliated with the same political party. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

"(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission. Four members of the Commission shall constitute a quorum.

"(c) The Commission shall have an official seal which shall be judicially noticed.

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further leigslation as may appear desirable.

"(e) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers in any State.

"(f) The Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The General Counsel shall be the chief legal officer of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by rules or orders of the Commission. However, the Commission shall not delegate the making of rules regarding elections to the Executive Director.

"(g) The Chairman of the Commission shall appoint and fix the compensation of such personnel as are necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code.

"(h) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(i) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General may make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"(j) The provisions of section 7324 of title 5, United States Code, shall apply to members of the Commission notwithstanding the provisions of subsection (d)(3) of such section.

"(k)(1) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation requested by the Congress or by any Member of Congress to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"POWERS OF COMMISSION

"SEC. 309. (a) The Commission has the power—

"(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such a reasonable period of time and under oath or otherwise as the Commission may determine;

"(2) to administer oaths;

"(3) to require by subpena, signed by the Chairman or the Vice Chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

"(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(6) to initiate (through civil proceedings for injunctive relief and through presentations to Federal grand juries), prosecute, defend, or appeal any civil or criminal action in the name of the Commission for the purpose of enforcing the provisions of this Act and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, and 618 of title 18, United States Code, through its General Counsel;

"(7) to delegate any of its functions or powers other than the power to issue subpenas under paragraph (3), to any officer or employee of the Commission; and

"(8) to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this Act, and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, and 618 of title 18, United States Code. Any violation of any such provision shall be prosecuted by the Attorney General or Department of Justice personnel only after consultation with, and with the consent of, the Commission.

"(e)(1) Any person who violates any provision of this Act or of section 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, or 618 of title 18, United States Code, may be assessed a civil penalty by the Commission under paragraph (2) of this subsection of not more than $10,000 for each such violation. Each occurrence of a violation of this Act and each day of noncompliance with a disclosure requirement of this title or an order of the Commission issued under this section shall constitute a separate offense. In determining the amount of the penalty the Commission shall consider the person's history of previous violations, the appropriateness of such penalty to the financial resources of the person charged, the gravity of the violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation.

"(2) A civil penalty shall be assessed by the Commission by order only after the person charged with a violation has been given an opportunity for a hearing and the Commission has determined, by decision incorporating its findings of fact therein, that a violation did occur, and the amount of the penalty. Any hearing under this section shall be of record and shall be held in accordance with chapter 5 of title 5, United States Code.

"(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Commission shall file a petition for enforcement of its order assessing the penalty in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall be sent by registered or certified mail to the respondent and his attorney of record, and thereupon the Commission shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and decision of the Commission or it may remand the proceedings to the Commission for such further action as it may direct. The court may determine de novo all issues of law but the Commission's findings of fact, if supported by substantial evidence, shall be conclusive.

"(f) Upon application made by any individual holding Federal office, any candidate, or any political committee, the Commission, through its General Counsel, shall provide within a reasonable period of time an advisory opinion, as to whether a specific transaction or activity may constitute a violation of any provision of this Act or of any provision of title 18, United States Code, over which the Commission has primary jurisdiction under subsection (d).

"CENTRAL CAMPAIGN COMMITTEES

"SEC. 310. (a) Each candidate shall designate one political committee as his central campaign committee. A candidate for nomination for election, or for election, to the office of President, may also designate one political committee in each State in which he is a candidate as his State campaign committee for that State. The designation shall be made in writing, and a copy of the designation, together with such information as the Commission may require, shall be furnished to the Commission upon the designation of any such committee.

"(b) No political committee may be designated as the central campaign committee of more than one candidate, except that a political committee described in section 301(d)(2) may be designated as the central campaign committee of more than one candidate for purposes of the general election campaign and if so designated, it shall comply with all reporting and other requirements of law as to each candidate for whom it is so designated as if it were the central campaign committee for that candidate alone. The central campaign committee, and each State campaign committee, designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee and the State campaign committee of the candidate nominated by that party for election to the office of Vice President.

"(c)(1) Any political committee authorized by a candidate to accept contributions or make expenditures in connection with his campaign for nomination for election, or for election, which is not a central campaign committee or a State campaign committee, shall furnish each report required of it under section 304 (other than reports required under section 311(b)) to that candidate's central campaign committee at the time it would, but for this subsection, be required to furnish that report to the Commission. Any report properly furnished to a central campaign committee under this subsection shall be, for purposes of this title, considered to have been furnished to the Commission at the time at which it was furnished to such central campaign committee.

"(2) The Commission may, by rule, require any political committee receiving contributions or making expenditures in a State on behalf of a candidate who, under subsection (a), has designated a State campaign committee for that State to furnish its reports to that State campaign committee instead of furnishing such reports to the central campaign committee of that candidate.

"(3) The Commission may require any political committee to furnish any report directly to the Commission.

"(d) Each political committee which is a central campaign committee or a State campaign committee shall receive, consolidate, and furnish all reports filed with or furnished to it by other political committees to the Commission, together with its own reports and statements, in accordance with the provisions of this title and regulations prescribed by the Commission.

"CAMPAIGN DEPOSITORIES

"SEC. 311. (a)(1) Each candidate shall designate one or more National or State banks as his campaign depositories. The central campaign committee of that candidate, and any other political committee authorized by him to receive contributions or to make expenditures on his behalf, shall maintain a checking account at a depository designated by the candidate and shall deposit any contributions received by that committee into that account. A candidate shall deposit any payment received by him under section 506 of this Act in the account maintained by his central campaign committee. No expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

"(2) The treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or to make expenditures on his behalf) shall designate one or more National or State banks as campaign depositories of that committee, and shall maintain a checking account for the committee at each such depository. All contributions received by that committee shall be deposited in such an account. No expenditure may be made by that committee except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

"(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $100 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission, and such statements and reports thereof shall be furnished to the Commission as it may require.

"(c) A candidate for nomination for election, or for election, to the office of President may establish one such depository in each State, which shall be considered by his State campaign committee for that State and any other political committee authorized by him to receive contributions or to make expenditures on his behalf in that State, under regulations prescribed by the Commission, as his campaign depository. The campaign depository of the candidate of a political party for election to the office of Vice President shall be the campaign depository designated by the candidate of that party for election to the office of President.".

(b)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(60) Members (other than the Comptroller General), Federal Election Commission (7)."

(2) Section 5315 of such title is amended by adding at the end thereof the following new paragraphs:

"(98) General Counsel, Federal Election Commission.

"(99) Executive Director, Federal Election Commission."

(c) Until the appointment and qualification of all the members of the Federal Election Commission and its General Counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as such titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its General Counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within thirty days after the date on which all such members and the General Counsel are appointed, of all records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971.

(d) Title III of the Federal Election Campaign Act of 1971 is amended by—

(1) amending section 301(g) (relating to definitions) to read as follows:

"(g) 'Commission' means the Federal Election Commission;";

(2) striking out "supervisory officer" in section 302(d) and inserting in lieu thereof "Commission";

(3) striking out section 302(f) (relating to organization of political committees);

(4) amending section 303 (relating to registration of political committees; statements) by—

(A) striking out "supervisory officer" each time it appears therein and inserting in lieu thereof "Commission"; and

(B) striking out "he" in the second sentence of subsection (b) of such section (as redesignated by section 203(a) of this Act) and inserting in lieu thereof "it";

(5) amending section 304 (relating to reports by political committees and candidates) by—

(A) striking out "appropriate supervisory officer" and "him" in the first sentence thereof and inserting in lieu thereof "Commission" and "it", respectively; and

(B) striking out "supervisory officer" where it appears in the third sentence of subsection (a)(1) (as redesignated by section 204(a)(1) of this Act) and in paragraphs (12) and (14) (as redesignated by section 204(d)(2) of this Act) of subsection (b) and inserting in lieu thereof "Commission";

(6) striking out "supervisory officer" each place it appears in section 306 (relating to formal requirements respecting reports and statements) and inserting in lieu thereof "Commission";

(7) striking out "Comptroller General of the United States" and "he" in section 307 (relating to reports on convention financing) and inserting in lieu thereof "Federal Election Commission" and "it", respectively;

(8) striking out "SUPERVISORY OFFICER" in the caption of section 312 (as redesignated by subsection (a) of this section) (relating to duties of the supervisory officer) and inserting in lieu thereof "COMMISSION";

(9) striking out "supervisory officer" in section 312(a) (as redesignated by subsection (a) of this section) the first time it appears and inserting in lieu thereof "Commission";

(10) amending section 312(a) (as redesignated by subsection (a) of this section) by—

(A) striking out "him" in paragraph (1) and inserting in lieu thereof "it";

(B) striking out "him" in paragraph (4) and inserting in lieu thereof "it"; and

(C) striking out "he" each place it appears in paragraphs (7) and (9) and inserting in lieu thereof "it";

(11) striking out "supervisory officer" in section 312(b) (as redesignated by subsection (a) of this subsection) and inserting in lieu thereof "Commission";

(12) amending subsection (c) of section 312 (as redesignated by subsection (a) of this section) by—

(A) striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission" and striking out "his" in the second sentence of such subsection and inserting in lieu thereof "its"; and

(B) striking out the last sentence thereof; and (13) amending subsection (d)(1) of section 312 (as redesignated by subsection (a) of this section) by—

(A) striking out "supervisory officer" each place it appears therein and inserting in lieu thereof "Commission";

(B) striking out "he" the first place it appears in the second sentence of such section and inserting in lieu thereof "it"; and

(C) striking out "the Attorney General on behalf of the United States" and inserting in lieu thereof "the Commission".

INDEXING AND PUBLICATION OF REPORTS

SEC. 208. Section 312(a) (6) (as redesignated by this Act) of the Federal Election Campaign Act of 1971 (relating to duties of the supervisory officer) is amended to read as follows:

"(6) to compile and maintain a cumulative index listing all statements and reports filed with the Commission during each calendar year by political committees and candidates which the Commission shall cause to be published in the Federal Register no less frequently than monthly during even-numbered years and quarterly in odd-numbered years and which shall be in such form and shall include such information as may be prescribed by the Commission to permit easy identification of each statement, report, candidate, and committee listed, at least as to their names, the dates of the statements and reports, and the number of pages in each, and the Commission shall make copies of statements and reports listed in the index available for sale, direct or by mail, at a price determined by the Commission to be reasonable to the purchaser;".

JUDICIAL REVIEW

SEC. 209. Title III of the Federal Election Campaign Act of 1971 is amended by inserting after section 312 (as redesignated by this Act) the following new section:

"JUDICIAL REVIEW

"SEC. 313. (a) An agency action by the Commission made under the provisions of this Act shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court by an interested person. A petition filed pursuant to this section shall be filed within thirty days after the agency action by the Commission for which review is sought.

"(b) The Commission, the national committee of any political party, and individuals eligible to vote in an election for Federal office, are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement any provision of this Act.

"(c) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551 of title 5, United States Code, by the Commission.

FINANCIAL ASSISTANCE TO STATES TO PROMOTE COMPLIANCE

SEC. 210. Section 309 of the Federal Election Campaign Act of 1971 (relating to statements filed with State officers) is redesignated as section 314 of such Act and amended by—

(1) striking out "a supervisory officer" in subsection (a) and inserting in lieu thereof "the Commission";

(2) striking out "in which an expenditure is made by him or on his behalf" in subsection (a)(1) and inserting in lieu thereof the following: "in which he is a candidate or in which substantial expenditures are made by him or on his behalf"; and

(3) adding the following new subsection:

"(c) There is authorized to be appropriated to the Commission in each fiscal year the sum of $500,000, to be made available in such amounts as the Commission deems appropriate to the States for the purpose of assisting them in complying with their duties as set forth in this section.".

CONTRIBUTIONS IN THE NAME OF ANOTHER PERSON

SEC. 211. Section 310 of the Federal Election Campaign Act of 1971 (relating to prohibition of contributions in name of another) is redesignated as section 315 of such Act and amended by inserting after "another person", the first time it appears, the following: "or knowingly permit his name to be used to effect such a contribution".

ROLE OF POLITICAL PARTY ORGANIZATION IN PRESIDENTIAL CAMPAIGNS; USE OF EXCESS CAMPAIGN FUNDS; AUTHORIZATION OF APPROPRIATIONS; PENALTIES

SEC. 212. Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 311 and by adding at the end of such title the following new sections:

"APPROVAL OF PRESIDENTIAL CAMPAIGN EXPENDITURES BY NATIONAL COMMITTEE

"SEC. 316. (a) No expenditure in excess of $1,000 shall be made by or on behalf of a candidate who has received the nomination of his political party for President or Vice President unless such expenditure has been specifically approved by the chairman or treasurer of that political party's national committee or the designated representative of that national committee in the State where the funds are to be expended.

"(b) Each national committee approving expenditures under subsection (a) shall register under section 303 as a political committee and report each expenditure it approves as if it had made that expenditure, together with the identification of the person seeking approval and making the expenditure.

"(c) No political party shall have more than one national committee.

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"SEC. 317. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his expenditures (after the application of section 507(b)(1) of this Act), and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by that candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, or may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954. To the extent any such contribution, amount contributed, or expenditure thereof is not otherwise required to be disclosed under the provisions of this title, such contribution, amount contributed, or expenditure shall be fully disclosed in accordance with rules pro-

mulgated by the Commission. The Commission is authorized to promulgate such rules as may be necessary to carry out the provisions of this section.

"SUSPENSION OF FRANK FOR MASS MAILINGS IMMEDIATELY BEFORE ELECTIONS

"SEC. 318. Notwithstanding any other provision of law, no Senator, Representative, Resident Commissioner, or Delegate shall make any mass mailing of a newsletter or mailing with a simplified form of address under the frank under section 3210 of title 39, United States Code, during the sixty days immediately preceding the date on which any election is held in which he is a candidate.

"PROHIBITION OF FRANKED SOLICITATIONS

"SEC. 319. No Senator, Representative, Resident Commissioner, or Delegate shall make any solicitation of funds by a mailing under the frank under section 3210 of title 39, United States Code.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 320. There are authorized to be appropriated to the Commission for the purpose of carrying out its functions under this title, title V, and under chapter 29 of title 18, United States Code, not to exceed $5,000,000 for the fiscal year ending June 30, 1974, and not to exceed $5,000,000 for each fiscal year thereafter.

"PENALTY FOR VIOLATIONS

"SEC. 321. (a) Violation of any provision of this title is a misdemeanor punishable by a fine of not more than $10,000, imprisonment for not moe than one year, or both.

"(b) Violation of any provision of this title with knowledge or reason to know that the action committed or omitted is a violation of this title is punishable by a fine of not more than $100,000, imprisonment for not more than five years, or both.".

APPLICABLE STATE LAWS

SEC. 213. Section 403 of the Federal Election Campaign Act of 1971 is amended to read as follows:

"EFFECT ON STATE LAW

"SEC. 403. The provisions of this Act, and of rules promulgated under this Act, preempt any provision of State law with respect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301(c)).".

EXPEDITIOUS REVIEW OF CONSTITUTIONAL QUESTIONS

SEC. 214. Title IV of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new section:

"JUDICIAL REVIEW

"SEC. 407. (a) The Federal Election Commission, the national committee of any political party, and individuals eligible to vote for President are authorized to insititute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this Act or of chapter 29 of title 18, United States Code. The district court shall immediately certify all questions of constitutionality of this Act to the United States court of appeals for that circuit, which shall hear the matter sitting en banc.

"(b) Notwithstanding any other provision of law or rule any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal must be brought within twenty days of the court of appeals decision.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any question certified under subsection (a)."

TITLE III—CRIMES RELATING TO ELECTIONS AND POLITICAL ACTIVITIES

CHANGES IN DEFINITIONS

SEC. 301. (a) Paragraph (a) of section 591 of title 18, United States Code, is amended by—

(1) inserting "or" before "(4)"; and

(2) striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States."

(b) Such section 591 is amended by striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committee' means—

"(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State committee of a political party; and

"(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610;".

(c) Such section 591 is amended by—

(1) inserting in paragraph (e)(1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(2) striking out in such paragraph "or for the purpose of influencing the election of delegates to a consistutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee, or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office";

(3) striking out subparagraph (2) of paragraph (e), and amending subparagraph (3) of such paragraph to read as follows:

"(2) funds received by a political committee which are transferred to that committee from another political committee;"; and

(4) redesignating subparagraphs (4) and (5) of paragraph (e) as paragraphs (3) and (4), respectively.

(d) Such section 591 is amended by striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure' means—

"(1) a purchase, payment, distribution, loan (except a loan of money by a National or State bank made in accordance with the applicable banking laws and regulations, and in the ordinary course of business), advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of Presidential and Vice-Presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party for the expression of a preference for the nomination of persons for elections to the Office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office; and

"(2) the transfer of funds by a political committee to another political committee; but

"(3) does not include the value of service rendered by individuals who volunteer to work without compensation on behalf of a candidate;".

(e) Such section 591 is amended by striking out "and" at the end of paragraph (g), striking out "States." in paragraph (h) and inserting in lieu thereof "States;", and by adding at the end thereof the following new paragraphs:

"(i) 'political party' means any association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of that association, committee, or organization;

"(j) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the State level, as determined by the Federal Election Commission; and

"(k) 'national committee' means the organization which, by virtue of the bylaws of the political party, is responsible for the day-to-day operation of that political party at the national level as determined by the Federal Election Commission under section 301(k) of the Federal Election Campaign Act of 1971.".

EXPENDITURE OF PERSONAL AND FAMILY FUNDS FOR FEDERAL CAMPAIGNS

SEC. 302. (a)(1) Subsection (a)(1) of section 608 of title 18, United States Code, is amended to read as follows:

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaigns for nomination for election, and for election, to Federal office in excess, in the aggregate during any calendar year, of—

"(A) $50,000, in the case of a candidate for the office of President or Vice President;

"(B) $35,000, in the case of a candidate for the office of Senator; or

"(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.".

(2) Subsection (a) of such section is amended by adding at the end thereof the following new paragraphs:

"(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

"(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid."

(b) Subsection (c) of such section is amended by striking out "$1,000" and inserting in lieu thereof "$25,000", and by striking out "one year" and inserting in lieu thereof "five years".

(c)(1) The caption of such section 608 is amended by adding at the end thereof the following: "out of the candidates' personal and family funds".

(2) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 608 and inserting in lieu thereof the following:

"608. Limitations on contributions and expenditures out of candidates' personal and family funds.".

(d) Notwithstanding the provisions of section 608 of title 18, United States Code, it shall not be unlawful for any individual who, as of the date of enactment of this Act, has outstanding any debt or obligation incurred on his behalf by any political committee in connection with his campaign prior

to January 1, 1972, for nomination for election, and for election, to Federal office, to satisfy or discharge any such debt or obligation out of his own personal funds or the personal funds of his immediate family (as such term is defined in such section 608).

SEPARATE SEGREGATED FUND MAINTENANCE BY GOVERNMENT CONTRACTORS

SEC. 303. Section 611 of title 18, United States Code, is amended by adding at the end thereof the following new paragraph:

"It is not a violation of the provisions of this section for a corporation or a labor organization to establish, administer, or solicit contributions to a separate segregated fund to be utilized for political purposes by that corporation or labor organization if the establishment and administration of, and solicitation of contributions to, such fund are not a violation of section 610.".

LIMITATIONS ON POLITICAL CONTRIBUTIONS AND EXPENDITURES; EMBEZZLEMENT OR CONVERSION OF CAMPAIGN FUNDS; EARLY DISCLOSURE OF PRESIDENTIAL ELECTION RESULTS

SEC. 304. (a) Chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 614. Limitation on expenditures generally

"(a)(1) No candidate may make expenditures in connection with his campaign for nomination for election, or for election, to Federal office in excess of the amount to which he would be limited under section 504 of the Federal Election Campaign Act of 1971 if he were receiving payments under the title V of that Act.

"(2) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

"(3) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(4) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure, or

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate to make the expenditure.

"(5) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for Presidential nomination for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(b)(1) Notwithstanding any other provisions of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committees of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in paragraphs (2) and (3) hereof.

"(2) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President who is affiliated with that party which exceeds an amount equal to 2 cents multiplied by the voting population of the United States.

"(3) The national committee of a political party, or a State committee of a political party, including any subordinate committees of a State committee, may not make expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with that party which exceeds—

"(A) in the case of a candidate for election to the office of Senator, or of Representative from a State where a Representative is required to run statewide, the greater of—

"(i) 2 cents multiplied by the voting age population of that State, or

"(ii) $20,000; and

"(B) in the case of a candidate for election to the office of Representative in any other State, $10,000.

"(4) For purposes of this subsection—

"(A) the term 'voting age population' means voting age population certified for the year under section 504(g) of the Federal Election Campaign Act of 1971; and

"(B) the approval by the national committee of a political party of an expenditure by or one behalf of the presidential candidate of that party as required by section 316 of that Act is not considered an expenditure by that national committee.

"(c)(1) No person may make any expenditure (other than an expenditure made on behalf of a candidate under the provisions of subsection (a)(4) advocating the election or defeat of a clearly identified candidate during a calendar year which, when added to all other expenditures made by that person during the year advocating the election or defeat of that candidate, exceeds $1,000.

"(2) For the purposes of paragraph (1)—

"(A) 'clearly identified' means—

"(i) the candidate's name appears;

"(ii) a photograph or drawing of the candidate appears; or

"(iii) the identity of the candidate is apparent by unambiguous reference;

"(B) 'person' does not include the national or State committee of a political party; and

"(C) 'expenditure' does not include any payment made or incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 would not constitute an expenditure by that corporation or labor organization.

"(3) This subsection does not apply to the Democratic or Republican Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

"(d) Any person who knowingly or willfully violates the provisions of this section, other than subsection (a)(5), shall be punishable by a fine of $25,000, imprisonment for a period of not more than five years, or both. If any candidate is convicted of violating the provisions of this section because of any expenditure made on his behalf (as determined under subsection (a)(4)) by a political committee, the treasurer of that committee, or any other person authorizing such expenditure, shall be punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both, if such person knew, or had reason to know, that such expenditure was in excess of the limitation applicable to such candidate under this section.

"§ 615. Limitations on contributions

"(a)(1) No individual may make a contribution to, or for the benefit of, a candidate for that candidate's campaign for election, which, when added to the sum of all other contributions made by that individual for that campaign, exceeds $3,000.

"(2) No person (other than an individual) may make a contribution to, or for the benefit of, a candidate for nomination for election, or election, which, when added to the sum of all other contributions made by that person for that campaign, exceeds $6,000.

"(b)(1) No candidate may knowingly accept a contribution for his campaign from any individual which, when added to the sum of all other contributions received from that individual for that campaign exceeds $3,000, or from any person (other than an individual) which, when added to the sum of all other contributions received from that person for that campaign, exceeds $6,000.

"(2) (A) No candidate may knowingly solicit or accept a contribution for his campaign—

"(i) from a foreign national, or

"(ii) which is made in violation of section 613 of this title.

"(B) For purposes of this paragraph, the term 'foreign national' means—

"(i) a 'foreign principal' as that term is defined in section 611(b) of the Foreign Agents Registration Act of 1938, as amended, other than a person who is a citizen of the United States; or

"(ii) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined in section 101(a)(20) of the Immigration and Nationality Act".

"(3) No officer or employee of a political committee or of a political party may knowingly accept any contribution made for the benefit or use of a candidate which that candidate could not accept under paragraph (1) or (2).

"(c)(1) For purposes of the limitations contained in this section all contributions made by any person directly or indirectly to or for the benefit of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

"(2) Contributions made to, or for the benefit of, a candidate nominated by a political party for election to the office of Vice President shall be considered, for purposes of this section, to be made to, or for the benefit of, the candidate nominated by that party for election to the office of President.

"(3) For purposes of this section, the term 'campaign' includes all primary, primary runoff, and general election campaigns related to a specific general election, and all primary, primary runoff, and special election campaigns related to a specific special election.

"(d)(1) No individual may make a contribution during any calendar year which, when added to the sum of all other contributions made by that individual during that year, exceeds $25,000.

"(2) Any contribution made for a campaign in a year, other than the calendar year in which the election is held to which that campaign relates, is, for purposes of paragraph (1), considered to be made during the calendar year in which that election is held.

"(e) This section does not apply to contributions made by the Democratic or Republican Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

"(f) Violation of the provisions of this section is punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both.

"§ 616. Form of contributions

No person may make a contribution to, or for the benefit of, any candidate or political committee in excess, in the aggregate during any calendar year, of $100 unless such contribution is made by a written instrument identifying the person making the contribution. Violation of the provisions of this section is punishable by a fine of not to exceed $1,000, imprisonment for not to exceed one year, or both.

"§ 617. Embezzlement or conversion of political contributions

agent of a political

"(a) No candidate, officer, employee, or agent of a political committee, or person acting on behalf of any candidate or political committee, shall embezzle, knowingly con-

vert to his own use or the use of another, or deposit in any place or in any manner except as authorized by law, any contributions or campaign funds entrusted to him or under his possession, custody, or control, or use any campaign funds to pay or defray the costs of attorney fees for the defense of any person or persons charged with the commission of a crime; or receive, conceal, or retain the same with intent to convert it to his personal use or gain, knowing it to have been embezzled or converted.

"(b) Violation of the provisions of this section is punishable by a fine of not more than $25,000, imprisonment for not more than ten years, or both; but if the value of such property does not exceed the sum of $100 fine, the fine shall not exceed $1,000 and the imprisonment shall not exceed one year. Notwithstanding the provisions of this section, any surplus or unexpended campaign funds may be contributed to a national or State political party for political purposes, or to educational or charitable organizations, or may be preserved for use in future campaigns for elective office, or for any other lawful purpose.

"§ 618. Voting fraud

"(a) No person shall in a Federal election—

"(1) cast, or attempt to cast, a ballot in the name of another person,

"(2) cast, or attempt to cast, a ballot if he is not qualified to vote,

"(3) forge or alter a ballot,

"(4) miscount votes,

"(5) tamper with a voting machine, or

"(6) commit any act (or fail to do anything required of him by law),

with the intent of causing an inaccurate count of lawfully cast votes in any election.

"(b) A violation of the provisions of subsection (a) is punishable by a fine of not to exceed $100,000, imprisonment for not more than ten years, or both.

"§ 619. Early disclosure of election results in Presidential election years

"Whoever makes public any information with respect to the number of votes cast for any candidate for election to the office of Presidential and Vice-Presidential elector in the general election held for the appointment of Presidential electors, prior to midnight, eastern standard time, on the day on which such election is held shall be fined not more than $5,000, imprisoned for not more than one year, or both.

"§ 620. Fraudulent misrepresentation of campaign authority

"Whoever, being a candidate for Federal office, as defined herein, or an employee or agent of such a candidate—

"(1) fraudulently misrepresents himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

"(2) willfully and knowingly participates in or conspires to participate in any plan, scheme, or design to violate paragraph (a) hereof, shall, for each such offense, be fined not more than $50,000 or imprisoned not more than five years or both."

(b) Section 591 of title 18, United States Code, is amended by striking out "and 611" and inserting in lieu thereof "611, 614, 615, 616, 617, 618, and 619".

(c) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"614. Limitation on expenditures generally.
"615. Limitation on contributions.
"616. Form of contributions.
"617. Embezzlement or conversion of political contributions.
"618. Voting fraud.
"619. Early disclosure of election results in Presidential election years.
"620. Fraudulent misrepresentation of campaign authority.".

REPEAL OF CERTAIN EXCEPTIONS TO CONTRIBUTION AND EXPENDITURE LIMITATIONS

SEC. 305. Section 614(c)(3) of title 18, United States Code (as added by section 304 of this Act), and section 615(e) of such title (as added by section 304 of this Act) (relating to the application of such sections to certain campaign committees) are repealed. Section 615 of title 18, United States Code (as added by section 304 of this Act), is amended by striking out "(f)" and inserting in lieu thereof "(e)".

TITLE IV—DISCLOSURE OF FINANCIAL INTERESTS BY CERTAIN FEDERAL OFFICERS AND EMPLOYEES

FEDERAL EMPLOYEE FINANCIAL DISCLOSURE REQUIREMENTS

SEC. 401. (a) Any candidate for nomination for or election to Federal office who, at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, and each Member of Congress, each officer and employee of the United States (including any member of a uniformed service) who is compensated at a rate in excess of $25,000 per annum, any individual occupying the position of an officer or employee of the United States who performs duties of the type generally performed by an individual occupying grade GS-16 of the General Schedule or any higher grade or position (as determined by the Federal Election Commission regardless of the rate of compensation of such individual), the President, and the Vice President shall file annually, with the Commission a report containing a full and complete statement of—

(1) the amount of each tax paid by the individual, or by the individual and the individual's spouse filing jointly, for the preceding calendar year, and for purposes of this paragraph "tax" means any Federal, State, or local income tax and any Federal, State, or local property tax;

(2) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from his spouse or any member of his immediate family) received by him or by him and his spouse jointly during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, and other facilities received by him in kind;

(3) the identity of each asset held by him, or by him and his spouse jointly which has a value in excess of $1,000, and the amount of each liability owed by him or by him and his spouse jointly, which is in excess of $1,000 as of the close of the preceding calendar year;

(4) any transactions in securities of any business entity by him or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in transactions in the securities of such business entity exceeds $1,000 during such year;

(5) all transactions in commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in such transactions exceeds $1,000; and

(6) any purchase or sale, other than the purchase or sale of his personal residence, of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the value of property involved in such purchase or sale exceeds $1,000.

(b) Reports required by this section (other than reports so required by candidates for nomination for or election to Federal office) shall be filed not later than May 15 of each year. A person who ceases, prior to such date in any year, to occupy the office or position the occupancy of which imposes upon him the reporting requirements contained in subsection (a) shall file such report on the last day he occupies such office or position, or on such later date, not more than three months after such last day, as the Commission may prescribe.

(c) Reports required by this section shall be in such form and detail as the Commission may prescribe. The Commission may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

(d) Any person who willfully fails to file a report required by this section or who knowingly and willfully files a false report under this section, shall be fined not more than $2,000, or imprisoned for not more than five years, or both.

(e) All reports filed under this section shall be maintained by the Commission as public records, which, under such reasonable rules as it shall prescribe, shall be available for inspection by members of the public.

(f) For the purposes of any report required by this section, an individual is considered to be President, Vice President, a Member of Congress, an officer or employee of the United States, or a member of a uniformed service, during any calendar year if he serves in any such position for more than six months during such calendar year.

(g) As used in this section—

(1) The term "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954.

(2) The term "security" means security as defined in section 2 of the Securities Act of 1933 (15 U.S.C. 77b).

(3) The term "commodity" means commodity as defined in section 2 of the Commodity Exchange Act (7 U.S.C. 2).

(4) The term "transactions in securities or commodities" means any acquisition, holding, withholding, use, transfer, or other disposition involving any security or commodity.

(5) The term "Member of Congress" means a Senator, a Representative, a Resident Commissioner, or a Delegate.

(6) The term "officer" has the same meaning as in section 2104 of title 5, United States Code.

(7) The term "employee" has the same meaning as in section 2105 of such title.

(8) The term "uniformed service" means any of the Armed Forces, the commissioned corps of the Public Health Service, or the commissioned corps of the National Oceanic and Atmospheric Administration.

(9) The term "immediate family" means the child, parent, grandparent, brother, or sister of an individual, and the spouses of such persons.

(h) Section 554 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) All written communications and memorandums stating the circumstances, source, and substance of all oral communications made to the agency, or any office or employee thereof, with respect to any ad-

judication which is subject to the provisions of this section by any person who is not an officer or employee of the agency shall be made a part of the public record of such case. This subsection shall not apply to communications to any officer, employee, or agent of the agency engaged in the performance of investigative or prosecuting functions for the agency with respect to such case."

(1) The first report required under this section shall be due thirty days after the date of enactment and shall be filed with the Comptroller General of the United States, who shall, for purposes of this subsection, have the powers and duties conferred upon the Commission by this section.

TITLE V—MISCELLANEOUS

SIMULTANEOUS POLL CLOSING TIME

SEC. 501. On every national election day, commencing on the date of the national elections in 1976, the closing time of the polling places in the several States for the election of electors for President and Vice President of the United States and the election of United States Senators and Representatives shall be as follows: 11 postmeridian standard time in the eastern time zone; 10 postmeridian standard time in the central time zone; 9 postmeridian standard time in the mountain time zone; 8 postmeridian standard time in the Pacific time zone; 7 postmeridian standard time in the Yukon time zone; 6 postmeridian standard time in the Alaska-Hawaii time zone; and 5 postmeridian standard time in the Bering time zone: *Provided*, That the polling places in each of the States shall be open for at least twelve hours.

FEDERAL ELECTION DAY

SEC. 502. Section 6103(a) of title 5, United States Code is amended by inserting between—

"Veterans Day, the fourth Monday in October." and the following new item:

"Thanksgiving Day, the fourth Thursday in November." the following new item:

"Election Day, the first Wednesday next after the first Monday in November 1976, and every second year thereafter.".

REVIEW OF INCOME TAX RETURNS

SEC. 503. (a) On or before July 1 of each and every year hereafter, the Comptroller General of the United States shall obtain from the Internal Revenue Service all returns of income filed by each Member of Congress, each employee or official of the executive, judicial, and legislative branch whose gross income for the most recent year exceeds $20,000 for the five previous years. Upon receipt of such returns, the Comptroller General of the United States shall submit such income returns to an intensive inspection and audit for the purpose of determining liability.

(b) Upon completion of such inspection and audit, the Comptroller General of the United States shall prepare and file a report of the results of his inspection and audit with the taxpayer concerned and the appropriate officer of the Internal Revenue Service for such further action with respect to such return as the Internal Revenue Service shall deem proper. The Comptroller General of the United States shall deliver a copy of such report and results of such audit and inspection to the taxpayer concerned.

(c) The Internal Revenue Service shall asisst the Comptroller General of the United States as necessary in administering the provisions of this section.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CANNON. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make such technical and clerical corrections in the engrossment of the bill, S. 3044, including changes in the designation of titles, sections, and subsections and cross-references thereto, as may be necessary to reflect any changes in the bill made by amendments adopted by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PRINT S. 3044 AS PASSED

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 3044, a bill to amend the Federal Election Campaign Act of 1971, be printed as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, the Senate has demonstrated a genuine interest in true election reform by the adoption of the Federal Election Campaign Act of 1974.

Not only has the Senate agreed to set reasonable limitations on contributions by individuals and committees, but also strict limits on expenditures by candidates in primary and general elections.

Further, the Senate has agreed to provide Federal funds in primary elections on a matching grant basis and with full funding in general elections.

Candidates have the option under the bill S. 3044 to raise private funds for each election or to accept public funds in whole or in part.

With a strong and independent Federal Election Commission; with central campaign committees; with campaign depositories and timely and full disclosure of all receipts and expenditures, we have attempted to eliminate all weaknesses in the bill and the citizens of the United States will be encouraged to restore their confidence in the elective process.

Mr. President, I wish to commend my colleagues for their support in gaining passage of this bill.

And I wish to thank all of the staff members who worked with the Committee and the Senate in bringing about final passage:

Jim Duffy, Joe O'Leary, and Jim Medill, of the Committee on Rules and Administration.

Lloyd Ator and Bob Cassidy legislative counsel.

Cary Parker of Senator KENNEDY's staff.

Burt Wides of Senator HART's staff.

Ken Davis, assistant to the minority leader, and many others who gave of their time and efforts.

Mr. CHILES. Mr. President, I voted for final passage of S. 3044, the Federal election campaign financing bill. Although I was not completely satisfied with all of the features of this legislation I felt the time for change from the old way was due.

We must move away from an atmosphere of influencing Government decisions affecting the daily lives of our citizens from the prices they pay to the quality of their lives.

I believe that one of the crucial factors determining whether or not we consider a government democratic is not how much power the public officials have, but rather how public officials secure and retain their offices. Events surrounding the last general election have been and will, no doubt, continue to be examined and investigated in an effort to determine the source of enormous amounts of campaign moneys. Coupled with these investigations are repeated cries for reform, for changes in the law concerning campaign financing. And surely some changes are in order.

Mr. President, I do not think anyone can provide a simple answer to the question, "Does money win elections?" It is undeniable that money does play a major role in winning. It does not guarantee victory, but the amount of money collected and spent can in some cases be decisive. Money cannot totally obliterate the influence of issues and candidates' party orientation on voting decisions, but it can and often does make a difference.

No longer should ambassadorships be given as a basis of huge campaign contributions nor should decisions for milk supports be swayed by political contributions.

Some Americans view public policymaking as a sordid process where the wealthy control elected officials. And while there is some corruption, I believe its reputation for moving the wheels of government is far greater than its performance. But money can twist policy in subtle ways—and any effort we can make to erect a barrier between the direct translation of money into policy decisions must be made.

After weeks of debate on this bill and amendments to it, I felt the Senate has made a close examination of the concept of specific proposals for public financing. While I wish the tax checkoff system would adequately provide funds for this approach, I am convinced that it will not and I am now ready to vote for and approve the spending of other tax dollars to finance Presidential campaigns.

Public financing of congressional elections needs additional consideration, however. It is my understanding that the feeling in the House of Representatives is such that little—if any—public financing of congressional elections will be accepted. For now, this may be just as well, for if I had to draft a public financing bill for congressional elections that would be fair and workable, I am not sure that I could. However, I did support an effort by Senator STEVENSON to allow a partial funding of congressional elections without going the entire way.

The purpose of public financing is to eliminate the large and potentially corrupting contributions of big money from our politics. This amendment would have accomplished that purpose but it would not have eliminated the innocent, small contributions which are a healthy form of participation in our political system.

This amendment would have limited the campaign contributions of individuals to Federal campaigns to $3,000 in primaries and $3,000 in general election campaigns. In that respect, it did not

alter the provisions of the bill reported by the Rules Committee.

It would also have limited the contributions of committees to $6,000, which could be allocated between a general election campaign and a primary election campaign as the committee sees fit.

It established a system of partial public financing as opposed to the 100 percent public financing which is established in the bill reported by the Rules Committee. Instead of 100-percent, public financing, congressional candidates would have received a front-end subsidy 25 percent of the expenditure limit applicable to congressional campaigns. In addition, private contributions of $100 or less would have been matched with public funds on a dollar-for-dollar basis.

When I was thinking about running for the Senate, I discovered I was not going to be able to raise a large war chest to finance my campaign. So, I had to run a different kind of campaign that was less expensive than the conventional way. During my walk through Florida, I talked with thousands of people who were encouraged by this kind of campaign; one of the primary reasons was that my campaign was not costing huge sums of money.

In sum, I voted for this bill even though it contained the large funding for congressional elections because I believe the public funding concept is vitally important. Even though I am not satisfied with the congressional funding provisions, I feel this legislation should be sent to the House for their consideration.

To vote against this legislation would be a signal that I am against public funding of Presidential elections. I feel this part of the legislation is absolutely necessary and vital. I hope that the House will favorably consider plans for public funding of Presidential elections and begin some efforts toward public funding on congressional races so at least we may have a plan in this area to move with.

TRIBUTE TO SENATORS ON PASSAGE OF CAMPAIGN REFORM

Mr. MANSFIELD. Mr. President, I wish to pay well-deserved tribute to the many Senators who were responsible for this magnificent achievement—one of the most significant reform proposals that in my judgment has passed the Senate. What it says fundamentally is that public officials will answer first and last to the public and not to this or that special interest group. It is an essential step that must be taken to restore public faith and confidence in the institutions of Government. I am proud, indeed, of the Senate's great initiative on this issue.

Senator CANNON, the distinguished chairman of the Committee on Rules deserves the highest commendation for his leadership and devotion. So, too, does Senator COOK. They joined in cooperative efforts to handle this most important proposal and they assumed the task with the greatest skill and ability.

The Senator from California (Mr. CRANSTON) deserves praise for his many outstanding efforts to assure this success His work in behalf of public election reform indeed was indispensable. The same may be said of the efforts of Senator KENNEDY, Senator PELL, and the many others whose inititiative started this process some time ago.

I was particularly impressed with the leadership of the able Republican leader (Mr. HUGH SCOTT) without whose efforts a measure as effective as this could not have been possible. And to Senator BROCK, Senator CLARK, Senator STEVENSON, Senator BAKER, Senator ALLEN, and the many others who joined with statements, with amendments, and with viewpoints, we are especially indebted for providing a debate and discussion of the highest order.

All in all, the Senate may take great pride in this achievement.

Mr. KENNEDY. Mr. President, the final passage, achieved today, of the legislation for campaign reform and public financing of elections is one of the finest hours of the Senate in this or any other Congress.

Most, if not all, of the things that are wrong with government today have their roots in the way we finance campaigns for public office. The corrosive influence of private money in public life is the primary cause of the lack of responsiveness of government to the people.

Now, through public financing, we can change all that. Once public financing is signed into law, it will begin to have an immensely salutary effect on every dimension of government, as it sends ripples through every issue with which Congress and the administration have to deal.

At least, the stranglehold of wealthy campaign contributors and special interest groups on the election process will be broken, and democracy will be the winner. Only when all the people pay for elections will all the people be truly represented by their Government.

No one believes that public financing is a panacea for America's every social ill. What we do believe is that it is the nation's preeminent reform, the reform that must lead all the rest if we are serious about bringing integrity back to government and giving fair, honest, and clean elections to the people.

Long before Watergate, we knew about the problem. Now, because of Watergate, we have gained the strength to solve it. By voting for public financing, we are telling the Nation that the day of the dollar in public financing is over, that elective office is no longer for sale to the highest private bidder.

Rarely has the Senate sent so clear a message to every citizen. I praise MIKE MANSFIELD, HUGH SCOTT, ROBERT BYRD, HOWARD CANNON, ALAN CRANSTON, and all the other Senators and public interest groups, especially Common Cause and the Center for Public Financing, who did so much to bring this legislation to the Senate floor, to win the fight for cloture, and to make this victory possible.

Finally, Mr. President, I do not think we should close this particular chapter of the campaign financing effort of the Senate without recognition of the special contributions by many Members of this body who worked so hard in this important area.

As one who has been interested in this issue for some time, I wish to express great admiration for the work done by the manager of the bill, the distinguished Senator from Nevada (Mr. CANNON) and his able staff. He has been on the floor continuously these past 3 weeks, available for discussion and debate on the extremely complex and difficult issues posed in this legislation. I think he has done a brilliant job. All the members of the Committee on Rules and Administration are to be commended, and the staff is also to be commended for their extraordinary efforts.

I also praise the especially important role played by the Senate leadership. The distinguished majority leader (Mr. MANSFIELD), the distinguished Republican leader (Mr. HUGH SCOTT), and the distinguished Democratic whip (Mr. ROBERT C. BYRD) were the keys to the successful struggle for cloture this week. Without their effort, we could not have won today. We could not have obtained cloture or been successful in passing this legislation if we had not had the very strong leadership that the three of them provided, not only in rounding up the votes, but also in presenting to our colleagues the significance and importance of action by the Senate at the present time. Their contributions were immense, and all of us are in their debt.

Many other Senators also played a key role. The Senator from Rhode Island (Mr. PELL) was chairman of the subcommittee that held extensive hearings on this issue, hearings that laid a solid foundation for our present action, and he should be commended.

When we consider public financing, we have to recognize as well that this legislation really builds on the genius of the distinguished Senator from Louisiana (Mr. LONG), who initially presented the $1 checkoff for Presidential elections in 1966 and who helped to lead the successful effort to cement the checkoff into law in 1971. Many of the most important aspects of this legislation build on the work of Senator LONG, the chairman of the Committee on Finance.

Another very important part of the debate was the distinguished senior Senator from Rhode Island (Mr. PASTORE), who also helped to lead the effort for the enactment of the $1 checkoff measure in 1971, and who has always been such an eloquent spokesman for campaign reform.

Then when we consider the history of the present movement, I would single out the Senator from Michigan (Mr. HART) for special praise. He was the first Senator to introduce legislation for comprehensive public financing of all Federal elections, primaries as well as general elections. In a very real sense, he started the ball rolling in this Congress, and he never let the momentum fade.

Senator ALAN CRANSTON of California, was tireless in his efforts, not only in preparing the legislation itself, but also in rounding up the votes. Although the latter work is not a role which is generally acclaimed or understood outside

the Halls of Congress, no one here is unaware of his effective work on the Senate floor. I doubt that we could have won today without his careful and successful daily attention to the bill.

Senators MONDALE and SCHWEIKER were also real leaders in developing the concept of public financing, especially the concept of matching grants for primaries. Their early efforts led to a strengthening of the proposals for this legislation, and a new awareness that it would be possible to include primary elections in the bill for public financing.

Senator CLARK of Iowa was another pillar of the Senate effort, both in the early stages of the legislation and in the floor debate, and I congratulate him on the leadership he has displayed.

Senator MATHIAS and Senator STAFFORD also worked closely in these early efforts, and were particularly instrumental in giving this bill the broad bipartisan support it had to have if final passage was to be achieved.

Finally, the Senator from Illinois (Mr. STEVENSON) was very active in the whole debate and discussions. There were points on which we disagreed, but he has been an outstanding pioneer in bringing this issue to the attention of the Senate and the people, and there was no fundamental disagreement on the importance of public financing of political campaigns.

Finally, I would like to commend the public interest groups, led by Common Cause and the Center for Public Financing of Elections. I do not think the public interest has ever been better served than by the joint efforts of those in and out of Congress with whom they worked. These two groups, and others with whom they worked were extremely successful in making these issues plain and clear to the Members of this body and to the country, and I am hopeful that they will be as successful with the House of Representatives.

I think the action that has been taken by the Senate shows the American people that the Senate can act, and that it can act effectively in the important and sensitive area of election reform. I think we have demonstrated quite clearly that the Senate is aroused by the crisis over Watergate, and that we have responded in the most effective legislative way we could in assuring that future elections of Members of the Senate and the House and for the Presidency will be free of the corrosive and corruptive power of large campaign contributions.

I think this is really one of the finest efforts for reform I have ever seen in this body. Public financing of elections will rank with the great reforms of the political process in our history, a milestone of which every Member of this body should be proud.

I think the American people can be reassured that the Senate is alive and well in Washington, and that in what we achieved today, we acted in the best interests of all the people of this Nation. Public financing can be one of democracy's finest hours, and I hope that the issue will do as well as it navigates its difficult course through the House of Representatives and to the President for his signature.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. CRANSTON. I want to echo and endorse the praise the Senator from Massachusetts has given to Senator Cannon, the leadership, and many others who have worked so hard on this measure, which is fully as important as the Senator from Massachusetts has stated. I thank the Senator for his kind words on my behalf.

I want to add that if we had not had the imaginative and successful and bold efforts of the Senator from Massachusetts, we would not have achieved the result that has been achieved in recent days and on the floor of the Senate today. The Senator from Massachusetts initially, in joining with the Senator from Pennsylvania, provided the impetus which gave great strength to this effort. At every point when his strength was required, the Senator from Massachusetts moved into it swiftly, wherever it was necessary and effectively, and with great imagination, and we all owe him a great debt of gratitude.

AUTHORIZATION OF APPROPRIATIONS TO THE ATOMIC ENERGY COMMISSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 745, S. 3292, a bill to authorize appropriations to the Atomic Energy Commission. It is my understanding that this measure will not take long, that there is agreement, and it is not anticipated there will be a rollcall vote.

The PRESIDING OFFICER. The bill will be stated by title.

The second assistant legislative clerk read as follows:

A bill (S. 3292) to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The Senate proceeded to consider the bill.

Mr. PASTORE. Mr. President, the bill now under consideration, S. 3292, would authorize appropriations totaling $3,676,833,000 for both "operating expenses" and "plant and capital equipment" for the coming year. That amount is approximately 2 percent more than the amount requested by the Commission. Approximately 42 percent of the Commission's fiscal year 1975 estimated program costs will be for military applications and the balance for civilian applications. Last year the portion for the military program was about 46 percent. This indicates a continued shift of the fraction of work away from military programs. The proposed authorization also emphasizes energy R. & D. programs. The energy R. & D. programs in this authorization bill are 32 percent greater than last year. The civilian applications portion includes $132.2 million in operating costs for the high energy physics program for which the AEC acts as principal funding agent for the entire Federal Government.

OPERATING FUNDS

Turning to the bill itself, the individual sections are explained in the section-by-section analysis beginning at page 46 of the committee report. Very briefly, section 101(a) would authorize $2,551,533,000 for operating expenses and this total figure consists of the programs listed in the table on page 3 of the committee report with a detailed discussion of each portion thereof beginning at page 7 of the committee report. You will note from the table on page 3 that the committee has recommended several adjustments to the AEC's requested authorization, the net total of which is an increase of $82,110,000.

I would like to highlight some of the significant areas affected by the committee's recommendations. Recognizing the Nation's need for increasing amounts of clean energy, the committee recommended an increase of $9.2 million for the light water breeder reactors, $8.9 million for nonnuclear energy programs and $9 million for controlled fusion energy research. We have also recommended an increase of $12.7 million in the Commission's licensing and regulatory program to permit a reduction in the licensing time for powerplants.

The committee also is recommending a $15 million increase in the nuclear weapons program. Although the increase is only about 1½ percent above the Commission's request, it is for a very critical area in our nuclear weapons program which is the testing program. We have looked into this matter very carefully and found that if this work is not strengthened, there is a high probability that our nuclear weapons technology would be frozen.

CONSTRUCTION FUNDS

With regard to the plant and capital equipment portion of the budget, contained in section 101(b) of the bill, a total of $1,125,300,000 is recommended which is a reduction of $5,550,000 from the amount requested by the AEC. The bill authorizes $273,300,000 for new construction projects, $208,850,000 for capital equipment not related to construction, and a $643,150,000 increase in authorization for previously authorized projects.

The major changes recommended in this area are a $26.9 million reduction for two reactor development facilities and an increase of $7.1 million for improving our uranium enrichment plants.

Sections 102, 103, and 106 of the bill set forth certain limitations regarding the application of the funds authorized by this bill. These are similar to provisions incorporated in previous authorization acts. Sections 104 and 105 authorize the Commission to retain certain receipts and to transfer operating funds to other Federal agencies for the performance of specific items of work. These sections were previously included in appropriations acts.

Section 107 provides required legislation concerning the Commission's highest priority reactor development program which is the liquid metal fast breeder program. This section concerns indemnification and ownership of the first LMFBR demonstration plant which is

being carried out as a cooperative project with industry.

CONCLUSION

These are the highlights of the bill. The Joint Committee believes that the bill provides for a minimum authorization necessary to carry out at a viable level the essential programs and activities of the Commission. It was reported out without dissent by either House or Senate members of the committee.

Mr. President, I ask unanimous consent that a section-by-section analysis, which appears on page 46, beginning with section 101, and continuing through pages 47, 48, 49, and 50, and concluding on page 51, ending on the last line of page 51 with the words "Commission rather than the GAC," be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Section 101

Section 101 of the bill authorizes appropriations to the Atomic Energy Commission, in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended, for "Operating expenses" and "Plant and capital equipment."

Section 101(a) of the bill deals with the authorization of appropriations for "Operating expenses." The Commission's authorization request under this heading was presented to the committee in terms of costs to be incurred during fiscal year 1975, adjusted in total to the obligations to be incurred during the fiscal year.

The Joint Committee is recommending authorization of $2,551,133,000 for "Operating expenses," not to exceed $132,200,000 in operating costs for the high-energy physics program category. It is the Joint Committee's intent that the amount specified for any program or category shall be exceeded only in accordance with specific arrangements which have been developed between the Commission and the committee. These arrangements include provisions for periodic reporting to the committee of changes in estimates of authorized programs. These informal procedures, embodied in an exchange of correspondence between the Atomic Energy Commission and the committee, have operated efficiently. It is the Joint Committee's belief that legislative measures or other formal devices that would impose legal limitations upon the reprograming of Commission funds are not necessary at this time. It is the committee's intent that the procedures specified in this exchange of correspondence shall remain in effect during fiscal year 1975.

It is intended that costs incurred pursuant to the authorization contained in this act shall be generally in accordance with the analysis of the proposed bills submitted by the AEC and other background and explanatory materials furnished by the Commission in justification of the AEC's fiscal year 1975 authorization bill.

Plant and capital equipment obligations are provided in two sections of the bill. Under section 101(b), authorization is provided for new construction projects and capital equipment not related to construction. This authorization, together with the changes in prior-year project authorizations provided for in section 107, comprise the total authorization for plant and capital equipment provided in this bill. The AEC's request for authorization for these purposes was presented on the basis of new obligational authority required. New construction projects authorized under subsections (1) through (13) of section 101(b) of the bill total $273,300,000.

It is intended that the projects under this authorization be related, as in previous years, to the analysis of the proposed bills submitted by the AEC and other background and explanatory materials furnished by the Commission in justification of the AEC authorization bill. It is not intended to prevent technical and engineering changes which are considered necessary or desirable by the Commission consistent with the scope and purpose of the project concerned.

Pursuant to section 101(b)(11), appropriations are authorized for capital equipment not related to construction in the amount of $208,850,000. This equipment is necessary to replace obsolete or worn-out equipment at AEC installations. Additional equipment is required to meet the needs of expanding programs and changing technology. Examples of typical equipment include machine tools, computers, and office equipment. The Joint Committee expects to receive a report from the Commission at least semiannually on obligations incurred pursuant to this authorization.

Section 102

Section 102 of the bill provides limitations similar to those in prior authorization acts.

Subsection (a) provides that the Commission is authorized to start projects set forth in certain subparts of subsection 101(b) only if the currently estimated cost of the project does not exceed by more than 25 percent the estimated cost for that project set forth in the bill.

Subsection (b) provides similar limitations for projects in other subparts of subsection 101(b), except that the increase may not exceed 10 percent of the estimated cost shown in the bill.

Subsection (c) provides limitations on general plant projects authorized by subsection 101(b)(9), whereby the Commission may start such projects only if the currently estimated cost of such project does not exceed $500,000 and the maximum currently estimated cost of any building included in such project does not exceed $100,000; provided that the building cost limitation may be exceeded if the Commission determines that it is necessary in the interests of efficiency and economy. Additionally, section 102(c) provides that the total cost of all general plant projects shall not exceed the estimated cost set forth in subsection 101(b)(9) by more than 10 percent.

Under arrangements previously agreed to by the Commission and the Joint Committee, the Commission shall report to the Joint Committee and the Appropriations Committee after the close of each fiscal year concerning the use of general plant project funds, and such report shall identify each project for which the proposed new authority has been utilized.

Subsection (d) complements subsection (a) and provides that the Commission is not authorized to incur obligations in excess of 125 percent of the estimated cost set forth for certain projects described in subsection 101(b), unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act. Illustratively, if the estimated cost set forth in the act were $10 million, the Commission would not be able to incur obligations for this project in excess of $12,500,000 without first obtaining an additional authorization for appropriations. This limitation does not apply to any project with an estimated cost less than $5 million.

Subsection (e) complements subsections (b) and (c) and imposes a similar limitation on certain projects described in other subparts of subsection 101(b), except that the increase may not exceed 10 percent of the estimated cost shown in the bill. This subsection likewise, is inapplicable to projects with an estimated cost less than $5 million.

Section 103

Section 103 of the bill authorizes the Commission to undertake engineering design (titles I and II) on construction projects which have been included in a proposed authorization bill transmitted to the Congress by the Commission. It is understood that this work would be undertaken on projects which the Commission deems are of such urgency that physical construction should be initiated as soon as appropriations for the project have been approved.

Section 104

Section 104 of the bill authorizes the Commission to retain and credit to its "Operating expenses" appropriation any moneys received by the Commission (except moneys received from disposal of property under the Atomic Energy Community Act of 1955, as amended), notwithstanding the provisions of section 3617 of the Revised Statutes. This provision has been included in previous appropriations acts for the AEC, but more properly belongs in the authorizing legislation.

Section 105

Section 105 authorizes the Commission to transfer sums from its "Operating expenses" appropriation to other agencies of the Government for performance of the work for which the moneys were appropriated. This provision has also been included in previous appropriation acts.

Section 106

Section 106 of the bill provides authorization for the transfer of amounts between the "Operating expenses" and the "Plant and capital equipment" appropriations as provided in the appropriation acts. The AEC appropriation acts have, in past years, provided that not to exceed 5 percent of the appropriations for "Operating expenses" and "Plant and capital equipment" could be transferred between such appropriations, provided, however, that neither appropriation could be increased by more than 5 percent by any such transfer. It is understood that any such transfer shall be reported promptly to the Joint Committee on Atomic Energy.

Section 107

Section 107 of the bill amends prior-year authorization acts as follows:

"(*a*) Section 101 of Public Law 89–428, as amended, is further amended by striking from subsection (b)(3) project 67–3–a, fast flux test facility, the figure '$87,500,000', and substituting therefor the figure '$420,000,000'.

"(*b*) Section 101 of Public Law 91–273, as amended, is further amended by striking from subsection (b)(1), project 71–1–f, process equipment modifications, gaseous diffusion plants, the figure '$172,100,000' and substituting therefor the figure '$295,100,000'.

"(*c*) Section 106 of Public Law 91–273, as amended, is further amended by striking from subsection (a) the figure '$2,000,000' and substituting therefor the figure '$3,000,000,' and by adding thereto the following new subsection (c):

"'(*c*) The Commission is hereby authorized to agree, by modification to the definitive cooperative arrangement reflecting such changes therein as it deems appropriate for such purpose, to the following: (1) to execute and deliver to the other parties to the AEC definitive contract the special undertakings of indemnification specified in said contract, which undertakings shall be subject to availability of appropriations to the Atomic Energy Commission (or any other Federal agency to which the Commission's pertinent functions might be transferred at some future time) and to the provisions of section 3679 of the Revised Statutes, as amended; and (2) to acquire ownership and custody of the property constituting the Liquid Metal Fast Breeder Reactor power-

H.R. 16090

93D CONGRESS
2D SESSION

H. R. 16090

IN THE HOUSE OF REPRESENTATIVES

JULY 24, 1974

Mr. HAYS (for himself, Mr. THOMPSON of New Jersey, Mr. DENT, Mr. NEDZI, Mr. BRADEMAS, Mr. GRAY, Mr. HAWKINS, Mr. GETTYS, Mr. ANNUNZIO, Mr. GAYDOS, Mr. MOLLOHAN, Mr. KOCH, Mr. CLEVELAND, Mr. WARE, and Mr. FROEHLICH) introduced the following bill; which was referred to the Committee on House Administration

A BILL

To impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

I

TITLE I—CRIMINAL CODE AMENDMENTS

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 101. (a) Section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, is amended by redesignating subsections (b) and (c) as subsections (f) and (g), respectively, and by inserting immediately after subsection (a) the following new subsections:

"(b) (1) Except as otherwise provided by paragraphs (2) and (3), no person shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $1,000.

"(2) No political committee (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $5,000. Contributions by the national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States shall not exceed the limitation imposed by the preceding sentence with respect to any other candidate for Federal office. For purposes of this paragraph, the term 'political committee' means an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 for a period of not less than 6 months which has received contributions from more

than 50 persons and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

"(3) No individual shall make contributions aggregating more than $25,000 in any calendar year.

"(4) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate, in writing, to accept contributions on his behalf shall be considered to be contributions made to such candidate; and

"(B) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(5) The limitations imposed by paragraphs (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

"(6) For purposes of the limitations imposed by this section, all contributions made by a person, either

directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the appropriate supervisory officer and to the intended recipient.

"(c) (1) No candidate shall make expenditures in excess of—

"(A) $10,000,000, in the case of a candidate for nomination for election to the office of President of the United States;

"(B) $20,000,000, in the case of a candidate for election to the office of President of the United States;

"(C) in the case of any campaign for nomination for election, or for election, by a candidate for the office of Senator, the greater of—

"(i) 5 cents multiplied by the population of the geographical area with respect to which the election is held; or

"(ii) $75,000;

"(D) $75,000, in the case of any campaign for nomination for election, or for election, by a candidate

for the office of Representative, Delegate from the District of Columbia, or Resident Commissioner; or

"(E) $15,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Delegate from Guam or the Virgin Islands.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States;

"(B) expenditures made on behalf of any candidate by a principal campaign committee designated by such candidate under section 302(f)(1) of the Federal Election Campaign Act of 1971 shall be deemed to have been made by such candidate; and

"(C) the population of any geographical area shall be the population according to the most recent decennial census of the United States taken under section 141 of title 13, United States Code.

"(3) The limitations imposed by subparagraphs (C),

(D), and (E) of paragraph (1) of this subsection shall apply separately with respect to each election.

"(d) (1) At the beginning of each calendar year (commencing in 1975), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Comptroller General and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (c) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1973.

"(e) (1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate under the provisions of subsection (c)) relative to a clearly identified candidate during a calendar year which,

when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds $1,000

"(2) For purposes of paragraph (1), the term 'clearly identified' means—

"(A) the candidate's name appears;

"(B) a photograph or drawing of the candidate appears; or

"(C) the identity of the candidate is apparent by unambiguous reference.".

(b) Section 608(a)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, is amended to read as follows:

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of $25,000.".

(c)(1) Notwithstanding section 608(a)(1) of title 18, United States Code, relating to limitations on expenditures from personal funds, any individual may satisfy or discharge, out of his personal funds or the personal funds of his immediate family, any debt or obligation which is outstanding on the date of the enactment of this Act and which was in-

curred by him or on his behalf by any political committee in connection with any campaign ending before the close of December 31, 1972, for election to Federal office.

(2) For purposes of this subsection—

(A) the terms "election", "Federal office", and "political committee" have the meanings given them by section 591 of title 18, United States Code; and

(B) the term "immediate family" has the meaning given it by section 608(a)(2) of title 18, United States Code.

(d)(1) The first paragraph of section 613 of title 18, United States Code, relating to contributions by certain foreign agents, is amended—

(A) by striking out "an agent of a foreign principal" and inserting in lieu thereof "a foreign national"; and

(B) by striking out ", either for or on behalf of such foreign principal or otherwise in his capacity as agent of such foreign principal,".

(2) The second paragraph of such section 613 is amended by striking out "agent of a foreign principal or from such foreign principal" and inserting in lieu thereof "foreign national".

(3) The fourth paragraph of such section 613 is amended to read as follows:

"As used in this section, the term 'foreign national' means—

"(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term 'foreign national' shall not include any individual who is a citizen of the United States; or

"(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).".

(4)(A) The heading of such section 613 is amended by striking out "**agents of foreign principals**" and inserting in lieu thereof "**foreign nationals**".

(B) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 613 and inserting in lieu thereof the following:

"613. Contributions by foreign nationals.".

(e)(1) Section 608(g) of title 18, United States Code (as so redesignated by subsection (a) of this section), relating to penalty for violating limitations on contributions and expenditures, is amended by striking out "$1,000" and inserting in lieu thereof "$25,000".

(2) The second paragraph of section 610 of title 18, United States Code, relating to penalties for violating prohibitions against contributions or expenditures by national banks, corporations, or labor organizations, is amended—

(A) by striking out "$5,000" and inserting in lieu thereof "$25,000"; and

(B) by striking out "$10,000" and inserting in lieu thereof "$50,000".

(3) Section 611 of title 18, United States Code (as amended by section 103 of this Act), relating to contributions by firms or individuals contracting with the United States, is amended in the first paragraph thereof by striking out "$5,000" and inserting in lieu thereof "$25,000".

(4) The third paragraph of section 613 of title 18, United States Code (as amended by subsection (d) of this section), relating to contributions by foreign nationals, is amended by striking out "$5,000" and inserting in lieu thereof "$25,000".

(f) (1) Chapter 29 of title 18, United States Code, relating to elections and political activities, is amended by adding at the end thereof the following new sections:

"§ 614. Prohibition of contributions in name of another

"(a) No person shall make a contribution in the name

of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 615. Limitation on contributions of currency

"(a) No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or election, to Federal office.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 616. Acceptance of excessive honorariums

"Whoever, while an elected or appointed officer or employee of any branch of the Federal Government—

"(1) accepts any honorarium of more than $1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or

"(2) accepts honorariums (not prohibited by paragraph (1) of this subsection) aggregating more than $10,000 in any calendar year;

shall be fined not less than $1,000 nor more than $5,000.".

(2) Section 591 of title 18, United States Code, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"Except as otherwise specifically provided, when used in this section and in sections 597, 599, 600, 602, 608, 610, 611, 614, and 615 of this title—".

(3) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"614. Prohibition of contributions in name of another.
"615. Limitation on contributions of currency.
"616. Acceptance of excessive honorariums.".

(4) Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 310, relating to prohibition of contributions in the name of another.

DEFINITIONS OF POLITICAL COMMITTEE, CONTRIBUTION, EXPENDITURE, AND PRINCIPAL CAMPAIGN COMMITTEE

SEC. 102. (a) Section 591 (d) of title 18, United States Code, relating to the definition of political committee, is amended by inserting immediately after "$1,000" the following: ", or which commits any act for the purpose of in-

fluencing, directly or indirectly, the nomination for election, or election, of any person to Federal office, except that any communication referred to in paragraph (f) (4) of this section which is not included within the definition of the term 'expenditure' shall not be considered such an act".

(b) Section 591 (e) (5) of title 18, United States Code, relating to an exception to the definition of contribution, is amended by inserting "(A)" immediately after "include" and by inserting immediately before the semicolon at the end thereof the following: ", (B) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor, (D) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, or (E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such com-

mittee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): *Provided*, That the cumulative value of activities by any person on behalf of any candidate under each of clauses (B) or (D) shall not exceed $500 with respect to any election".

(c) Section 591(f) of title 18, United States Code, relating to the definition of expenditure, is amended—

(1) in subparagraph (2) thereof, by striking out "and";

(2) in subparagraph (3) thereof, by inserting "and" immediately after the semicolon; and

(3) by adding at the end thereof the following new subparagraph:

"(4) notwithstanding the foregoing meanings of 'expenditure', such term does not include (A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical

publication, unless such facilities are owned or controlled by any political party, political committee, or candidate, (B) nonpartisan activity designed to encourage individuals to register to vote or to vote, (C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office, (D) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (E) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, (F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office, (G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution

incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers), (H) any costs incurred by a candidate (including his principal campaign committee) in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate (including his principal campaign committee) in excess of an amount equal to 25 per centum of the expenditure limitation applicable to such candidate under section 608(c) of this title, or (I) any costs incurred by a political committee (as such term is defined by section 608(b)(2) of this title) with respect to the solicitation of contributions to such political committee or to any general political fund

controlled by such political committee, except that this clause shall not apply to exempt costs incurred with respect to the solicitation of contributions to any such political committee made through broadcasting stations, newspapers, magazines, outdoor advertising facilities, and other similar types of general public political advertising: *Provided*, That the cumulative value of activities by any person on behalf of any candidate under each of clauses (D) or (E) shall not exceed $500 with respect to any election;".

(d) Section 591 of title 18, United States Code, relating to definitions, is amended—

(1) by striking out "and" at the end of paragraph (g);

(2) by striking out the period at the end of paragraph (h) and inserting in lieu thereof "; and"; and

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

"(i) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 302(f)(1) of the Federal Election Campaign Act of 1971.".

POLITICAL FUNDS OF CORPORATIONS OR LABOR ORGANIZATIONS

SEC. 103. Section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, is amended by adding at the end thereof the following new paragraphs:

"This section shall not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 610 of this title prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund.

"For purposes of this section, the term 'labor organization' has the meaning given it by section 610 of this title.".

EFFECT ON STATE LAW

SEC. 104. (a) The provisions of chapter 29 of title 18, United States Code, relating to elections and political activities, supersede and preempt any provision of State law with respect to election to Federal office.

(b) For purposes of this section, the terms "election", "Federal office", and "State" have the meanings given them by section 591 of title 18, United States Code.

TITLE II—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

PRINCIPAL CAMPAIGN COMMITTEE

SEC. 201. Section 302 of the Federal Election Campaign Act of 1971, relating to organization of political committees, is amended by striking out subsection (f) and inserting in lieu thereof the following:

"(f) (1) Each individual who is a candidate for Federal office (other than the office of Vice President of the United States) shall designate a political committee to serve as his principal campaign committee. No political committee may be designated as the principal campaign committee of more than one candidate, except that the candidate for the office of President of the United States nominated by a political party may designate the national committee of such political party as his principal campaign committee.

"(2) Except as otherwise provided in section 608(e) of title 18, United States Code, no political committee other than a principal campaign committee designated by a candidate under paragraph (1) may make expenditures on behalf of such candidate.

"(3) Notwithstanding any other provision of this title, each report or statement of contributions received by a political committee (other than a principal campaign committee)

which is required to be filed with a supervisory officer under this title shall be filed instead with the principal campaign committee for the candidate on whose behalf such contributions are accepted.

"(4) It shall be the duty of each principal campaign committee to receive all reports and statements required to be filed with it under paragraph (3) of this subsection and to compile and file such reports and statements, together with its own reports and statements, with the appropriate supervisory officer in accordance with the provisions of this title.

"(5) For purposes of paragraphs (1) and (3) of this subsection, the term 'political committee' does not include any political committee which supports more than one candidate, except for the national committee of a political party designated by a candidate for the office of President of the United States under paragraph (1) of this subsection.".

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 202. Section 303 of the Federal Election Campaign Act of 1971, relating to registration of political committees and statements, is amended by adding at the end thereof the following new subsection:

"(e) In the case of a political committee which is not a principal campaign committee and which does not support more than one candidate, reports and notifications required

under this section to be filed with the supervisory officer shall be filed instead with the appropriate principal campaign committee.".

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 203. (a) Section 304(a) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended—

(1) by striking out the second and third sentences and inserting in lieu thereof the following:

"The reports referred to in the preceding sentence shall be filed as follows:

"(A) (i) In any calendar year in which an individual is a candidate for Federal office and an election for such Federal office is held in such year, such reports shall be filed not later than the tenth day before the date on which such election is held and shall be complete as of the fifteenth day before the date of such election; except that any such report filed by registered or certified mail must be postmarked not later than the close of the twelfth day before the date of such election.

"(ii) Such reports shall be filed not later than the thirtieth day after the date of such election and shall be complete as of the twentieth day after the date of such election.

"(B) In any other calendar year in which an in-

dividual is a candidate for Federal office, such reports shall be filed after December 31 of such calendar year, but not later than January 31 of the following calendar year and shall be complete as of the close of the calendar year with respect to which the report is filed.

"(C) Such reports shall be filed not later than the tenth day following the close of any calendar quarter in which the candidate or political committee concerned received contributions in excess of $1,000, or made expenditures in excess of $1,000, and shall be complete as of the close of such calendar quarter; except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.

"(D) When the last day for filing any quarterly report required by subparagraph (C) occurs within 10 days of an election, the filing of such quarterly report shall be waived and superseded by the report required by subparagraph (A) (i).

Any contribution of $1,000 or more received after the fifteenth day, but more than 48 hours, before any election shall be reported within 48 hours after its receipt."; and

(2) by striking out "Each" at the beginning of the first sentence of such section 304(a) and inserting in

lieu thereof "(1) Except as provided by paragraph (2), each", and by adding at the end thereof the following new paragraph:

"(2) Each treasurer of a political committee which is not a principal campaign committee and which does not support more than one candidate shall file the reports required under this section with the appropriate principal campaign committee.".

(b) (1) Section 304(b) (8) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total receipts less transfers between political committees which support the same candidate and which do not support more than one candidate".

(2) Section 304(b) (11) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total expenditures less transfers between political committees which support the same candidate and which do not support more than one candidate".

FORMAL REQUIREMENTS FOR REPORTS AND STATEMENTS

SEC. 204. Section 306 of the Federal Election Campaign Act of 1971, relating to formal requirements respecting re-

ports and statements, is amended by adding at the end thereof the following new subsection:

"(e) If a report or statement required by section 303, 304(a)(1)(A)(ii), 304(a)(1)(B), or 304(a)(1)(C) of this title to be filed by a treasurer of a political committee or by a candidate, or if a report required by section 305 of this title to be filed by any other person, is delivered by registered or certified mail, to the appropriate supervisory officer or principal campaign committee with whom it is required to be filed, the United States postmark stamped on the cover of the envelope or other container in which such report or statement is so mailed shall be deemed to be the date of filing.".

DUTIES OF THE SUPERVISORY OFFICER

SEC. 205. (a)(1) Section 308(a) of the Federal Election Campaign Act of 1971, relating to duties of the supervisory officer, is amended by striking out paragraphs (6), (7), (8), (9), and (10), and by redesignating paragraphs (11), (12), and (13) as paragraphs (8), (9), and (10), respectively, and by inserting immediately after paragraph (5) the following new paragraphs:

"(6) to compile and maintain a cumulative index of reports and statements filed with him, which shall be published in the Federal Register at regular intervals

and which shall be available for purchase directly or by mail for a reasonable price;

"(7) to prepare and publish from time to time special reports listing those candidates for whom reports were filed as required by this title and those candidates for whom such reports were not filed as so required;".

(2) Notwithstanding section 308(a)(7) of the Federal Election Campaign Act of 1971 (relating to an annual report by the supervisory officer), as in effect on the day before the effective date of the amendments made by paragraph (1) of this subsection, no such annual report shall be required with respect to any calendar year beginning after December 31, 1972.

(b)(1) Section 308(a)(10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the prescription of rules and regulations, is amended by inserting before the period at the end thereof the following: ", in accordance with the provisions of subsection (b)".

(2) Section 308 of such Act, relating to duties of the supervisory officer, is amended—

(A) by striking out subsections (b) and (c);

(B) by redesignating subsection (d) as subsection (c); and

(C) by inserting immediately after subsection (a) the following new subsection:

"(b) (1) The supervisory officer, before prescribing any rule or regulation under this section, shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate or the Committee on House Administration of the House of Representatives, as the case may be, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If the committee of the Congress which receives a statement from the supervisory officer under this subsection does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the supervisory officer may prescribe such rule or regulation. In the case of any rule or regulation proposed by the Comptroller General of the United States, both the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives shall have the power to disapprove such proposed rule or regulation, and the Comptroller General may not prescribe

any rule or regulation which has been disapproved by either such committee. No supervisory officer may prescribe any rule or regulation which is disapproved under this paragraph.

"(3) If the supervisory officer proposing to prescribe any rule or regulation under this section is the Secretary of the Senate, he shall transmit such statement to the Committee on Rules and Administration of the Senate. If the supervisory officer is the Clerk of the House of Representatives, he shall transmit such statement to the Committee on House Administration of the House of Representatives. If the supervisory officer is the Comptroller General of the United States, he shall transmit such statement to each such committee.

"(4) For purposes of this subsection, the term 'legislative days' does not include, with respect to statements transmitted to the Committee on Rules and Administration of the Senate, any calendar day on which the Senate is not in session, with respect to statements transmitted to the Committee on House Administration of the House of Representatives, any calendar day on which the House of Representatives is not in session, and with respect to statements transmitted to both such committees, any calendar day on which both Houses of the Congress are not in session.".

DEFINITIONS OF POLITICAL COMMITTEE, CONTRIBUTION, EXPENDITURE, AND SUPERVISORY OFFICER

SEC. 206. (a) (1) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"SEC. 301. When used in this title and in title IV of this Act—".

(2) Section 401 of the Federal Election Campaign Act of 1971, relating to extension of credit by regulated industries, is amended by striking out "(as such term is defined in section 301 (c) of the Federal Election Campaign Act of 1971)".

(3) Section 402 of the Federal Election Campaign Act of 1971, relating to prohibition against use of certain Federal funds for election activities, is amended by striking out the last sentence.

(b) Section 301 (d) of the Federal Election Campaign Act of 1971, relating to the definition of political committee, is amended by inserting immediately after "$1,000" the following: ", or which commits any act for the purpose of influencing, directly or indirectly, the nomination for election, or election, of any person to Federal office, except that any communication referred to in section 301 (f) (4) of this Act which is not included within the

definition of the term 'expenditure' shall not be considered such an act".

(c) Section 301(e) (5) of the Federal Election Campaign Act of 1971, relating to an exception to the definition of contribution, is amended by inserting "(A)" immediately after "include" and by inserting immediately before the semicolon at the end thereof the following: ", (B) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor, (D) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, or (E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State

in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers) : *Provided,* That the cumulative value of activities by any person on behalf of any candidate under each of clauses (B) or (D) shall not exceed $500 with respect to any election".

(d) Section 301 (f) of the Federal Election Campaign Act of 1971, relating to the definition of expenditure, is amended—

(1) in subparagraph (2) thereof, by striking out "and";

(2) in subparagraph (3) thereof, by inserting "and" immediately after the semicolon; and

(3) by adding at the end thereof the following new subparagraph:

"(4) notwithstanding the foregoing meanings of 'expenditure', such term does not include (A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate, (B) nonparti-

san activity designed to encourage individuals to register to vote or to vote, (C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office, (D) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (E) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary services by such individual to any candidate or political committee, (F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or (G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee

is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): *Provided,* That the cumulative value of activities by any person on behalf of any candidate under each of clauses (D) or (E) shall not exceed $500 with respect to any election;".

(e) Section 301 (g) of the Federal Election Campaign Act of 1971, relating to the definition of supervisory officer, is amended to read as follows:

"(g) 'supervisory officer' means the Secretary of the Senate with respect to candidates for the Senate, and committees supporting such candidates; the Clerk of the House of Representatives with respect to candidates for Representative, Delegate, and Resident Commissioner, and committees supporting such candidates; and the Comptroller General of the United States with respect to candidates for President and Vice President, and committees supporting such candidates.".

(f) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended—

(1) by striking out "and" at the end of paragraph (h);

(2) by striking out the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(j) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 302(f)(1); and

"(k) 'Board' means the Board of Supervisory Officers established by section 308(a)(1).".

BOARD OF SUPERVISORY OFFICERS

SEC. 207. (a) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by redesignating section 311 as section 314; by redesignating sections 308 and 309 as sections 311 and 312, respectively; and by inserting immediately after section 307 the following new sections:

"BOARD OF SUPERVISORY OFFICERS

"SEC. 308. (a)(1) There is hereby established the Board of Supervisory Officers, which shall be composed of 7 members as follows:

"(A) the Secretary of the Senate;

"(B) the Clerk of the House of Representatives;

"(C) the Comptroller General of the United States;

"(D) two individuals appointed by the President of the Senate, upon the recommendations of the majority

leader of the Senate and the minority leader of the Senate; and

"(E) two individuals appointed by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House.

Of each class of two members appointed under subparagraphs (D) and (E), not more than one shall be appointed from the same political party. An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term for the member he succeeds. Any vacancy occurring in the membership of the Board shall be filled in the same manner as in the case of the original appointment. Members of the Board appointed under subparagraphs (D) and (E)—

"(i) shall be chosen from among individuals who are not officers or employees in the executive, legislative, or judicial branch of the Government of the United States (including elected and appointed officials);

"(ii) shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment;

"(iii) shall serve for terms of 4 years, except that, of the members first appointed under subparagraph (D), one shall be appointed for a term of 1 year and one

shall be appointed for a term of 3 years and, of the members first appointed under subparagraph (E), one shall be appointed for a term of 2 years; and

"(iv) shall receive compensation equivalent to the compensation paid at level IV of the Federal Executive Salary Schedule (5 U.S.C. 5315), prorated on a daily basis for each day spent in the work of the Board, shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from their usual place of residence, in accordance with section 5703(b) of title 5, United States Code.

"(2) Notwithstanding any other provision of law, it shall be the duty of the Board to supervise the administration of, seek to obtain compliance with, and formulate overall policy with respect to, this title, title I of this Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code.

"(b) Members of the Board shall alternate in serving as Chairman of the Board. The term of each Chairman shall be one year.

"(c) All decisions of the Board with respect to the exercise of its duties and powers under the provisions of this title shall be made by majority vote of the members of the Board. A member of the Board may not delegate to any

person his vote or any decisionmaking authority or duty vested in the Board by the provisions of this title.

"(d) The Board shall meet at the call of any member of the Board, except that it shall meet at least once each month.

"(e) The Board shall prepare written rules for the conduct of its activities.

"(f) (1) The Board shall have a Staff Director and a General Counsel who shall be appointed by the Board. The Staff Director shall be paid at a rate not to exceed the rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315). The General Counsel shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316). With the approval of the Board, the Staff Director may appoint and fix the pay of such additional personnel as he considers desirable. Not less than 30 per centum of the additional personnel appointed by the Staff Director shall be selected as follows:

"(A) one-half from among individuals recommended by the minority leader of the Senate; and

"(B) one-half from among individuals recommended by the minority leader of the House of Representatives.

"(2) With the approval of the Board, the Staff Direc-

tor may procure temporary and intermittent services to the same extent as is authorized by section 3109 (b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS–15 of the General Schedule (5 U.S.C. 5332).

"POWERS OF THE BOARD

"SEC. 309. (a) The Board shall have the power—

"(1) to formulate general policy and to review actions of the supervisory officers with respect to the administration of this title, title I of this Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code;

"(2) to oversee the development of prescribed forms under section 311 (a) (1);

"(3) to review rules and regulations prescribed under section 104 of this Act or under this title to assure their consistency with the law and to assure that such rules and regulations are uniform, to the extent practicable;

"(4) to render advisory opinions under section 313;

"(5) to expeditiously conduct investigations and hearings, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities;

"(6) to administer oaths or affirmations;

"(7) to require by subpena, signed by the Chairman, the attendance and testimony of witnesses and the production of documentary evidence relevant to any investigation or hearing conducted by the Board under section 311 (c); and

"(8) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States.

"(b) Any district court of the United States, within the jurisdiction of which any inquiry is carried on, may, upon petition by the Board, in case of refusal to obey a subpena of the Board issued under subsection (a) (7), issue an order requiring compliance with such subpena. Any failure to obey the order of such district court may be punished by such district court as a contempt thereof.

"REPORTS

"SEC. 310. The Board shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Board in carrying out its duties under this title, together with recommendations for such legislative or other action as the Board considers appropriate.".

(b) (1) Section 311 (a) (9) of the Federal Election

Campaign Act of 1971 (as so redesignated by subsection (a) (1) of this section and by section 205(a) (1) of this Act), relating to duties of the supervisory officer, is amended by striking out "appropriate law enforcement authorities" and inserting in lieu thereof "Board, pursuant to subsection (c) (1) (B)".

(2) Section 311 (c) (1) of such Act (as so redesignated by subsection (a) (1) of this section and by section 205 (b) (2) of this Act), relating to duties of the supervisory officer, is amended to read as follows:

"(c) (1) (A) Any person who believes a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred may file a complaint with the Board.

"(B) Any supervisory officer who has reason to believe a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred shall refer such apparent violation to the Board.

"(C) The Board, upon receiving any complaint under subparagraph (A) or referral under subparagraph (B), or if it has reason to believe that any person has committed a violation of any such provision, shall notify the person involved of such apparent violation and shall—

"(i) report such apparent violation to the Attorney General; or

"(ii) make an investigation of such apparent violation.

"(D) Any investigation under subparagraph (C) (ii) shall be conducted expeditiously and shall include an investigation of reports and statements filed by any complainant with respect to the apparent violation involved, if such complainant is a candidate. Any notification or investigation made under subparagraph (C) shall not be made public by the Board or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

"(E) The Board shall, at the request of any person who receives notice of an apparent violation under subparagraph (C), conduct a hearing with respect to such apparent violation.

"(F) If the Board shall determine, after any investigation under subparagraph (C) (ii), that there is reason to believe that there has been an apparent violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, the Board shall endeavor to correct any such apparent violation by informal methods of conference, conciliation, and persuasion.

"(G) The Board shall refer apparent violations to the appropriate law enforcement authorities if the Board is unable to correct such apparent violations, or if the Board determines that any such referral is appropriate.

"(H) Whenever in the judgment of the Board, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.".

(3) Section 311 of such Act (as so redesignated by subsection (a) (1) of this section), relating to the duties of the supervisory officer, is amended by adding at the end thereof the following new subsection:

"(d) In any case in which the Board refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Board with respect to any action taken by the Attorney General regarding such apparent violation. Each such report shall be transmitted no later than 60 days after the date the Board refers any apparent

violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Board may from time to time prepare and publish reports on the status of such referrals.".

(4) The heading for section 311 of such Act (as so redesignated by subsection (a) (1) of this section) is amended to read as follows:

"DUTIES OF THE SUPERVISORY OFFICER; INVESTIGATIONS BY THE BOARD".

(c) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by adding at the end thereof the following new sections:

"JUDICIAL REVIEW

"SEC. 315. (a) The Board, the supervisory officers, the national committee of any political party, and any individual eligible to vote in any election for the office of President of the United States are authorized to institute such actions in the appropriate district court of the United States, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code. The district court immediately shall certify all questions of constitutionality of this title, title I of this Act, or section 608, 610, 611,

613, 614, 615, or 616 of title 18, United States Code, to the United States court of appeals for the circuit involved, which shall hear the matter sitting en banc.

"(b) Notwithstanding any other provision of law, any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought no later than 20 days after the decision of the court of appeals.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter certified under subsection (a).

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 316. Notwithstanding any other provision of law, there are authorized to be appropriated to each of the supervisory officers and to the Board such sums as may be necessary to enable each such supervisory officer and the Board to carry out their duties under this Act.".

ADVISORY OPINIONS

SEC. 208. Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by inserting immediately after section 312 (as so redesignated by section 207(a)(1) of this Act), the following new section:

"ADVISORY OPINIONS

"SEC. 313. (a) Upon written request to the Board by any individual holding Federal office, any candidate for Federal office, or any political committee, the Board shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code.

"(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings of such advisory opinion shall be presumed to be in compliance with the provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, with respect to which such advisory opinion is rendered.

"(c) Any request made under subsection (a) shall be made public by the Board. The Board shall, before rendering an advisory opinion with respect to such request, provide any interested party with an opportunity to transmit written comments to the Board with respect to such request.".

TITLE III—GENERAL PROVISIONS

EFFECT ON STATE LAW

SEC. 301. Section 403 of the Federal Election Campaign Act of 1971, relating to effect on State law, is amended to read as follows:

"EFFECT ON STATE LAW

"SEC. 403. The provisions of this Act, and of rules prescribed under this Act, supersede and preempt any provision of State law with respect to election to Federal office.".

PERIOD OF LIMITATIONS; ENFORCEMENT

SEC. 302. Title IV of the Federal Election Campaign Act of 1971, relating to general provisions, is amended by redesignating section 406 as section 408 and by inserting immediately after section 405 the following new sections:

"PERIOD OF LIMITATIONS

"SEC. 406. (a) No person shall be prosecuted, tried, or punished for any violation of title I of this Act, title III of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, unless the indictment is found or the information is instituted within 3 years after the date of the violation.

"(b) Notwithstanding any other provision of law—

"(1) the period of limitation referred to in subsec-

tion (a) shall apply with respect to violations referred to in such subsection committed before, on, or after the effective date of this section; and

"(2) no person shall be prosecuted, tried, or punished for any act or omission which was a violation of any provision of title I of this Act, title III of this Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on the day before the effective date of the Federal Election Campaign Act Amendments of 1974, if such act or omission does not constitute a violation of any such provision, as amended by the Federal Election Campaign Act Amendments of 1974.

Nothing in this subsection shall affect any proceeding pending in any court of the United States on the effective date of this section.

"ENFORCEMENT

"SEC. 407. (a) In any case in which the Board of Supervisory Officers, after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, makes a finding that a person who, while a candidate for Federal office, failed to file a report required by title III of this Act, and such finding is made before the expiration of the time within which the failure to file such report may be prosecuted as a violation of such title III, such person shall be disqualified from becoming a candidate in any future election for Federal office for

a period of time beginning on the date of such finding and ending one year after the expiration of the term of the Federal office for which such person was a candidate.

"(b) Any finding by the Board under subsection (a) shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

TITLE IV—AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

POLITICAL ACTIVITIES BY STATE AND LOCAL OFFICERS AND EMPLOYEES

SEC. 401. (a) Section 1502 (a) (3) of title 5, United States Code (relating to influencing elections, taking part in political campaigns, prohibitions, exceptions), is amended to read as follows:

"(3) be a candidate for elective office.".

(b) (1) Section 1503 of title 5, United States Code, relating to nonpartisan political activity, is amended to read as follows:

"§ 1503. Nonpartisan candidacies permitted

"Section 1502 (a) (3) of this title does not prohibit any State or local officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected.".

(2) The table of sections for chapter 15 of title 5, United States Code, is amended by striking out the item relating to section 1503 and inserting in lieu thereof the following new item:

"1503. Nonpartisan candidacies permitted.".

(c) Section 1501 of title 5, United States Code, relating to definitions, is amended—

(1) by striking out paragraph (5) ;

(2) in paragraph (3) thereof, by inserting "and" immediately after "Federal Reserve System;" and

(3) in paragraph (4) thereof, by striking out "; and" and inserting in lieu thereof a period.

REPEAL OF COMMUNICATIONS MEDIA EXPENDITURE LIMITATIONS

SEC. 402. (a) (1) Title I of the Federal Election Campaign Act of 1971, relating to campaign communications, is amended by striking out section 104 and by redesignating sections 105 and 106 as sections 104 and 105, respectively.

(2) Section 104 of such Act (as so redesignated by paragraph (1) of this subsection), relating to regulations, is amended by striking out ", 103 (b), 104 (a), and 104 (b)" and inserting in lieu thereof "and 103 (b)".

(b) Section 102 of the Federal Election Campaign Act of 1971, relating to definitions, is amended by striking out paragraphs (1), (2), (5), and (6), and by redesignat-

ing paragraphs (3) and (4) as paragraphs (1) and (2), respectively.

(c) (1) Section 315 of the Communications Act of 1934 (relating to candidates for public office, facilities, rules) is amended by striking out subsections (c), (d), and (e), and by redesignating subsections (f) and (g) as subsections (c) and (d), respectively.

(2) Section 315 (c) of such Act (as so redesignated by paragraph (1) of this subsection), relating to definitions, is amended to read as follows:

"(c) For purposes of this section—

"(1) the term 'broadcasting station' includes a community antenna television system; and

"(2) the terms 'licensee' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system.".

APPROPRIATIONS TO CAMPAIGN FUND

SEC. 403. Section 9006 (a) of the Internal Revenue Code of 1954 (relating to establishment of campaign fund) is amended—

(1) by striking out "as provided by appropriation Acts" and inserting in lieu thereof "from time to time"; and

(2) by adding at the end thereof the following new sentence: "There is appropriated to the fund for each

fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to the amounts so designated during each fiscal year, which shall remain available to the fund without fiscal year limitation.".

ENTITLEMENTS OF ELIGIBLE CANDIDATES TO PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND

SEC. 404. (a) Subsection (a) (1) of section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended to read as follows:

"(1) The eligible candidates of each major party in a presidential election shall be entitled to equal payments under section 9006 in an amount which, in the aggregate, shall not exceed $20,000,000.".

(b) (1) Subsection (a) (2) (A) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(2) The first sentence of subsection (a) (3) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(c) (1) Section 9002 (1) of the Internal Revenue Code of 1954 (relating to the definition of "authorized committee") is amended to read as follows:

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, the political committee designated under section 302(f)(1) of the Federal Election Campaign Act of 1971 by the candidate of a political party for President of the United States as his principal campaign committee.".

(2) Section 9002(11) of such Code (relating to the definition of "qualified campaign expense") is amended—

(A) in subparagraph (A)(iii) thereof, by striking out "an" and inserting in lieu thereof "the";

(B) in the second sentence thereof, by striking out "an" and inserting in lieu thereof "his"; and

(C) in the third sentence thereof, by striking out "an" and inserting in lieu thereof "the".

(3) Section 9003(b) of such Code (relating to major parties) is amended—

(A) by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee"; and

(B) by striking out "any of" each place it appears therein.

(4) Section 9003(c) of such Code (relating to minor and new parties) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(5) Section 9004 (b) of such Code (relating to limitations) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(6) Section 9004 (c) of such Code (relating to restrictions) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(7) Section 9007 (b) (2) of such Code (relating to repayments) is amended by striking out "committees" and inserting in lieu thereof "committee".

(8) Section 9007 (b) (3) of such Code (relating to repayments) is amended by striking out "any" and inserting in lieu thereof "the".

(9) Subsections (a) and (b) of section 9012 of such Code (relating to excess expenses and contributions, respectively), as amended by sections 406 (b) (2) and (3) of this Act, are each amended by striking out "any of his authorized committees" each place it appears and inserting in lieu thereof at each such place "his authorized committee".

CERTIFICATION FOR PAYMENT BY COMPTROLLER GENERAL

SEC. 405. (a) Section 9005 (a) of the Internal Revenue Code of 1954 (relating to initial certifications for eligibility for payments) is amended to read as follows:

"(a) INITIAL CERTIFICATIONS.—Not later than 10 days after the candidates of a political party for President

and Vice President of the United States have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003, the Comptroller General shall certify to the Secretary for payment to such eligible candidates under section 9006 payment in full of amounts to which such candidates are entitled under section 9004.".

(b) Section 9003 (a) of such Code (relating to general conditions for eligibility for payments) is amended—

(1) by striking out "with respect to which payment is sought" in paragraph (1) and inserting in lieu thereof "of such candidates";

(2) by inserting "and" at the end of paragraph (2);

(3) by striking out ", and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(4) by striking out paragraph (4).

FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS

SEC. 406. (a) Chapter 95 of subtitle H of the Internal Revenue Code of 1954 (relating to the presidential election campaign fund) is amended by striking out section 9008 (relating to information on proposed expenses) and inserting in lieu thereof the following new section:

"SEC. 9008. PAYMENTS FOR PRESIDENTIAL NOMINATING CONVENTIONS.

"(a) ESTABLISHMENT OF ACCOUNTS.—The Secretary

shall maintain in the fund, in addition to any account which he maintains under section 9006(a), a separate account for the national committee of each major party and minor party. The Secretary shall deposit in each such account an amount equal to the amount which each such committee may receive under subsection (b). Such deposits shall be drawn from amounts designated by individuals under section 6096 and shall be made before any transfer is made to any account for any eligible candidate under section 9006(a).

"(b) ENTITLEMENT TO PAYMENTS FROM THE FUND.—

"(1) MAJOR PARTIES.—Subject to the provisions of this section, the national committee of a major party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed $2,000,000.

"(2) MINOR PARTIES.—Subject to the provisions of this section, the national committee of a minor party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive under paragraph (1) as the number of popular votes

received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the major parties in the preceding presidential election.

"(3) PAYMENTS.—Upon receipt of certification from the Comptroller General under subsection (g), the Secretary shall make payments from the appropriate account maintained under subsection (a) to the national committee of a major party or minor party which elects to receive its entitlement under this subsection. Such payments shall be available for use by such committee in accordance with the provisions of subsection (c).

"(4) LIMITATION.—Payments to the national committee of a major party or minor party under this subsection from the account designated for such committee shall be limited to the amounts in such account at the time of payment.

"(c) USE OF FUNDS.—No part of any payment made under subsection (b) shall be used to defray the expenses of any candidate or delegate who is participating in any presidential nominating convention. Such payments shall be used only—

"(1) to defray expenses incurred with respect to

a presidential nominating convention (including the payment of deposits) by or on behalf of the national committee receiving such payments; or

"(2) to repay loans the proceeds of which were used to defray such expenses, or otherwise to restore funds (other than contributions to defray such expenses received by such committee) used to defray such expenses.

"(d) LIMITATION OF EXPENDITURES.—

"(1) MAJOR PARTIES.—Except as provided by paragraph (3), the national committee of a major party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled under subsection (b) (1).

"(2) MINOR PARTIES.—Except as provided by paragraph (3), the national committee of a minor party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of the entitlement of the national committee of a major party under subsection (b) (1).

"(3) EXCEPTION.—The Presidential Election Campaign Fund Advisory Board may authorize the national committee of a major party or minor party to make expenditures which, in the aggregate, exceed the limitation

established by paragraph (1) or paragraph (2) of this subsection. Such authorization shall be based upon a determination by such Board that, due to extraordinary and unforeseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee.

"(e) AVAILABILITY OF PAYMENTS.—The national committee of a major party or minor party may receive payments under subsection (b) (3) beginning on July 1 of the calendar year immediately preceding the calendar year in which a presidential nominating convention of the political party involved is held.

"(f) TRANSFER TO THE FUND.—If, after the close of a presidential nominating convention and after the national committee of the political party involved has been paid the amount which it is entitled to receive under this section, there are moneys remaining in the account of such national committee, the Secretary shall transfer the moneys so remaining to the fund.

"(g) CERTIFICATION BY COMPTROLLER GENERAL.—Any major party or minor party may file a statement with the Comptroller General in such form and manner and at such times as he may require, designating the national committee of such party. Such statement shall include the information required by section 303(b) of the Federal

Election Campaign Act of 1971, together with such additional information as the Comptroller General may require. Upon receipt of a statement filed under the preceding sentences, the Comptroller General promptly shall verify such statement according to such procedures and criteria as he may establish and shall certify to the Secretary for payment in full to any such committee of amounts to which such committee may be entitled under subsection (b). Such certifications shall be subject to an examination and audit which the Comptroller General shall conduct no later than December 31 of the calendar year in which the presidential nominating convention involved is held.

"(h) REPAYMENTS.—The Comptroller General shall have the same authority to require repayments from the national committee of a major party or minor party as he has with respect to repayments from any eligible candidate under section 9007(b). The provisions of section 9007(c) and section 9007(d) shall apply with respect to any repayment required by the Comptroller General under this subsection.".

(b)(1) Section 9009(a) of such Code (relating to reports) is amended by striking out "and" in paragraph (2) thereof; by striking out the period at the end of paragraph (3) thereof and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraphs:

"(4) the expenses incurred by the national committee of a major party or minor party with respect to a presidential nominating convention;

"(5) the amounts certified by him under section 9008(g) for payment to each such committee; and

"(6) the amount of payments, if any, required from such committees under section 9008(h), and the reasons for each such payment.".

(2) The heading for section 9012(a) of such Code (relating to excess campaign expenses) is amended by striking out "CAMPAIGN".

(3) Section 9012(a)(1) of such Code (relating to excess expenses) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to incur expenses with respect to a presidential nominating convention in excess of the expenditure limitation applicable with respect to such committee under section 9008(d), unless the incurring of such expenses is authorized by the Presidential Election Campaign Fund Board under section 9008(d)(3).".

(4) Section 9012(c) of such Code (relating to unlawful use of payments) is amended by redesignating paragraph (2) as paragraph (3) and by inserting immediately after paragraph (1) the following new paragraph:

"(2) It shall be unlawful for the national committee of a major party or minor party which receives any payment under section 9008(b)(3) to use, or authorize the use of, such payment for any purpose other than a purpose authorized by section 9008(c).".

(5) Section 9012(e)(1) of such Code (relating to kickbacks and illegal payments) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expense incurred by such committee with respect to a presidential nominating convention.".

(6) Section 9012(e)(3) of such Code (relating to kickbacks and illegal payments) is amended by inserting immediately after "their authorized committees" the following: ", or in connection with any expense incurred by the national committee of a major party or minor party with respect to a presidential nominating convention,".

(c) The table of sections for chapter 95 of subtitle H of such Code (relating to the presidential election campaign fund) is amended by striking out the item relating to section 9008 and inserting in lieu thereof the following new item:

"Sec. 9008. Payments for presidential nominating conventions.".

(d) Section 276 of such Code (relating to certain indirect contributions to political parties) is amended by striking out subsection (c) and by redesignating subsection (d) as subsection (c).

TAX RETURNS BY POLITICAL COMMITTEES

SEC. 407. Section 6012(a) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended by adding at the end thereof the following new sentence: "The Secretary or his delegate shall, by regulation, exempt from the requirement of making returns under this section any political committee (as defined in section 301(d) of the Federal Election Campaign Act of 1971) having no gross income for the taxable year.".

PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

SEC. 408. (a) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"SUBTITLE H. Financing of presidential election campaigns.".

(b) The analysis of chapters at the beginning of subtitle H of such Code is amended by adding at the end thereof the following:

"CHAPTER 97. Presidential Primary Matching Payment Account.".

(c) Subtitle H of such Code is amended by adding at the end thereof the following new chapter:

"CHAPTER 97—PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

"SEC. 9031. SHORT TITLE.

"This chapter may be cited as the 'Presidential Primary Matching Payment Account Act'.

"SEC. 9032. DEFINITIONS.

"For purposes of this chapter—

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, the political committee designated under section 302 (f) (1) of the Federal Election Campaign Act of 1971 by the candidate of a political party for President of the United States as his principal campaign committee.

"(2) The term 'candidate' means an individual who seeks nomination for election to be President of the United States. For purposes of this paragraph, an individual shall be considered to seek nomination for election

if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

"(3) The term 'Comptroller General' means the Comptroller General of the United States.

"(4) Except as provided by section 9034(a), the term 'contribution'—

"(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made, for the purpose of influencing the result of a primary election,

"(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose,

"(C) means a transfer of funds between political committees, and

"(D) means the payment by any person other than a candidate, or his authorized committee, of compensation for the personal services of another person which are rendered to the candidate or committee without charge, but

"(E) does not include—

"(i) except as provided in subparagraph (D), the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering such service to or for the benefit of the candidate, or

"(ii) payments under section 9037.

"(5) The term 'matching payment account' means the Presidential Primary Matching Payment Account established under section 9037(a).

"(6) The term 'matching payment period' means the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States will be held and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for the office of President of the United States.

"(7) The term 'primary election' means an election, including a runoff election or a nominating conven-

tion or caucus held by a political party, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

"(8) The term 'political committee' means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any person for election to the office of President of the United States.

"(9) The term 'qualified campaign expense' means a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value—

"(A) incurred by a candidate, or by his authorized committee, in connection with his campaign for nomination for election, and

"(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid.

For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing

by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

"(10) The term 'State' means each State of the United States and the District of Columbia.

"SEC. 9033. ELIGIBILITY FOR PAYMENTS.

"(a) CONDITIONS.—To be eligible to receive payments under section 9037, a candidate shall, in writing—

"(1) agree to obtain and furnish to the Comptroller General any evidence he may request of qualified campaign expenses,

"(2) agree to keep and furnish to the Comptroller General any records, books, and other information he may request, and

"(3) agree to an audit and examination by the Comptroller General under section 9038 and to pay any amounts required to be paid under such section.

"(b) EXPENSE LIMITATION; DECLARATION OF INTENT; MINIMUM CONTRIBUTIONS.—To be eligible to receive payments under section 9037, a candidate shall certify to the Comptroller General that—

"(1) the candidate and his authorized committee will not incur qualified campaign expenses in excess of the limitation on such expenses under section 9035,

"(2) the candidate is seeking nomination by a

political party for election to the office of President of the United States,

"(3) the candidate has received contributions which, in the aggregate, exceed $5,000 in contributions from residents of each of at least 20 States, and

"(4) the aggregate of contributions received from any person under paragraph (3) does not exceed $250.

"SEC. 9034. ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS.

"(a) IN GENERAL.—Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such candidate is seeking nomination, or by his authorized committee, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person on or after the beginning of such preceding calendar year exceeds $250. For purposes of this subsection and section 9033(b), the term 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything described

in subparagraph (B), (C), or (D) of section 9032(4).

"(b) LIMITATIONS.—The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed 50 percent of the expenditure limitation established by section 608(c)(1)(A) of title 18, United States Code.

"SEC. 9035. QUALIFIED CAMPAIGN EXPENSE LIMITATION.

"No candidate shall knowingly incur qualified campaign expenses in excess of the expenditure limitation established by section 608(c)(1)(A) of title 18, United States Code.

"SEC. 9036. CERTIFICATION BY COMPTROLLER GENERAL.

"(a) INITIAL CERTIFICATIONS.—Not later than 10 days after a candidate establishes his eligibility under section 9033 to receive payments under section 9037, the Comptroller General shall certify to the Secretary for payment to such candidate under section 9037 payment in full of amounts to which such candidate is entitled under section 9034.

"(b) FINALITY OF DETERMINATIONS.—Initial certifications by the Comptroller General under subsection (a), and all determinations made by him under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit by the Comptroller General under section 9038 and judicial review under section 9041.

"SEC. 9037. PAYMENTS TO ELIGIBLE CANDIDATES.

"(a) ESTABLISHMENT OF ACCOUNT.—The Secretary

shall maintain in the Presidential Election Campaign Fund established by section 9006(a), in addition to any account which he maintains under such section, a separate account to be known as the Presidential Primary Matching Payment Account. The Secretary shall deposit into the matching payment account, for use by the candidate of any political party who is eligible to receive payments under section 9033, the amount available after the Secretary determines that amounts for payments under section 9006(c) and for payments under section 9007(b)(3) are available for such payments.

"(b) PAYMENTS FROM THE MATCHING PAYMENT ACCOUNT.—Upon receipt of a certification from the Comptroller General under section 9036, but not before the beginning of the matching payment period, the Secretary or his delegate shall promptly transfer the amount certified by the Comptroller General from the matching payment account to the candidate. In making such transfers to candidates of the same political party, the Secretary or his delegate shall seek to achieve an equitable distribution of funds available under subsection (a), and the Secretary or his delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received. Transfers to candidates of the same political party may not exceed an amount which is equal to

45 percent of the total amount available in the matching payment account, and transfers to any candidate may not exceed an amount which is equal to 25 percent of the total amount available in the matching payment account.

"SEC. 9038. EXAMINATIONS AND AUDITS; REPAYMENTS.

"(a) EXAMINATIONS AND AUDITS.—After each matching payment period, the Comptroller General shall conduct a thorough examination and audit of the qualified campaign expenses of every candidate and his authorized committee who received payments under section 9037.

"(b) REPAYMENTS.—

"(1) If the Comptroller General determines that any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount of payments to which such candidate was entitled under section 9034, he shall notify the candidate, and the candidate shall pay to the Secretary or his delegate an amount equal to the amount of excess payments.

"(2) If the Comptroller General determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than—

"(A) to defray the qualified campaign ex-

penses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses, he shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(3) Amounts received by a candidate from the matching payment account may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the matching payment account.

"(c) NOTIFICATION.—No notification shall be made by the Comptroller General under subsection (b) with respect

to a matching payment period more than 3 years after the end of such period.

"(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the matching payment account.

"SEC. 9039. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—The Comptroller General shall, as soon as practicable after each matching payment period, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in such detail as the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees,

"(2) the amounts certified by him under section 9036 for payment to each eligible candidate, and

"(3) the amount of payments, if any, required from candidates under section 9038, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) REGULATIONS, ETC.— The Comptroller General is authorized to prescribe rules and regulations in accordance with the provisions of subsection (c), to conduct examina-

tions and audits (in addition to the examinations and audits required by section 9038(a)), to conduct investigations, and to require the keeping and submission of any books, records, and information, which he determines to be necessary to carry out his responsibilities under this chapter.

"(c) REVIEW OF REGULATIONS.—

"(1) The Comptroller General, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such committee does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Comptroller General may prescribe such rule or regulation. The Comptroller General may not prescribe any rule or regulation which is disapproved by either such committee under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.

"SEC. 9040. PARTICIPATION BY COMPTROLLER GENERAL IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCE BY COUNSEL.—The Comptroller General is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in his office or by counsel whom he may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation he may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) RECOVERY OF CERTAIN PAYMENTS.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.

"(c) INJUNCTIVE RELIEF.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for in-

junctive relief as is appropriate to implement any provision of this chapter.

"(d) APPEAL.—The Comptroller General is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments, or decrees entered with respect to actions in which he appears pursuant to the authority provided in this section.

"SEC. 9041. JUDICIAL REVIEW.

"(a) REVIEW OF AGENCY ACTION BY THE COMPTROLLER GENERAL.—Any agency action by the Comptroller General made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Comptroller General for which review is sought.

"(b) REVIEW PROCEDURES.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Comptroller General.

"SEC. 9042. CRIMINAL PENALTIES.

"(a) EXCESS CAMPAIGN EXPENSES.—Any person who violates the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee

who knowingly consents to any expenditure in violation of the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(b) UNLAWFUL USE OF PAYMENTS.—

"(1) It is unlawful for any person who receives any payment under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray qualified campaign expenses, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) FALSE STATEMENTS, ETC.—

"(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Comptroller General under this chapter, or to include in

any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Comptroller General or an examination and audit by the Comptroller General under this chapter, or

"(B) to fail to furnish to the Comptroller General any records, books, or information requested by him for purposes of this chapter.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d) KICKBACKS AND ILLEGAL PAYMENTS.—

"(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committee, who receives payments under section 9037.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized commit-

tee shall pay to the Secretary for deposit in the matching payment account, an amount equal to 125 percent of the kickback or payment received.".

REVIEW OF REGULATIONS

SEC. 409. (a) Section 9009 of the Internal Revenue Code of 1954 (relating to reports to Congress; regulations) is amended by adding at the end thereof the following new subsection:

"(c) REVIEW OF REGULATIONS.—

"(1) The Comptroller General, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such committee does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Comptroller General may prescribe such rule or regulation. The Comptroller General may not prescribe any

rule or regulation which is disapproved by either such committee under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.".

(b) Section 9009(b) of such Code (relating to regulations, etc.) is amended by inserting "in accordance with the provisions of subsection (c)" immediately after "regulations".

EFFECTIVE DATES

SEC. 410. (a) Except as provided by subsection (b), the foregoing provisions of this Act shall become effective 30 days after the date of the enactment of this Act.

(b) The amendments made by sections 403, 404, 405, 406, 407, 408, and 409 shall apply with respect to taxable years beginning after December 31, 1973.

93D CONGRESS
2D SESSION

H. R. 16090

A BILL

To impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes.

By Mr. HAYS, Mr. THOMPSON of New Jersey, Mr. DENT, Mr. NEDZI, Mr. BRADEMAS, Mr. GRAY, Mr. HAWKINS, Mr. GETTYS, Mr. ANNUNZIO, Mr. GAYDOS, Mr. MOLLOHAN, Mr. KOCH, Mr. CLEVELAND, Mr. WARE, and Mr. FROEHLICH

JULY 24, 1974
Referred to the Committee on House Administration

REPORT TO ACCOMPANY H.R. 1690

HOUSE COMMITTEE
ON
HOUSE ADMINISTRATION

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

REPORT

OF THE

COMMITTEE ON HOUSE ADMINISTRATION

TOGETHER WITH MINORITY VIEWS, SEPARATE VIEWS, SUPPLEMENTAL VIEWS, AND ADDITIONAL VIEWS

TO ACCOMPANY

H.R. 16090

TO IMPOSE OVERALL LIMITATIONS ON CAMPAIGN EXPENDITURES AND POLITICAL CONTRIBUTIONS; TO PROVIDE THAT EACH CANDIDATE FOR FEDERAL OFFICE SHALL DESIGNATE A PRINCIPAL CAMPAIGN COMMITTEE; TO PROVIDE FOR A SINGLE REPORTING RESPONSIBILITY WITH RESPECT TO RECEIPTS AND EXPENDITURES BY CERTAIN POLITICAL COMMITTEES; TO CHANGE THE TIMES FOR THE FILING OF REPORTS REGARDING CAMPAIGN EXPENDITURES AND POLITICAL CONTRIBUTIONS; TO PROVIDE FOR PUBLIC FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS AND PRESIDENTIAL PRIMARY ELECTIONS; AND FOR OTHER PURPOSES

JULY 30, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

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2d Session } { No. 93-1239

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

JULY 30, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HAYS, from the Committee on House Administration, submitted the following

REPORT

Together with minority views, separate views, supplemental views, and additional views

[To accompany H.R. 16090]

The Committee on House Administration, to whom was referred the bill (H.R. 16090) to impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE OF THE BILL

The purpose of the bill is fourfold:

(1) To place limitations on campaign contributions and expenditures;

(2) To facilitate the reporting and disclosure of the sources and disposition of campaign funds by centralizing campaign expenditure and contribution reporting;

(3) To establish a Board of Supervisory Officers to oversee enforcement of and compliance with Federal campaign laws; and

(4) To strengthen the law for public financing of Presidential general elections, and to authorize the use of the dollar checkoff fund for financing Presidential Nominating Conventions and campaigns for nomination to the office of President.

COMMITTEE ACTION

H.R. 16090 was introduced and considered against a background of dissatisfaction with the recently enacted Federal law regulating campaign financing in elections for Federal office.

The Subcommittee on Elections of the Committee on House Administration held public hearings on election amendments on October 2, 10, 16, 25, November 14 and 29, 1973. The full committee marked up the bill in public sessions held on March 26, 27, April 2, 10, 23 25, 30, May 16, 22, June 5, 11, 12, 13, 18, 19, 20, 25, 26, 27, 28 and July 1.

Chairman Hays and Mr. Thompson of New Jersey, Mr. Dent, Mr. Nedzi, Mr. Brademas, Mr. Gray, Mr. Hawkins, Mr. Gettys, Mr. Annunzio, Mr. Gaydos, Mr. Mollohan, Mr. Koch, Mr. Cleveland, Mr. Ware and Mr. Froehlich introduced H.R. 16090 on July 24, 1974.

The full committee on July 24, 1974, by a vote of 21 to 2, ordered the bill reported to the House without amendment.

BACKGROUND

Existing Federal law regulating campaign financing is embodied primarily in the Federal Election Campaign Act of 1971, chapter 29 of title 18 of the U.S. Code, and the Presidential Election Campaign Fund Act. Although most of these campaign finance laws have been recently enacted, some substantive and administrative shortcomings already have become apparent.

Testimony before the Elections Subcommittee generally supported the position that the Federal Election Campaign Act of 1971 as approved by the 92d Congress, was a good law and a step in the right direction. Since its enactment, most campaign expenditures and contributions have been publicly disclosed and there have been no major scandals or serious violations involving Congressional elections. However, some problems in connection with the administration of the new laws and some problems not dealt with by the new laws remain. The most serious problems involved campaign financing of Presidential elections.

One of the problems with the existing law is that it, in effect, requires a multiplicity of campaign disclosure reports. Since existing law permits the proliferation of political committees which support candidates for Federal office, and since each candidate, as well as each committee supporting each candidate, must file reports, supervisory officers have been overwhelmed by the sheer number of the reports filed. Thus, in order to determine the source and disposition of funds spent in a specific campaign a large number of reports must be examined, especially with respect to Presidential candidates.

Aggravating the problem created by the sheer number of required reports is the schedule of reporting dates which impairs the effectiveness of the disclosure provisions. Under existing law, reports must be filed on the fifteenth day before an election, again on the fifth day before an election, and at various other times during the year. Since the major expenses are contracted well in advance of the election, the second pre-election report serves little purpose. Because the second pre-election report is due so close to the date of the election, there is prac-

tically no opportunity for the news media to examine, evaluate, and report the significant items disclosed in these reports.

A further deficiency in the existing law concerns the issuance of regulations interpreting statutory provisions. Under existing law, each of the three supervisory officers issues regulations separately: the Clerk of the House of Representatives for candidates for Representative, Delegate, or Resident Commissioner; the Secretary of the Senate for candidates for Senator; and the Comptroller General for candidates for President or Vice President. The Comptroller General issues all regulations with respect to provisions of the Campaign Communications Reform Act, Title I, of the Federal Election Campaign Act of 1971. Finally, certain regulations concerning the extension of unsecured credit to candidates for Federal office are issued by the Civil Aeronautics Board, the Federal Communications Commission, and the Interstate Commerce Commission. This absence of centralized authority results in a lack of uniformity in the regulations issued.

Finally, as pointed out by Chairman Hays, some of the regulations already issued have actually changed the substance of the existing statutory requirements. For example, regulations were issued providing that reports due on the fifteenth and fifth days before an election must be completed as of the twenty-second and twelfth days before an election. The original intent behind the requirement for a final preelection report due five days before the election was to require disclosure of last minute contributions and expenditures. Yet, under the existing regulations, any last minute transactions (except contributions over $5,000.00) occurring less than twelve days before the election need not be disclosed prior to the election.

Existing law does limit a candidate's use of personal and family funds in connection with his campaign for Federal office. However, the absence of any limits on contributions means that candidates with wealthy or special interest supporters have a decided advantage in Federal elections.

While existing law limits expenditures for campaign use of the communications media, the absence of any limits on overall expenditures has contributed to the alarming rise in the cost of campaigning for Federal office.

The unchecked rise in campaign expenditures, coupled with the absence of limitations on contributions and expenditures, has increased the dependence of candidates on special interest groups and large contributors. Under the present law the impression persists that a candidate can buy an election by simply spending large sums in a campaign.

In view of the disclosure of serious abuses of each contribution in the last Presidential campaign, the prohibition in the bill against cash contributions over $100 is viewed by the committee as a major advance in campaign finance.

Such a system is not only unfair to candidates, in general, but even more so to the electorate. The electorate is entitled to base its judgment on a straightforward presentation of a candidate's qualifications for public office and his programs for the Nation rather than on a sophisticated advertising program which is encouraged by the infusion of vast amounts of money.

The Committee on House Administration is of the opinion that there is a definite need for effective and comprehensive legislation in this area to restore and strengthen public confidence in the integrity of the political process.

WHAT THE BILL DOES

H.R. 16090 incorporates four main titles covering criminal code amendments, disclosure of Federal compaign funds, general provisions, and amendments to other laws and effective dates.

Definitions

The committee bill amends the definitions of "expenditure" and "contribution" in the criminal code and in the Federal Elections Campaign Act of 1971 (hereinafter referred to as the "Act"). The principal effect of the amendments to the definitions of contributions and expenditure in the criminal code in title I of the bill is to exempt certain limited activities from the contribution and spending limits imposed by that title. The principal effect of the amendment to the Act in title II is to exempt similar activities described in the amendments from the reporting requirements of the Act.

Section 102(c) of the bill amends section 591(f) of title 18, United States Code, relating to the definition of expenditure, by adding a new subparagraph (4) to exempt similar activities from the spending limits. Clauses (A), (B), and (C) of subparagraph (4) underscore and reaffirm the principles stated in the amendment to section 610 of title 18, United States Code, proposed by Representative Orval Hansen, and passed by the Congress as part of the Act. Those clauses make it plain that it is not the intent of the Congress in the present legislation to limit or burden in any way the first amendment freedoms of the press and of association. Thus, clause (A) assures the unfettered right of the newspapers, TV networks, and other media to cover and comment on political campaigns. Clause (B) assures the unfettered right of organizations to engage in non-partisan registration drives. (See 117 Con. Rec. 43380–43381 (Mr. Hansen) for the meaning of "non-partisan" in this context.) And clause (C) assures the unfettered right of certain membership organizations or corporations to communicate with their members or stockholders with regard to political matters.

Sections 102(b) and 102(c) would also exempt from the definition of contribution and expenditure the cost of printed slate cards and sample ballots by State and local political party organizations. The exemption would include the cost of printing such slate cards or sample ballots in newspapers, but would not include costs with respect to expenditures on broadcasting stations, magazines, or other similar types of general public political advertising.

Sections 206(c) and 206(d) of the committee bill include identical amendments to the Act, relating to the definition of contribution and expenditure.

Section 102(c), which amends the definition of expenditure in the criminal code, exempts from the expenditure limits fundraising costs of candidates and their principal campaign committees up to 25% of the candidates' spending limit. It also exempts the fundraising

costs of multi-candidate committees, except for fundraising expenditures of these committees for broadcasting stations, newspapers, magazines, outdoor advertising facilities, and other similar types of general public political advertising. Since these amendments affect only the definitions of expenditure in the Criminal Code, existing law would continue to govern the reporting requirements of these fundraising costs.

The remaining clauses relating to the definition of contribution and expenditure in both the Criminal Code and the Act have the effect of exempting certain limited in-kind contributions and expenditures from the spending and contribution limits and from the disclosure requirements.

Title I—Criminal Code Amendments

Contribution limits

The bill places strict limits on contributions to candidates for Federal office. Contributions by individuals to candidates are limited in the aggregate to $1,000 per election. Further, an individual is limited to an aggregate of $25,000 in contributions within any calendar year.

Contributions by State political party organizations and so-called "multi-candidate committees" to candidates are limited in the aggregate to $5,000 per election. These committees include organizations that have been registered under the Federal Elections Campaign Act of 1971 for at least six months, have received contributions from 50 or more persons, and have made contributions to five or more candidates for Federal office.

The bill prohibits contributions in the name of another and provides that, for the purposes of limitations and reporting requirements, any contribution by a person which is earmarked or directed through an intermediary or conduit to a candidate shall be treated as a contribution from such person to that candidate.

The limits apply separately to each campaign for nominations for election, or election to Federal office, except that the various Presidential primary elections shall be considered as one election for purpose of the contribution limits.

Finally, the bill prohibits contributions by foreign nationals and prohibits any contributions in cash in excess of $100.

A question was raised in the committee regarding the possibility of circumventing the limit on contributions by political committees where a national committee of a political organization may contribute the maximum allowable amount to a candidate and a State or local sub-unit or subsidiary of that committee may also contribute to the same candidate. It is the intent of the committee to allow the maximum contribution from each level of the organization if the decision or judgment to make such contributions is independently exercised within the separate levels of the organization. However, if the subsidiary or sub-unit organizations are under the control or direction of the parent organization with respect to their contributions to specific candidates, then the organizations acting in concert would constitute one political committee for the purpose of the contribution limits included in this bill.

Expenditure limits

In response to the problem of spiraling campaign costs and increasing campaign expenditures, the committee has adopted specific limits on the amount a candidate and the committees that support his candidacy may spend for primary, or primary run-off elections, and for special and general elections.

With respect to a Presidential election, candidates would be able to spend $20,000,000 for election to the office of President; candidates for nomination to the office of President would be able to spend $10,000,000.

In the case of campaigns for nomination for election, or for election, to the office of Senator, the limitation is 5 cents times the population of the State, or $75,000, whichever is greater. The expenditure limitation on campaigns for the offices of Representative, Delegate from the District of Columbia, or Resident Commissioner is $75,000, and, in the case of a candidate for the office of Delegate from Guam or the Virgin Islands, the limitation is $15,000.

The limitations on congressional campaigns apply separately to each campaign for nomination for election, or election, to those offices. And for the purpose of these limitations, any expenditures made by a principal campaign committee designated by the candidate under the provisions of the bill shall be deemed to have been made by the candidate.

To assure that expenditure limits will be updated annually to account for increased costs as a result of inflation, the bill provides for yearly adjustment of the limitations based upon comparison of the price index for the preceding calendar year and the price index for the base period of 1973.

Independent expenditures

As noted, the bill places strict limitations on contributions to, and expenditures by, candidates for Federal office and their campaign organizations. The committee recognizes that, if these limitations are to be meaningful, campaign-related spending by individuals and groups independent of a candidate must be limited as well.

Persons acting independently have in the past publicized support of, or opposition to, particular candidates by means of general media exposure, the publication of "honor rolls" relative to legislative issues, and the like. If these costs are incurred without the request or consent of a candidate or his agent, they would not be properly chargeable to that candidate's spending limits. A contrary result would accord a candidate's supporters undue influence over the direction of the campaign or, conversely, invite Constitutional "prior restraint" problems in requiring the candidate's advance approval of independent spending in his behalf. While independent expenditures may occur quite apart from the official campaign effort, they can and often do have a substantial impact on the outcome. Absent a limitation on this activity, well-heeled groups and individuals could spend substantial sums and thus severely compromise the limitations on spending by the supported candidate himself.

The committee is mindful that an absolute proscription of independent campaign-related spending may well offend the guarantees of

the First Amendment and would be poor public policy in inhibiting the free expression of views on vital issues. However, it is believed that a reasonable limitation on such spending, in the context of an overall effort to maintain the integrity of the electoral process, is feasible and Constitutionally permissible.

Accordingly, the bill would permit independent expenditures advocating the election or defeat of a "clearly identified candidate" of up to an aggregate of $1,000 in any calendar year. The candidate would be so identified by name, likeness, or other unambiguous reference. In the case of advertisements referring to more than one candidate, costs would be allocated for purposes of the limitation. Of course, expenditures for the communication of views not advocating the election or defeat of a candidate would be counted neither as independent expenditures nor as direct contributions to any candidate. Nor would any communication by a nonpolitical membership organization or corporation to its members or stockholders, and any news story, commentary or editorial distributed through the facilities of all media outlets other than those controlled by a political organization or candidate be counted as an "independent expenditure" or as a political expenditure, generally, since these activities are exempted from the definition of "expenditure" in the bill.

The committee is convinced that this approach makes possible the adequate presentation of candidate-related views by independent groups and at the same time safeguards the integrity of the candidate spending limits. In this way, the bill effectively reconciles the interests of Congress in promoting both free speech and the effective regulation of Federal election campaigns.

Title II—Disclosure of Federal Campaign Funds

The committee bill would revise and centralize the reporting and disclosure requirements of the Federal Election Campaign Act of 1971 to facilitate the recording and publicity of the sources and disposition of campaign funds.

Principal campaign committee

First, the bill would require that each candidate designate a principal campaign committee to make expenditures on behalf of the candidate and to file with the appropriate supervisory officer consolidated reports and statements which include the activities of all the committees which support the candidate.

Under the bill, with the exception of the "independent expenditure" limitation of $1,000 discussed above, all committee expenditures on behalf of a candidate must be made by the principal campaign committee. All reports and statements of political committees which are not principal campaign committees but which are established to accept contributions on behalf of a candidate would be required to file their statements and reports with the principal campaign committee rather than the supervisory officer.

Reporting requirements

The bill would facilitate the disclosure of campaign expenditures and contributions by amending existing law with regard to the filing

of reports by political committees and candidates, by deleting the requirement of reports 5 or 15 days prior to an election and requiring instead a single report to be filed ten days before an election. However, a report mailed by registered or certified mail postmarked no later than the 12th day before an election would be deemed to meet the filing requirements.

The bill would also require a report to be filed within 30 days after an election. It would continue to require quarterly reports but waive such a quarterly report if it falls within 10 days of any pre- or post-election report. Nor is a committee or candidate required to file a quarterly report, other than a report for the last quarter in a non-election year, if contributions or expenditures by the committee or candidate do not exceed $1,000 during that quarter.

Enforcement entity

The committee bill provides for independent and efficient supervision of election laws by establishing a seven-member Board of Supervisory Officers (hereinafter referred to as the "Board"), composed of the Secretary of the Senate, the Clerk of the House, the Comptroller General, and four public members—two appointed by the President of the Senate from recommendations of the majority and minority leaders of the Senate and two appointed by the Speaker of the House from recommendations of the majority and minority leaders of the House. The Speaker and the President of the Senate shall appoint individuals of different political parties. None of the public appointees may be employees in the executive, legislative, or judicial branch of the government (including elected and appointed officials).

The Board shall be responsible for supervising the actions of the individual supervisory officers, reviewing the development of rules and regulations, and preparing forms to assure they are uniform to the extent practicable.

The individual supervisory officers are required to refer all apparent violations to the Board. The Board is authorized to investigate complaints of possible violations, hold hearings, and subpoena witnesses and evidence. Persons accused of possible violations shall be given a full opportunity to participate in the investigation and may request a hearing. The Board is authorized to encourage voluntary compliance through informal means and refer appropriate apparent violations to the Justice Department for civil or criminal action.

To assure expeditious enforcement by the Justice Department, the bill requires the Attorney General to report regularly to the Board on the status of referrals—60 days after the referral and at the close of every 30 day period thereafter.

Advisory opinions

The bill provides for the rendering of written advisory opinions by the Board of Supervisory Officers relative to the conformity of contemplated actions to title I or III of the bill, or to section 608, 610, 613, 614, 615, or 616 of title 18, United States Code. Such opinions would be rendered within a reasonable time subsequent to the written request of any Federal officeholder, any candidate for Federal office, or any political committee. Any person to whom such

opinion is rendered would be presumed to be in compliance with the appropriate statute if such person acted in good faith in reliance upon such opinion.

All such requests and advisory opinions shall be made public. Before rendering advisory opinions, the Board would be required to provide interested parties with ample opportunity to transmit comments on such requests.

The presumption of compliance for those who rely in good faith on advisory opinions stops short of an outright immunization against civil or criminal penalties. Instead, the bill provides for a presumption of compliance; this presumption would be rebuttable and, therefore, legal action would not be foreclosed.

The overriding purpose of Federal election campaign legislation is to effect full and prompt compliance with its strictures and it is wholly appropriate that all persons affected by that legislation be given every opportunity to so comply. While it may be presumed that all candidates and political committees desire to comply fully with the law, the necessarily complex nature of the legislation may make compliance most difficult even with the most conscientious effort in this regard. Accordingly, it is desirable that those having doubts as to their legal obligations be afforded the means of having these doubts resolved. The public nature of this process will insure that advisory opinions are rendered in an appropriate, even-handed manner.

Congressional review of regulations

To assure that regulations issued by the supervisory officers conform to the campaign finance laws, the bill requires that all regulations be submitted to congressional committees for review.

The committee acknowledges that no legislation purporting to regulate election campaign activities can be drawn to fully anticipate every contingency. Each campaign is in some sense unique and differences may be accentuated by regional and local factors as well. Accordingly, the supervisory officers must be entrusted with the task of promulgating regulations implementing the legislation. It is essential of course that such implementation be fully consistent with the intent of the Congress. In view of allegations that the supervisory officers, in implementing the 1971 Federal Election Campaign Act, have departed in some instances from Congressional intent, it was deemed desirable to provide in the bill a mechanism for improved Congressional monitoring of regulations proposed by the supervisory officers in this area.

The bill provides that, before issuing a regulation, the supervisory officer would transmit the text thereof, together with a detailed explanation, to either the Committee on House Administration (where the supervisory officer is the Clerk of the House of Representatives) or to the Senate Committee on Rules and Administration (where the supervisory officer is the Secretary of the Senate). Where the supervisory officer is the Comptroller General, such regulation would be submitted to both Committees.

Upon submission, the committee involved would have thirty legislative days to disapprove such proposed regulation; "legislative days" would include only those days in which the appropriate House is in

session. In the event the Committee (or, in the case of the Comptroller General, either Committee) disapproves a proposed regulation, the supervisory officer would be prohibited from prescribing the regulation in question.

The Committee is of the view that, given the expected large number of non-controversial regulations to be proposed by the supervisory officers, it is unnecessary for the Committees to take affirmative action on each; it is sufficient that the Committees disapprove proposed regulations where the circumstances so warrant. At the same time, the Committee believes that a timely resolution of these matters precludes consideration by the whole House and Senate and that such consideration is unnecessary in view of the significant expertise of both Committees in the area of campaign legislation.

The establishment of the Board of Supervisory Officers is expected to improve the already substantial cooperation and consultation among these individuals. It is therefore felt that differences between House, Senate, and Presidential campaign-related regulations will be at a minimum level.

Title III—General Provisions

PREEMPTION OF STATE LAWS

It is the intent of the Committee to preempt all state and local laws.

The committee bill contains two separate provisions relating to the preemption of State laws. One is contained in title III of the bill and amends section 403 of the Federal Election Campaign Act of 1971 to provide that the provisions of that Act, as amended by this legislaiton, supersede and preempt any provision of State law with respect to election to Federal office. It is the intent of the committee to make certain that the Federal law is construed to occupy the field with respect to elections to Federal office and that the Federal law will be the sole authority under which such elections will be regulated. Under the 1971 Act, provision was made for filing Federal reports with State officials and the supervisory officers were required to cooperate with, and to encourage, State officials to accept Federal reports in satisfaction of State reporting requirements. The provision requiring filing of Federal reports with State officials is retained, but the provision relating to encouraging State officials to accept Federal reports to satisfy State reporting requirements is deleted. Under this legislation, Federal reporting requirements will be the only reporting requirements and copies of the Federal reports must be filed with appropriate State officials. The committee also feels that there can be no question with respect to preemption of local laws. Since the committee has provided that the Federal law supersede and preempt any law enacted by a State, the Federal law will also supersede and preempt any law enacted by a political subdivision of a State.

The other preemption provision was added to title I of the bill, relating to amendments to the criminal code. This was done to make it clear that the Federal law is intended to be the sole source of criminal sanctions for offenses involving political activities in connection with Federal elections. The committee wants to avoid even the possibility

of an argument that the preemption provision contained in the 1971 Act referring to "provisions of this Act" does not include the provisions of title 18 amended by the 1971 Act and by this legislation. This clarification is most important because all of the actual limitations on contributions and expenditures, together with the sanctions for violation of such limitations, are included in the criminal code provisions of title 18 amended by this legislation.

Title IV—Amendments to Other Laws; Effective Dates

Political activities by State and local officers and employees

Section 401 is intended to repeal those restrictions on the voluntary partisan political activities of state and local employees contained in Chapter 15, Title 5, U.S.C.

The amendments made by section 401 to chapter 15 of title 5, United States Code, relating to political activity by State and local employees, would remove from Federal law the prohibition against voluntary partisan political activity by State and local employees employed in programs funded in whole or in part from Federal loans or grants. Activities such as driving voters to the polls or attending a political convention as a delegate would no longer be prohibited by Federal law. The regulation of political activities of State and local employees would be left largely to the States. Federal law would, however, continue to prohibit a State or local officer or employee from using his official authority or influence to interfere with or affect the result of an election and prohibit him from coercing, commanding, or advising another State or local officer or employee to pay, lend, or contribute anything of value to any person for political purposes. Nothing in existing law or in the amendment made by this section prevents a State or local officer or employee from making a voluntary political contribution.

PUBLIC FINANCING OF PRESIDENTIAL ELECTIONS

Public financing for general elections to the office of President, beginning with the elections in 1976, was authorized in a law passed by the 92d Congress (P.L. 92–178). This law, as amended in the 93d Congress (P.L. 93–53), allows individuals to designate on their annual tax return that a dollar be paid to the Presidential Election Campaign Fund, or the so-called Dollar Check-off Fund. The total amount available to be transferred to eligible candidates is limited to the amount designated by individual taxpayers and may be transferred only after being appropriated by Congress.

The current law limits the amount of public funds for candidates of major parties to 15¢ times the voting age population and proportionately smaller amounts for minor party candidates.

The committee bill strengthens the Dollar Check-off Law and amend it to authorize the use of the Fund for financing presidential nominating conventions and campaigns for the nomination to the office of President. As with the existing law, public financing would be strictly voluntary and would come from the Dollar Check-off Fund only.

General elections

To conform the amount of public funds a presidential candidate may receive to the spending limit imposed in title I of the bill, the bill amends the Dollar Check-off Law so that candidates may receive up to $20 million in check-off funds for general elections to the office of President. The committee bill strengthens the existing Dollar Check-off Law by making payments from the Presidential Election Campaign Fund automatic to assure that public funds may be used without requiring separate congressional action each year.

Nominating conventions

Since 1968, Section 276(c) of the Internal Revenue Code has permitted tax deductions for amounts paid for advertising in the convention program of a political party distributed in connection with its presidential nominating convention. The majority of the funds raised by the major political parties to defray the costs of their 1968 and 1972 presidential nominating conventions was derived from these sources.

Section 406 of the committee bill repeals Section 276(c) of the Internal Revenue Code and authorizes instead up to $2 million from the Dollar Check-off Fund for each major political party to defray convention expenses. Minor parties are entitled to a proportionately smaller amount, based on the ratio of the average of their popular votes in the previous presidential election to the average popular vote of the major parties at such election.

Funds can be used to defray the expenses of the presidential nominating convention (including the payment of deposits) or to repay loans the proceeds of which were used to defray such expenses. Public funds may not be used, however, to defray expenses of any candidate or delegate participating in the convention.

Payments to political parties shall be subject to examination and audits by the Comptroller General, and funds not expended by any party will be transferred to the Presidential Election Campaign Fund.

Political parties would not be required to use public funds. However, neither major nor minor political parties will, under ordinary circumstances, be allowed to expend more than a total of $2 million for all convention expenses from public and private sources. In case of emergencies arising from extraordinary and unforeseen circumstances, the Presidential Election Campaign Fund Advisory Board may permit a party to expend its own funds in excess of the $2 million limit.

Presidential primary elections

The committee bill provides for limited public financing of primary elections by authorizing matching federal payments for small contributions from the Dollar Check-off Fund.

Matching payments would come from the surplus of the Dollar Check-off Fund only after adequate funds have been set aside to meet the estimated obligations of public financing of presidential nominating conventions and presidential general elections.

Primary candidates would receive matching payments for their first $250 or less received from each individual contributor. Under the bill, matchable contributions would not include loans. The maximum amount of such funds a candidate could receive is one-half the overall

expenditure limit for presidential primary candidates. Thus, under the limits provided in the committee bill, no candidate could receive more than $5 million.

Candidates could begin collecting contributions eligible for matching payments as early as January of the year preceding the year in which the primaries are held; however, Federal matching payments could not be made until January of the election year.

Matching payments may be used for legitimate campaign expenses during the pre-nomination period, and stiff criminal penalties are provided for unlawful use of payments, false statements to the Comptroller General, and kickbacks and illegal payments.

To eliminate frivolous candidates, the committee bill requires candidates to accumulate at least $5,000 in matchable contributions in each of 20 states.

The committee believed this modest threshold requirement is the most reasonable and best practicable test to assure that public funds are provided to serious candidates. By matching only small contributions the threshold provides a means of testing public support of a candidate and encourages a candidate to involve large numbers of voters in his fundraising efforts.

The committee does not believe this requirement bars legitimate aspirants for public office for it does not affect the right of an individual to become a candidate, qualify for a position on the ballot, or campaign for office.

The Supreme Court has recognized that "a State has an interest, if not a duty to protect the integrity of its political processes from frivolous or fraudulent candidacies." *Bullock* v. *Carter* 405 U.S. 134, 145 (1972). See also *Jenness* v. *Fortson* 403 U.S. 431, 442 (1971). It has also recently recognized the legitimacy of ensuring that public funds are spent wisely in the political process. In *American Party of Texas* v. *White*, 42 U.S.L.W. 4453 (U.S. March 26, 1974) the Supreme Court upheld the constitutionality of a law that provided public financing from state revenue for primaries by major political parties but not for conventions or petition drives of minor parties. In ruling on the challenge, the Court concluded:

> [W]e cannot agree that the State, simply because it defrays the expenses of party primary elections, must also finance the efforts of every nascent political group seeking to organize itself and unsuccessfully attempting to win a place on the general election ballot. *Id.*, at 4461.

Requiring candidates to raise a reasonable threshold amount in small contributions is neutral vis-a-vis particular candidates and therefore a legitimate requirement to be imposed on those seeking public funds to finance their campaigns.

Public financing limited to presidential elections

The committee bill limits public financing to all phases of elections to the office of President. The committee believed the greatest potential for abuses by special interest groups and big money is in connection with campaigns to the office of President. The unhappy experiences of the 1972 presidential campaign served to underscore the dangers of spiraling campaign expenditures and the influence of excessive private political contributions.

The committee bill limits expenditures and private contributions and limits the potential abuse of big money in presidential elections by allowing for full public financing of presidential general elections and presidential nominating conventions and for public financing on a matching basis for presidential primaries.

Although many of the campaign finance abuses have occurred in connection with presidential general elections, the influence or potential influence of big money is as great in all phases of presidential elections.

For example, major political parties have come to rely heavily on large corporations and labor unions to pay for advertisements in convention programs to meet the expenses of nominating conventions. Primary elections are a critical stage in the candidate selection process, and the potential for influence and abuse of big money in the primary elections is as great as in the general elections. Further, with public financing of presidential elections big money in all likelihood would be shifted to presidential primary candidates.

The committee was aware that there may be some problems in administering the public finance laws, but because presidential elections are so visible, public financing should be relatively easy to administer.

During consideration of the bill, the committee considered and rejected a proposal to provide full public financing of congressional elections. In addition to the considerations noted above, some concern was expressed that the experience in foreign countries which have adopted public financing of political campaigns suggests that special interest groups representing money have been supplanted by those based on regional, religious, or occupational factors. The proliferation of candidates supported by these groups in such countries has meant that fewer votes are needed to achieve plurality and thus the largest minority faction in a particular constituency becomes firmly entrenched in power. Furthermore, the proliferation of political parties has promoted instability in the affairs of national governments, since a coalition of parties sufficient to support one national program may dissolve when confronted by another program where the interests of the parties are differently aligned. Since the object of the committee is to eliminate the influence of special interests, rather than to substitute one special interest for another, the concept of generalized government financing of political campaigns has not been accepted.

CONCLUSION

It is the opinion of the committee that the bill, H.R. 16090 corrects the deficiencies in the Federal election laws.

SECTION-BY-SECTION SUMMARY OF THE BILL

SHORT TITLE

The first section provides that this legislation may be cited as the "Federal Election Campaign Act Amendments of 1974".

TITLE I—CRIMINAL CODE AMENDMENTS

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

Section 101(a) amends section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, by adding a new subsection (b) through subsection (e).

Contribution limitations

The new subsection (b)(1) provides that, except as otherwise provided by the new subsection (b), no person may make contributions exceeding $1,000 to any candidate for Federal office in any election.

The new subsection (b)(2) provides that no political committee (other than the principal campaign committee of a candidate) may make contributions exceeding $5,000 to any candidate for Federal office in any election.

Subsection (b)(2) also defines the term "political committee" to mean, for purposes of subsection (b)(2), an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 (hereinafter in this summary referred to as the "Act") for at least 6 months which has received contributions from more than 50 persons and has made contributions to at least 5 candidates for Federal office. Subsection (b)(2) also provides that State political party organizations shall not be required to make contributions to at least 5 candidates for Federal office in order to be considered political committees for purposes of subsection (b)(2).

The new subsection (b)(3) provides that no individual may make contributions exceeding $25,000 in any calendar year.

The new subsection (b)(4) provides that, for purposes of subsection (b), the following rules shall apply: (1) if a contribution is made to a political committee authorized in writing by a candidate to accept contributions on his behalf, then such contribution shall be considered to be a contribution to such candidate; and (2) any contribution to the candidate of a political party for the office of Vice President shall be considered to be a contribution to the candidate of such party for the office of President.

The new subsection (b)(5) provides that limitations imposed by subsection (b)(1) and subsection (b)(2) shall apply separately to each election.

The new subsection (b)(6) provides that all contributions from a person to a particular candidate shall be treated as contributions from such person to such candidate, even if such contributions are made indirectly, are earmarked, or are directed through any intermediary or conduit. It should be noted that the provisions of subsection (b)(6) are not intended to apply to contributions from separate segregated funds maintained by corporations or labor organizations, because donors to such funds must relinquish control of their donation to the corporation or labor organization and such donors may not earmark or direct such donations to any specific candidate or political committee.

Subsection (b)(6) requires any person acting as an intermediary or conduit to report to the appropriate supervisory officer the source

of the contribution and the intended recipient of the contribution. Such person also shall report such contribution to the intended recipient.

It is the understanding of the committee that the following rule will apply with respect to the application of the contribution limitations established by subsection (b): if a person exercises any direct or indirect control over the making of a contribution, then such contribution shall count toward the limitation imposed with respect to such person under subsection (b), but it will not count toward such a person's contribution limitation when it is demonstrated that such person exercised no direct or indirect control over the making of the contribution involved.

Candidates' expenditure limitations

The new subsection (c) establishes the following expenditure limitations: (1) a candidate for nomination for election to the office of President may not make expenditures exceeding $10,000,000; (2) a candidate for election to the office of President may not make expenditures exceeding $20,000,000; (3) a candidate for the office of Senator may not make expenditures which exceed the greater of (A) 5 cents multiplied by the population of the State involved; or (B) $75,000; (4) a candidate for the office of Representative, Delegate from the District of Columbia, or Resident Commissioner, may not make expenditures exceeding $75,000; and (5) a candidate for the office of Delegate from Guam or the Virgin Islands may not make expenditures exceeding $15,000.

Subsection (c) also provides that, for purposes of such subsection, the following rules shall appply: (1) any expenditure made by the candidate of a political party for the office of Vice President shall be considered to be an expenditure made by the candidate of such party for the office of President; (2) any expenditure made on behalf of a candidate by his principal campaign committee shall be deemed to have been made by such candidate; and (3) the population of a geographical area shall be the population according to the most recent decennial census.

Subsection (c) also provides that the expenditure limitations applied by subsection (c) to candidates for the office of Senator, Representative, Delegate, and Resident Commissioner, shall apply separately to each election. It also provides that, for purposes of the $10 million expenditure limit on candidates for nomination to the office of President, all Presidential primary elections are considered one election.

Cost-of-living adjustments

The new subsection (d) provides that, at the beginning of each calendar year (commencing in 1975), the Secretary of Labor shall certify to the Comptroller General the percentage difference between the price index for the most recent calendar year and the price index for the base period. Subsection (d) provides that the expenditure limitations established by subsection (c) shall be increased by such percentage difference.

Subsection (d) also contains definitions of terms used in such subsection. The term "price index" is defined to mean the average over a

calendar year of the Consumer Price Index. The term "base period" is defined to mean the calendar year 1973.

Other expenditure limitations

The new subsection (e) provides that no person may make expenditures (other than expenditures made by or on behalf of a candidate under the new subsection (c)) relative to a clearly identified candidate exceeding $1,000 in any calendar year.

Subsection (e) also defines the term "clearly identified" to mean (1) the appearance of the name of the candidate; (2) the appearance of a photograph or drawing of the candidate; or (3) an unambiguous reference which establishes the identity of the candidate.

Under this provision any person can make such expenditures up to $1,000 in any calendar year. Such expenditures would not count against a candidate's expenditure limitation nor against the contribution limitation applicable to the person making the expenditure, but it would be a reportable expenditure under section 305 of the disclosure provisions if the aggregate of such expenditures exceeded $100 in the calendar year.

Expenditures from personal funds

Section 101(b) amends section 608(a)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, to provide that a candidate may not make expenditures from his personal funds or the personal funds of his immediate family, in connection with any election for Federal office, exceeding $25,000. Section 608(a)(2) of title 18 defines "immediate family" as the candidate's spouse, and any child, parent, grandparent, brother, or sister of the candidate and the spouses of any of them.

Discharge of certain campaign debts

Section 101(c) provides that, notwithstanding section 608(a)(1) of title 18, United States Code, relating to limitations on expenditures from personal funds, an individual may discharge (from his personal funds or the personal funds of his immediate family) any debt outstanding on the date of the enactment of this legislation which was incurred in connection with any campaign for election to Federal office ending before the close of December 31, 1972.

Section 101(c) also contains definitions of terms used in such subsection. The terms "election", "Federal office", and "political committee" are given the meanings given them by section 591 of title 18, United States Code. The term "immediate family" has the same meaning referred to above under the explanation of section 101(b), relating to expenditures from the personal funds of a candidate.

Contributions by foreign nationals

Section 101(d) amends section 613 of title 18, United States Code, relating to contributions by agents of foreign principals, to make the restrictions established by such section apply directly to foreign nationals.

Section 101(d) also adds a new paragraph at the end of section 613 which defines the term "foreign national" to mean (1) a foreign principal (as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938), except that the term "foreign national"

does not include any individual who is a citizen of the United States; or (2) an individual who is not a citizen of the United States and who is not lawfully admitted into the United States for permanent residence.

Amount of criminal fines

Section 101(e)(1) amends section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, to increase the criminal fine which may be imposed under such section from $1,000 to $25,000.

Section 101(e)(2) amends section 610 of title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations, to (1) increase the criminal fine which may be imposed under such section against corporations or labor organizations from $5,000 to $25,000; and (2) increase the criminal fine which may be imposed under such section against officers or directors committing willful violations from $10,000 to $50,000. It should be noted that it is the desire of the committee that the increased penalties of section 610, together with the existing prison penalties of such section, shall be enforced rigorously against officers and directors of corporations and labor organizations to the extent such officers and directors are responsible for violations of such section.

Section 101(e)(3) amends section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, to increase the criminal fine which may be imposed under such section from $5,000 to $25,000.

Section 101(e)(4) amends section 613 of title 18, United States Code (as amended by section 101(d)), relating to contributions by foreign nationals, to increase the criminal fine which may be imposed under such section from $5,000 to $25,000.

Contribution restrictions; honorariums

Section 101(f) amends chapter 29 of title 18, United States Code, relating to elections and political activities, by adding at the end thereof a new section 614 through section 616.

The new section 614, relating to prohibition of contributions in name of another, is the same as section 310 of the Act (which is deleted by section 101(f)(4)), except that the criminal fine is increased from $1,000 to $25,000. Section 614 provides that no person may make a contribution in the name of another person, and no person may knowingly accept a contribution made by one person in the name of another person.

The new section 615, relating to limitation on contributions of currency, provides that no person may make contributions of currency exceeding $100 to any candidate for Federal office in any election. A violation of section 615 is punishable by a fine of $25,000 or one year of imprisonment, or both.

The new section 616, relating to acceptance of excessive honorariums, provides that any elected or appointed officer or employee of any branch of the Federal Government who accepts any single honorarium exceeding $1,000, or who accepts honorariums exceeding $10,000 in a calendar year, shall be fined not less than $1,000 nor more than $5,000.

Applicability of definitions

Section 101(f) also amends section 591 of title 18, United States Code, relating to definitions, to clarify that the manner in which terms are defined in such section applies to the use of such terms in such section, as well as to the use of such terms in sections 597, 599, 600, 602, 608, 610, 611, 614, and 615 of such title.

DEFINITIONS OF POLITICAL COMMITTEE, CONTRIBUTION, EXPENDITURE, AND PRINCIPAL CAMPAIGN COMMITTEE

Political committee

Section 102(a) amends section 591(d) of title 18, United States Code, relating to the definition of political committee, to provide that such term shall be extended to include any individual, committee, association, or organization which commits act for the purpose of influencing the outcome of any election for Federal office, except that such acts shall not include certain communications which are excluded from the definition of expenditure under section 591(f), discussed below. Such communications include news stories and editorials distributed through the public media facilities (unless such facilities are owned or controlled by a political party or committee, or by a candidate), communications by a membership organization to its members (unless it is organized primarily for the purpose of influencing an election to Federal office), and any other communication which is not made for the purpose of influencing an election to Federal office.

Contribution

Section 102(b) amends section 591(e) of title 18, United States Code, relating to the definition of contribution, to provide that the following activities shall not be considered to be contributions: (1) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual to a candidate, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, to the extent that the cumulative value of such use does not exceed $500; (2) the sale of food or beverage by a vendor to a candidate at a reduced charge if such charge is at least equal to the cost of such food or beverage to the vendor; (3) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; and (4) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of three or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards.

Expenditure

Section 102(c) amends section 591(f) of title 18, United States Code, relating to the definition of expenditure, to provide that the following activities shall not be considered to be expenditures: (1) any news story, commentary, or editorial of any broadcasting station, newspaper,

or other periodical publication, unless such facilities are owned or controlled by a political party, political committee, or candidate; (2) nonpartisan get-out-the-vote activity; (3) communications by a membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily to influence the outcome of elections for Federal office; (4) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual to a candidate, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, to the extent that the cumulative value of such use does not exceed $500; (5) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; (6) communications which are not made to influence the outcome of elections for Federal office; (7) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of three or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards; (8) the costs of a candidate (including his principal campaign committee) with respect to his solicitation of contributions, except that this exception does not apply to costs which exceed 25 percent of the expenditure limitation applicable to such candidate under section 608(c) of title 18; and (9) any costs incurred by a multicandidate committee which has been registered under ths Act as a political committee for at least 6 months, has received contributions from at least 50 persons, and (except for State political party organizations) has made contributions to at least 5 candidates, in connection with soliciting contributions to itself or to a general political fund controlled by it, but this exclusion does not exempt costs of soliciting contributions through any public media facilities.

Principal campaign committee

Section 102(d) amends section 591 of title 18, United States Code, relating to definitions, by adding a new paragraph (i) which defines the term "principal campaign committee". The term is defined to mean the principal campaign committee designated by a candidate under section 302(f)(1) of the Act.

POLITICAL FUNDS OF CORPORATIONS OR LABOR ORGANIZATIONS

Section 103 amends section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, to provide that such section shall not prohibit the establishment or maintenance of a separate segregated campaign fund by a corporation or a labor organization unless such establishment or maintenance is prohibited under section 610 of title 18, relating to contributions or expenditures by national banks, corporations, or labor organizations.

A question was raised in the committee during the consideration of the amendment to section 611 as to whether doctors receiving payments under the so-called Medicare and Medicaid programs are pro-

hibited from making political contributions as Government contractors. The committee is of the opinion that nothing in the existing section 611, nor in the amendment thereto included in the reported bill, would prohibit a doctor from making a political contribution solely because he was receiving payments for medical services rendered to patients under either the Medicare or Medicaid program. Under the Medicare program the basic contractual relationship is between the Federal Government and the individual receiving the medical services. The indivdual receiving the medical services may be reimbursed directly by the Federal Government for amounts paid for such services, or he may assign his claim against the Federal Government to the doctor who rendered the services, but in the latter case the doctor merely stands in the shoes of the claimant for payment. This relationship is not altered by the fact that a Federal agency may retain a right to audit the accounts of a medical practitioner to protect the Federal Government against fradulent claims for medical services.

Under so-called Medicaid programs, it is true that doctors may have specific contractual agreements to render medical services, but such agreements are with State agencies and not with the Federal Government. Medicaid programs are administered by State agencies using Federal funds. The committee does not believe that section 611 prohibiting political contributions by Government contractors has any application to doctors rendering medical services pursuant to a contract with a State agency.

A separate question was raised in the committee concerning the application of section 610 of title 18, relating to prohibitions against political contributions by corporations, banks, and labor organizations, as to whether a professional corporation composed of doctors, lawyers, architects, engineers, etc., would be prohibited from making political contributions. Whether or not a professional association is a corporation is a matter determined under State law. If, under State law, such an association is a corporation, it would be prohibited from making a political contribution as a corporation. However, nothing in existing law, nor in the amendments contained in the reported bill, prohibit an individual member of any corporation from making a political contribution as an individual. Existing law also permits corporations to establish a separate segregated fund to be utilized for political purposes so long as contributions to such fund are voluntary and not secured by force or job discrimination or financial reprisals, or threat thereof, or by money obtained in any commercial transaction.

Effect on State Law

Section 104 provides that chapter 29 of title 18 of the United States Code, relating to criminal sanctions for political activities in connection with Federal elections, supersedes and preempts provisions of State law.

Title II—Disclosure of Federal Campaign Funds

PRINCIPAL CAMPAIGN COMMITTEE

Section 201 amends section 302 of the Act, relating to organization of political committees, by striking out subsection (f), relating to notices with respect to fund solicitation and annual reports by super-

visory officers, and by inserting in lieu thereof a new subsection (f), relating to principal campaign committees.

Designation of principal campaign committee

Subsection (f) (1) requires that candidates for Federal office (other than candidates for the office of Vice President) designate a political committee as their principal campaign committee. Subsection (f) (1) also provides that no political committee may be designated as the principal campaign committee of more than one candidate, except that the Presidential candidate of a political party may, after he is nominated, designate the national committee of his political party as his principal campaign committee.

Expenditures on behalf of candidate

Subsection (f) (2) provides that, except in the case of expenditures which may be made under section 608(e) of title 18, United States Code, relating to expenditures of not more than $1,000 in a calendar year made with respect to a clearly identified candidate, only the principal campaign committee of a candidate may make expenditures on behalf of such candidate.

Reports to principal campaign committee

Subsection (f) (3) provides that political committees receiving contributions on behalf of a candidate shall report such contributions to the principal campaign committee of such candidate, instead of to the appropriate supervisory officer.

Principal campaign committee reports

Subsection (f) (4) provides that the principal campaign committee shall compile and file reports which such committee receives from other political committees supporting the candidate involved, together with its own reports and statements, with the appropriate supervisory officer.

Definition of political committee

Subsection (f) (5) provides that, for purposes of subsection (f) (1) and subsection (f) (3), the term "political committee" does not include political committees supporting more than one candidate, except for the national committee of a political party designated by a Presidential candidate. Therefore, a candidate may not designate a multicandidate political committee as his principal campaign committee and multicandidate political committees shall continue to report directly to the appropriate supervisory officer under applicable provisions of the Act.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

Section 202 amends section 303 of the Act, relating to registration of political committees and statements, by adding at the end thereof a new subsection (e) which provides that reports and notifications of political committees (other than principal campaign committees and multi-candidate political committees) required to be filed under section 303 shall be filed with the appropriate principal campaign committee.

Filing dates

Section 203(a) amends section 304(a) of the Act, relating to filing dates for reports of receipts and expenditures by political committees and candidates, to provide for the following new filing requirements:

1. In a calendar year in which an individual is a candidate for Federal office and an election is held for the particular Federal office which such individual is seeking, reports of receipts and expenditures must be filed 10 days before such election. Such reports shall be complete as of the fifteenth day before such election. Reports filed by registered or certified mail must be postmarked by the twelfth day before such election. In addition, such reports must be filed 30 days after the date of such election and be complete as of the twentieth day after the date of such election.

2. In other calendar years, reports of receipts and expenditures must be filed after the close of the calendar year and no later than January 31 of the following calendar year, and must be complete as of the close of the calendar year for which filed.

3. In addition to reports required to be filed in an election year or in any other calendar year, reports of receipts and expenditures must be filed for any calendar quarter in which the candidate or committee reporting received contributions exceeding $1,000 or made expenditures exceeding $1,000. In any case in which such a quarterly report would coincide with the annual report which is required for nonelection years, the amendment made by section 203 provides that the quarterly report be filed in accordance with provisions governing the filing of annual reports.

The amendment made by section 203(a) also provides that when the last day for filing a quarterly report occurs within 10 days of an election, then the quarterly report requirement shall be waived and superseded by the required election report. Such amendment also provides that any contribution exceeding $1,000 which is received after the fifteenth day before an election but more than 48 hours before an election, shall be reported no later than 48 hours after its receipt.

Such amendment also provides that treasurers of political committees which are not principal campaign committees or multicandidate committees shall file reports required by section 304 of the Act with the appropriate principal campaign committee, instead of with the appropriate supervisory officer.

Additional information required

Section 203(b) amends section 304(b) of the Act, relating to information required to be reported, to provide that, in addition to reporting total receipts and total expenditures, each report must show total receipts less transfers between political committees which support the same candidate and do not support any other candidate and total expenditures less such transfers. In some cases the total receipts and expenditures reported have presented a distorted picture because, under the Act, transfers of funds between committees are counted as contributions and expenditures. This amendment provides that where such transfers occur between single candidate committees supporting

the same candidate the report must also show total receipts less such transfers and total expenditures less such transfers.

FORMAL REQUIREMENTS FOR REPORTS AND STATEMENTS

Section 204 amends sections 306 of the Act, relating to formal requirements respecting reports and statements, by adding at the end thereof a new subsection (e) which provides that if a report or statement required to be filed by a candidate or committee relating to contributions or expenditures or registration of a committee is delivered by registered or certified mail, then the United States postmark stamped on the envelope containing such report shall be deemed to be the date of filing.

DUTIES OF THE SUPERVISORY OFFICER

Changes in duties

Section 205(a) amends section 308(a) of the Act in order to eliminate the following duties of the supervisory officer: (1) the duty to compile and maintain a current list of statements relating to each candidate; (2) the duty to prepare and publish an annual report regarding contributions to and expenditures by candidates and political committees; (3) the duty to prepare special reports comparing totals and categories of contributions and expenditures; (4) the duty to prepare such other reports as the supervisory officer may deem appropriate, and (5) the duty to assure wide dissemination of statistics, summaries, and reports prepared under the Act.

Section 205(a) also amends section 308(a) of the Act in order to establish the following new duties of the supervisory officer: (1) the compilation and maintenance of a cumulative index of reports and statements filed with the supervisory officer; and (2) the preparation of special reports listing candidates for whom reports were filed as required by title III of the Act and candidates for whom such reports were not filed as so required.

Section 205(a) also provides that the annual report which the supervisory officer is required to file under section 308(a)(7) of the Act (which is eliminated by the amendment made by section 205(a)) shall not be filed with respect to any calendar year beginning after December 31, 1972.

Review of regulations

Section 205(b) amends section 308 of the Act by striking out subsection (b), which required the supervisory officer to develop procedures in cooperation with State election officials to permit filing of Federal reports to comply with State requirements, and subsection (c), which required the Comptroller General to serve as a national clearinghouse for information regarding the administration of elections.

Section 205(b) also amends section 308 of the Act by adding a new subsection (b), which requires the supervisory officer, before he prescribes any rule or regulation under section 308, to transmit a statement regarding such rule or regulation to the Committee on Rules and Administration of the Senate or the Committee on House Administration of the House of Representatives, as the case may be. The new subsection

(b) provides that such statement shall explain and justify the proposed rule or regulation.

Subsection (b) also provides that if the supervisory officer involved is the Clerk of the House of Representatives, he shall transmit such statement to the Committee on House Administration. If the supervisory officer involved is the Secretary of the Senate, he shall transmit such statement to the Committee on Rules and Administration. If the supervisory officer involved is the Comptroller General, he shall transmit such statement to both such committees. If either committee which receives a statement from the supervisory officer involved disapproves the proposed rule or regulation within 30 legislative days after it is received, then the supervisory officer may not prescribe such rule or regulation. In the case of the Comptroller General, if only one of the two committees disapproves the proposed rule or regulation, such disapproval by one committee is sufficient to prevent prescription of the rule or regulation.

Subsection (b) also defines the term "legislative days". With respect to statements transmitted to the Committee on Rules and Administration, such term does not include any calendar day on which the Senate is not in session. With respect to statements transmitted to the Committee on House Administration, such term does not include any calendar day on which the House of Representatives is not in session. With respect to statements transmitted to both committees, such term does not include any calendar day on which both Houses of the Congress are not in session.

It should be noted that it is the intent of the members of the committee that the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives, in reviewing proposed rules and regulations under section 308(b) of the Act and under sections 9009(c) and 9039(c) of the Internal Revenue Code of 1954, shall strive to achieve uniformity in such rules and regulations.

DEFINITIONS OF POLITICAL COMMITTEE, CONTRIBUTION, EXPENDITURE, AND SUPERVISORY OFFICER

Technical amendments

Paragraph (1) of section 206(a) makes a technical amendment to section 301 of the Act, relating to definitions, to provide that the terms defined for purposes of the disclosure provisions of title III of the Act will have the same meanings for purposes of title IV of the Act, relating to general provisions. Under this amendment it will not be necessary to add or retain a specific reference to a definition in section 301 of the Act in order to make clear that terms such as "election", "Federal office", and "State" have the same meaning when used in title IV of the Act as when used in title III.

Paragraphs (2) and (3) of section 206(a) remove from title IV of the Act references to definitions in section 301 of the Act to conform with the amendment discussed above under paragraph (1) of this section.

Political committee

Section 206(b) amends section 301(d) of the Act, relating to the definition of political committee, in the same manner that section 102

(a) amends section 591(d) of title 18, United States Code, relating to the definition of political committee. This amendment extends the definition of political committee to include any individual, committee, association, or organization which commits any act for the purpose of influencing the outcome of any election for Federal office, except that communications which are excluded from the definition of expenditure under section 301(f)(4), discussed below, are excluded. Such communications included news stories and editorials distributed through the public media facilities (unless such facilities are owned or controlled by a political party or committee, or by a candidate), communications by a membership organization to its members (unless it is organized primarily for the purpose of influencing an election to Federal office), and any other communication which is not made for the purpose of influencing an election to Federal office.

Contribution

Section 206(b) amends section 301(e)(5) of the Act, relating to an exception to the definition of contribution, in the same manner that section 102(b) amends section 591(e)(5) of title 18, United States Code, relating to an exception to the definition of contributions. Under this amendment, the following activities are not considered contributions: (1) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual to a candidate, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, to the extent that the cumulative value of such use does not exceed $500; (2) the sale of food or beverages by a vendor to a candidate at a reduced charge if such charge is at least equal to the cost of such food or beverage to the vendor; (3) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; and (4) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of three or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards.

Expenditure

Section 206(c) amends section 301(f) of the Act, relating to the definition of expenditure, in the same manner that section 102(c) amends section 591(f) of title 18, United States Code, relating to the definition of expenditure, except that the amendment made by this section does not establish an exception for costs incurred by a candidate or political committee with respect to the solicitation of contributions by the candidate or political committee. Under this amendment, the following activities are not considered expenditures: (1) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, or periodical publication (unless such facilities are owned or controlled by a political party or committee, or by a candidate); (2) nonpartisan get-out-the-vote activity; (3) communications by a membership orga-

nization to its members (unless it is organized primarily for the purpose of influencing an election to Federal office); (4) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual to a candidate, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, to the extent that the cumulative value of such use does not exceed $500; (5) the travle expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; (6) communications which are not made to influence the outcome of elections for Federal office; (7) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of 3 or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards; (8) the costs of a candidate (including his principal campaign committee) with respect to his solicitation of contributions, except that this exception does not apply to costs which exceed 25 percent of the expenditure limitation applicable to such candidate under section 608(c) of title 18; and (9) any costs incurred by a multicandidate committee which has been registered under the Act as a political committee for at least 6 months, has received contributions from at least 50 persons, and (except for State political party organizations) has made contributions to at least 5 candidates, in connection with soliciting contributions to itself or to a general political fund controlled by it, but this exclusion does not exempt costs of soliciting contributions through any public media facilities.

Supervisory officer

Section 206(d) amends section 301(g) of the Act, relating to the definition of supervisory officer, in order to make clear that the Comptroller General is the supervisory officer only with respect to candidates for President and Vice President, and committees supporting such candidates.

New definitions

Section 206(f) adds two new definitions to section 301 of the Act. The term "principal campaign committee" is defined to mean the principal campaign committee designated by a candidate as provided in this legislation. The term "Board" is defined to mean the Board of Supervisory Officers established by this legislation.

BOARD OF SUPERVISORY OFFICERS

Section 207(a) amends title III of the Act by adding a new section 308 through section 310, which establishes and defines the duties and powers of the Board of Supervisory Officers (hereinafter in this summary referred to as the "Board").

Establishment of Board; composition

The new section 308 establishes the Board and provides that it shall be composed of seven members as follows: (1) the Secretary of the Senate; (2) the Clerk of the House of Representatives; (3) the Comp-

troller General; (4) two individuals appointed by the President of the Senate upon recommendations made by the majority and minority leaders of the Senate, one from each of the two major political parties; and (5) two individuals appointed by the Speaker of the House of Representatives upon recommendations made by the majority and minority leaders of the House, one from each of the two major political parties.

The appointed members are required to be chosen, on the basis of their maturity, experience, integrity, impartiality, and good judgment, from among individuals who are not officers or employees in the executive, legislative, or judicial branch of the Federal Government (incluing elected and appointed officials). They serve for terms of 4 years, except that one of the members first appointed by the President of the Senate will be appointed for a term of 1 year and one will be appointed for a term of 3 years, and one of the members first appointed by the Speaker of the House will be appointed for a term of 2 years. The appointed members will receive compensation equivalent to level IV of the Federal Executive Salary Schedule (currently $38,000), pro rated on a daily basis for each day spent in the work of the Board, and, in addition, will receive actual travel expenses and per diem in lieu of subsistence when away from their usual places of residence.

Section 308 also provides that the Board shall supervise administration of, seek to obtain compliance with, and formulate overall policy concerning title I of the Act, title III of the Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code. Members of the Board shall alternate in serving as Chairman. Decisions of the Board shall be made by majority vote and no member of the Board may delegate to any person his vote or any decisionmaking authority or duty. Section 308 provides that the Board shall meet once per month and at the call of any member of the Board.

Staff Director; General Counsel

Section 308 also provides that the Board shall appoint a Staff Director (whose rate of pay shall be the rate for level IV of the Executive Schedule, currently $38,000) and a General Counsel (whose rate of pay shall be the rate for level V of the Executive Schedule, currently $36,000). The Staff Director, with the approval of the Board, may appoint and fix the pay of additional personnel. At least 30 percent of such personnel shall be selected as follows: (1) one-half recommended by the minority leader of the Senate; and (2) one-half recommended by the minority leader of the House of Representatives. The Staff Director, with the approval of the Board, also may obtain temporary and intermittent services as provided by section 3109(b) of title 5, United States Code.

Powers of the Board

The new section 309 provides that the Board shall have the power: (1) to formulate general policy and review actions of supervisory officers regarding the administration of title I of the Act, title III of the Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code; (2) to oversee the development of prescribed forms required under title III of the Act; (3) to review rules and

regulations prescribed under title I of the Act or title III of the Act, to assure that such rules and regulations are consistent with the appropriate statutory provisions and that such rules and regulations are sufficiently uniform; (4) to render advisory opinions under the new section 313 of the Act; (5) to carry out investigations and hearings, to encourage voluntary compliance with Federal election law provisions, and to report apparent violations to the appropriate law enforcement authorities; (6) to administer oaths or affirmations; (7) to issue subpenas, signed by the Chairman of the Board, to require the testimony of witnesses and the production of documentary evidence relevant to any investigation or hearing conducted by the Board; and (8) to pay the same witness fees and mileage expenses paid by U.S. courts.

Section 309 also provides that appropriate district courts of the United States shall have the power to issue orders enforcing subpenas issued by the Board.

Reports

The new section 310 provides that the Board shall transmit annual reports to the President and each House of the Congress, which shall describe the activities of the Board and recommend any legislative or other action the Board considers appropriate.

Investigations and hearings

Section 207(b)(1) amends section 311(a)(9) of the Act (as so redesignated by sections 205 and 207(a)(1)) to provide that the Board of Supervisory Officers will have the duty to report apparent violations to the appropriate law enforcement authorities. This duty is transferred from the supervisory officers to the Board to conform with the amendments concerning the powers and duties of the Board.

Section 207(b)(2) amends section 311(c) of the Act (as so redesignated by section 207(a)(1)), relating to duties of the supervisory officer, by striking out paragraph (1) and inserting a new paragraph (1). The new paragraph (1) provides that if any person who believes a violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred may file a complaint with the Board. If a supervisory officer has reason to believe that any such violation has occurred, then he shall refer such apparent violation to the Board.

The new paragraph (1) also provides that if the Board receives a complaint or referral, or if the Board has reason to believe that any person has committed a violation, then the Board shall notify the person involved and shall either report the apparent violation to the Attorney General of the United States or make an investigation of the apparent violation. If the complainant involved is a candidate for Federal office, then any investigation conducted by the Board shall include an investigation of reports and statements filed by the complainant. The Board may not disclose any notification or investigation unless it receives written permission to do so by the person notified or under investigation. Such person also may request the Board to conduct a hearing regarding the apparent violation.

The new paragraph (1) also provides that the Board seek to correct apparent violations through informal methods of conference, concilia-

tion, and persuasion, and that the Board must refer apparent violations to law enforcement authorities if the Board considers it appropriate or if the Board fails to correct the violations.

The new paragraph (1) also provides that if the Board concludes, after affording notice and opportunity for a hearing, that a person has committed or is about to commit any violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, then the Attorney General shall bring a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order.

Reports by Attorney General

Section 207(b)(3) amends section 311 of the Act (as so redesignated by section 207(a)(1)), relating to duties of the supervisory officer, by adding a new subsection (d) which requires the Attorney General to report to the Board regarding apparent violations referred to the Attorney General by the Board. The reports are required to be made no later than two months after referral and on a monthly basis thereafter until there is a final disposition of the apparent violation. The new subsection (d) also provides that the Board may publish reports on the status of referrals made by the Board to the Attorney General.

Judicial review; funding

Section 207(c) amends title III of the Act to add a new section 315 and section 316. The new section 315 authorizes the Board, the supervisory officers, the national committee of any political party, and any individual eligible to vote in any election for the office of President of the United States, to bring any appropriate action in the appropriate district court of the United States to implement or construe any provision of title I of the Act, title III of the Act, or sections 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code. The district court is required to certify all questions of constitutionality regarding any such provision to the United States court of appeals for the circuit involved, which is required to hear the matter sitting en banc.

The new section 315 also provides that any decision on a matter certified to a circuit court shall be reviewable by appeal directly to the Supreme Court of the United States. This appeal must be brought within 20 days after the decision of the court of appeals. Section 315 also provides that the court of appeals and the Supreme Court shall advance on the docket and expedite the disposition of any matter certified to the circuit court.

The new section 316 provides that, notwithstanding any other provision of law, such sums as may be necessary may be appropriated to each supervisory officer and to the Board to enable each such supervisory officer and the Board to carry out their duties under title I of the Act and title III of the Act.

ADVISORY OPINIONS

Section 208 amends title III of the Act by inserting a new section 313, which provides for the rendering of advisory opinions by the Board. The new section 313 provides that if an individual holding

Federal office, a candidate, or a political committee, makes a written request to the Board, then the Board shall render a written advisory opinion regarding whether any activity of the individual, candidate, or political committee would constitute a violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 or title 18, United States Code.

The new section 313 also provides that if a person acts in good faith in compliance with an advisory opinion rendered at his request, then the person shall be presumed to be in compliance with the statutory provision regarding which the advisory opinion is rendered. Section 313 also provides that any request for an advisory opinion shall be made public by the Board. The Board is required to provide interested parties with an opportunity to furnish written comments to the Board concerning any request before the Board renders an advisory opinion regarding the request.

Title III—General Provisions

EFFECT ON STATE LAW

Section 301 amends section 403 of the Act, relating to effect on State law, to provide that the provisions of the Act, and rules prescribed under the Act, supersede and preempt any provision of State law.

PERIOD OF LIMITATIONS; ENFORCEMENT

Section 302 amends title IV of the Act, relating to general provisions, by adding a new section 406 and section 407.

Period of limitations

The new section 406 provides that no criminal action may be brought against a person for violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, unless such action is brought before the expiration of 3 years after the date of such violation. Under existing law the period of limitations is 5 years.

Enforcement

The new section 407 provides that if the Board finds, after notice and opportunity for a hearing on the record, that a candidate failed to file a report required by title III of the Act, then the candidate shall be disqualified from becoming a candidate in any future Federal election for a period beginning on the date of the finding and ending one year after the expiration of the term of the Federal office for which the person was a candidate. Any such finding would be reviewable by the courts under chapter 7 of title 5, United State Code, in the same manner as in the case of any other final agency action under the administrative procedure provisions of title 5 of the United States Code.

It is the intent of the members of the committee that the enforcement mechanism of section 407 shall not be applied in any case in which the candidate involved demonstrates that he did not receive timely notice from the Board advising him of an approaching filing date regarding reports he is required to file under title III of the Act.

TITLE IV—AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

POLITICAL ACTIVITIES BY STATE AND LOCAL OFFICERS AND EMPLOYEES

Section 401 amends section 1502 of title 5, United States Code (relating to influencing elections, taking part in political campaigns, prohibitions, exceptions) to provide that State and local officers and employees may take an active part in political management and in political campaigns, except that they may not be candidates for elective office.

REPEAL OF COMMUNICATIONS MEDIA EXPENDITURE LIMITATIONS

Section 402 amends title I of the Act, relating to campaign communications, by striking out section 104, relating to limitations of expenditures for use of communications media.

Under the amendment made by this section, a candidate is no longer restricted with respect to expenditures for use of communications media. The committee bill, however, establishes overall limitations on campaign expenditures, but leaves the candidate free to decide the purpose for which such expenditures will be made. The committee also noted that, on November 14, 1973, the United States District Court for the District of Columbia decided, in the case of *American Civil Liberties Union* v. *Jennings* (366 F. 2d 1041), that the requirement of section 104(b) of the Act that a candidate certify that certain media advertising (newspapers, magazines, and billboards) did not violate the expenditure limitations repealed by this section was an unconstitutional prior restraint upon publication in violation of First Amendment rights. As noted below, this section also repeals the provisions added to the Communications Act of 1934 by section 104(c) of the Act to eliminate a similar requirement with respect to broadcast media.

Section 402 also amends section 315 of the Communications Act of 1934 (relating to candidates for public office, facilities, rules) by striking out subsections (c), (d), and (e). The effect of the amendment is to eliminate the requirement that licensees of broadcasting stations obtain certification from a candidate that his purchase of air time on the station involved does not exceed his expenditure limitations under title I of the Act or under any provision of State law.

AUTOMATIC TRANSFERS TO CAMPAIGN FUND

Section 403 amends section 9006(a) of the Internal Revenue Code of 1954 (hereinafter in this summary referred to as the "Code"), relating to establishment of campaign fund, to provide that the Secretary of the Treasury (hereinafter in this summary referred to as the "Secretary") shall automatically transfer to the Presidential Election Campaign Fund, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to amounts designated under section 6096 of the Code, relating to designation of income tax payments to the presidential election campaign fund.

ENTITLEMENTS OF ELIGIBLE CANDIDATES TO PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND

Section 404 amends section 9004(a)(1) of the Code, relating to entitlement of eligible candidates to payments, to provide that eligible candidates of each major party in a presidential election shall be entitled to equal payments in an amount not to exceed $20,000,000. The amendment eliminates the formula under which candidates of a major party would receive 15 cents multiplied by the number of residents of the United States who are 18 years of age or older.

Section 404(c) amends section 9002(1) of the Code, relating to the definition of "authorized committee", to provide that such term means, with respect to candidates for President or Vice President, the political committee designated under section 302(f)(1) of the Act by the candidate for President as his principal campaign committee. Section 404(c) also contains technical conforming amendments to various sections of the Code made necessary by the change made to the definition of "authorized committee".

CERTIFICATION FOR PAYMENT BY COMPTROLLER GENERAL

Section 405 amends section 9005(a) of the Code, relating to initial certifications for eligibility for payments, to provide that, not later than 10 days after candidates of a political party have established their eligibility to receive payments, the Comptroller General shall certify to the Secretary payment in full of the candidates' entitlement. The amendment, together with the amendment made by section 406(a), eliminates the procedure under which candidates were required to submit records of expenses and proposed expenses in order to obtain certification from the Comptroller General for payments.

FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS

Section 406(a) amends chapter 95 of subtitle H of the Code, relating to the presidential election campaign fund, by striking out section 9008, relating to information on proposed expenses, and inserting in lieu thereof a new section 9008, relating to payments for presidential nominating conventions.

Establishment of accounts

Section 9008(a) provides that the Secretary shall maintain in the Presidential Election Campaign Fund a separate account for the national committee of a major political party or a minor political party. The Secretary shall deposit in each account each national committee's entitlement under section 9008. These deposits shall be drawn from amounts designated under section 6096 of the Code, relating to designation of income tax payments to the presidential election campaign fund, and the deposits shall be made before any transfer of funds to the account of any eligible candidate under section 9006(a) of the Code, relating to establishment of campaign fund.

Entitlement to payments

Section 9008(b) provides that the national committee of a major party is entitled to payments not to exceed $2,000,000. The national

committee of a minor party is entitled to payments not to exceed an amount which bears the same ratio to the entitlement of the national committee of a major party as the number of votes received by the candidate for President of the minor party in the preceding presidential election bears to the average number of votes received by candidates for President of the major parties in the election. The national committee of a minor party could use additional private funds in the operation of a presidential nominating convention, but only to the extent that the total expenditure (counting both public and private funds) does not exceed $2 million. A major party electing to receive its $2 million entitlement could not use any additional private funds. The only exception to the $2 million limitation would be an instance in which the Presidential Election Campaign Advisory Board permitted the expenditure of private funds under section 9008(d).

Use of funds

Section 9008(c) provides that no part of payments made under section 9008 may be used to defray expenses of any candidate or delegate participating in any presidential nominating convention. The payments are to be used only to (1) defray expenses incurred with respect to a presidential nominating convention (including payment of deposits) by the national committee; or (2) repay loans which were used to defray such expenses.

Limitation of expenditures

Section 9008(d) provides that the national committee of a major party or a minor party may not make expenditures which exceed the amount of the entitlement of the national committee of a major party under section 9008. Notwithstanding this limitation, the national committee of a major party or minor party may make expenditures from private sources in excess of this limitation if such expenditures are authorized by the Presidential Election Campaign Advisory Board. Before making any authorization, such Board shall determine that extraordinary and unforeseen circumstances have made necessary such expenditures to assure effective operation of the presidential nominating convention. It is the intent of the committee that such Board shall make authorizations only in cases in which events of a catastrophic nature overwhelmingly imperil the operation of a presidential nominating convention.

Other provisions

1. Payments to the national committee of major parties and minor parties under section 9008 may be made beginning on July 1 of the calendar year before the calendar year in which the presidential nominating convention is held.

2. If, after each national committee has been paid the amount to which it is entitled, there are moneys remaining in national committee accounts, then such moneys shall be transferred to the Presidential Election Campaign Fund.

3. In order to qualify for payments, any major party or minor party may file a statement with the Comptroller General designating the national committee of the party. After the Comptroller General verifies the statement he shall certify to the Secretary payment in full of the entitlement of the national committee. Payments shall

be subject to examination and audit, which the Comptroller General shall conduct before the close of the calendar year in which the nominating convention is held.

4. The Comptroller General may require repayments from the national committee of a major party or minor party in the same manner as he may require repayments from candidates under section 9007(b) of the Code, relating to repayments.

Conforming amendments

Section 406(b) amends section 9009(a) of the Code, relating to reports, to require that reports of the Comptroller General include the following information: (1) expenses incurred by the national committee of a major party or minor party with respect to a presidential nominating convention; (2) amounts certified by the Comptroller General for payment to such national committees; and (3) the amount of repayments required from such national committees, and the reason for any repayments.

Section 406(b) also amends section 9012(a)(1) of the Code, relating to excess campaign expenses, to make it unlawful for the national committee of a major party or minor party to incur convention expenses in excess of the applicable expenditure limitation, unless such expenses are authorized by the Presidential Election Campaign Fund Advisory Board.

Section 406(b) also amends section 9012(c) of the Code, relating to unlawful use of payments, to make it unlawful for the national committee of a major party or minor party to use payments for any purpose which is not authorized by section 9008(c), relating to use of funds.

Section 406(b) also amends section 9012(e)(1) of the Code, relating to kickbacks and illegal payments, to make it unlawful for the national committee of a major party or minor party to give or accept any kickback or other illegal payment in connection with any convention expense incurred by such national committee.

Advertising in convention programs

Section 406(d) amends section 276 of the Code, relating to certain indirect contributions to political parties, by striking out subsection (c), relating to advertising in a convention program of a national political convention. The effect of the amendment is to eliminate any income tax deduction for any amount paid for advertising in a convention program.

TAX RETURNS BY POLITICAL COMMITTEES

Section 407 amends section 6012(a) of the Code, relating to persons required to make returns of income, to provide that any political committee which has no gross income for a taxable year shall be exempt from the requirement of making a return for such taxable year.

PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

Section 408 amends subtitle H of the Code, relating to financing of presidential election campaigns, by adding at the end thereof a new chapter 97, relating to presidential primary matching payment account.

Short title

Section 9031 of the new chapter 97 provides that the chapter may be cited as the "Presidential Primary Matching Payment Account Act".

Definitions

Section 9032 contains the following definitions:

1. The term "authorized committee" is defined to mean the political committee designated under section 302(f)(1) of the Act by the candidate of a political party for President of the United States as his principal campaign committee.

2. The term "candidate" is defined to mean an individual who seeks nomination for election to the office of President of the United States. An individual shall be considered to be seeking the nomination if he (A) takes actions necessary under State law to qualify for nomination; (B) receives contributions or incurs qualified campaign expenses; or (C) gives his consent for any other person to receive contributions or incur qualified campaign expenses on his behalf.

3. The term "Comptroller General" is defined to mean the Comptroller General of the United States.

4. The term "contribution" is defined to mean (A) a gift, subscription, loan, advance, or deposit of money or anything of value made for the purpose of influencing the result of a primary election, if payment is made on or after the beginning of the calendar year preceding the calendar year of the presidential election with respect to which such primary election is held; (B) a contract, promise, or agreement to make a contribution; (C) a transfer of funds between political committees; or (D) payment by any person, other than a candidate or his authorized committee, of compensation for personal services of another person which are rendered to the candidate or committee without charge. Such term does not include the value of personal services rendered on a voluntary basis by persons who receive no compensation for such services, or any payments made under section 9037, relating to payments to eligible candidates.

5. The term "matching payment account" is defined to mean the Presidential Primary Matching Payment Account established under section 9037(a), relating to establishment of account.

6. The term "matching payment period" is defined to mean the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States is held and ending on the date which the party whose nomination a candidate seeks nominates its candidate for such office.

7. The term "primary election" is defined to mean an election, including a runoff election or a nominating convention or caucus held by a political party, for selection of delegates to a national nominating convention of a political party, or for expression of a preference for nomination of persons for election to the office of President of the United States.

8. The term "political committee" is defined to mean any individual, committee, association, or organization which accepts contributions or incurs qualified campaign expenses for the purpose of influencing the nomination for election of one or more individuals to be President of the United States.

9. The term "qualified campaign expense" is defined to mean a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value incurred by a candidate or his authorized committee in connection with his campaign for nomination for election, neither the incurring nor payment of which violates any Federal or State law.

10. The term "State" is defined to mean each State of the United States and the District of Columbia.

Eligibility for payments

Section 9033(a) requires that a candidate seeking to become eligible for payments shall in writing (1) furnish to the Comptroller General evidence of qualified campaign expenses; (2) agree to keep and furnish to the Comptroller General records, books, and other information; and (3) agree to an audit and examination by the Comptroller General, and agree to make repayments required under section 9038 (relating to examinations and audits, repayments).

Section 9033(b) requires that a candidate seeking to become eligible for payments shall certify to the Comptroller General that (1) the candidate and his authorized committee will not incur qualified campaign expenses in excess of the limit imposed by section 9035, relating to qualified campaign expense limitation; (2) the candidate is seeking nomination by a political party for election to the office of President of the United States; (3) the candidate and his authorized committee have received contributions which exceed $5,000 from residents of each of at least 20 States; and (4) the aggregate of contributions received from any one such resident does not exceed $250.

Entitlement to payments

Section 9034(a) provides that every eligible candidate is entitled to payments in an amount equal to contributions received by the candidate and his authorized committee on or after the beginning of the calendar year before the calendar year of the presidential election with respect to which the candidate is seeking nomination. Contributions from any one person will qualify for matching only to the extent that such contributions do not aggregate more than $250.

For purposes of section 9033(b) and section 9034(a), the term "contribution" is defined to mean a gift of money made by a written instrument which identifies the person making the contribution. Such term does not include a subscription, loan, advance, or deposit of money, or anything described in section 9032(4)(B), (C), or (D).

Section 9034(b) provides that payments under section 9034(a) may not exceed 50 percent of the expenditure limitation for presidential primaries established by section 608(c)(1)(A) of title 18, United States Code, relating to limitations on contributions and expenditures.

Qualified campaign expense limitation

Section 9035 prohibits any candidate from incurring qualified campaign expenses in excess of the expenditure limitation for presidential primaries established by section 608(c)(1)(A) of title 18, United States Code, relating to limitations on contributions and expenditures.

Certification by Comptroller General

Section 9036(a) provides that, not later than 10 days after a candidate establishes his eligibility for payments, the Comptroller General shall certify to the Secretary payment in full to the candidate of amounts to which he is entitled.

Section 9036(b) provides that this certification is final and conclusive, except that it is subject to examination and audit by the Comptroller General, and to judicial review.

Payments to eligible candidates

Section 9037(a) requires the Secretary to establish in the Presidential Election Campaign Fund a separate account to be known as the Presidential Primary Matching Payment Account (hereinafter in this summary referred to as the "matching payment account"). The Secretary is required to deposit into the matching payment account, for use by eligible candidates, amounts available after the Secretary determines that amounts for payments to candidates in the general election for the office of President of the United States and amounts for payments to national committees of major parties and minor parties for presidential nominating conventions, are available for such payments.

Section 9037(b) requires the Secretary to transfer certified amounts to candidates during the matching payment period. In making transfers to candidates of the same political party, the Secretary is required to seek an equitable distribution of funds, taking into account the sequence in which certifications are received. Transfers to candidates of the same political party may not exceed 45 percent of the total amount available in the matching payment account, and transfers to any candidate may not exceed 25 percent of the total amount available in the matching payment account.

Examinations and audits; repayments

Section 9038(a) requires the Comptroller General to conduct an examination and audit of the qualified campaign expenses of every candidate and authorized committee after each matching payment period.

Section 9038(b) provides that if the Comptroller General determines that a candidate received payments in excess of his entitlement, then the candidate shall be required to repay the excess amount. Section 9038(b) also provides that if the Comptroller General determines that a candidate has used payments for any purpose other than to defray qualified campaign expenses or to repay loans or restore funds which were used to defray qualified campaign expenses, then the candidate shall be required to repay the amount involved.

Section 9038(b) also provides that payments to a candidate from the matching payment account may be retained to pay qualified campaign expenses for a period not exceeding 6 months after the close of the matching payment period. After a candidate has liquidated all obligations, that portion of any balance remaining in his account which bears the same ratio to the total balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's account, shall be repaid by the candidate to the matching payment account.

Section 9038(c) provides that the Comptroller General may not make a notification of a required repayment with respect to any matching payment period more than 3 years after the end of the period.

Section 9038(d) requires the Secretary to deposit repayments received by him under section 9038 in the matching payment account.

Reports to Congress; regulations

Section 9039(a) requires the Comptroller General to transmit a report to each House of the Congress, after each matching payment period, which sets forth (1) qualified campaign expenses of every candidate and authorized committee; (2) the amount of payments certified by the Comptroller General; and (3) the amount of repayments required from every candidate, and the reason for any repayments.

Section 9039(b) authorizes the Comptroller General to (1) prescribe rules and regulations; (2) conduct examinations and audits, in addition to examinations and audits required by section 9038(a); (3) conduct investigations; and (4) require the keeping and submission of books, records, and information.

Section 9039(c) provides that the Comptroller General, before prescribing any rule or regulation, shall transmit the proposed rule or regulation, together with a detailed explanation and justification, to the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives. If either committee does not disapprove the proposed rule or regulation no later than 30 legislative days after receipt of the proposed rule or regulation, then the Comptroller General is authorized to prescribe such rule or regulation. Section 9039(c) prohibits the prescription of any rule or regulation which is disapproved by either committee.

Section 9039(c) also provides that the term "legislative days" does not include any calendar day on which both Houses of the Congress are not in session.

Judicial proceedings

Section 9040(a) authorizes the Comptroller General to appear in and defend against any action brought under section 9040 of the Code.

Section 9040(b) authorizes the Comptroller General to bring actions in the district courts of the United States for recovery of repayments required as a result of examinations and audits conducted by the Comptroller General.

Section 9040(c) authorizes the Comptroller General to petition the courts of the United States for injunctive relief to implement the provisions of chapter 97 of the Code.

Section 9040(d) authorizes the Comptroller General to appeal any action in which he appears.

Judicial review

Section 9041(a) provides that any agency action of the Comptroller General under chapter 97 of the Code is subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed no later than 30 days after the agency action involved.

Section 9041(b) provides that chapter 7 of title 5, United States Code, relating to judicial review, shall apply to any agency action by

the Comptroller General. The term "agency action" is given the same meaning given it by section 551(13) of title 5, United States Code.

Criminal penalties

Section 9042(a) provides that any person who incurs qualified campaign expenses in excess of the expenditure limitation for presidential primaries established by section 608(c)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, shall be fined not more than $25,000 or imprisoned not more than 5 years, or both. Section 9042(a) also provides that any officer or member of a political committee who knowingly consents to an expenditure which violates such limitation shall be fined not more than $25,000 or imprisoned not more than 5 years, or both.

Section 9042(b) makes it unlawful for any person who receives a payment from the matching payment account, or to whom a portion of such payment is transferred, to use such payment for any purpose other than to defray qualified campaign expenses or to repay loans or restore funds which were used to defray qualified campaign expenses. Any person who violates this provision shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

Section 9042(c) makes it unlawful for any person to refuse to furnish information which may be required under chapter 97 of the Code or to furnish false information. Any person who violates this provision shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

Section 9042(d) makes it unlawful for any person to give or accept any kickback or other illegal payment in connection with any qualified campaign expense of a candidate or authorized committee. Any person who violates this provision shall be fined not more than $10,000 or imprisoned not more than 5 years, or both. Section 9042(d) also provides that any person who accepts any kickback or other illegal payment shall pay to the Secretary for deposit in the matching payment account an amount equal to 125 percent of the kickback or other illegal payment received.

REVIEW OF REGULATIONS

Section 409 amends section 9009 of the Code (relating to reports to Congress, regulations) to establish a procedure for the review of regulations by Congressional committees identical to the procedures established by the new section 9039(c) of the Code, relating to review of regulations (which is added by the amendment made by section 408).

EFFECTIVE DATES

General effective date

Section 410(a) provides that the provisions of this legislation (other than amendments to the Code) shall take effect 30 days after the date of the enactment of this legislation.

Internal Revenue Code amendments

Section 410(b) provides that amendments to the Internal Revenue Code made by sections 305, 306, 307, 308, 309, 310, and 311 shall apply with respect to taxable years beginning after December 31, 1973.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 18, UNITED STATES CODE

* * * * * * *

Chapter 29.—ELECTIONS AND POLITICAL ACTIVITIES

Sec.

§ 591. Definitions.

[When used in sections 597, 599, 600, 602, 608, 610, and 611 of this title—]

Except as otherwise specifically provided, when used in this section and in sections 597, 599, 600, 602, 608, 610, 611, 614, and 615 of this title—

(a) "election" means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a

preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, to Federal office, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(c) "Federal office" means the office of President or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

(d) "political committee" means any individual, committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000, *or which commits any act for the purpose of influencing, directly or indirectly, the nomination for election, or election, of any person to Federal office, except that any communication referred to in paragraph (f)(4) of this section which is not included within the definition of the term "expenditure" shall not be considered such an act;*

(e) "contribution" means—

(1) a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business) made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

(3) a transfer of funds between political committees;

(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; and

(5) notwithstanding the foregoing meanings of "contribution", the word shall not be construed to include (*A*) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee, (*B*) *the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor, (D) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, or (E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): Provided, That the cumulative value of activities by any person on behalf of any candidate under each of clauses (B) or (D) shall not exceed $500 with respect to any election*;

(f) "expenditure" means—

(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; **[**and**]**

(3) a transfer of funds between political committees; *and*

(4) notwithstanding the foregoing meanings of "expenditure," such term does not include (A) any news story, commentary,

or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate, (B) nonpartisan activity designed to encourage individuals to register to vote or to vote, (C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office, (D) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (E) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, (F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office, (G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers), (H) any costs incurred by a candidate (including his principal campaign committee) in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate (including his principal campaign committee) in excess of an amount equal to 25 per centum of the expenditure limitation applicable to such candidate under section 608(c) of this title, or (I) any costs incurred by a political committee (as such term is defined by section 608(b)(2) of this title) with respect to the solicitation of contributions to such political committee or to any general political fund controlled by such political committee, except that this clause shall not apply to exempt costs incurred with respect to the solicitation of contributions to any such political committee made through broadcasting stations, newspapers, magazines, outdoor advertising facilities, and other similar types of general public political advertising: Provided, That the cumulative value of activities by any person on behalf of any candidate under each of clauses (D) or (E) shall not exceed $500 with respect to any election;

(g) "person" and "whoever" mean an individual, partnership, committee, association, corporation, or any other organization or group of persons; [and]

(h) "State" means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States[.] *; and*

(i) "principal campaign committee" means the principal campaign committee designated by a candidate under section 302(f)(1) of the Federal Election Campaign Act of 1971.

§ 592. Troops at polls.

Whoever, being an officer of the Army or Navy, or other person in the civil, military, or naval service of the United States, orders, brings, keeps, or has under his authority or control any troops or armed men at any place where a general or special election is held, unless such force be necessary to repel armed enemies of the United States, shall be fined not more than $5,000 or imprisoned not more than five years, or both; and be disqualified from holding any office of honor, profit, or trust under the United States.

This section shall not prevent any officer or member of the armed forces of the United States from exercising the right of suffrage in any election district to which he may belong, if otherwise qualified according to the laws of the State in which he offers to vote.

§ 593. Interference by armed forces.

Whoever, being an officer or member of the Armed Forces of the United States, prescribes or fixes or attempts to prescribe or fix, whether by proclamation, order or otherwise, the qualifications of voters at any election in any State; or

Whoever, being such officer or member, prevents or attempts to prevent by force, threat, intimidation, advice or otherwise any qualified voter of any State from fully exercising the right of suffrage at any general or special election; or

Whoever, being such officer or member, orders or compels or attempts to compel any election officer in any State to receive a vote from a person not legally qualified to vote; or

Whoever, being such officer or member, imposes or attempts to impose any regulations for conducting any general or special election in a State, different from those prescribed by law; or

Whoever, being such officer or member, interferes in any manner with an election officer's discharge of his duties—

Shall be fined not more than $5,000 or imprisoned not more than five years, or both; and disqualified from holding any office of honor, profit or trust under the United States.

This section shall not prevent any officer or member of the Armed Forces from exercising the right of suffrage in any district to which he may belong, if otherwise qualified according to the laws of the State of such district.

§ 594. Intimidation of voters.

Whoever intimidates, threatens, coerces, or attempts to intimidate, threaten, or coerce, any other person for the purpose of interfering with the right of such other person to vote or to vote as he may choose, or of causing such other person to vote for, or not to vote for, any candidate for the office of President, Vice President, Presidential

elector, Member of the Senate, Member of the House of Representatives, Delegate from the District of Columbia, or Resident Commissioner, at any election held solely or in part for the purpose of electing such candidate, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

§ 595. Interference by administrative employees of Federal, State, or Territorial Governments.

Whoever, being a person employed in any administrative position by the United States, or by any department or agency thereof, or by the District of Columbia or any agency or instrumentality thereof, or by any State, Territory, or Possession of the United States, or any political subdivision, municipality, or agency thereof, or agency of such political subdivision or municipality (including any corporation owned or controlled by any State, Territory, or Possession of the United States or by any such political subdivision, municipality, or agency), in connection with any activity which is financed in whole or in part by loans or grants made by the United States, or any department or agency thereof, uses his official authority for the purpose of interfering with, or affecting, the nomination or the election of any candidate for the office of President, Vice President, Presidential elector, Member of the Senate, Member of the House of Representatives, Delegate from the District of Columbia, or Resident Commissioner, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

This section shall not prohibit or make unlawful any act by any officer or employee of any educational or research institution, establishment, agency, or system which is supported in whole or in part by any state or political subdivision thereof, or by the District of Columbia or by any Territory or Possession of the United States; or by any recognized religious, philanthropic or cultural organization.

§ 596. Polling armed forces.

Whoever, within or without the Armed Forces of the United States, polls any member of such forces, either within or without the United States, either before or after he executes any ballot under any Federal or State law, with reference to his choice of or his vote for any candidate, or states, publishes, or releases any result of any purported poll taken from or among the members of the Armed Forces of the United States or including within it the statement of choice for such candidate or of such votes cast by any member of the Armed Forces of the United States, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

The word "poll" means any request for information, verbal or written, which by its language or form of expression requires or implies the necessity of an answer, where the request is made with the intent of compiling the result of the answers obtained, either for the personal use of the person making the request, or for the purpose of reporting the same to any other person, persons, political party, unincorporated association or corporation, or for the purpose of publishing the same orally, by radio, or in written or printed form.

§ 597. Expenditures to influence voting.

Whoever makes or offers to make an expenditure to any person, either to vote or withhold his vote, or to vote for or against any candidate; and

Whoever solicits, accepts, or receives any such expenditure in consideration of his vote or the withholding of his vote—

Shall be fined not more than $1,000 or imprisoned not more than one year, or both; and if the violation was willful, shall be fined not more than $10,000 or imprisoned not more than two years, or both.

§ 598. Coercion by means of relief appropriations.

Whoever uses any part of any appropriation made by Congress for work relief, relief, or for increasing employment by providing loans and grants for public-works projects, or exercises or administers any authority conferred by any Appropriation Act for the purpose of interfering with, restraining, or coercing any individual in the exercise of his right to vote at any election, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

§ 599. Promise of appointment by candidate.

Whoever, being a candidate, directly or indirectly promises or pledges the appointment, or the use of his influence or support for the appointment of any person to any public or private position or employment, for the purpose of procuring support in his candidacy shall be fined not more than $1,000 or imprisoned not more than one year, or both; and if the violation was willful, shall be fined not more than $10,000 or imprisoned not more than two years, or both.

§ 600. Promise of employment or other benefit for political activity.

Whoever, directly or indirectly, promises any employment, position, compensation, contract, appointment, or other benefit, provided for or made possible in whole or in part by any Act of Congress, or any special consideration in obtaining any such benefit, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in connection with any general or special election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

§ 601. Deprivation of employment or other benefit for political activity.

Whoever, except as required by law, directly or indirectly, deprives, attempts to deprive, or threatens to deprive any person of any employment, position, work, compensation, or other benefit provided for or made possible by any Act of Congress appropriating funds for work relief or relief purposes, on account of race, creed, color, or any political activity, support of, or opposition to any candidate or any political party in any election, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

§ 602. Solicitation of political contributions.

Whoever, being a Senator or Representative in, or Delegate or Resident Commissioner to, or a candidate for Congress, or individual elected as, Senator, Representative, Delegate, or Resident Commissioner, or an officer or employee of the United States or any department or agency thereof, or a person receiving any salary or compensation for services from money derived from the Treasury of the United States, directly or indirectly solicits, receives, or is in any manner concerned in soliciting or receiving, any assessment, subscription, or contribution for any political purpose whatever, from any other such officer, employee, or person, shall be fined not more than $5,000 or imprisoned not more than three years or both.

§ 603. Place of solicitation.

Whoever, in any room or building occupied in the discharge of official duties by any person mentioned in section 602 of this title, or in any navy yard, fort, or arsenal, solicits or receives any contribution of money or other thing of value for any political purpose, shall be fined not more than $5,000 or imprisoned not more than three years, or both.

§ 604. Solicitation from persons on relief.

Whoever solicits or receives or is in any manner concerned in soliciting or receiving any assessment, subscription, or contribution for any political purpose from any person known by him to be entitled to, or receiving compensation, employment, or other benefit provided for or made possible by any Act of Congress appropriating funds for work relief or relief purposes, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

§ 605. Disclosure of names of persons on relief.

Whoever, for political purposes, furnishes or discloses any list or names of persons receiving compensation, employment or benefits provided for or made possible by any Act of Congress appropriating, or authorizing the appropriation of funds for work relief or relief purposes, to a political candidate, committee, campaign manager, or to any person for delivery to a political candidate, committee, or campaign manager; and

Whoever receives any such list or names for political purposes—

Shall be fined not more than $1,000 or imprisoned not more than one year, or both.

§ 606. Intimidation to secure political contributions.

Whoever, being one of the officers or employees of the United States mentioned in section 602 of this title, discharges, or promotes, or degrades, or in any manner changes the official rank or compensation of any other officer or employee, or promises or threatens so to do, for giving or withholding or neglecting to make any contribution of money or other valuable thing for any political purpose, shall be fined not more than $5,000 or imprisoned not more than three years, or both.

§ 607. Making political contributions.

Whoever, being an officer, clerk, or other person in the service of the United States or any department or agency thereof, directly or indirectly gives or hands over to any other officer, clerk, or person in the service of the United States, or to any Senator or Member of or Delegate to Congress, or Resident Commissioner, any money or other valuable thing on account of or to be applied to the promotion of any political object, shall be fined not more than $5,000 or imprisoned not more than three years, or both.

§ 608. Limitations on contributions and expenditures.

(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of [—] *$25,000.*

[(A) $50,000, in the case of a candidate for the office of President or Vice President;

[(B) $35,000, in the case of a candidate for the office of Senator; or

[(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.]

(2) For purposes of this subsection, "immediate family" means a candidate's spouse, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.

(b)(1) Except as otherwise provided by paragraphs (2) and (3), no person shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $1,000.

(2) No political committee (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $5,000. Contributions by the national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States shall not exceed the limitation imposed by the preceding sentence with respect to any other candidate for Federal office. For purposes of this paragraph, the term "political committee" means an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 for a period of not less than 6 months which has received contributions from more than 50 persons and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

(3) No individual shall make contributions aggregating more than $25,000 in any calendar year.

(4) For purposes of this subsection—

(A) contributions to a named candidate made to any political committee authorized by such candidate, in writing, to accept contributions on his behalf shall be considered to be contributions made to such candidate; and

(B) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice Presi-

dent of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

(5) The limitations imposed by paragraphs (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

(6) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the appropriate supervisory officer and to the intended recipient.

(c)(1) No candidate shall make expenditures in excess of—

(A) $10,000,000 in the case of a candidate for nomination for election to the office of President of the United States;

(B) $20,000,000, in the case of a candidate for election to the office of President of the United States;

(C) in the case of any campaign for nomination for election, or for election, by a candidate for the office of Senator, the greater of—

(i) 5 cents multiplied by the population of the geographical area with respect to which the election is held; or

(ii) $75,000;

(D) $75,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Representative, Delegate from the District of Columbia, or Resident Commissioner; or

(E) $15,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Delegate from Guam or the Virgin Islands.

(2) For purposes of this subsection—

(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States;

(B) expenditures made on behalf of any candidate by a principal campaign committee designated by such candidate under section 302(f)(1) of the Federal Election Campaign Act of 1971 shall be deemed to have been made by such candidate; and

(C) the population of any geographical area shall be the population according to the most recent decennial census of the United States taken under section 141 of title 13, United States Code.

(3) The limitations imposed by subparagraphs (C), (D), and (E) of paragraph (1) of this subsection shall apply separately with respect to each election.

(d)(1) At the beginning of each calendar year (commencing in 1975), as there becomes available necessary data from the Bureau of Labor

Statistics of the Department of Labor, the Secretary of Labor shall certify to the Comptroller General and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (c) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

(2) For purposes of paragraph (1)—

(A) the term "price index" means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

(B) the term "base period" means the calendar year 1973.

(e) (1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate under the provisions of subsection (c)) relative to a clearly identified candidate during a calendar year which, when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds $1,000.

(2) For purposes of paragraph (1), the term "clearly identified" means—

(A) the candidate's name appears;

(B) a photograph or drawing of the candidate appears; or

(C) the identity of the candidate is apparent by unambiguous reference.

[(b)] *(f)* No candidate or political committee shall knowingly accept any contribution or authorize any expenditure in violation of the provisions of this section.

[(c)] *(g)* Violation of the provisions of this section is punishable by a fine not to exceed [$1,000,] *$25,000,* imprisonment for not to exceed one year, or both.

§ 609. [Repealed. P.L. 92–225].

§ 610. Contributions or expenditures by national banks, corporations or labor organizations.

It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, or for any corporation whatever, or any labor organization to make a contribution or expenditure in connection with any election at which Presidential and Vice Presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this section.

Every corporation or labor organization which makes any contribution or expenditure in violation of this section shall be fined not more than [$5,000;] *$25,000;* and every officer or director of any corporation, or officer of any labor organization, who consents to any contribution or expenditure by the corporation or labor organiza-

tion, as the case may be, and any person who accepts or receives any contribution, in violation of this section, shall be fined not more than $1,000 or imprisoned not more than one year, or both; and if the violation was willful, shall be fined not more than [$10,000] *$50,000* or imprisoned not more than two years, or both.

For the purposes of this section "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exist for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

As used in this section, the phrase "contribution or expenditure" shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business) to any candidate, campaign committee or political party or organization, in connection with any election to any of the offices referred to in this section; but shall not include communications by a corporation to its stockholders and their families or by a labor organization to its members and their families on any subject; nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and their families, or by a labor organization aimed at its members and their families; the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization: *Provided,* That it shall be unlawful for such a fund to make a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal; or by dues, fees, or other monies required as a condition of membership in a labor organization or as a condition of employment, or by monies obtained in any commercial transaction.

§ 611. Contributions by Government contractors.

Whoever—

(a) entering into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (1) the completion of performance under, or (2) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land or buildings, directly or indirectly makes any contribution of money or other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

(b) knowingly solicits any such contribution from any such person for any such purpose during any such period;

shall be fined not more than [$5,000] *$25,000* or imprisoned not more than five years, or both.

This section shall not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 610 of this title prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund.

For purposes of this section, the term "labor organization" has the meaning given it by section 610 of this title.

§ 612. Publication or distribution of political statements.

Whoever willfully publishes or distributes or causes to be published or distributed, or for the purpose of publishing or distributing the same, knowingly deposits for mailing or delivery or causes to be deposited for mailing or delivery, or, except in cases of employees of the Postal Service in the official discharge of their duties, knowingly transports or causes to be transported in interstate commerce any card, pamphlet, circular, poster, dodger, advertisement, writing, or other statement relating to or concerning any person who has publicly declared his intention to seek the office of President, or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to Congress, in a primary, general, or special election, or convention of a political party, or has caused or permitted his intention to do so to be publicly declared, which does not contain the names of the persons, associations, committees, or corporations responsible for the publication or distribution of the same, and the names of the officers of each such association, committee, or corporation, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

§ 613. Contributions by [agents of foreign principals] *foreign nationals.*

Whoever, being [an agent of a foreign principal] *a foreign national*, directly or through any other person [,either for or on behalf of such foreign principal or otherwise in his capacity as agent of such foreign principal,] knowingly makes any contribution of money or other thing of value, or promises expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or

Whoever knowingly solicits, accepts, or receives any such contribution from any such [agent of a foreign principal or from such foreign principal] *foreign national*—

Shall be fined not more than [$5,000] *$25,000* or imprisoned not more than five years or both.

[As used in this section—

[(1) The term "foreign principal" has the same meaning as when used in the Foreign Agents Registration Act of 1938, as amended,

except that such term does not include any person who is a citizen of the United States.

[(2) The term "agent of a foreign principal" means any person who acts as an agent, representative, employee, or servant, or any person who acts in any other capacity at the order, request, or under the direction or control, of a foreign principal or of a person any substantial portion of whose activities are directly or indirectly supervised, directed, or controlled by a foreign principal.]

As used in this section, the term "foreign national" means—

(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or

(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).

§ *614. Prohibition of contributions in name of another.*

(a) No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

§ *615. Limitation on contributions of currency.*

(a) No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or election, to Federal office.

(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

§ *616. Acceptance of excessive honorariums.*

Whoever, while an elected or appointed officer or employee of any branch of the Federal Government—

(1) accepts any honorarium of more than $1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or

(2) accepts honorariums (not prohibited by paragraph (1) of this subsection) aggregating more than $10,000 in any calendar year; shall be fined not less than $10,000 nor more than $5,000.

* * * * * * *

FEDERAL ELECTION CAMPAIGN ACT OF 1971

AN ACT To promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Act of 1971".

TITLE I—CAMPAIGN COMMUNICATIONS

SHORT TITLE

SEC. 101. This title may be cited as the "Campaign Communications Reform Act".

DEFINITIONS

SEC. 102. For purposes of this title:

[(1) The term "communications media" means broadcasting stations, newspapers, magazines, outdoor advertising facilities, and telephones; but, with respect to telephones, spending or an expenditure shall be deemed to be spending or an expenditure for the use of communications media only if such spending or expenditure is for the costs of telephones, paid telephonists, and automatic telephone equipment, used by a candidate for Federal elective office to communicate with potential voters (excluding any costs of telephones incurred by a volunteer for use of telephones by him).

[(2) The term "broadcasting station" has the same meaning as such term has under section 315(f) of the Communications Act of 1934.]

[(3)] *(1)* The term "Federal elective office" means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States (and for purposes of section 103(b) such term includes the office of Vice President).

[(4)] *(2)* The term "legally qualified candidate" means any person who (A) meets the qualifications prescribed by the applicable laws to hold the Federal elective office for which he is a candidate, and (B) is eligible under applicable State law to be voted for by the electorate directly or by means of delegates or electors.

[(5) The term "voting age population" means resident population, eighteen years of age and older.

[(6) The term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.]

MEDIA RATE AND RELATED REQUIREMENTS

SEC. 103. (a) (1) Section 315(b) of the Communications Act of 1934 is amended to read as follows:

"(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office in connection with his campaign for nomination for election, or election, to such office shall not exceed—

"(1) during the forty-five days preceding the date of a primary or primary runoff election and during the sixty days preceding the date of a general or special election in which such person is a candidate, the lowest unit charge of the station for the same class and amount of time for the same period; and

"(2) at any other time, the charges made for comparable use of such station by other users thereof."

(2)(A) Section 312(a) of such Act is amended by striking "or" at the end of clause (5), striking the period at the end of clause (6) and inserting in lieu thereof a semicolon and "or", and adding at the end of such section 312(a) the following new paragraph:

"(7) for willful or repeated failure to allow reasonable access to or to permit purchase of reasonable amounts of time for the use of a broadcasting station by a legally qualified candidate for Federal elective office on behalf of his candidacy.".

(B) The second sentence of section 315(a) of such Act is amended by inserting "under this subsection" after "No obligation is imposed".

(b) To the extent that any person sells space in any newspaper or magazine to a legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, the charges made for the use of such space in connection with his campaign shall not exceed the charges made for comparable use of such space for other purposes.

[LIMITATIONS OF EXPENDITURES FOR USE OF COMMUNICATIONS MEDIA

[SEC. 104. (a)(1) Subject to paragraph (4), no legally qualified candidate in an election (other than a primary or primary runoff election) for a Federal elective office may—

[(A) spend for the use of communications media on behalf of his candidacy in such election a total amount in excess of the greater of—

[(i) 10 cents multiplied by the voting age population (as certified under paragraph (5)) of the geographical area in which the election for such office is held, or

[(ii) $50,000, or

[(B) spend for the use of broadcast stations on behalf of his candidacy in such election a total amount in excess of 60 per centum of the amount determined under subparagraph (A) with respect to such election.

[(2) No legally qualified candidate in a primary election for nomination to a Federal elective office, other than President, may spend—

[(A) for the use of communications media, or

[(B) for the use of broadcast stations,

on behalf of his candidacy in such election a total amount in excess of the amounts determined under paragraph (1) (A) or (B), respectively, with respect to the general election for such office. For purposes of this subsection a primary runoff election shall be treated as a separate primary election.

[(3)(A) No person who is a candidate for presidential nomination may spend—

[(i) for the use in a State of communications media, or

[(ii) for the use in a State of broadcast stations,

on behalf of his candidacy for presidential nomination a total amount in excess of the amounts which would have been determined under paragraph (1) (A) or (B), respectively, had he been a candidate for election for the office of Senator from such State (or for the office of

Delegate or Resident Commissioner in the case of the District of Columbia or the Commonwealth of Puerto Rico).

[(B) For purposes of this paragraph (3), a person is a candidate for presidential nomination if he makes (or any other person makes on his behalf) an expenditure for the use of any communications medium on behalf of his candidacy for any political party's nomination for election to the office of President. He shall be considered to be such a candidate during the period—

[(i) beginning on the date on which he (or such other person) first makes such an expenditure (or, if later, January 1 of the year in which the election for the office of President is held), and

[(ii) ending on the date on which such political party nominates a candidate for the office of President.

For purposes of this title and of section 315 of the Communications Act of 1934, a candidate for presidential nomination shall be considered a legally qualified candidate for public office.

[(C) The Comptroller General shall prescribe regulations under which any expenditure by a candidate for presidential nomination for the use in two or more States of a communications medium shall be attributed to such candidate's expenditure limitation in each such State, based on the number of persons in such State who can reasonably be expected to be reached by such communications medium.

[(4)(A) For purposes of subparagraph (B):

[(i) The term "price index" means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

[(ii) The term "base period" means the calendar year 1970.

[(B) At the beginning of each calendar year (commencing in 1972), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Comptroller General and publish in the Federal Register the per centum difference between the price index for the 12 months preceeding the beginning of such calendar year and the price index for the base period. Each amount determined under paragraph (1)(A)(i) and (ii) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

[(5) Within 60 days after the date of enactment of this Act, and during the first week of January in 1973 and every subsequent year, the Secretary of Commerce shall certify to the Comptroller General and publish in the Federal Register an estimate of the voting age population of each State and congressional district for the last calendar year ending before the date of certification.

[(6) Amounts spent for the use of communications media on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) shall, for the purposes of this subsection, be deemed to have been spent by such candidate. Amounts spent for the use of communications media by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this section, be deemed to have been

spent by the candidate for the office of President of the United States with whom he is running.

[(7) For purposes of this section and section 315(c) of the Communications Act of 1934—

[(A) spending and charges for the use of communications media include not only the direct charges of the media but also agents' commissions allowed the agent by the media, and

[(B) any expenditure for the use of any communications medium by or on behalf of the candidacy of a candidate for Federal elective office (or nomination thereto) shall be charged against the expenditure limitation under this subsection applicable to the election in which such medium is used.

[(b) No person may make any charge for the use by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) of any newspaper, magazine, or outdoor advertising facility, unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies in writing to the person making such charge that the payment of such charge will not violate paragraph (1), (2), or (3) of subsection (a), whichever is applicable.

[(c) Section 315 of the Communications Act of 1934 is amended by redesignating subsection (c) as subsection (g) and by inserting after subsection (b) the following new subsections:

["(c) No station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not violate any limitation specified in paragraph (1), (2), or (3) of section 104(a) of the Campaign Communications Reform Act, whichever paragraph is applicable.

["(d) If a State by law and expressly—

["(1) has provided that a primary or other election for any office of such State or of a political subdivision thereof is subject to this subsection,

["(2) has specified a limitation upon total expenditures for the use of broadcasting stations on behalf of the candidacy of each legally qualified candidate in such election,

["(3) has provided in any such law an unequivocal expression of intent to be bound by the provisions of this subsection, and

["(4) has stipulated that the amount of such limitation shall not exceed the amount which would be determined for such election under section 104(a)(1)(B) or 104(a)(2)(B) (whichever is applicable) of the Campaign Communications Reform Act had such election been an election for a Federal elective office or nomination thereto;

then no station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate in such election unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not violate such State limitation

[“(e) Whoever willfully and knowingly violates the provisions of subsection (c) or (d) of this section shall be punished by a fine not to exceed $5,000 or imprisonment for a period not to exceed five years, or both. The provisions of sections 501 through 503 of this Act shall not apply to violations of either such subsection.

[“(f)(1) For the purposes of this section:

[“(A) The term ‘broadcasting station’ includes a community antenna television system.

[“(B) The terms ‘licensee’ and ‘station licensee’ when used with respect to a community antenna television system, means the operator of such system.

[“(C) The term ‘Federal elective office’ means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States.

[“(2) For purposes of subsections (c) and (d), the term ‘legally qualified candidate’ means any person who (A) meets the qualifications prescribed by the applicable laws to hold the office for which he is a candidate and (B) is eligible under applicable State law to be voted for by the electorate directly or by means of delegates or electors.”]

REGULATIONS

SEC. [105.] *104.* The Comptroller General shall prescribe such regulations as may be necessary or appropriate to carry out sections 102[,] *and* 103(b)[, 104(a), and 104(b)] of this Act.

PENALTIES

SEC. [106.] *105.* Whoever willfully and knowingly violates any provision of section 103(b) [,104(a), or 104(b)] or any regulation under section 105 shall be punished by a fine of not more than $5,000 or by imprisonment of not more than five years, or both.

TITLE II—CRIMINAL CODE AMENDMENTS

SEC. 201. Section 591 of title 18, United States Code, is amended to read as follows:

§ 591. Definitions.

“When used in sections 597, 599, 600, 602, 608, 610, and 611 of this title—

“(a) ‘election’ means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(b) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, to Federal office, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

"(c) 'Federal office' means the office of President or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

"(d) 'political committee' means any individual, committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(e) 'contribution' means—

"(1) a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

"(3) a transfer of funds between political committees;

"(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; and

"(5) notwithstanding the foregoing meanings of 'contribution', the word shall not be construed to include services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee;

"(f) 'expenditure' means—

"(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the

ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; and

"(3) a transfer of funds between political committees;

"(g) 'person' and 'whoever' mean an individual, partnership, committee, association, corporation, or any other organization or group of persons; and

"(h) 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.".

SEC. 202. Section 600 of title 18, United States Code, is amended to read as follows:

"§ 600. Promise of employment or other benefit for political activity.

"Whoever, directly or indirectly, promises any employment, position, compensation, contract, appointment, or other benefit, provided for or made possible in whole or in part by any Act of Congress, or any special consideration in obtaining any such benefit, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in connection with any general or special election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, shall be fined not more than $1,000 or imprisoned not more than one year, or both.".

SEC. 203. Section 608 of title 18, United States Code, is amended to read as follows:

"§ 608. Limitations on contributions and expenditures.

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of—

"(A) $50,000, in the case of a candidate for the office of President or Vice President;

"(B) $35,000, in the case of a candidate for the office of Senator; or

"(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.

"(2) For purposes of this subsection, 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.

"(b) No candidate or political committee shall knowingly accept any contribution or authorize any expenditure in violation of the provisions of this section.

"(c) Violation of the provisions of this section is punishable by a fine not to exceed $1,000, imprisonment for not to exceed one year, or both.".

SEC. 204. Section 609 of title 18, United States Code, is repealed.

SEC. 205. Section 610 of title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations, is amended by adding at the end thereof the following paragraph:

"As used in this section, the phrase 'contribution or expenditure' shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business) to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section; but shall not include communications by a corporation to its stockholders and their families or by a labor organization to its members and their families on any subject; nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and their families, or by a labor organization aimed at its members and their families; the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization: *Provided*, That it shall be unlawful for such a fund to make a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal; or by dues, fees, or other monies required as a condition of membership in a labor organization or as a condition of employment, or by monies obtained in any commercial transaction.".

SEC. 206. Section 611 of title 18, United States Code, is amended to read as follows:

"§ 611. Contributions by Government contractors.

"Whoever—

"(a) entering into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (1) the completion of performance under, or (2) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land or buildings, directly or indirectly makes any contribution of money or other thing of value, or promises expressly or impliedly to make any

such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"(b) knowingly solicits any such contribution from any such person for any such purpose during any such period;

shall be fined not more than $5,000 or imprisoned not more than five years, or both.".

SEC. 207. The table of sections for chapter 29 of title 18, United States Code, is amended by—

(1) striking out the item relating to section 608 and inserting in lieu thereof the following:

"608. Limitations on contributions and expenditures.";

(2) striking out the item relating to section 609 and inserting in lieu thereof the following:

"609. Repealed.";

(3) striking out the item relating to section 611 and inserting in lieu thereof the following:

"611. Contributions by Government contractors.".

TITLE III—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

DEFINITIONS

SEC. 301. When used in this title *and in title IV of this Act*—

(a) "election" means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(c) "Federal office" means the office of President or Vice President of the United States; or of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

(d) "political committee" means any committee, association, or organization which accepts contributions or makes expendi-

tures during a calendar year in an aggregate amount exceeding $1,000, *or which commits any act for the purpose of influencing, directly or indirectly, the nomination for election, or election, of any person to Federal office, except that any communication referred to in section 301(f)(4) of this Act which is not included within the definition of the term "expenditure" shall not be considered such an act;*

(e) "contribution" means—

(1) a gift, subscription, loan, advance, or deposit of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office or as a presidential or vice-presidential elector, or for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;

(3) a transfer of funds between political committees;

(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge for any such purpose; and

(5) notwithstanding the foregoing meanings of "contribution", the word shall not be construed to include (*A*) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee, (*B*) *the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor, (D) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, or (E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing*

made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): Provided, That the cumulative value of activities by any person on behalf of any candidate under each of clauses (B) or (D) shall not exceed $500 with respect to any election;

(f) "expenditure" means—

(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or as a presidential and vice-presidential elector, or for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure, [and]

(3) a transfer of funds between political committees; *and*

(4) notwithstanding the foregoing meanings of "expenditure", such term does not include (A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate, (B) nonpartisan activity designed to encourage individuals to register to vote or to vote, (C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office, (D) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (E) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary services by such individual to any candidate or political committee, (F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or (G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is

organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): Provided, That the cumulative value of activities by any person on behalf of any candidate under each clauses (D) or (E) shall not exceed $500 with respect to any election;

(g) "supervisory officer" means the Secretary of the Senate with respect to candidates for [Senator] *the Senate, and committees supporting such candidates* the Clerk of the House of Representatives with respect to candidates for Representative [in, or], Delegate [or], *and* Resident Commissioner [to the Congress of the United States], *and committees supporting such candidates*; and the Comptroller General of the United States [in any other case;] *with respect to candidates for President and Vice President, and committees supporting such candidates.*

(h) "person" means an individual, partnership, committee, association, corporation, labor organization, and any other organization or group of persons; [and]

(i) "State" means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States [.];

(j) "principal campaign committee" means the principal campaign committee designated by a candidate under section 302(f)(1); and

(k) "Board" means the Board of Supervisory Officers established by section 308(a)(1).

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 302. (a) Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of chairman or treasurer thereof. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

(b) Every person who receives a contribution in excess of $10 for a political committee shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount, the name and address (occupation and the principal place of business, if any) of the person making such contribution, and the date on which received. All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

(c) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

(1) all contributions made to or for such committee;

(2) the full name and mailing address (occupation and the principal place of business, if any) of every person making a contribution in excess of $10, and the date and amount thereof;

(3) all expenditures made by or on behalf of such committee; and

(4) the full name and mailing address (occupation and the principal place of business, if any) of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

(d) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee in excess of $100 in amount, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditures to the same person during a calendar year exceeds $100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the supervisory officer.

(e) Any political committee which solicits or receives contributions or makes expenditures on behalf of any candidate that is not authorized in writing by such candidate to do so shall include a notice on the face or front page of all literature and advertisements published in connection with such candidate's campaign by such committee or on its behalf stating that the committee is not authorized by such candidate and that such candidate is not responsible for the activities of such committee.

[(f)(1) Any political committee shall include on the face or front page of all literature and advertisements soliciting funds the following notice:

["A copy of our report filed with the appropriate supervisory officer is (or will be) available for purchase from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402.".

[(2)(A) The supervisory officer shall compile and furnish to the Public Printer, not later than the last day of March of each year, an annual report for each political committee which has filed a report with him under this title during the period from March 10 of the preceding calendar year through January 31 of the year in which such annual report is made available to the Public Printer. Each such annual report shall contain—

[(i) a copy of the statement of organization of the political committee required under section 303, together with any amendments thereto; and

[(ii) a copy of each report filed by such committee under section 304 from March 10 of the preceding year through January 31 of the year in which the annual report is so furnished to the Public Printer.

[(B) The Public Printer shall make copies of such annual reports available for sale to the public by the Superintendent of Documents as soon as practicable after they are received from the supervisory officer.]

(f)(1) Each individual who is a candidate for Federal office (other than the office of Vice President of the United States) shall designate a political committee to serve as his principal campaign committee. No political committee may be designated as the principal campaign com-

mittee of more than one candidate, except that the candidate for the office of President of the United States nominated by a political party may designate the national committee of such political party as his principal campaign committee.

(2) Except as otherwise provided in section 608(e) of title 18, United States Code, no political committee other than a principal campaign committee designated by a candidate under paragraph (1) may make expenditures on behalf of such candidate.

(3) Notwithstanding any other provision of this title, each report or statement of contributions received by a political committee (other than a principal campaign committee) which is required to be filed with a supervisory officer under this title shall be filed instead with the principal campaign committee for the candidate on whose behalf such contributions are accepted.

(4) It shall be the duty of each principal campaign committee to receive all reports and statements required to be filed with it under paragraph (3) of this subsection and to compile and file such reports and statements, together with its own reports and statements, with the appropriate supervisory officer in accordance with the provisions of this title.

(5) For purposes of paragraphs (1) and (3) of this subsection, the term "political committee" does not include any political committee which supports more than one candidate, except for the national committee of a political party designated by a candidate for the office of President of the United States under paragraph (1) of this subsection.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 303. (a) Each political committee which anticipates receiving contributions or making expenditures during the calendar year in an aggregate amount exceeding $1,000 shall file with the supervisory officer a statement of organization, within ten days after its organization or, if later, ten days after the date on which it has information which causes the committee to anticipate it will receive contributions or make expenditures in excess of $1,000. Each such committee in existence at the date of enactment of this Act shall file a statement of organization with the supervisory officer at such time as he prescribes.

(b) The statement of organization shall include—

(1) the name and address of the committee;

(2) the names, addresses, and relationships of affiliated or connected organizations;

(3) the area, scope, or jurisdiction of the committee;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) the name, address, office sought, and party affiliation of (A) each candidate whom the committee is supporting, and (B) any other individual, if any, whom the committee is supporting for nomination for election, or election, to any public office whatever; or, if the committee is supporting the entire ticket of any party, the name of the party;

(7) a statement whether the committee is a continuing one;

(8) the disposition of residual funds which will be made in the event of dissolution;

(9) a listing of all banks, safety deposit boxes, or other repositories used;

(10) a statement of the reports required to be filed by the committee with State or local officers, and, if so, the names, addresses, and positions of such persons; and

(11) such other information as shall be required by the supervisory officer.

(c) Any change in information previously submitted in a statement of organization shall be reported to the supervisory officer within a ten-day period following the change.

(d) Any committee which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make expenditures during the calendar year in an aggregate amount exceeding $1,000 shall so notify the supervisory officer.

(e) In the case of a political committee which is not a principal campaign committee and which does not support more than one candidate, reports and notifications required under this section to be filed with the supervisory officer shall be filed instead with the appropriate principal campaign committee.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 304. (a) [Each] *(1) Except as provided by paragraph (2), each* treasurer of a political committee supporting a candidate or candidates for election to Federal office, and each candidate for election to such office, shall file with the appropriate supervisory officer reports of receipts and expenditures on forms to be prescribed or approved by him. [Such reports shall be filed on the tenth day of March, June, and September, in each year, and on the fifteenth and fifth days next preceding the date on which an election is held, and also by the thirty-first day of January. Such reports shall be complete as of such date as the supervisory officer may prescribe, which shall not be less than five days before the date of filing, except that any contribution of $5,000 or more received after the last report is filed prior to the election shall be reported within forty-eight hours after its receipt.] *The reports referred to in the preceding sentence shall be filed as follows:*

(A)(i) In any calendar year in which an individual is a candidate for Federal office and an election for such Federal office is held in such year, such reports shall be filed not later than the tenth day before the date on which such election is held and shall be complete as of the fifteenth day before the date of such election; except that any such report filed by registered or certified mail must be postmarked not later than the close of the twelfth day before the date of such election.

(ii) Such reports shall be filed not later than the thirtieth day after the date of such election and shall be complete as of the twentieth day after the date of such election.

(B) In any other calendar year in which an individual is a candidate for Federal office, such reports shall be filed after December

31 of such calendar year, but not later than January 31 of the following calendar year and shall be complete as of the close of the calendar year with respect to which the report is filed.

(C) Such reports shall be filed not later than the tenth day following the close of any calendar quarter in which the candidate or political committee concerned received contributions in excess of $1,000, or made expenditures in excess of $1,000, and shall be complete as of the close of such calendar quarter; except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.

(D) When the last day for filing any quarterly report required by subparagraph (C) occurs within 10 days of an election, the filing of such quarterly report shall be waived and superseded by the report required by subparagraph (A)(i).

Any contribution of $1,000 or more received after the fifteenth day, but more than 48 hours, before any election shall be reported within 48 hours after its receipt.

(2) Each treasurer of a political committee which is not a principal campaign committee and which does not support more than one candidate shall file the reports required under this section with the appropriate principal campaign committee.

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (occupation and the principal place of business, if any) of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in an aggregate amount or value in excess of $100, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts and dates of all transfers;

(5) each loan to or from any person within the calendar year in an aggregate amount or value in excess of $100, together with the full names and mailing addresses (occupations and the principal places of business, if any) of the lender and endorsers, if any, and the date and amount of such loans;

(6) the total amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising event; (B) mass collections made at such events; and (C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution, rebate, refund, or other receipt in excess of $100 not otherwise listed under paragraphs (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period, *together with total receipts less transfers between political committees which support the same candidate and which do not support more than one candidate;*

(9) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom expenditures have been made by such committee or on behalf of such committee or candidate within the calendar year in an aggregate amount or value in excess of $100, the amount, date, and purpose of each such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made;

(10) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom an expenditure for personal services, salaries, and reimbursed expenses in excess of $100 has been made, and which is not otherwise reported, including the amount, date, and purpose of such expenditure;

(11) the total sum of expenditures made by such committee or candidate during the calendar year, *together with total expenditures less transfers between political committees which support the same candidate and which do not support more than one candidate;*

(12) the amount and nature of debts and obligations owed by or to the committee, in such form as the supervisory officer may prescribe and a continuous reporting of their debts and obligations after the election at such periods as the supervisory officer may require until such debts and obligations are extinguished; and

(13) such other information as shall be required by the supervisory officer.

(c) The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the amount need be carried forward. If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee or candidate shall file a statement to that effect.

REPORTS BY OTHERS THAN POLITICAL COMMITTEES

SEC. 305. Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the supervisory officer a statement containing the information required by section 304. Statements required by this section shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

SEC. 306. (a) A report or statement required by this title to be filed by a treasurer of a political committee, a candidate, or by any other person, shall be verified by the oath or affirmation of the person filing

such report or statement, taken before any officer authorized to administer oaths.

(b) A copy of a report or statement shall be preserved by the person filing it for a period of time to be designated by the supervisory officer in a published regulation.

(c) The supervisory officer may, by published regulation of general applicability, relieve any category of political committees of the obligation to comply with section 304 if such committee (1) primarily supports persons seeking State or local office, and does not substantially support candidates, and (2) does not operate in more than one State or on a statewide basis.

(d) The supervisory officer shall, by published regulations of general applicability, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

(e) If a report or statement required by section 303, 304(a)(1)(A)(ii), 304(a)(1)(B), or 304(a)(1)(C) of this title to be filed by a treasurer of a political committee or by a candidate, or if a report required by section 305 of this title to be filed by any other person, is delivered by registered or certified mail, to the appropriate supervisory officer or principal campaign committee with whom it is required to be filed, the United States postmark stamped on the cover of the envelope or other container in which such report or statement is so mailed shall be deemed to be the date of filing.

REPORTS ON CONVENTION FINANCING

SEC. 307. Each committee or other organization which—

(1) represents a State, or a political subdivision thereof, or any group of persons, in dealing with officials of a national political party with respect to matters involving a convention held in such State or political subdivision to nominate a candidate for the office of President or Vice President, or

(2) represents a national political party in making arrangements for the convention of such party held to nominate a candidate for the office of President or Vice President,

shall, within sixty days following the end of the convention (but not later than twenty days prior to the date on which presidential and vice-presidential electors are chosen), file with the Comptroller General of the United States a full and complete financial statement, in such form and detail as he may prescribe, of the sources from which it derived its funds, and the purposes for which such funds were expended.

BOARD OF SUPERVISORY OFFICERS

SEC. 308. (a)(1) There is hereby established the Board of Supervisory Officers, which shall be composed of 7 members as follows:

(A) the Secretary of the Senate;

(B) the Clerk of the House of Representatives;

(C) the Comptroller General of the United States;

(D) two individuals appointed by the President of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

(E) two individuals appointed by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House.

Of each class of two members appointed under subparagraphs (D) and (E), not more than one shall be appointed from the same political party. An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term for the member he succeeds. Any vacancy occurring in the membership of the Board shall be filled in the same manner as in the case of the original appointment. Members of the Board appointed under subparagraphs (D) and (E)—

(i) shall be chosen from among individuals who are not officers or employees in the executive, legislative, or judicial branch of the Government of the United States (including elected and appointed officials);

(ii) shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment;

(iii) shall serve for terms of 4 years, except that, of the members first appointed under subparagraph (D), one shall be appointed for a term of one year and one shall be appointed for a term of 3 years and, of the members first appointed under subparagraph (E), one shall be appointed for a term of 2 years; and

(iv) shall receive compensation equivalent to the compensation paid at level IV of the Federal Executive Salary Schedule (5 U.S.C. 5315), prorated on a daily basis for each day spent in the work of the Board, shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from their usual place of residence, in accordance with section 5703(b) of title 5, United States Code.

(2) Notwithstanding any other provision of law, it shall be the duty of the Board to supervise the administration of, seek to obtain compliance with, and formulate overall policy with respect to, this title, title I of this Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code.

(b) Members of the Board shall alternate in serving as Chairman of the Board. The term of each Chairman shall be one year.

(c) All decisions of the Board with respect to the exercise of its duties and powers under the provisions of this title shall be made by majority vote of the members of the Board. A member of the Board may not delegate to any person his vote or any decisionmaking authority or duty vested in the Board by the provisions of this title.

(d) The Board shall meet at the call of any member of the Board, except that it shall meet at least once each month.

(e) The Board shall prepare written rules for the conduct of its activities.

(f) (1) The Board shall have a Staff Director and a General Counsel who shall be appointed by the Board. The Staff Director shall be paid at a rate not to exceed the rate of basic pay in effect for level IV of the Executive

Schedule (5 U.S.C. 5315). The General Counsel shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316). With the approval of the Board, the Staff Director may appoint and fix the pay of such additional personnel as he considers desirable. Not less than 30 per centum of the additional personnel appointed by the Staff Director shall be selected as follows:

(A) one-half from among individuals recommended by the minority leader of the Senate; and

(B) one-half from among individuals recommended by the minority leader of the House of Representatives.

(2) With the approval of the Board, the Staff Director may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS–15 of the General Schedule (5 U.S.C. 5332).

POWERS OF THE BOARD

SEC. 309. (a) The Board shall have the power—

(1) to formulate general policy and to review actions of the supervisory officers with respect to the administration of this title, title I of this Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code;

(2) to oversee the development of prescribed forms under section 311(a)(1);

(3) to review rules and regulations prescribed under section 104 of this Act or under this title to assure their consistency with the law and to assure that such rules and regulations are uniform, to the extent practicable;

(4) to render advisory opinions under section 313;

(5) to expeditiously conduct investigations and hearings, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities;

(6) to administer oaths or affirmations;

(7) to require by subpena, signed by the Chairman, the attendance and testimony of witnesses and the production of documentary evidence relevant to any investigation or hearing conducted by the Board under section 311(c); and

(8) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States.

(b) Any district court of the United States, within the jurisdiction of which any inquiry is carried on, may, upon petition by the Board, in case of refusal to obey a subpena of the Board issued under subsection (a)(7), issue an order requiring compliance with such subpena. Any failure to obey the order of such district court may be punished by such district court as a contempt thereof.

REPORTS

SEC. 310. The Board shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the

activities of the Board in carrying out its duties under this title, together with recommendations for such legislative or other action as the Board considers appropriate.

DUTIES OF THE SUPERVISORY OFFICER; *INVESTIGATION BY THE BOARD*

SEC. [308.] *311.* (a) It shall be the duty of the supervisory officer—

(1) to develop and furnish to the person required by the provisions of this Act prescribed forms for the making of the reports and statements required to be filed with him under this title;

(2) to prepare, publish, and furnish to the person required to file such reports and statements a manual setting forth recommended uniform methods of bookkeeping and reporting;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this title;

(4) to make the reports and statements filed with him available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person: *Provided,* That any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(5) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

[(6) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate;

[(7) to prepare and publish an annual report including compilations of (A) total reported contributions and expenditures for all candidates, political committees, and other persons during the year; (B) total amounts expended according to such categories as he shall determine and broken down into candidate, party, and nonparty expenditures on the National, State, and local levels; (C) total amounts expended for influencing nominations and elections stated separately; (D) total amounts contributed according to such categories of amounts as he shall determine and broken down into contributions on the national, State, and local levels for candidates and political committees; and (E) aggregate amounts contributed by any contributor shown to have contributed in excess of $100;

[(8) to prepare and publish from time to time special reports comparing the various totals and categories of contributions and expenditures made with respect to preceding elections;

[(9) to prepare and publish such other reports as he may deem appropriate;

[(10) to assure wide dissemination of statistics, summaries, and reports prepared under this title;]

(6) to compile and maintain a cumulative index of reports and statements filed with him, which shall be published in the Federal Register at regular intervals and which shall be available for purchase directly or by mail for a reasonable price;

(7) to prepare and publish from time to time special reports listing those candidates for whom reports were filed as required by this title and those candidates for whom such reports were not filed as so required;

[11] *(8)* to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of this title, and with respect to alleged failures to file any report or statement required under the provisions of this title;

[12] *(9)* to report apparent violations of law to the [appropriate law enforcement authorities] *Board, pursuant to subsection (c)(1)(B);* and

[13] *(10)* to prescribe suitable rules and regulations to carry out the provisions of this title, *in accordance with the provisions of subsection (b).*

[(b) The supervisory officer shall encourage, and cooperate with, the election officials in the several States to develop procedures which will eliminate the necessity of multiple filings by permitting the filing of copies of Federal reports to satisfy the State requirements.]

(b)(1) The supervisory officer, before prescribing any rule or regulation under this section, shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate or the Committee on House Administration of the House of Representatives, as the case may be, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

(2) If the committee of the Congress which receives a statement from the supervisory officer under this subsection does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the supervisory officer may prescribe such rule or regulation. In the case of any rule or regulation proposed by the Comptroller General of the United States, both the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives shall have the power to disapprove such proposed rule or regulation, and the Comptroller General may not prescribe any rule or regulation which has been disapproved by either such committee. No supervisory officer may prescribe any rule or regulation which is disapproved under this paragraph.

(3) If the supervisory officer proposing to prescribe any rule or regulation under this section is the Secretary of the Senate, he shall transmit such statement to the Committee on Rules and Administration of the Senate. If the supervisory officer is the Clerk of the House of Representatives, he shall transmit such statement to the Committee on House Administration of the House of Representatives. If the supervisory officer is the Comptroller

General of the United States, he shall transmit such statement to each such committee.

(4) For purposes of this subsection, the term "legislative days" does not include, with respect to statements transmitted to the Committee on Rules and Administration of the Senate, any calendar day on which the Senate is not in session, with respect to statements transmitted to the Committee on House Administration of the House of Representatives, any calendar day on which the House of Representatives is not in session, and with respect to statements transmitted to both such committees, any calendar day on which both Houses of the Congress are not in session.

[(c) It shall be the duty of the Comptroller General to serve as a national clearinghouse for information in respect to the administration of elections. In carrying out his duties under this subsection, the Comptroller General shall enter into contracts for the purpose of conducting independent studies of the administration of elections. Such studies shall include, but shall not be limited to, studies of—

[(1) the method of selection of, and the type of duties assigned to, officials and personnel working on boards of elections;

[(2) practices relating to the registration of voters; and

[(3) voting and counting methods.

Studies made under this subsection shall be published by the Comptroller General and copies thereof shall be made available to the general public upon the payment of the cost thereof. Nothing in this subsection shall be construed to authorize the Comptroller General to require the inclusion of any comment or recommendation of the Comptroller General in any such study.

[(d)(1)] *(c)(1)(A)* [Any person who believes a violation of this title has occurred may file a complaint with the supervisory officer. If the supervisory officer determines there is substantial reason to believe such a violation has occurred, he shall expeditiously make an investigation, which shall also include an investigation of reports and statements filed by the complainant if he is a candidate, of the matter complained of. Whenever in the judgment of the supervisory officer, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title or any regulation or order issued thereunder, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.] *Any person who believes a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred may file a complaint with the Board.*

(B) Any supervisory officer who has reason to believe a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of

title 18, United States Code, has occurred shall refer such apparent violation to the Board.

(C) The Board, upon receiving any complaint under subparagraph (A) or referral under subparagraph (B), or if it has reason to believe that any person has committed a violation of any such provision, shall notify the person involved of such apparent violation and shall—

(i) report such apparent violation to the Attorney General; or

(ii) make an investigation of such apparent violation.

(D) Any investigation under subparagraph (C) (ii) shall be conducted expeditiously and shall include an investiagtion of reports and statements filed by any complainant with respect to the apparent violation involved, if such complainant is a candidate. Any notification or investigation made under subparagraph (C) shall not be made public by the Board or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

(E) The Board shall, at the request of any person who receives notice of an apparent violation under subparagraph (C), conduct a hearing with respect to such apparent violation.

(F) If the Board shall determine, after any investigation under subparagraph (C)(ii), that there is reason to believe that there has been an apparent violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, the Board shall endeavor to correct any such apparent violation by informal methods of conference, conciliation, and persuasion.

(G) The Board shall refer apparent violations to the appropriate law enforcement authorities if the Board is unable to correct such apparent violations, or if the Board determines that any such referral is appropriate.

(H) Whenever in the judgment of the Board, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.

(2) In any action brought under paragraph (1) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

(3) Any party aggrieved by an order granted under paragraph (1) of this subsection may, at any time within sixty days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such person is found, resides, or transacts business, for judicial review of such order.

(4) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(5) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection).

(d) In any case in which the Board refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Board with respect to any action taken by the Attorney General regarding such apparent violation. Each such report shall be transmitted no later than 60 days after the date the Board refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Board may from time to time prepare and publish reports on the status of such referrals.

STATEMENTS FILED WITH STATE OFFICERS

SEC. [309.] *312.* (a) A copy of each statement required to be filed with a supervisory officer by this title shall be filed with the Secretary of State (or, if there is no office of Secretary of State, the equivalent State officer) of the appropriate State. For purposes of this subsection, the term "appropriate State" means—

(1) for reports relating to expenditures and contributions in connection with the campaign for nomination for election, or election, of a candidate to the office of President or Vice President of the United States, each State in which an expenditure is made by him or on his behalf, and

(2) for reports relating to expenditures and contributions in connection with the campaign for nomination for election, or election, of a candidate to the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, the State in which he seeks election.

(b) It shall be the duty of the Secretary of State, or the equivalent State officer, under subsection (a)—

(1) to receive and maintain in an orderly manner all reports and statements required by this title to be filed with him;

(2) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(3) to make the reports and statements filed with him available for public inspection and copying during regular office hours, commencing as soon as practicable but not later than the end of the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, requested by any person, at the expense of such person; and

(4) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate.

[PROHIBITION OF CONTRIBUTIONS IN NAME OF ANOTHER

[SEC. 310. No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.]

ADVISORY OPINIONS

SEC. 313. (a) Upon written request to the Board by any individual holding Federal office, any candidate for Federal office, or any political committee, the Board shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code.

(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings of such advisory opinion shall be presumed to be in compliance with the provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, with respect to which such advisory opinion is rendered.

(c) Any request made under subsection (a) shall be made public by the Board. The Board shall, before rendering an advisory opinion with respect to such request, provide any interested party with an opportunity to transmit written comments to the Board with respect to such request.

PENALTY FOR VIOLATIONS

SEC. [311.] *314.* (a) Any person who violates any of the provisions of this title shall be fined not more than $1,000 or imprisoned not more than one year, or both.

(b) In case of any conviction under this title, where the punishment inflicted does not include imprisonment, such conviction shall be deemed a misdemeanor conviction only.

JUDICIAL REVIEW

SEC. 315. (a) The Board, the supervisory officers, the national committee of any political party, and any individual eligible to vote in any election for the office of President of the United States are authorized to institute such actions in the appropriate district court of the United States, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code. The district court immediately shall certify all questions of constitutionality of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, to the United States court of appeals for the circuit involved, which shall hear the matter sitting en banc.

(b) Notwithstanding any other provision of law, any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought no later than 20 days after the decision of the court of appeals.

(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter certified under subsection (a).

AUTHORIZATION OF APPROPRIATIONS

SEC. 316. Notwithstanding any other provision of law, there are authorized to be appropriated to each of the supervisory officers and to the Board such sums as may be necessary to enable each such supervisory officer and the Board to carry out their duties under this Act.

TITLE IV—GENERAL PROVISIONS

EXTENSION OF CREDIT BY REGULATED INDUSTRIES

SEC. 401. The Civil Aeronautics Board, the Federal Communications Commission, and the Interstate Commerce Commission shall each promulgate, within ninety days after the date of enactment of this Act, its own regulations with respect to the extension of credit, without security, by any person regulated by such Board or Commission to any candidate for Federal office [(as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971)], or to any person on behalf of such a candidate, for goods furnished or services rendered in connection with the campaign of such candidate for nomination for election, or election, to such office.

PROHIBITION AGAINST USE OF CERTAIN FEDERAL FUNDS FOR ELECTION ACTIVITIES

SEC. 402. No part of any funds appropriated to carry out the Economic Opportunity Act of 1964 shall be used to finance, directly or indirectly, any activity designed to influence the outcome of any election to Federal office, or any voter registration activity, or to pay the salary of any officer or employee of the Office of Economic Opportunity who, in his official capacity as such an officer or employee, engages in any such activity. [As used in this section, the term "election" has the same meaning given such term by section 301(a) of the Federal Election Campaign Act of 1971, and the term "Federal office" has the same meaning given such term by section 301(c) of such Act.]

[EFFECT ON STATE LAW

[SEC. 403. (a) Nothing in this Act shall be deemed to invalidate or make inapplicable any provision of any State law, except where compliance with such provision of law would result in a violation of a provision of this Act.

[(b) Notwithstanding subsection (a), no provision of State Law shall be construed to prohibit any person from taking any action authorized by this Act or from making any expenditure (as such term is defined in section 301(f) of this Act) which he could lawfully make under this Act.]

EFFECT ON STATE LAW

SEC. 403. The provisions of this Act, and of rules prescribed under this Act, supersede and preempt any provision of State law with respect to election to Federal office.

PARTIAL INVALIDITY

SEC. 404. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

REPEALING CLAUSE

SEC. 405. The Federal Corrupt Practices Act, 1925 (2 U.S.C. 241-256), is repealed.

PERIOD OF LIMITATIONS

SEC. 406. (a) No person shall be prosecuted, tried, or punished for any violation of title I of this Act, title III of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, unless the indictment is found or the information is instituted within 3 years after the date of the violation.

(b) Notwithstanding any other provision of law—

(1) the period of limitation referred to in subsection (a) shall apply with respect to violations referred to in such subsection committed before, on, or after the effective date of this section; and

(2) no person shall be prosecuted, tried, or punished for any act or omission which was a violation of any provision of title I of this Act, title III of this Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on the day before the effective date of the Federal Election Campaign Act Amendments of 1974, if such act or omission does not constitute a violation of any such provision, as amended by the Federal Election Campaign Act Amendments of 1974.

Nothing in this subsection shall affect any proceeding pending in any court of the United States on the effective date of this section.

ENFORCEMENT

SEC. 407. (a) In any case in which the Board of Supervisory Officers, after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, makes a finding that a person who, while a candidate for Federal office, failed to file a report required by title III of this Act, and such finding is made before the expiration of the time within which the failure to file such report may be prosecuted as a violation of such title III, such person shall be disqualified from becoming a candidate in any future election for Federal office for a period of time beginning on the date of such finding and ending one year after the expiration of the term of the Federal office for which such person was a candidate.

(b) Any finding by the Board under subsection (a) shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.

EFFECTIVE DATE

SEC. [406.] *408*. Except as provided for in section 401 of this Act, the provisions of this Act shall become effective on December 31, 1971, or sixty days after the date of enactment of this Act, whichever is later.

TITLE 5, UNITED STATES CODE

CHAPTER 15—POLITICAL ACTIVITY OF CERTAIN STATE AND LOCAL EMPLOYEES

SEC.

§ 1501. Definitions

For the purpose of this chapter—

(1) "State" means a State or territory or possession of the United States;

(2) "State or local agency" means the executive branch of a State, municipality, or other political subdivision of a State, or an agency or department thereof;

(3) "Federal agency" means an Executive agency or other agency of the United States, but does not include a member bank of the Federal Reserve System; *and*

(4) "State or local officer or employee" means an individual employed by a State or local agency whose principal employment is in connection with an activity which is financed in whole or in part by loans or grants made by the United States or a Federal agency, but does not include—

(A) an individual who exercises no functions in connection with that activity; or

(B) an individual employed by an educational or research institution, establishment, agency, or system which is supported in whole or in part by a State or political subdivision thereof, or by a recognized religious, philanthropic, or cultural organization[; and].

[(5) the phrase "an active part in political management or in political campaigns" means those acts of political management or political campaigning which were prohibited on the part of employees in the competitive service before July 19, 1940, by determinations of the Civil Service Commission under the rules prescribed by the President.]

§ 1502. Influencing elections; taking part in political campaigns; prohibitions; exceptions

(a) A State or local officer or employee may not—

(1) use his official authority or influence for the purpose of interferring with or affecting the result of an election or a nomination for office;

(2) directly or indirectly coerce, attempt to coerce, command, or advise a State or local officer or employee to pay, lend, or contribute anything of value to a party, committee, organization, agency, or person for political purposes; or

[(3) take an active part in political management or in political campaigns.]

(3) be a candidate for elective office.

(b) A State or local officer or employee retains the right to vote as he chooses and to express his opinions on political subjects and candidates.

(c) Subsection (a)(3) of this section does not apply to—

(1) the Governor or Lieutenant Governor of a State or an individual authorized by law to act as Governor;

(2) the mayor of a city;

(3) a duly elected head of an executive department of a State or municipality who is not classified under a State or municipal merit or civil service system; or

(4) an individual holding elective office.

§1503 Nonpartisan political activity permitted.

[Section 1502(a)(3) of this title does not prohibit political activity in connection with—

[(1) an election and the preceding campaign if none of the candidates is to be nominated or elected at that election as representing a party any of whose candidates for presidential elector received votes in the last preceding election at which presidential electors were selected; or

[(2) a question which is not specifically identified with a National or State political party.

For the purpose of this section, questions relating to constitutional amendments, referendums, approval of municipal ordinances, and others of a similar character, are deemed not specifically identified with a National or State political party.]

§1503. Nonpartisan candidacies permitted

Section 1502(a)(3) of this title does not prohibit any State or local officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected.

§1504. Investigations; notice of hearing

When a Federal agency charged with the duty of making a loan or grant of funds of the United States for use in an activity by a State or local officer or employee has reason to believe that the officer or employee has violated section 1502 of this title, it shall report the matter to the Civil Service Commission. On receipt of the report, or on receipt of other information which seems to the Commission to warrant an investigation, the Commission shall—

(1) fix a time and place for a hearing; and

(2) send, by registered or certified mail, to the officer or employee charged with the violation and to the State or local agency employing him a notice setting forth a summary of the alleged violation and giving the time and place of the hearing.

The hearing may not be held earlier than 10 days after the mailing of the notice.

§ 1505. Hearings; adjudications; notice of determinations

Either the State or local officer or employee or the State or local agency employing him, or both, are entitled to appear with counsel at the hearing under section 1504 of this title, and be heard. After this hearing, the Civil Service Commission shall—

(1) determine whether a violation of section 1502 of this title has occurred;

(2) determine whether the violation warrants the removal of the officer or employee from his office or employment; and

(3) notify the officer or employee and the agency of the determination by registered or certified mail.

§ 1506. Orders; withholding loans or grants; limitations

(a) When the Civil Service Commission finds—

(1) that a State or local officer or employee has not been removed from his office or employment within 30 days after notice of a determination by the Commission that he has violated section 1502 of this title and that the violation warrants removal; or

(2) that the State or local officer or employee has been removed and has been appointed within 18 months after his removal to an office or employment in the same State in a State or local agency which does not receive loans or grants from a Federal agency;

the Commission shall make and certify to the appropriate Federal agency an order requiring that agency to withhold from its loans or grants to the State or local agency to which notice was given an amount equal to 2 years' pay at the rate the officer or employee was receiving at the time of the violation. When the State or local agency to which appointment within 18 months after removal has been made is one that receives loans or grants from a Federal agency, the Commission order shall direct that the withholding be made from that State or local agency.

(b) Notice of the order shall be sent by registered or certified mail to the State or local agency from which the amount is ordered to be withheld. After the order becomes final, the Federal agency to which the order is certified shall withhold the amount in accordance with the terms of the order. Except as provided by section 1508 of this title, a determination or order of the Commission becomes final at the end of 30 days after mailing the notice of the determination or order.

(c) The Commission may not require an amount to be withheld from a loan or grant pledged by a State or local agency as security for its bonds or notes if the withholding of that amount would jeopardize the payment of the principal or interest on the bonds or notes.

§ 1507. Subpenas and depositions

(a) The Civil Service Commission may require by subpena the attendance and testimony of witnesses and the production of documentary evidence relating to any matter before it as a result of this chapter. Any member of the Commission may sign subpenas, and members of the Commission and its examiners when authorized by the Commission may administer oaths, examine witnesses, and receive evidence. The

attendance of witnesses and the production of documentary evidence may be required from any place in the United States at the designated place of hearing. In case of disobedience to a subpena the Commission may invoke the aid of a court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence. In case of contumacy or refusal to obey a subpena issued to a person, the United States District Court within whose jurisdiction the inquiry is carried on may issue an order requiring him to appear before the Commission, or to produce documentary evidence if so ordered, or to give evidence concerning the matter in question; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

(b) The Commission may order testimony to be taken by deposition at any stage of a proceeding or investigation before it as a result of this chapter. Depositions may be taken before an individual designated by the Commission and having the power to administer oaths. Testimony shall be reduced to writing by the individual taking the deposition, or under his direction, and shall be subscribed by the deponent. Any person may be compelled to appear and depose and to produce documentary evidence before the Commission as provided by this section.

(c) A person may not be excused from attending and testifying or from producing documentary evidence or in obedience to a subpena on the ground that the testimony or evidence, documentary or otherwise required of him may tend to incriminate him or subject him to a penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled to testify, or produce evidence, documentary or otherwise, before the Commission in obedience to a subpena issued by it. A person so testifying is not exempt from prosecution and punishment for perjury committed in so testifying.

§ 1508. Judicial review

A party aggrieved by a determination or order of the Civil Service Commission under section 1504, 1505, or 1506 of this title may, within 30 days after the mailing of notice of the determination or order, institute proceedings for review thereof by filing a petition in the United States District Court for the district in which the State or local officer or employee resides. The institution of the proceedings does not operate as a stay of the determination or order unless—

(1) the court specifically orders a stay; and

(2) the officer or employee is suspended from his office or employment while the proceedings are pending.

A copy of the petition shall immediately be served on the Commission, and thereupon the Commission shall certify and file in the court a transcript of the record on which the determination or order was made. The court shall review the entire record including questions of fact and questions of law. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that the additional evidence may materially affect the result of the proceedings and that there were reasonable grounds for failure to adduce this evidence in the hearing before the Commission, the court may direct that the additional evidence be taken before the Commission in the manner and on the terms and conditions fixed by the court. The Com-

mission may modify its findings of fact or its determination or order in view of the additional evidence and shall file with the court the modified findings, determination, or order; and the modified findings of fact, if supported by substantial evidence, are conclusive. The court shall affirm the determination or order, or the modified determination or order, if the court determines that it is in accordance with law. If the court determines that the determination or order, or the modified determination or order, is not in accordance with law, the court shall remand the proceeding to the Commission with directions either to make a determination or order determined by the court to be lawful or to take such further proceedings as, in the opinion of the court, the law requires. The judgment and decree of the court are final, subject to review by the appropriate United States Court of Appeals as in other cases, and the judgment and decree of the court of appeals are final, subject to review by the Supreme Court of the United States on certiorari or certification as provided by section 1254 of title 28. If a provision of this section is held to be invalid as applied to a party by a determination or order of the Commission, the determination or order becomes final and effective as to that party as if the provision had not been enacted.

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INTERNAL REVENUE CODE OF 1954

INTERNAL REVENUE TITLE

Subtitle A—Income Taxes

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CHAPTER 1—NORMAL TAXES AND SURTAXES

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Subchapter B—Computation of Taxable Income

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PART IX—ITEMS NOT DEDUCTIBLE

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SEC. 276. CERTAIN INDIRECT CONTRIBUTIONS TO POLITICAL PARTIES.

(a) DISALLOWANCE OF DEDUCTIONS.—No deduction otherwise allowable under this chapter shall be allowed for any amount paid or incurred for—

(1) advertising in a convention program of a political party, or in any other publication if any part of the proceeds of such publication directly or indirectly inures (or is intended to inure) to or for the use of a political party or a political candidate,

(2) admission to any dinner or program, if any part of the proceeds of such dinner or program directly or indirectly inures (or is intended to inure) to or for the use of a political party or a political candidate, or

(3) admission to an inaugural ball, inaugural gala, inaugural parade, or inaugural concert, or to any similar event which is identified with a political party or a political candidate.

(b) DEFINITIONS.—For purposes of this section—

(1) POLITICAL PARTY.—The term "political party" means—

(A) a political party;

(B) a National, State, or local committee of a political party; or

(C) a committee, association, or organization, whether incorporated or not, which directly or indirectly accepts contributions (as defined in section 271(b)(2)) or make expenditures (as defined in section 271(b)(3)) for the purpose of influencing or attempting to influence the selection, nomination, or election of any individual to any Federal, State, or local elective public office, or the election of presidential and vice-presidential electors, whether or not such individual or electors are selected, nominated, or elected.

(2) PROCEEDS INURING TO OR FOR THE USE OF POLITICAL CANDIDATES.—Proceeds shall be treated as inuring to or for the use of a political candidate only if—

(A) such proceeds may be used directly or indirectly for the purpose of furthering his candidacy for selection, nomination, or election to any elective public office, and

(B) such proceeds are not received by such candidate in the ordinary course of a trade or business (other than the trade or business of holding elective public office).

[(c) ADVERTISING IN A CONVENTION PROGRAM OF A NATIONAL POLITICAL CONVENTION.—Subsection (a) shall not apply to any amount paid or incurred for advertising in a convention program of a political party distributed in connection with a convention held for the purpose of nominating candidates for the offices of President and Vice President of the United States, if the proceeds from such program are used solely to defray the costs of conducting such convention (or a subsequent convention of such party held for such purpose) and the amount paid or incurred for such advertising is reasonable in light of the business the taxpayer may expect to receive—

[(1) directly as a result of such advertising, or

[(2) as a result of the convention being held in an area in which the taxpayer has a principal place of business.]

[(d)](c) CROSS REFERENCE.—

For disallowance of certain entertainment, etc., expenses see section 274.

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Subtitle F—Procedure and Administration

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CHAPTER 61—INFORMATION AND RETURNS

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Subchapter A—Returns and Records

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PART II—TAX RETURNS OR STATEMENTS

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Subpart B—Income Tax Returns

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SEC. 6012. PERSONS REQUIRED TO MAKE RETURNS OF INCOME.

(a) GENERAL RULE.—Returns with respect to income taxes under subtitle A shall be made by the following:

(1)(A) Every individual having for the taxable year a gross income of $750 or more, except that a return shall not be required of an individual (other than an individual referred to in section 142(b))—

(i) who has not married (determined by applying section 143(a)) and for the taxable year has a gross income of less than $2,050, or

(ii) who is entitled to make a joint return under section 6013 and whose gross income, when combined with the gross income of his spouse, is, for the taxable year, less than $2,800 but only if such individual and his spouse, at the close of the taxable year, had the same household as their home.

Clause (ii) shall not apply if for the taxable year such spouse makes a separate return or any other taxpayer is entitled to an exemption for such spouse under section 151(e).

(B) The $2,050 amount specified in subparagraph (A)(i) shall be increased to $2,800 in the case of an individual entitled to an additional personal exemption under section 151(c)(1), and the $2,800 amount specified in subparagraph (A)(ii) shall be increased by $750 for each additional personal exemption to which the individual or his spouse is entitled under section 151(c);

(C) Every individual having for the taxable year a gross income of $750 or more and to whom section 141(e) (relating to limitations in case of certain dependent taxpayers) applies;

(2) Every corporation subject to taxation under subtitle A;

(3) Every estate the gross income of which for the taxable year is $600 or more;

(4) Every trust having for the taxable year any taxable income, or having gross income of $600 or over, regardless of the amount of taxable income; and

(5) Every estate or trust of which any beneficiary is a nonresident alien;

except that subject to such conditions, limitations, and exceptions and under such regulations as may be prescribed by the Secretary or his delegate, nonresident alien individuals subject to the tax imposed by section 871 and foreign corporations subject to the tax imposed by section 881 may be exempted from the requirement of making returns under this section. *The Secretary or his delegate shall, by regulation, exempt from the requirement of making returns under this section any political committee (as defined in section 301(d) of the Federal Election Campaign Act of 1971) having no gross income for the taxable year.*

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Subtitle H—Financing of Presidential Election Campaigns

CHAPTER 95—PRESIDENTIAL ELECTION CAMPAIGN FUND

SEC. 9001. SHORT TITLE.

This chapter may be cited as the "Presidential Election Campaign Fund Act."

SEC. 9002. DEFINITIONS.

For purposes of this chapter—

(1) The term "authorized committee" means, with respect to the candidates of a political party for President and Vice President of the United States, [any political committee which is authorized in writing by such candidates to incur expenses to further the election of such candidates. Such authorization shall be addressed to the chairman of such political committee, and a copy of such authorization shall be filed by such candidates with the Comptroller General. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner

as the authorization] *the political committee designated under section 302(f)(1) of the Federal Election Campaign Act of 1971 by the candidate of a political party for President of the United States as his principal campaign committee.*

(2) The term "candidate" means, with respect to any presidential election, an individual who (A) has been nominated for election to the office of President of the United States or the office of Vice President of the United States by a major party, or (B) has qualified to have his name on the election ballot (or to have the names of electors pledged to him on the election ballot) as the candidate of a political party for election to either such office in 10 or more States. For purposes of paragraphs (6) and (7) of this section and purposes of section 9004(a)(2), the term "candidate" means, with respect to any preceding presidential election, an individual who received popular votes for the office of President in such election.

(3) The term "Comptroller General" means the Comptroller General of the United States.

(4) The term "eligible candidates" means the candidates of a political party for President and Vice President of the United States who have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003.

(5) The term "fund" means the Presidential Election Campaign Fund established by section 9006(a).

(6) The term "major party" means, with respect to any presidential election, a political party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office.

(7) The term "minor party" means with respect to any presidential election, a political party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office.

(8) The term "new party" means, with respect to any presidential election, a political party which is neither a major party nor a minor party.

(9) The term "political committee" means any committee, association, or organization (whether or not incorporated) which accepts contributions or makes expenditures for the purpose of influencing, or attempting to influence the nomination or election of one or more individuals to Federal, State, or local elective public office.

(10) The term "presidential election" means the election of presidential and vice-presidential electors.

(11) The term "qualified campaign expense" means an expense—

(A) incurred (i) by the candidate of a political party for the office of President to further his election to such office or to further the election of the candidate of such political

party for the office of Vice President, or both (ii) by the candidate of a political party for the office of Vice President to further his election to such office or to further the election of the candidate of such political party for the office of President, or both, or (iii) by [an] *the* authorized committee of the candidates of a political party for the offices of President and Vice President to further the election of either or both of such candidates to such offices,

(B) incurred within the expenditure report period (as defined in paragraph (12)), or incurred before the beginning of such period to the extent such expense is for property services, or facilities used during such period, and

(C) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which such expense is incurred or paid.

An expense shall be considered as incurred by a candidate or [an] *his* authorized committee, if it is incurred by a person authorized by such candidate or such committee, as the case may be, to incur such expense on behalf of such candidate or such committee. If [an] *the* authorized committee of the candidates of a political party for President and Vice President of the United States also incurs expenses to further the election of one or more other individuals to Federal, State, or local elective public office, expenses incurred by such committee which are not specifically to further the election of such other individual or individuals shall be considered as incurred to further the election of such candidates for President and Vice President in such proportion as the Comptroller General prescribes by rules or regulations.

(12) The term "expenditure report period" with respect to any presidential election means—

(A) in the case of a major party, the period beginning with the first day of September before the election, or if earlier, with the date on which such major party at its national convention nominated its candidate for election to the office of President of the United States, and ending 30 days after the date of the presidential election; and

(B) in the case of a party which is not a major party, the same period as the expenditure report period of a major party which has the shortest expenditure report period for such presidential election under subparagraph (A).

SEC. 9003. CONDITION FOR ELIGIBILITY FOR PAYMENTS.

(a) IN GENERAL.—In order to be eligible to receive any payments under section 9006, the candidates of a political party in a presidential election shall, in writing—

(1) agree to obtain and furnish to the Comptroller General such evidence as he may request of the qualified campaign expenses [with respect to which payment is sought] *of such candidates*,

(2) agree to keep and furnish to the Comptroller General such records, books, and other information as he may request, *and*

(3) agree to an audit and examination by the Comptroller General under section 9007 and to pay any amounts required to be paid under such section [, and].

[(4) agree to furnish statements of qualified campaign expenses and proposed qualified campaign expenses required under section 9008.]

(b) MAJOR PARTIES.—In order to be eligible to receive any payments under section 9006, the candidates of a major party in a presidential election shall certify to the Comptroller General, under penalty of perjury, that—

(1) such candidates and their authorized [committees] *committee* will not incur qualified campaign expenses in excess of the aggregate payments to which they will be entitled under section 9004, and

(2) no contributions to defray qualified campaign expenses have been or will be accepted by such candidates or [any of] their authorized [committees] *committee* except to the extent necessary to make up any deficiency in payments received out of the fund on account of the application of section 9006(d), and no contributions to defray expenses which would be qualified campaign expenses but for subparagraph (C) of section 9002(11) have been or will be accepted by such candidates or [any of] their authorized [committees] *committee.*

Such certification shall be made within such time prior to the day of the presidential election as the Comptroller General shall prescribe by rules or regulations.

(c) MINOR AND NEW PARTIES.—In order to be eligible to receive any payments under section 9006, the candidates of a minor or new party in a presidential election shall certify to the Comptroller General, under penalty of perjury, that—

(1) such candidates and their authorized [committees] *committee* will not incur qualified campaign expenses in excess of the aggregate payments to which the eligible candidates of a major party are entitled under section 9004, and

(2) such candidates and their authorized [committees] *committee* will accept and expend or retain contributions to defray qualified campaign expenses only to the extent that the qualified campaign expenses incurred by such candidates and their authorized [committees] *committee* certified to under paragraph (1) exceed the aggregate payments received by such candidates out of the fund pursuant to section 9006.

Such certification shall be made within such time prior to the day of the presidential election as the Comptroller General shall prescribe by rules or regulations.

SEC. 9004. ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS.

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

(1) The eligible candidates of [a] *each* major party in a presidential election shall be entitled to *equal* payments under section 9006 [equal in the aggregate to 15 cents multiplied by the total number of residents within the United States who have

attained the age of 18, as determined by the Bureau of the Census, as of the first day of June of the year preceding the year of the presidential election] *in an amount which, in the aggregate, shall not exceed $20,000,000.*

(2)(A) The eligible candidates of a minor party in a presidential election shall be entitled to payments under section 9006 equal in the aggregate to an amount which bears the same ratio to the amount [computed] *allowed* under paragraph (1) for a major party as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the major parties in the preceding presidential election.

(B) If the candidate of one or more political parties (not including a major party) for the office of President was a candidate for such office in the preceding presidential election and received 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office, such candidate and his running mate for the office of Vice President, upon compliance with the provisions of section 9003(a) and (c), shall be treated as eligible candidates entitled to payments under section 9006 in an amount computed as provided in subparagraph (A) by taking into account all the popular votes received by such candidate for the office of President in the preceding presidential election. If eligible candidates of a minor party are entitled to payments under this subparagraph, such entitlement shall be reduced by the amount of the entitlement allowed under subparagraph (A).

(3) The eligible candidates of a minor party or a new party in a presidential election whose candidate for President in such election receives, as such candidate, 5 percent or more of the total number of popular votes cast for the office of President in such election shall be entitled to payments under section 9006 equal in the aggregate to an amount which bears the same ratio to the amount [computed] *allowed* under paragraph (1) for a major party as the number of popular votes received by such candidate in such election bears to the average number of popular votes received in such election by the candidates for President of the major parties. In the case of eligible candidates entitled to payments under paragraph (2), the amount allowable under this paragraph shall be limited to the amount, if any, by which the entitlement under the preceding sentence exceeds the amount of the entitlement under paragraph (2).

(b) LIMITATIONS.—The aggregate payments to which the eligible candidates of a political party shall be entitled under subsections (a)(2) and (3) with respect to a presidential election shall not exceed an amount equal to the lower of—

(1) the amount of qualified campaign expenses incurred by such eligible candidates and their authorized [committees,] *committee,* reduced by the amount of contributions to defray qualified campaign expenses received and expended or retained

by such eligible candidates and such [committees,] *committee,* or

(2) the aggregate payments to which the eligible candidates of a major party are entitled under subsection (a)(1), reduced by the amount of contributions described in paragraph (1) of this subsection.

(c) RESTRICTIONS.—The eligible candidates of a political party shall be entitled to payments under subsection (a) only—

(1) to defray qualified campaign expenses incurred by such eligible candidates or their authorized [committees,] *committee,* or

(2) to repay loans the proceeds of which were used to defray such qualified campaign expenses, or otherwise to restore funds (other than contributions to defray qualified campaign expenses received and expended by such candidates or such [committees] *committee*), used to defray such qualified campaign expenses.

SEC. 9005. CERTIFICATION BY COMPTROLLER GENERAL.

[(a) INITIAL CERTIFICATIONS.—On the basis of the evidence, books, records, and information furnished by the eligible candidates of a political party and prior to examination and audit under section 9007, the Comptroller General shall certify from time to time to the Secretary for payment to such candidates under section 9006 the payments to which such candidates are entitled under section 9004.]

(a) INITIAL CERTIFICATIONS.—Not later than 10 days after the candidates of a political party for President and Vice President of the United States have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003, the Comptroller General shall certify to the Secretary for payment to such eligible candidates under section 9006 payment in full of amounts to which such candidates are entitled under section 9004.

(b) FINALTY OF CERTIFICATIONS AND DETERMINATIONS.—Initial certifications by the Comptroller General under subsection (a), and all determinations made by him under this chapter, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Comptroller General under section 9007 and judicial review under section 9011.

SEC. 9006. PAYMENTS TO ELIGIBLE CANDIDATES.

(a) ESTABLISHMENT OF CAMPAIGN FUND.—There is hereby established on the books of the Treasury of the United States a special fund to be known as the "Presidential Election Campaign Fund." The Secretary shall, [as provided by appropriation acts] *from time to time,* transfer to the fund an amount not in excess of the sum of the amounts designated (subsequent to the previous Presidential election) to the fund by individuals under section 6096. *There is appropriated to the fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to the amounts so designated during each fiscal year, which shall remain available to the fund without fiscal year limitation.*

(b) TRANSFER TO THE GENERAL FUND. If, after a presidential election and after all eligible candidates have been paid the amount

which they are entitled to receive under this chapter, there are moneys remaining in the fund, the Secretary shall transfer the moneys so remaining to the general fund of the Treasury.

(c) PAYMENTS FROM THE FUND.—Upon receipt of a certification from the Comptroller General under section 9005 for payment to the eligible candidates of a political party, the Secretary shall pay to such candidates out of the fund the amount certified by the Comptroller General. Amounts paid to any such candidates shall be under the control of such candidates.

(d) INSUFFICIENT AMOUNTS IN FUND.—If at the time of a certification by the Comptroller General under section 9005 for payment to the eligible candidates of a political party, the Secretary or his delegate determines that the moneys in the fund are not, or may not be, sufficient to satisfy the full entitlements of the eligible candidates of all political parties, he shall withhold from such payment such amount as he determines to be necessary to assure that the eligible candidates of each political party will receive their pro rata share of their full entitlement. Amounts withheld by reason of the preceding sentence shall be paid when the Secretary or his delegate determines that there are sufficient moneys in the fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient moneys in the fund to satisfy the full entitlement of the eligible candidates of all political parties, the amounts so withheld shall be paid in such manner that the eligible candidates of each political party receive their pro rata share of their full entitlement.

SEC. 9007. EXAMINATIONS AND AUDITS; REPAYMENTS.

(a) EXAMINATIONS AND AUDITS.—After each presidential election, the Comptroller General shall conduct a thorough examination and audit of the qualified campaign expenses of the candidates of each political party for President and Vice President.

(b) REPAYMENTS.—

(1) If the Comptroller General determines that any portion of the payments made to the eligible candidates of a political party under section 9006 was in excess of the aggregate payments to which candidates were entitled under section 9004, he shall so notify such candidates, and such candidates shall pay to the Secretary an amount equal to such portion.

(2) If the Comptroller General determines that the eligible candidates of a political party and their authorized [committees] *committee* incurred qualified campaign expenses in excess of the aggregate payments to which the eligible candidates of a major party were entitled under section 9004, he shall notify such candidates of the amount of such excess and such candidates shall pay to the Secretary an amount equal to such amount.

(3) If the Comptroller General determines that the eligible candidates of a major party or [any] *the* authorized committee of such candidates accepted contributions (other than contributions to make up deficiencies in payments out of the fund on account of the application of section 9006(d)) to defray qualified

campaign expenses (other than qualified campaign expenses with respect to which payment is required under paragraph (2)), he shall notify such candidates of the amount of the contributions so accepted, and such candidates shall pay to the Secretary an amount equal to such amount.

(4) If the Comptroller General determines that any amount of any payment made to the eligible candidates of a political party under section 9006 was used for any purpose other than—

(A) to defray the qualified campaign expenses with respect to which such payment was made, or

(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray such qualified campaign expenses,

he shall notify such candidates of the amount so used, and such candidates shall pay to the Secretary an amount equal to such amount.

(5) No payment shall be required from the eligible candidates of a political party under this subsection to the extent that such payment, when added to other payments required from such candidates under this subsection exceeds the amount of payments received by such candidates under section 9006.

(c) NOTIFICATION.—No notification shall be made by the Comptroller General under subsection (b) with respect to a presidential election more than 3 years after the day of such election.

(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary under subsection (b) shall be deposited by him in the general fund of the Treasury.

[SEC. 9008. INFORMATION ON PROPOSED EXPENSES.

[(a) REPORTS BY CANDIDATES.—The candidates of a political party for President and Vice President in a presidential election shall, from time to time as the Comptroller General may require, furnish to the Comptroller General a detailed statement, in such form as the Comptroller General may prescribe, of—

[(1) the qualified campaign expenses incurred by them and their authorized committees prior to the date of such statement (whether or not evidence of such expenses has been furnished for purposes of section 9005), and

[(2) the qualified campaign expenses which they and their authorized committees propose to incur on or after the date of such statement.

The Comptroller General shall require a statement under this subsection from such candidates of each political party at least once each week during the second, third, and fourth weeks preceding the day of the presidential election and at least twice during the week preceding such day.

[(b) PUBLICATION.—The Comptroller General shall, as soon as possible after he receives each statement under subsection (a), prepare and publish a summary of such statement, together with any

other data or information which he deems advisable, in the Federal Register. Such summary shall not include any information which identifies any individual who made a designation under section 6096.]

SEC. 9008. PAYMENTS FOR PRESIDENTIAL NOMINATING CONVENTIONS.

(a) ESTABLISHMENT OF ACCOUNTS.—The Secretary shall maintain in the fund, in addition to any account which he maintains under section 9006(a), a separate account for the national committee of each major party and minor party. The Secretary shall deposit in each such account an amount equal to the amount which each such committee may receive under subsection (b). Such deposits shall be drawn from amounts designated by individuals under section 6096 and shall be made before any transfer is made to any account for any eligible candidate under section 9006(a).

(b) ENTITLEMENT TO PAYMENTS FROM THE FUND.—

(1) MAJOR PARTIES.—Subject to the provisions of this section, the national committee of a major party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed $2,000,000.

(2) MINOR PARTIES.—Subject to the provisions of this section, the national committee of a minor party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive under paragraph (1) as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the major parties in the preceding presidential election.

(3) PAYMENTS.—Upon receipt of certification from the Comptroller General under subsection (g), the Secretary shall make payments from the appropriate account maintained under subsection (a) to the national committee of a major party or minor party which elects to receive its entitlement under this subsection. Such payments shall be available for use by such committee in accordance with the provisions of subsection (c).

(4) LIMITATION.—Payments to the national committee of a major party or minor party under this subsection from the account designated for such committee shall be limited to the amounts in such account at the time of payment.

(c) USE OF FUNDS.—No part of any payment made under subsection (b) shall be used to defray the expenses of any candidate or delegate who is participating in any presidential nominating convention. Such payments shall be used only—

(1) to defray expenses incurred with respect to a presidential nominating convention (including the payment of deposits) by or on behalf of the national committee receiving such payments; or

(2) to repay loans the proceeds of which were used to defray such expenses, or otherwise to restore funds (other than contributions to defray such expenses received by such committee) used to defray such expenses.

(d) LIMITATION OF EXPENDITURES.—

(1) MAJOR PARTIES.—Except as provided by paragraph (3), the national committee of a major party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled under subsection (b)(1).

(2) MINOR PARTIES.—Except as provided by paragraph (3), the national committee of a minor party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of the entitlement of the national committee of a major party under subsection (b)(1).

(3) EXCEPTION.—The Presidential Election Campaign Fund Advisory Board may authorize the national committee of a major party or minor party to make expenditures which, in the aggregate, exceed the limitation established by paragraph (1) or paragraph (2) of this subsection. Such authorization shall be based upon a determination by such Board that, due to extraordinary and unforeseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee.

(e) AVAILABILITY OF PAYMENTS.—The national committee of a major party or minor party may receive payments under subsection (b)(3) beginning on July 1 of the calendar year immediately preceding the calendar year in which a presidential nominating convention of the political party involved is held.

(f) TRANSFER TO THE FUND.—If, after the close of a presidential nominating convention and after the national committee of the political party involved has been paid the amount which it is entitled to receive under this section, there are moneys remaining in the account of such national committee, the Secretary shall transfer the moneys so remaining to the fund.

(g) CERTIFICATION BY COMPTROLLER GENERAL.—Any major party or minor party may file a statement with the Comptroller General in such form and manner and at such times as he may require, designating the national committee of such party. Such statement shall include the information required by section 303(b) of the Federal Election Campaign Act of 1971, together with such additional information as the Comptroller General may require. Upon receipt of a statement filed under the preceding sentences, the Comptroller General promptly shall verify such statement according to such procedures and criteria as he may establish and shall certify to the Secretary for payment in full to any such committee of amounts to which such committee may be entitled under subsection (b). Such certifications shall be subject to an examination and audit which the Comptroller General shall conduct no later than December 31 of the calendar year in which the presidential nominating convention involved is held.

(h) REPAYMENTS.—The Comptroller General shall have the same authority to require repayments from the national committee of a major party or minor party as he has with respect to repayments from any eligible candidate under section 9007(b). The provisions of section 9007(c) and section 9007(d) shall apply with respect to any repayment required by the Comptroller General under this subsection.

SEC. 9009. REPORTS TO CONGRESS; REGULATIONS.

(a) REPORTS.—The Comptroller General shall, as soon as practicable after each presidential election, submit a full report to the Senate and House of Representatives setting forth—

(1) the qualified campaign expenses (shown in such detail as the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees;

(2) the amounts certified by him under section 9005 for payment to the eligible candidates of each political party; [and]

(3) the amount of payments, if any, required from such candidates under section 9007, and the reasons for each payment required[.]; *and*

(4) the expenses incurred by the national committee of a major party or minor party with respect to a presidential nominating convention;

(5) the amounts certified by him under section 9008(g) for payment to each such committee; and

(6) the amount of payments, if any, required from such committees under section 9008(h), and the reasons for each such payment.

Each report submitted pursuant to this section shall be printed as a Senate document.

(b) REGULATIONS, ETC.—The Comptroller General is authorized to prescribe such rules and regulations *in accordance with the provisions of subsection (c)*, to conduct such examinations and audits (in addition to the examinations and audits required by section 9007(a)), to conduct such investigations, and to require the keeping and submission of such books, records, and information, as he deems necessary to carry out the functions and duties imposed on him by this chapter.

(c) REVIEW OF REGULATIONS.—

(1) The Comptroller General, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

(2) If either such committee does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Comptroller General may prescribe such rule or regulation. The Comptroller General may not prescribe any rule or regulation which is disapproved by either such committee under this paragraph.

(3) For purposes of this subsection, the term "legislative days" does not include any calendar day on which both Houses of the Congress are not in session.

SEC. 9010. PARTICIPATION BY COMPTROLLER GENERAL IN JUDICIAL PROCEEDINGS.

(a) APPEARANCE BY COUNSEL.—The Comptroller General is authorized to appear in and defend against any action filed under

section 9011, either by attorneys employed in his office or by counsel whom he may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation he may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

(b) RECOVERY OF CERTAIN PAYMENTS.—The Comptroller General is authorized through attorneys and counsel described in subsection (a) to appear in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary as a result of examination and audit made pursuant to section 9007.

(c) DECLARATORY AND INJUNCTIVE RELIEF.—The Comptroller General is authorized through attorneys and counsel described in subsection (a) to petition the courts of the United States for declaratory or injunctive relief concerning any civil matter covered by the provisions of this subtitle or section 6096. Upon application of the Comptroller General, an action brought pursuant to this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

(d) APPEAL.—The Comptroller General is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which he appears pursuant to the authority provided in this section.

SEC. 9011. JUDICIAL REVIEW.

(a) REVIEW OF CERTIFICATION, DETERMINATION, OR OTHER ACTION BY THE COMPTROLLER GENERAL.—Any certification, determination, or other action by the Comptroller General made or taken pursuant to the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition filed in such Court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the certification, determination, or other action by the Comptroller General for which review is sought.

(b) SUITS TO IMPLEMENT CHAPTER.—

(1) The Comptroller General, the national committee of any political party, and individuals eligible to vote for President are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this chapter.

(2) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this subsection and shall exercise the same without regard to whether a person asserting rights under provisions of this subsection shall have exhausted any administrative or other remedies that may be provided at law. Such proceedings shall be heard and determined by a court of

three judges in accordance with the provisions of section 1284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

SEC. 9012. CRIMINAL PENALTIES.

(a) EXCESS [CAMPAIGN] EXPENSES.—

(1) It shall be unlawful for an eligible candidate of a political party for President and Vice President in a presidential election or [any of his authorized committees] *his authorized committee* knowingly and willfully to incur qualified campaign expenses in excess of the aggregate payments to which the eligible candidates of a major party are entitled under section 9004 with respect to such election. *It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to incur expenses with respect to a presidential nominating convention in excess of the expenditure limitation applicable with respect to such committee under section 9008(d), unless the incurring of such expenses is authorized by the Presidential Election Campaign Fund Advisory Board under section 9008(d)(3).*

(2) Any person who violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than one year or both. In the case of a violation by an authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

(b) CONTRIBUTIONS.—

(1) It shall be unlawful for an eligible candidate of a major party in a presidential election or [any of his authorized committees] *his authorized committee* knowingly and willfully to accept any contribution to defray qualified campaign expenses, except to the extent necessary to make up any deficiency in payments received out of the fund on account of the application of section 9006(d), or to defray expenses which would be qualified campaign expenses but for subparagraph (C) of section 9002(11).

(2) It shall be unlawful for an eligible candidate of a political party (other than a major party) in a presidential election or [any of his authorized committees] *his authorized committee* knowingly and willfully to accept and expend or retain contributions to defray qualified campaign expenses in an amount which exceeds the qualified campaign expenses incurred with respect to such election by such eligible candidate and his authorized committees.

(3) Any person who violates paragraph (1) or (2) shall be fined not more than $5,000, or imprisoned not more than one year, or both. In the case of a violation by an authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

(c) UNLAWFUL USE OF PAYMENTS.—

(1) It shall be unlawful for any person who receives any payment under section 9006, or to whom any portion of any payment received under such section is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

(A) to defray the qualified campaign expenses with respect to which such payment was made, or

(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray such qualified campaign expenses.

(2) It shall be unlawful for the national committee of a major party or minor party which receives any payment under section 9008(b)(3) to use, or authorize the use of, such payment for any purpose other than a purpose authorized by section 9008(c).

[(2)] *(3)* Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

(d) FALSE STATEMENTS, ETC.—

(1) It shall be unlawful for any person knowingly and willfully—

(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Comptroller General under this subtitle, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Comptroller General or an examination and audit by the Comptroller General under this chapter; or

(B) to fail to furnish to the Comptroller General any records, books, or information requested by him for purposes of this chapter.

(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

(e) KICKBACKS AND ILLEGAL PAYMENTS.—

(1) It shall be unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of eligible candidates or their authorized committees. *It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expense incurred by such committee with respect to a presidential nominating convention.*

(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of eligible candidates or their authorized committees, *or in connection with any expense incurred by the national committee of a major party or minor party with respect to a presidential nominating convention,* shall pay to the Secretary, for deposit in the general fund of the Treasury, an amount equal to 125 percent of the kickback or payment received.

(f) UNAUTHORIZED EXPENDITURES AND CONTRIBUTIONS.—

(1) Except as provided in paragraph (2), it shall be unlawful for any political committee which is not an authorized committee with respect to the eligible candidates of a political party for President and Vice President in a presidential election knowingly and willfully to incur expenditures to further the election of such candidates, which would constitute qualified campaign expenses if incurred by an authorized committee of such candidates, in an aggregate amount exceeding $1,000.

(2) This subsection shall not apply to (A) expenditures by a broadcaster regulated by the Federal Communications Commission, or by a periodical publication, in reporting the news or in taking editorial positions, or (B) expenditures by any organization described in section 501(c) which is exempt from tax under section 501(a) in communicating to its members the views of that organization.

(3) Any political committee which violates paragraph (1) shall be fined not more than $5,000, and any officer or member of such committee who knowingly and willfully consents to such violation and any other individual who knowingly and willfully violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than one year, or both.

(g) UNAUTHORIZED DISCLOSURE OF INFORMATION.—

(1) It shall be unlawful for any individual to disclose any information obtained under the provisions of this chapter except as may be required by law.

(2) Any person who violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than one year, or both.

SEC. 9013. EFFECTIVE DATE OF CHAPTER.

The provisions of this chapter shall take effect on January 1, 1973.

CHAPTER 96—PRESIDENTIAL ELECTION CAMPAIGN FUND ADVISORY BOARD

SEC. 9021. ESTABLISHMENT OF ADVISORY BOARD.

(a) ESTABLISHMENT OF BOARD.—There is hereby established an advisory board to be known as the Presidential Election Campaign Fund Advisory Board (hereinafter in this section referred to as the "Board"). It shall be the duty and function of the Board to counsel and assist the Comptroller General of the United States in the performance of the duties and functions imposed on him under the Presidential Election Campaign Fund Act.

(b) COMPOSITION OF BOARD.—The Board shall be composed of the following members:

(1) the majority leader and minority leader of the Senate and the Speaker and minority leader of the House of Representatives, who shall serve ex officio;

(2) two members representing each political party which is a major party (as defined in section 9002(6)), which members shall be appointed by the Comptroller General from recommendations submitted by such political party; and

(3) three members representing the general public, which members shall be selected by the members described in paragraphs (1) and (2).

The terms of the first members of the Board described in paragraphs (2) and (3) shall expire on the sixtieth day after the date of the first presidential election following January 1, 1973, and the terms of subsequent members described in paragraphs (2) and (3) shall begin on the sixty-first day after the date of a presidential election and expire on the sixtieth day following the date of the subsequent presidential election. The Board shall elect a Chairman from its members.

(c) COMPENSATION.—Members of the Board (other than members described in subsection (b)(1)) shall receive compensation at the rate of $75 a day for each day they are engaged in performing duties and functions as such members, including traveltime, and, while away from their homes or regular places of business, shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in the Government service employed intermittently.

(d) STATUS.—Service by an individual as a member of the Board shall not, for purposes of any other law of the United States be considered as service as an officer or employee of the United States.

CHAPTER 97—PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

SEC. 9031. SHORT TITLE.

This chapter may be cited as the "Presidential Primary Matching Payment Account Act."

SEC. 9032. DEFINITIONS.

For purposes of this chapter—

(1) The term "authorized committee" means, with respect to the candidates of a political party for President and Vice President

of the United States, the political committee designated under section 302(f)(1) of the Federal Election Campaign Act of 1971 by the candidate of a political party for President of the United States as his principal campaign committee.

(2) The term "candidate" means an individual who seeks nomination for election to be President of the United States. For purposes of this paragraph, an individual shall be considered to seek nomination for election if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

(3) The term "Comptroller General" means the Comptroller General of the United States.

(4) Except as provided by section 9034(a), the term "contribution"—

(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made, for the purpose of influencing the result of a primary election,

(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose,

(C) means a transfer of funds between political committees, and

(D) means the payment by any person other than a candidate, or his authorized committee, of compensation for the personal services of another person which are rendered to the candidate or committee without charge, but

(E) does not include—

(i) except as provided in subparagraph (D), the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering such service to or for the benefit of the candidate, or

(ii) payments under section 9037.

(5) The term "matching payment account" means the Presidential Primary Matching Payment Account established under section 9037(a).

(6) The term "matching payment period" means the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States will be held and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for the office of President of the United States.

(7) The term "primary election" means an election, including a runoff election or a nominating convention or caucus held by a political party, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

(8) The term "political committee" means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any person for election to the office of President of the United States.

(9) The term "qualified campaign expense" means a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value—

(A) incurred by a candidate, or by his authorized committee, in connection with his campaign for nomination for election, and

(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid.

For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

(10) The term "State" means each State of the United States and the District of Columbia.

SEC. 9033. ELIGIBILITY FOR PAYMENTS.

(a) CONDITIONS.—To be eligible to receive payments under section 9037, a candidate shall, in writing—

(1) agree to obtain and furnish to the Comptroller General any evidence he may request of qualified campaign expenses,

(2) agree to keep and furnish to the Comptroller General any records, books, and other information he may request, and

(3) agree to an audit and examination by the Comptroller General under section 9038 and to pay any amounts required to be paid under such section.

(b) EXPENSE LIMITATION; DECLARATION OF INTENT; MINIMUM CONTRIBUTIONS.—To be eligible to receive payments under section 9037, a candidate shall certify to the Comptroller General that—

(1) the candidate and his authorized committee will not incur qualified campaign expenses in excess of the limitation on such expenses under section 9035,

(2) the candidate is seeking nomination by a political party for election to the office of President of the United States,

(3) the candidate has received contributions which, in the aggregate, exceed $5,000 in contributions from residents of each of at least 20 States, and

(4) the aggregate of contributions received from any person under paragraph (3) does not exceed $250.

SEC. 9034. ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS.

(a) IN GENERAL.—Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such candidate is seeking nomination, or by his authorized committee, disre-

garding any amount of contributions from any person to the extent that the total of the amounts contributed by such person on or after the beginning of such preceding calendar year exceeds $250. For purposes of this subsection and section 9033(b), the term "contribution" means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything described in subparagraph (B), (C), or (D) of section 9032(4).

(b) LIMITATIONS.—The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed 50 percent of the expenditure limitation established by section 608(c)(1)(A) of title 18, United States Code.

SEC. 9035. QUALIFIED CAMPAIGN EXPENSE LIMITATION.

No candidate shall knowingly incur qualified campaign expenses in excess of the expenditure limitation established by section 608(c)(1)(A) of title 18, United States Code.

SEC. 9036. CERTIFICATION BY COMPTROLLER GENERAL.

(a) INITIAL CERTIFICATIONS.—Not later than 10 days after a candidate establishes his eligibility under section 9033 to receive payments under section 9037, the Comptroller General shall certify to the Secretary for payment to such candidate under section 9037 payment in full of amounts to which such candidate is entitled under section 9034.

(b) FINALITY OF DETERMINATIONS.—Initial certifications by the Comptroller General under subsection (a), and all determinations made by him under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit by the Comptroller General under section 9038 and judicial review under section 9041.

SEC. 9037. PAYMENTS TO ELIGIBLE CANDIDATES.

(a) ESTABLISHMENT OF ACCOUNT.—The Secretary shall maintain in the Presidential Election Campaign Fund established by section 9006(a), in addition to any account which he maintains under such section, a separate account to be known as the Presidential Primary Matching Payment Account. The Secretary shall deposit into the matching payment account, for use by the candidate of any political party who is eligible to receive payments under section 9033, the amount available after the Secretary determines that amounts for payments under section 9006(c) and for payments under section 9007(b)(3) are available for such payments.

(b) PAYMENTS FROM THE MATCHING PAYMENT ACCOUNT.—Upon receipt of a certification from the Comptroller General under section 9036, but not before the beginning of the matching payment period the Secretary or his delegate shall promptly transfer the amount certified by the Comptroller General from the matching payment account to the candidate. In making such transfers to candidates of the same political party, the Secretary or his delegate shall seek to achieve an equitable distribution of funds available under subsection (a), and the Secretary or his delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received. Transfers to candidates of the same political party may not exceed an amount which is equal to 45 percent of the total amount available in the matching payment account, and transfers to any candidate may not

exceed an amount which is equal to 25 percent of the total amount available in the matching payment account.

SEC. 9038. EXAMINATIONS AND AUDITS; REPAYMENTS.

(a) EXAMINATIONS AND AUDITS.—After each matching payment period, the Comptroller General shall conduct a thorough examination and audit of the qualified campaign expenses of every candidate and his authorized committee who received payments under section 9037.

(b) REPAYMENTS.—

(1) If the Comptroller General determines that any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount of payments to which such candidate was entitled under section 9034, he shall notify the candidate, and the candidate shall pay to the Secretary or his delegate an amount equal to the amount of excess payments.

(2) If the Comptroller General determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than—

(A) to defray the qualified campaign expenses with respect to which such payment was made, or

(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses, he shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

(3) Amounts received by a candidate from the matching payment account may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the matching payment account.

(c) NOTIFICATION.—No notification shall be made by the Comptroller General under subsection (b) with respect to a matching payment period more than 3 years after the end of such period.

(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the matching payment account.

SEC. 9039. REPORTS TO CONGRESS; REGULATIONS.

(a) REPORTS.—The Comptroller General shall, as soon as practicable after each matching payment period, submit a full report to the Senate and House of Representatives setting forth—

(1) the qualified campaign expenses (shown in such detail as the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees,

(2) the amounts certified by him under section 9036 for payment to each eligible candidate, and

(3) *the amount of payments, if any, required from candidates under section 9038, and the reasons for each payment required.*

Each report submitted pursuant to this section shall be printed as a Senate document.

(b) *REGULATIONS, ETC.—The Comptroller General is authorized to prescribe rules and regulations in accordance with the provisions of subsection (c), to conduct examinations and audits (in addition to the examinations and audits required by section 9038 (a)), to conduct investigations, and to require the keeping and submission of any books, records, and information, which he determines to be necessary to carry out his responsibilities under this chapter.*

(c) *REVIEW OF REGULATIONS.—*

(1) The Comptroller General, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

(2) If either such committee does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Comptroller General may prescribe such rule or regulation. The Comptroller General may not prescribe any rule or regulation which is disapproved by either such committee under this paragraph.

(3) For purposes of this subsection, the term "legislative days" does not include any calendar day on which both Houses of the Congress are not in session.

SEC. 9040. PARTICIPATION BY COMPTROLLER GENERAL IN JUDICIAL PROCEEDINGS.

(a) APPEARANCE BY COUNSEL.—The Comptroller General is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in his office or by counsel whom he may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation he may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

(b) RECOVERY OF CERTAIN PAYMENTS.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.

(c) INJUNCTIVE RELIEF.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for injunctive relief as is appropriate to implement any provision of this chapter.

(d) APPEAL.—The Comptroller General is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments, or decrees entered with respect to actions in which he appears pursuant to the authority provided in this section.

SEC. 9041. JUDICIAL REVIEW.

(a) REVIEW OF AGENCY ACTION BY THE COMPTROLLER GENERAL.—Any agency action by the Comptroller General made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Comptroller General for which review is sought.

(b) REVIEW PROCEDURES.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Comptroller General.

SEC. 9042. CRIMINAL PENALTIES.

(a) EXCESS CAMPAIGN EXPENSES.—Any person who violates the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

(b) UNLAWFUL USE OF PAYMENTS.—

(1) It is unlawful for any person who receives any payment under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

(A) to defray qualified campaign expenses, or

(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses.

(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

(c) FALSE STATEMENTS, ETC.—

(1) It is unlawful for any person knowingly and willfully—

(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Comptroller General under this chapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Comptroller General or an examination and audit by the Comptroller General under this chapter, or

(B) to fail to furnish to the Comptroller General any records, books, or information requested by him for purposes of this chapter.

(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

(d) KICKBACKS AND ILLEGAL PAYMENTS.—

(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committee, who receives payments under section 9037.

(2) Any person who violates the provisions of paragraph (1) shall

be fined not more than $10,000, or imprisoned not more than 5 years, or both.

(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized committee shall pay to the Secretary for deposit in the matching payment account, an amount equal to 125 percent of the kickback or payment received.

COMMUNICATIONS ACT OF 1934

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TITLE III—PROVISIONS RELATING TO RADIO

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FACILITIES FOR CANDIDATES FOR PUBLIC OFFICE

SEC. 315. (a) If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station: *Provided*, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is imposed under this subsection upon any licensee to allow the use of its station by any such candidate. Appearance by a legally qualified candidate on any—

(1) bona fide newscast,

(2) bona fide news interview,

(3) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary), or

(4) on-the-spot coverage of bona fide news events (including but not limited to political conventions and activities incidental thereto),

shall not be deemed to be use of a broadcasting station within the meaning of this subsection. Nothing in the foregoing sentence shall be construed as relieving broadcasters, in connection with the presentation of newscasts, news interviews, news documentaries, and on-the-spot coverage of news events, from the obligation imposed upon them under this chapter to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office in connection with his campaign for nomination for election, or election, to such office shall not exceed—

(1) during the forty-five days preceding the date of a primary or primary runoff election and during the sixty days preceding the date of a general or special election in which such person is a can-

didate, the lowest unit charge of the station for the same class and amount of time for the same period; and

(2) at any other time, the charges made for comparable use of such station by other users thereof.

[(c) No station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not violate any limitation specified in paragraph (1), (2), or (3) of section 104(a) of the Campaign Communications Reform Act, whichever paragraph is applicable.

[(d) If a State by law and expressly—

[(1) has provided that a primary or other election for any office of such State or of a political subdivision thereof is subject to this subsection,

[(2) has specified a limitation upon total expenditures for the use of broadcasting stations on behalf of the candidacy of each legally qualified candidate in such election,

[(3) has provided in any such law an unequivocal expression of intent to be bound by the provisions of this subsection, and

[(4) has stipulated that the amount of such limitation shall not exceed the amount which would be determined for such election under section 104(a)(1)(B) or 104(a)(2)(B) (whichever is applicable) of the Campaign Communications Reform Act had such election been an election for a Federal elective office or nomination thereto;

then no station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate in such election unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not violate such State limitation.

[(e) Whoever willfully and knowingly violates the provisions of subsection (c) or (d) of this section shall be punished by a fine not to exceed $5,000 or imprisonment for a period not to exceed five years, or both. The provisions of sections 501 through 503 of this Act shall not apply to violations of either such subsection.

[(f) (1) For the purposes of this section:

[(A) The term "broadcasting station" includes a community antenna television system.

[(B) The terms "licensee" and "station licensee" when used with respect to a community antenna television system, means the operator of such system.

[(C) The term "Federal elective office" means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States.

[(2) For purposes of subsections (c) and (d), the term "legally qualified candidate" means any person who (A) meets the qualifications prescribed by the applicable laws to hold the office for which he

is a candidate and (B) is eligible under applicable State law to be voted for by the electorate directly or by means of delegates or electors.]

(c) For purposes of this section—

(1) the term "broadcasting station" includes a community antenna television system; and

(2) the terms "licensee" and "station licensee" when used with respect to a community antenna television system, mean the operator of such system.

[g] *(d)* The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this section.

MINORITY VIEWS

The House Administration Committee has labored at length to reform the present system of campaign financing. Committee members worked hard to pass a bill that would answer what some consider to be a public clamor for election reform.

While the Committee bill probably is too late to apply to the 1974 elections, it should provide a basis for reform in the 1976 and future elections. A bill could have been passed in time to be effective for the 1974 elections; the Committee can be justifiably criticized for failing to expeditiously bring a bill to the floor by commencing mark up sessions too late.

POSITIVE FEATURES

While the Committee bill does have loopholes and a few glaring defects, it accomplishes some good. The bill limits contributions to $1,000 per person and $5,000 for broad-based political committees. Individuals can contribute no more than $25,000 to all candidates and committees in a calendar year.

This provision may be the most significant reform in the Committee bill. Contribution limitations should restore public confidence by eliminating or reducing public suspicion that candidates are being "bought" or influenced by large campaign contributions. While these limitations may pose constitutional questions and could be difficult to enforce, they would prevent any individual or group from having a disproportionate impact on any campaign and would encourage candidates to raise more small contributions.

The Committee bill wisely prohibits the laundering and secretive earmarking of funds. Unlike the 1972 campaign, in future years the original source of all earmarked funds will have to be disclosed. Full disclosure of all earmarking will make it much easier to enforce contribution limitations.

Limits are placed on the amount of expenditures a candidate may make: $10 million for nomination for President, $20 million in a general election for President, 5¢ times the population of the geographical area or $75,000 for the Senate (whichever is greater) and $75,000 for House races. A cost of living escalator clause is included so that these limitations will not become outdated. In order to alleviate the constitutional problems posed by spending limitations, the Committee bill allows independent expenditures by individuals and political committees of up to $1,000. Under the 1971 Act, expenditures of this type of over $100 have to be disclosed. While Minority members disagree as to what level spending limits should be set there is basic agreement that some sort of limit must be set to rectify some of the abuses that became apparent in the 1972 campaign.

Several other important changes were made in the criminal code section: contributions by foreign nationals are prohibited, monetary penalties are increased, cash contributions over $100 are banned, contributions made in the name of another are prohibited, honorariums in excess of $1,000 per engagement or $10,000 per year are prohibited.

The Committee bill requires all candidates to designate a principal or central campaign committee. The reports of all other committees supporting that candidate must be filed with the principal committee, which in turn compiles these reports and sends them to the appropriate supervisory officer. All expenditures made on behalf of a candidate must be made through the principal campaign committee.

A principal campaign committee would increase accountability; a series of local committees all financially accountable to a centralized, single committee focuses responsibility by having a single point of control. Reporting procedures would be simplified.

A bill requires reports to be filed 10 days before the election, thirty days after the election, on January 31, quarterly in an election year, and quarterly in a non-election year if contributions or expenditures of $1,000 or more are made. By reducing the number of reports, the Committee bill should help reduce the burden on candidates, while actually furthering the goals of disclosure. The large number of reports that are presently filed make it most difficult for public interest groups, the press and other monitoring agencies to fully inform the public of the sources of funds. The sheer volume of reports impedes the goal of full disclosure. With fewer, more timely reports, the public should actually know more about candidates' sources of funds.

In addition, the Committee bill, by requiring the supervisory officers to publish a list of those who did file and those who did not file, should help foster compliance with the law.

By preempting state law, the Committee bill will alleviate candidates from the requirements that they comply with several sets of rules and regulations. This provision should streamline election law and assure greater compliance with federal law.

The bill opens the political process by allowing state and local employees to participate in political campaigns. Greater citizen participation in the political process will be encouraged.

The Committee bill repeals the media limitations in the 1971 law, thereby allowing the candidate to decide how he will apportion his funds within the overall spending limitations.

DEFICIENCIES

The bill has several important shortcomings:

Parties

Instead of strengthening the role of the parties in the political process, the Committee bill, by treating political parties the same as all other political committees, would significantly weaken and contribute to the demise of the two party system.

Section 101(b)(2) of the bill places a limitation of $5,000 on the contributions of political committees to candidates for Federal office.

The definition of political committee clearly encompasses the national and state committees of the major parties, thus limiting them to $5,000 in contributions. It would also apply to both direct cash transfers and services provided to or for the benefit of candidates, many of which are presently performed without the candidates' full knowledge.

The minority strongly believes that the national and state committees of the major parties should be excluded from the definition of political committee for the purposes of contribution limitation. The national and state committees have been traditionally the policy making bodies of the major parties and are cornerstones of our political system. The definition in the bill presently treats these important committees equally with all other committees, even small special interest committees. The national and state committees must be permitted the ability to assist candidates as the need arises so that a strong and dynamic party system can be maintained.

The governments of many countries throughout the world are going through a period of extreme instability. The United States can best avoid this phenomenon by furthering the development of a strong party system. If major parties are weakened or destroyed by a series of legislative shackels placed on them in the name of reform, our constitutional form of government will be seriously undermined.

In their haste to reform the funding of political campaigns, the Committee has severely limited the function of the parties. If the national and state committees have no control over their candidates, there will be little, if any, reason for candidates to adhere to the policy decisions of the party and the inevitable splintering of the two-party system will have begun. To prevent this from occurring, national and state parties must be exempted from the same limitations on contributions by political committees.

Financing of Conventions

The Minority is also opposed to the public financing of political conventions. Conventions are uniquely a party function and as such should not be supported by the overburdened public treasury. Nor should the party be entangled in the bureaucratic regulatory web which is envisioned by the present language of the bill.

The party must have the ability to determine the size and form of its convention; this can only be accomplished if the party retains control of its purse strings. Furthermore, the vitality of the party is enhanced by the participation of its members, while public financing of conventions will undercut individual initiative and participation.

The ever increasing encroachment of the federal bureaucracy into the private lives of our citizens is taking another large step with the enactment of convention financing. The two party system, free from bureaucratic tampering, has been a fourth branch in our constitutional form of government and will only remain a strong force if it is kept in the hands of the people.

Administration and Enforcement

Administration and enforcement of election law should be independent and avoid the appearance of conflict of interest. Any agency

charged with responsibility of election law should not raise public suspicions about the fairness and effectiveness of enforcement. Public confidence in public officials should not be further lowered by an administration-enforcement system that fosters public cynicism. The Committee bill is not fully adequate in this regard. Hopefully, a better mechanism (such as an independent Federal Elections Commission) can be found, either by amendment on the floor or in the conference with the Senate.

Special Interest Groups

By placing a $5,000 limitation on how much special interest committees can give to candidates, the Committee bill took an important step towards reducing the influence that special interests gain through political contributions. More importantly, this limitation will help reduce public suspicions that public officials are "bought" by the large political contributions of special interest groups.

However, the Committee bill did not go nearly far enough. Clearly, the Congress must end the suspicion created among the public by the special interest contribution. The Minority has prepared and plans to offer five amendments on the floor that would eliminate or drastically curtail the ability of special interest groups to make contributions to federal candidates.

1. Ideally, it would probably be best to prohibit all contributions by special interest groups. In committee, Rep. Harold Froehlich offered an amendment to outlaw contributions by other than individuals and political party organizations. In offering this amendment, he astutely noted:

> If campaign contributions have ever been used for leverage in the political system, then surely the political action funds of special interest groups top the list for influencing political officials. If we are truly to reform the political system, then special interest campaign money should be outlawed.

This amendment was defeated by 15–7 on an almost straight party vote, with Republicans supporting it and Democrats opposed.

2. Since it can be argued that a band on giving by political committees is unconstitutional, the Minority strongly favors another approach which would drastically curtail the capabilities of special interests to gain influence through campaign contributions. This amendment, authored by Rep. Clarence Brown of Ohio, would prohibit the pooling of funds by any groups and require all contributions to be identified as to the original donor. Special interest groups would only be allowed to act as the agents of individual contributors, thereby reducing considerably special interest influence gained via political contributions. This amendment, as offered by Rep. Caldwell Butler, was also defeated in the Committee on a vote of 14 to 12 on an almost straight party vote.

3. The Committee bill allows special interest groups to give up to $5,000 per election. This limit is too high: Special interest groups should not be allowed to contribute five times as much as individuals.

A more appropriate limitation would be $2,500, $3,000 or even perhaps $1,000. The Minority will support efforts to lower this limit.

4. A fourth amendment that the Minority plans to offer is one that would prohibit contributions "in-kind" and require that contributions be made in cash or its equivalent. Presently, special interest groups are often able to get undue influence through providing "in-kind" services and goods such as cars, planes, storefronts, food, invaluable personal services, etc. Not only did the Committee bill fail to deal effectively with such abuses, it opened loopholes, in the form of exceptions to the definition of contribution and expenditure, that would exempt many of these activities from both the limitations and disclosure! Instead of curbing such abuses, the Committee bill would encourage them. Special interests would be especially well-equipped to use these loopholes to the hilt.

5. In the past, special interest groups have avoided full disclosure or the gift tax by proliferating the number of their political committees. This same activity could be used to circumvent contribution limitations. Several special interest groups have already set up ten, fifteen or twenty political committees to channel funds to candidates in anticipation of the passage of low contribution limitations. While the Committee report does contain language prohibiting this activity and it is obviously the intent of the bill to prohibit such activity, the Minority feels that an amendment banning the proliferation of political committees to circumvent the limitation is in order to ensure that the courts and administrators of the law have absolutely no latitude in interpreting the law.

In committee, when the opportunity for severely limiting or eliminating special interest money was presented, Republicans generally supported it, but Democrats were opposed. Democrats claim that special interest groups would severely limit the effectiveness of labor unions and liberal groups. But these amendments also apply in the same fashion to business, farm, conservative and corporate groups as well. The Minority intends to offer these amendments on the floor so that the American public will know how each Member and each party stands on the issue of special interest money. The public has a right to know who is more dependent on special interest contributions.

Minority Role

The Committee bill would have been far superior if the minority had been given a greater role in shaping the Committee's final product. Unfortunately, the Committee was run in a highly partisan fashion, to the detriment of both the bill and the general public. Out of the over 100 amendments offered in committee, about 60 were offered by the majority and slightly over 40 by the minority (about 30 of these were substantive). Only a couple of the Minority's amendments were accepted, while over a couple of dozen Majority amendments were accepted.

In particular, towards the end of the mark-up sessions, some minority amendments were rejected almost out of hand. As a result, several important amendments were rejected. For example, Rep. Caldwell Butler offered an amendment to close a major loophole in the contribu-

tion limitation section, but was defeated on an almost straight party vote. This amendment would have required that the endorser or guarantor of a bank loan count the loan as a contribution for the purposes of disclosure and the limitation. Under the Committee bill, wealthy individuals and special interest groups could guarantee loans worth thousands or tens of thousands of dollars without being subject to the contribution limitation. If the loans are defaulted, they would be in violation of the law no matter what they did. Further, the candidate would feel a strong obligation to the wealthy individual or special interest group. Hopefully, when the bill comes to the floor, this amendment and other important ones that were so abruptly treated in the committee will receive more thoughtful consideration. Their adoption will make the bill a much stronger one.

Dirty Tricks

In committee, Rep. Bill Frenzel offered an amendment to prohibit certain types of "dirty tricks", but unfortunately, the committee chose not to adopt it. The main argument against the amendment was that hearings had not been held to determine the best manner in which to deal with the problem. However, the abuses of Watergate have received ample attention in both the press and congressional hearings. On the floor, the minority plans to offer amendments patterned after the recommendations of the Senate Watergate Committee to prohibit "dirty tricks". These recommendations are the product of months of public hearings and considerable deliberation and debate and should be promptly accepted by the House.

Citizen Participation

A final concern of the Minority is that the sheer length and complexity of this bill will discourage citizen participation and involvement perhaps even driving many people right out of politics.

Many people, when confronted with the complexity of this legislation, may become overwhelmed and give up politics in disgust. There will be ample potential for unintentional violations of the law. Many people may worry about going to jail or being fined for an inadvertent violation.

Many well-qualified individuals may view the burdensome reporting requirements and complicated regulations as an insurmountable obstacle and choose not to run. In addition to understanding the lengthy complicated disclosure forms, candidates may have to familiarize themselves with hundreds of pages of regulations promulgated to insure fair administration and enforcement of the limitations. The complexity of this law may limit candidacies only to lawyers or to those who can afford to pay lawyers for their time.

Spontaneous, grassroots action and people who are political novices or independent of regular political channels should not be discouraged. The loss of such activities and candidacies would be a major blow to our political process.

The Minority urges the administrators and enforcers of the law to take every action possible to simplify reporting procedures and to make regulations easy to understand and intelligible to those not well versed in the law. In addition, services should be provided to candidates who do not understand the law or who are unable to understand the legal jargon used in the law and regulations so that they will not be found in violation of the law.

It would be ironic indeed, if, in the name of reforming our present system of campaign financing, we fail to drive out the special interests and only succeed in driving honest, concerned citizens from participation in the political process.

BILL FRENZEL.
CHARLES E. WIGGINS.
JAMES F. HASTINGS.
HAROLD V. FROEHLICH.
M. CALDWELL BUTLER.

SEPARATE VIEWS OF CONGRESSMEN DICKINSON AND DEVINE

The undersigned recognize that honest elections are essential to the survival of our form of Government and that there is a constant and ongoing need for legislation in this field. However, this legislation, to be effective must be fair and workable. It is with this last thought in mind that the undersigned oppose this bill.

The undersigned regard the following aspects of the bill as particularly unrealistic for the reasons given:

1. *Financing of Presidential Primaries.*—The provisions for public financing of Presidential Primaries will inject the Federal Treasury into what many times amounts to a popularity contest under a formula that will probably work unfairly to the candidates involved.

The prospect of a Federal subsidy to run for office may very well result in a proliferation of candidates. Access to such subsidies would be an incentive to everyone with a desire for publicity to become a candidate; primaries may then become an anarchic jungle with policy issues largely obscured. The subsidy might also be a temptation for those who anticipate financial gain from running for office.

The use of private money we are told has weakened public confidence in the democratic process. But is this confidence likely to be restored when tax payers pay for campaigns they regard as frivolous, wasteful and in some cases, abhorrent?

Finally, we are told that subsidies will reduce the pressures on candidates for dependence on large campaign contributions from private sources. Where indeed will our democratic process be when the candidates' principal constituent is the Federal Establishment.

2. *Financing of Conventions.*—The undersigned oppose the public financing of political conventions. Conventions are uniquely a party function and as such should not be supported by the overburdened public treasury. Nor should the party be entangled in the bureaucratic regulatory web which is envisioned by the present language of the bill. The party must have the ability to determine the size and form of its convention; this can only be accomplished if the party retains control of its purse strings. Furthermore, the vitality of the party is enhanced by the participation of its members, while public financing of conventions will undercut individual initiative and participation.

The ever increasing encroachment of the federal bureaucracy into the private lives of our citizens is taking another large step with the enactment of convention financing. The two party system, free from bureaucratic tampering, has been a fourth branch in our constitutional form of government and will only remain a strong force if it is kept in the hands of the people.

3. *Political Parties.*—Instead of strengthening the role of political parties in the political process, the Committee bill, by treating political parties the same as all other political committees, would significantly weaken and contribute to the demise of the two party system.

Section 101(b)(2) of the bill places a limitation of $5,000 on the contributions of political committees to candidates for Federal office. The definition of political committee clearly encompasses the national and state committees of the major parties, thus limiting them to $5,000 in contributions. It would also apply to both direct cash transfers and services provided to or for the benefit of candidates, many of which presently performed without the candidates' full knowledge.

The undersigned strongly believe that the national and state committees of the major parties should be excluded from the definition of political committee for the purpose of contribution limitations. The national and state committees have been traditionally the policy making bodies of the major parties and are cornerstones of our political system. The definition in the bill presently treats these important committees equally with all other committees, even small special interest committees. The national and state committees must be permitted the ability to assist candidates as the need arises so that a strong and dynamic party system can be maintained.

The governments of many countries throughout the world are going through a period of extreme instability. The United States can best avoid this phenomenon by furthering the development of a strong party system. If major parties are weakened or destroyed by a series of legislative shackles placed on them in the name of reform, our constitutional form of government will be seriously undermined.

In their haste to reform the funding of political campaigns, the Committee has severely limited the function of the parties. If the national and state committees have no control over their candidates, there will be little, if any, reason for candidates to adhere to the policy decisions of the party and the inevitable splintering of the two-party system will have begun. To prevent this from occurring, national and state parties must be exempted from the same limitations on contributions by political committees.

4. *Citizens participation.*—A final concern of the undersigned is that the sheer length and complexity of this bill will discourage citizen participation and involvement perhaps even driving many people right out of politics.

Many people, when confronted with the complexity of this legislation, may become overwhelmed and give up politics in disgust. There will be ample potential for unintentional violations of the law. Many people may worry about going to jail or being fined for an inadvertent violation. Indeed, it is inevitable unless the administration and enforcement is done with tolerance and understanding of the complexities and problems involved.

Many well-qualified individuals may view the burdensome reporting requirements and complicated regulations as an insurmountable obstacle and choose not to run. In addition to understanding the lengthy complicated disclosure forms, candidates may have to familiarize themselves with hundreds of pages of regulations promulgated to insure fair administration and enforcement of the limitations.

Spontaneous, grassroots action and people who are political novices or independent of regular political channels should not be discouraged. The loss of such activities and candidacies would be a major blow to our political process.

The undersigned urge the administrators and enforcers of the law to take every action possible to simplify reporting procedures and to make regulations easy to understand and intelligible to those not well versed in the law. In addition, services should be provided to candidates who do not understand the law or who are unable to understand the legal jargon used in the law and regulations so that they will not be found in violation of the law.

It would be ironic indeed if, in the name of reforming our present system of campaign financing, we fail to drive out the special interests and only succeed in driving honest, concerned citizens from participation in the political process.

WM. L. DICKINSON.
SAMUEL L. DEVINE.

SEPARATE VIEWS OF PHILIP M. CRANE

The campaign Reform Bill represents several months of hard work by members of the House Administration Committee and I believe it does correct several deficiencies in our election laws. On balance, however, I believe the bill as reported has a number of grave faults which is why I opposed it in Committee.

First of all, although the members wisely defeated suggestions for public financing of Congressional races, the bill does open the door to the concept of public financing by making it possible (if funds are available after presidential elections are financed) for candidates in presidential primaries to obtain public funds for their campaigns on a matching basis.

Let me briefly summarize why I believe public financing is undesirable. If election campaigns are financed wholly or in large part from Washington, this will greatly increase the potential power of the federal government. Public financing would also tend to decrease popular participation in campaigns. People would say "The government is paying for it with my tax money anyway, why should I contribute twice?" There would also be an increase in candidates with very little popular support who would be encouraged to run in order to obtain federal financing. The cost to the taxpayer will not be negligible. If Congressional candidates are eventually funded by the public (as several amendments urge) the taxpayers could be presented with an eventual bill in the area of $100 million per election.

There are also very serious constitutional questions. Taxpayer subsidy of political campaigns would be a form of compulsory political activity which limits the freedom of those who would prefer to refrain as well as those who chose to participate. If a citizen is forced to contribute to a political party whose views he may be indifferent to or opposed to, it may fairly be said that his freedom of conscience is being restricted. When this forced payment is combined with limitations on the amount he may contribute to those candidates he does believe in, freedom of expression is drastically curtailed. Most of those who now support subsidies for political parties would unequivocally condemn subsidies to religious groups, which would clearly be unconstitutional. It is a very real question whether the underlying issue—freedom of conscience and belief—is not, however, the same. What would happen if a religious-oriented party were formed, such as the Christian Democrats in many western nations? If this is thought unlikely, we only have to ask what would happen if the Democratic Party of Virginia, for instance, were to endorse the Sunday closing laws in that commonwealth, while the Republican Party were to decide to campaign against them.

In reality there is simply no effective way that campaign contributions can be limited without reducing freedom of speech and, in fact, without introducing a police state. Our efforts should be directed to full and complete disclosure of all contributions so that the voters will be able to judge for themselves if their representative is representing the majority of the people or some particular interest which gave a large sum to his campaign.

To maintain otherwise is to fly in the face of reality and to deceive our constituents. For instance, in a congressional election, you may have Candidate Alpha who favors a Right-to-Work Law and Candidate Beta who supports National Health Insurance. It is inevitable (and a necessary and healthy part of our democracy) that COPE and other trade union organizations are going to publicize their view that the Right-to-Work laws are undesirable, and they will do this with pamphlets, advertisements in the media and by door-to-door canvassing. The American Medical Association will doubtless exercise its constitutional right to explain to voters why it believes National Health Insurance should not be enacted.

Any realistic accounting of campaign funds would have to consider the manpower and money devoted by COPE to Right-to-Work laws in that district as expenditures assisting the campaign efforts of Candidate Beta. Similarly, there is no doubt that the expressed opinions and paid advertisements of the AMA would aid in the campaign of Candidate Alpha.

The limitations on spending in the present bill in so far as they are enforceable will merely increase the advantage of incumbents. Since 1954, less than 10% of all Members of the House who have run for reelection have been defeated. The only way a private citizen running for Congress can equalize the advantage in voter recognition and free publicity held by the sitting Member is by spending money to get *his* message across to the people. If he is limited to spending only as much as the incumbent his chances of defeating a well-known and entrenched Congressman are greatly reduced.

This bill, as reported, is permeated with loopholes—I will try to point out just a few of the most outstanding. The campaign spending limit (even granting that it can be realistically enforced) allows up to 25% of the spending limit to be spent on the solicitation of funds without being counted toward that limit. That is, candidates, in reality, will be allowed to spend their limit plus 25%.

The most glaring loopholes, however, are in the so-called limitations on labor union and corporate campaign spending. Although the present law states that "anything of value" contributed by a union or corporation must be reported, this law has rarely been enforced. If our aim is to have full disclosure of campaign contributions then we will be derelict in our duty if we overlook the fact that "in-kind" contributions from unions in presidential campaigns run as high as $100 million a year. This represents the salaries of union officials delegated to work in campaigns, the costs of printing, telephones, motel rooms, automobiles, office space, etc. This is a "loophole" wide enough to drive not a truck but a heavily loaded train through.

A recent book by attorney Douglas Caddy, *The Hundred Million Dollar Payoff*, documents these facts rigorously. I understand in fact that this book together with increasing complaints from all over the country has impelled the Justice Department to step up an investigation of union violations of the campaign laws. The thrust of Caddy's charges is directed at the real muscle behind labor's political influence—its in-kind contributions to candidates, i.e., mailings, voter registration and get-out-the-vote drives, printing, computerized lists, equipment, and a host of other services often provided under the guise of "political education" for its members. But the facts, as they are scrupulously outlined in this book, indicate that tens of millions of dollars in such union campaign services reach far beyond labor union membership and thus are in flagrant violation of the 1971 Federal Election Campaign Act. Surely this cannot be called a "Campaign Reform Bill" if it studiously avoids the single greatest loophole in our present campaign law.

This bill would have a far greater claim to fairness if it were amended to insure that union dues (which workers in most instances must pay to keep their jobs) could not be used for political purposes any more than corporate funds can be legally used for political activities now. It is a well-known fact that union officials (whose salaries are paid with union dues) often devote a considerable part of their time in union offices campaigning. Although the campaign contributions which are voluntarily collected from union members are maintained in segregated funds (such as COPE) the overhead expenses of collecting these contributions are often paid for by union dues; these are so-called "in-kind" contributions.

I intend to offer amendments on the floor which would ban the use of corporate funds or union dues for political purposes, including allegedly "non-partisan" registration drives. Since many union members do not approve of the candidates their involuntarily collected dues are supporting, it is grossly unjust to these citizens to coerce them into funding points of view with which they themselves disagree.

I would also hope that our colleagues will give support to the amendment of my colleague from Wisconsin (Mr. Froehlich) which would ban political committees (except agents of political parties) from collecting funds without having the donor designate to which candidates these funds are to be directed. Citizen participation in politics will be heightened if people give funds to individual candidates whose views reflect their own rather than to committees who are free to disburse these funds at their own discretion rather than the donor's.

Although well-intentioned, I regret to say that this bill if adopted in its present form will have a detrimental effect on our political life. It is simply too complicated and too involved to be readily understood by citizens not trained in the complexities of election law. An 80-page bill like this will provide the means for entrenched political machines (who can afford to employ dozens of specialist lawyers) to eliminate their challengers from the ballot if they unwittingly violate some obscure provision of this complicated legislation. Rather than encour-

aging more citizen participation this bill is bound to discourage non-professionals from entering politics. The threat of a huge fine or jail sentence for committing an innocent violation is almost certain to deter at least a sizeable number of qualified men and women, especially the young and inexperienced, from entering the political arena. Our aim should be to get more people involved in politics not fewer.

Unless we pass a law to repeal Original Sin within the boundaries of the United States we will always have some corruption in politics. This will be true whether we have total public or total private financing of campaigns. We will eliminate corruption by encouraging public-spirited citizens to run for office not by driving them away with threats of jail sentences and 80-page campaign laws.

The fundamental reason why there are people who wish to corrupt our political processes is because government has so much power in so many areas. If government influence were to be reduced, if the number of privileges government has in its power to bestow were to be reduced, there would be far less incentive for the unscrupulous to use big government for their own advantage. The most useful steps we can take toward restoring a sense of honor and decency to our public life would be to begin to lessen the tremendous power government holds over our lives.

I should like to conclude this statement with what I believe is a very appropriate comment made in a recent graduation address by the Chancellor of the University of Rochester, W. Allen Wallis:

"It is a striking paradox that the more people distrust the government, the more powers and responsibilities they heap upon it, many of the new powers being designed to counterbalance other powers that the government already has. . . .

The appropriate remedy for excessive governmental powers, for abuses of governmental powers, for ruthlessness and corruption in gaining control of governmental powers is not to create new governmental powers but to dismantle those that now exist."

PHILIP M. CRANE.

SUPPLEMENTAL VIEWS OF REPRESENTATIVE BILL FRENZEL

Since March 26, the House Administration Committee has met twenty times to consider 95 amendments to the Committee's original bill. While the Committee's bill and its tardiness in beginning work on it are subject to strong and legitimate criticism, the committee process, once mark-up was started, was full and open.

Since the Committee report analyzes the bill in the order that each section appears, these remarks cover the seven major subject areas in the following sequence: 1. administration and enforcement, 2. disclosure, 3. contribution limitations, 4. expenditure limitations, 5. other criminal code amendments, 6. public financing, 7. miscellaneous.

ADMINISTRATION AND ENFORCEMENT

In the aftermath of Watergate, the establishment of an effective administration and enforcement mechanism has been widely acclaimed by groups as diverse as the Nixon Administration, the Republican National Committee, the Senate Watergate Committee, the New York Times, and the Washington Post as the single most important change needed in existing election law. Yet, despite this widespread consensus that administration and enforcement of election law should be stronger and more independent, the House Administration Committee bill actually weakens the current system because of three major provisions that might make administration and enforcement less effective and independent.

1. It places four appointees of Congress and three employees of Congress in charge of the administration and enforcement of election law. The Committee bill also requires and forces this seven member board to conduct much of its business in secrecy.

2. It grants these seven people the power to interpret the law and grant presumed immunity from prosecution by issuing advisory opinions.

3. It gives two committees of Congress veto power over the rules and regulations promulgated to administer and implement campaign finance legislation, thereby giving these two committees the power to control all regulations drawn under this law. Clearly, the Congress has a strangle-hold on enforcement and supervision of its own elections. Not only is the fox in charge of the chicken coop, he is living in the farm house and managing the farm.

Board of Supervisory Officers

Section 207 of the Committee bill establishes a seven member Board of Supervisory Officers composed of the Secretary of the Senate, Clerk of the House, Comptroller General, and one appointee each by the minority and majority parties in both the Senate and the House. The

four appointees are not subject to either executive review or congressional confirmation. Thirty percent of the staff is supposed to be composed of persons recommended by the minority. The Board supervises the administration of, seeks to obtain voluntary compliance with, and formulates overall policy with respect to the Federal Election Campaign Act of 1971 and certain provisions of the criminal code relating to elections.

The Board reviews rules and regulations and renders advisory opinions. It has the power to conduct investigations and hearings and subpoena witnesses. Interested parties may file complaints with the Board. The Board may refer the violation to the appropriate law enforcement authorities or the Attorney General. After such referral, the Attorney General must state within 60 days what action he has taken; and respond every thirty days thereafter until final disposition.

However, the creation of the Board fails to confront many of the basic problems inherent in the present administration and enforcement mechanism. Instead of eliminating the present conflict of interest situation, the Board maintains it. Not only will employees of the Congress be administering and enforcing election laws that affect their employers, but also direct appointees of Congress will be administering and enforcing these laws. The full-time supervisors will dominate the part-time appointees. This situation is clearly unacceptable.

Even with the most conscientious, diligent Board, public skepticism is certain to run high and there will be widespread doubt about the zeal and fairness of the Board's enforcement efforts.

The Clerk of the House, Secretary of the Senate and the Comptroller General administered the law in 1972. Despite a late start, the agencies labored heroically. The administration was not particularly bad, but it was not uniform.

The Clerk of the House generally performed well. Nevertheless, he did take several actions that did not seem to conform to the spirit of the 1971 law. Originally, he charged outside groups and individuals $1 per page to xerox reports, thereby thwarting the disclosure provisions of the 1971 Act. In addition, the Clerk, along with the Secretary of the Senate, wrote regulations that allowed contributors to secretly earmark and "wash" campaign funds. These practices were stopped in court.

According to the Justice Department, the Clerk did not promptly report some of the violations of title 18. The Clerk feels he is not required to report violations of title 18, even though the GAO has assumed this responsibility. Consequently, corporate contributions were in some cases not cited as violations of the law. The Justice Department became aware of this failure only because a court in the State of New York sent an inquiry asking whether or not a particular candidate had not been prosecuted for accepting corporate contributions.

The Clerk of the House waited until after the election to forward many of the violations to the Justice Department. The Clerk reported 5,000 unprocessed violations (most of them trivial or minor). The Clerk did not actively search for and investigate incomplete filings. Thus, some candidates may have been able to circumvent the law

by simply not reporting all of their contributions and expenditures. Since the Clerk apparently did not conduct any field investigations, the Justice Department was forced to re-examine and re-investigate many of the complaints reported by the Clerk. Further, the Clerk declined to make public the violations it referred to the Justice Department, so the public still does not know who did or did not allegedly violate the 1971 Act in the 1972 election.

The Secretary of the Senate also could have done a much better job. The Secretary did not refer failures-to-file and late filings to the Justice Department until after the election. It was not until April, five months after the general election, that the Secretary's office undertook to identify the more significant types of violations. Even then, the Secretary only reported violations which he thought were "willful."

Between June 1972 and February 1974, the General Accounting Office did report and follow up many violations, some of which were prosecuted. The GAO probably did the best job of the supervisory and enforcement agents. The GAO was also the agency which was the least politically encumbered and the most free from conflicts of interest. With the institution of the supervisory board, the GAO would have much less independence.

Under the committee bill, any notification of a violation or investigation made by the Board cannot be made public by the Board or any other person without the written consent of the person who is involved in the violation or investigation. Those who are in violation of the law will be able to determine if and when their transgressions are to be made public. The public's right-to-know will be thwarted.

The creation of a Supervisory Board would further exacerbate the crisis of confidence in Congress and the Federal government. With the general public already doubting the effectiveness and fairness of election laws, increasing and intensifying the present conflicts of interest will only serve to further reduce and perhaps irreparably harm the public's confidence in the political process.

Advisory opinion

Section 208 of the bill adds a new section to the 1971 Act to allow a candidate or political committee to request an "advisory opinion" from the supervisory board. If the supervisory board, after having made the request public and having given interested parties opportunity for comment, rules that the action does not violate the Act or criminal code amendments relating to campaign practices, any person who makes a good faith and reasonable effort to comply with the opinion shall be presumed not to be in violation of the law.

This provision would allow the Board to grant presumed immunity from prosecution to candidates and political committees. The Board, composed of employees and direct appointees of Congress, would have the potential power to revise the intent of the law.

Veto of regulations

Sections 205(b), 408 and 409 give the House Administration Committee and the Senate Committee on Rules and Administration veto power over the rules and regulations of not only the Clerk of the House and Secretary of the Senate, respectively, but also over the

rules and regulations of the GAO. The alleged purpose of this provision is to prevent the bureaucrats from changing the intent of the law, but this reasoning works both ways. If bureaucrats can change the intent of the law via promulgation of regulations, then so can a committee of Congress. The veto power robs the supervisory agencies of even the appearance of independence.

Summary

The House Administration Committee bill actually decreases the independence of the administrators and enforcers of the law in three ways: 1. Direct appointees and employees of Congress are given responsibility for administering and enforcing the law. 2. These same appointees and employees can issue advisory opinions which will grant presumed immunity from prosecution to candidates and committees. 3. Congressional committees will have veto power over the rules and regulations.

The committee's proposal does not affirmatively answer the most important question of all in the eyes of the public: will it reverse the long history of non-enforcement? If Congress's response to Watergate is to increase its control over Federal elections, then it will be hard to blame the public for becoming even more cynical and alienated.

Failure to file

The committee did pass a good amendment (section 205(a)(1)) that would require the supervisory officers to prepare and publish a list of those candidates who did file and those candidates who did not file reports. This has apparently been done by the Secretary of State of Pennsylvania with great success in increasing the percentage of those who comply with the law.

Disqualification of candidates

Section 302 of the bill provides that any candidate who fails to file will be disqualified from running for that office in the next election. Any decision by the Board of Supervisory Officers to disqualify a candidate for failure to file is subject to judicial review.

This penalty appears to be excessive, especially if the failure to file is inadvertent or accidental. More importantly, this provision is probably unconstitutional. Article I, section 2, clause 2 of the Constitution sets forth the sole qualifications for Representatives, and Article I, section 3, clause 3 sets forth the sole qualifications for Members of the United States Senate. Congress has no power to add to those qualifications. As was stated by the Supreme Court in *Powell* v. *McCormack*, 395 U.S. 486, 522, and 547 (1969), "the Constitution leaves the House (or the Senate) without authority to *exclude* any person, duly elected by his constituents, who meets all the requirements for membership expressly prescribed in the Constitution" and "the House is without power to *exclude* any member-elect who meets the Constitution's requirements for membership."

It is true that under the provisions of Article I, section 5, clause 1 of the Constitution that each House is the judge of the elections, returns and qualifications of its Members. This does not mean, however, that either House or the Congress as a whole has authority to add to

the qualifications prescribed by the Constitution for the office of Representative or Senator, or to prevent a successful candidate from being seated who has qualifications. Yet, this is the effect of section 302.

The Court, in *Powell* v. *McCormack*, took note of the fact that a House of Congress has, in the past, excluded a candidate for other reasons than failure to meet constitutional qualifications. The Court rejected such instances as precedent by saying "that an unconstitutional action has been taken before surely does not render that same action any less unconstitutional at a later date . . . we are not inclined to give its precedents controlling weight. And, what evidence we have of Congress' early understanding confirms our conclusion that the House is without power to exclude any member-elect who meets the Constitution's requirements for membership." (395 U.S. 546, 547)

Proponents of this provision claim that the Ohio courts have upheld a similar disqualification provision in the Ohio law. In particular, the courts ruled that Donald E. Lukens could not file for governor of Ohio in February 1973, because he failed to file a statement covering campaign receipts and expenditures as a successful candidate for the Ohio State Senate in 1972. However, this case is not comparable, because the office of governor of Ohio was not created by the United States Constitution, as was the Congress. The courts seemed to express the reservation that, if applied to Members of Congress, the law would be unconstitutional because of the *Powell* v. *McCormack* decision.

Statute of limitations

Any candidate or person who violates any campaign finance law must be prosecuted, tried or punished for such violation within three years after the commission of the violation. This provision, contained in section 302, also applies retroactively to the 1971 Act.

GAO Clearinghouse

The committee, by 16 to 2, voted to abolish the elections clearinghouse in the General Accounting Office. The clearinghouse was instituted by the Keating amendment to the 1971 Act and is the only good thing the Federal government does to aid State and local officials in administering Federal elections. Presently, the Federal government dumps the administration of Federal elections into the laps of these State and local officials who are in turn at the mercy of Federal rules and regulations. Since its inception, the clearinghouse has drawn up and conducted studies using the first list of all State and local election boards, and has conducted and is conducting, a wide range of studies on fraud, election administration and voter registration. It publishes a monthly summary of election case law and changes in Federal and State election law which is invaluable to many State officials and some congressional officers. The clearinghouse has also facilitated the dissemination of information between State and local election boards. In the next few years, it will probably save these boards millions of dollars by showing State and local officials more effective means of administering elections, helping them to avoid the purchase of faulty and excessively expensive voting machines and encouraging the computerization and modernization of registration systems.

Penalties

Section 101(e) increases the monetary penalties for violation of sections 608, 610, 611 and 613 of title 18. Similar high monetary penalties are called for under sections 614 and 615. Prison penalties are left unchanged. This increase in penalties should help make enforcement of the law more effective. Big contributors and corporations will no longer be able to circumvent the law by making huge contributions and then face only a $1,000 fine. They will be forced to pay considerably more for any violation of the law.

Increasing the difficulty of enforcement.

Sections 102 and 206 make certain exemptions to the definitions of contributions and expenditure, thereby rendering ineffective certain disclosure provisions of the Federal Election Compaign Act of 1971 and the contribution and expenditure limitations under title 18. These exemptions make effective enforcement more difficult.

For example, presently, candidates who do not fully disclose their expenditures and contributions can be caught fairly easily, because if they spend or receive something which they have not reported, then there is clearly a violation of the law. However, if certain exemptions are made under the disclosure provisions, then a candidate might claim that a contribution or expenditure that he failed to report was not covered, because it was exempted under the exceptions to the definition of contribution and expenditure. Except for the more flagrant abuses, enforcement of the 1971 disclosure provisions will be more difficult.

Similarly, without full disclosure, it will be difficult to ascertain whether or not a candidate or other person has violated a contribution or expenditure limitation.

ALTERNATIVE: THE FEDERAL ELECTIONS COMMISSION

Instead of maintaining or possibly weakening the present administration and enforcement provisions, the committee could have strengthened them by adopting an amendment, which will be offered on the floor by myself and Rep. Dante Fascell, as follows:

The Frenzel-Fascell amendment is a compromise between those who would like to see full criminal prosecution powers in a Commission and those who wish to maintain the present unsatisfactory administration-enforcement system. The Commission will become the supervisory officer for all Federal elections, replacing the GAO, Clerk of the House and Secretary of the Senate.

The Commission is designed to protect the rights of Members of Congress and other candidates, as well as the rights of the general public. Safeguards are provided which do not exist under the present law to prevent the filing of false complaints and unfair prosecutions. They are as follows:

1. If the Commission becomes aware of any violation, it must immediately inform all persons involved. If the Commission determines that the persons involved had been making and continue to make a good faith and reasonable effort to comply with the law and take immediate steps to bring about compliance, no further legal proceedings can be taken.

2. The Commission must, upon request, issue an advisory opinion on the legality of any transaction or activity under its jurisdiction. Any person who makes a good faith and reasonable effort to comply with an advisory opinion shall be presumed not to be in violation of the law.

3. The Executive Director and employees are strictly prohibited from making regulations and using the enforcement and subpoena powers of the Commission. These powers remain solely in the hands of the full-time members of the Commission.

4. Any person who knowingly and willingly files a false complaint or makes false statements to the Commission can be fined and imprisoned.

5. If a candidate is cleared of false charges by an independent Commission, the public will more than likely have confidence in and respect the Commission's finding. On the other hand, if a candidate, especially an incumbent, is cleared of false charges by the Board of Supervisory Officers, the public may believe the Board's decision smacks of cronyism or is the result of a special favor or deal.

All six members of the Commission are selected from lists submitted by Congress. The congressional leadership nominates and the President appoints only from these lists.

Since the Commissioners are full-time members and the Commission is an independent establishment of the executive branch, no Members of Congress may serve on the Commission.

Considerable controversy has arisen over the advisability of allowing Commission appointments to be made by the Watergate White House. Our Commission would only allow the President to choose from among names submitted by Congress. We gave the President this limited discretion mainly because Presidential appointment is absolutely necessary if the Commission is to be given any authority to enforce campaign finance laws in the courts. The Supervisory Board in the committee bill is not presidentially appointed and, hence has no enforcement powers and cannot be given these powers.

The Commission would be similar in structure to the independent agencies of the executive branch. Such independent agencies have been found to have the constitutional authority to enforce the laws under their jurisdiction. See e.g. *National Harness Manufacturer's Assoc.* v. *Federal Trade Commission*, 268 F. 705 (6th Cir. 1920); *United States* v. *Morton Salt*, 338 U.S. 632 (1950); *Texas and Pacific Railroad Co.* v. *Interstate Commerce Commission*, 162 U.S. 197 (1896).

The manner in which officers of independent agencies are appointed is controlled by Article II, section 2, clause 2 of the United States Constitution which states:

> (The President) shall nominate, and, by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, Judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law. But the Congress may, by law, vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments.

Whether the members of a Federal Elections Commission qualify as "officers of the United States" or as "inferior officers," it is clear from the Constitution that ultimate authority to appoint such members rests either with the President alone or with the courts of law or heads of departments, as Congress may designate by law.

Congressional appointment would be a usurpation of executive powers. In *Springer* v. *Phillipine Islands*, 277 U.S. 189 (1928), the Court stated:

> Legislative power, as distinguished from executive power, is authority to make laws, but not to enforce them or appoint the agents charged with the duty of such enforcement. The latter are executive functions. It is unnecessary to enlarge further upon the general subject, since it has so recently received the full consideration of this court . . . (in) *Myers* v. *United States*.

Although Congress does not have the authority itself to appoint the heads of independent agencies of other officers of the United States, it does have the power to circumscribe the President's power to nominate such officers. The contrary assertion that the mere grant of executive power confers upon the President the unfettered power of appointment is clearly inconsistent with statutes which restrict the exercise by the President of the power of nomination of officers of the United States.

Many of these statutes impose limitations upon Presidential appointments to Federal agencies. See e.g. Interstate Commerce Commission, 41 Stat. 456, 497 (February 28, 1920); Federal Trade Commission, 38 Stat. 717 (September 26, 1914); United States Tariff Commission, 39 Stat. 756, 795 (September 8, 1916). Of particular significance are those statutes which provide that the President may be restricted in his appointment to certain named individuals. See *United States* v. *Myers*, 272 U.S. 52.

In conclusion, it is constitutionally required under Article II that the President appoint the members of the Commission. However, it has been established by the courts and legislative practice that his power may be limited by Congress through designation of a list of individuals from which to choose.

To assure the Commission's independence, the members are chosen as follows: one from among individuals recommended by the Speaker and majority leader of the House, one from among individuals recommended by the majority leader of the Senate, one jointly by these three congressional leaders of the majority party, one by the minority leader of the House, one by the minority leader of the Senate and one jointly by the two congressional leaders of the minority party.

A Federal Elections Advisory Board, composed of members of Congress and appointees of the major political parties, is established to assure that Congress and the national parties have maximum input into the workings of the Commission.

The powers of the Commission are almost identical to those given the Board of Elections of the District of Columbia in the D.C. Campaign Finance Reform Act which passed the House by a 314–17 vote.

All criminal prosecution is left with the Justice Department. The Commission can conduct hearings and investigations on alleged or apparent violations. It can also petition the courts for declaratory or injunctive relief to bring about civil compliance with the law.

Since November 1972, sixteen States have enacted (Alaska, California, Connecticut, Florida, Georgia, Hawaii, Iowa, Kansas, Maryland, Massachusets, Minnesota, New Jersey, New York, Ohio, Washington and Wisconsin) and three States have greatly strengthened (Kentucky, North Carolina and Rhode Island) independent agencies to enforce State campaign finance laws. The Federal Elections Comimssion builds on that experience.

ADVANTAGES OF COMPROMISE INDEPENDENT FEDERAL ELECTIONS COMMISSION

1. *Restore public confidence*

By judiciously enforcing campaign finance reform legislation, a Commission could increase public confidence in the effectiveness and fairness of election laws, and indirectly, in public officials themselves. Attainment of a coordinated, fair and equitable enforcement-administration agent without the present appearance of conflicts of interest would help restore public confidence.

2. *Prevent unfair prosecutions*

Under the present system, the Justice Department has the power to prosecute even the most minor violations of the law. In 1972, the Clerk of the House referred 5,000 violations to the Justice Department. If Justice wanted to, it could prosecute most of the candidates (including most of the incumbents) that ran in the 1972 election. In the aftermath of Watergate, the Justice Department could seriously embarrass and end the political careers of many candidates and incumbents by simply prosecuting them for minor violations. The Commission would have the power and authority to prevent such unfair prosecutions.

The Commission is designed to provide for the protection of the rights of Members of Congress and other candidates as well as the rights of the general public. Several safeguards, already listed above, are provided which do not exist under existing law.

3. *Eliminate conflicts of interest*

Currently, a conflict of interest situation exists in which employees of the House and Senate are charged with identifying and reporting possible violations of the law committed by their employers. Even with the most conscientious and well-intentioned Clerk of the House and Secretary of the Senate, the public is certain to be skeptical and question the objectivity and zeal of their enforcement efforts against persons to whom they owe their jobs.

The House Administration Committee bill establishes a Board of Supervisory Officers which would place four direct appointees of Congress and three employees of Congress in charge of the administration and enforcement of election law. Instead of eliminating the present conflict of interest situation, the Board would maintain it by allowing employees and direct appointees of Congress to police elections.

4. *Reversing the past history of nonenforcement*

Historically, campaign finance reform legislation has been a failure because of the lack of effective enforcement. The Corrupt Practices Act was almost never effective in its 50 year life. The failure of the Justice Department to prosecute in 1972 is widely known. No administration or enforcement agency that is in any manner politically encumbered has ever done an adequate, consistent job in administering and enforcing election law.

5. *Reduce bureaucracy*

One criticism of the Commission has been that it would add still another bureaucracy to the growing proliferation of Federal agencies. To the contrary, the Commission would combine the present work of three agencies (Clerk of the House, Secretary of the Senate and GAO) into a single entity.

Although it was argued in 1971 that the present arrangement would prevent the need for creating additional bureaucracy, the fact is that the Clerk assigned over 20 employees to this function, the Secretary 8 and the GAO 26. The creation of a single Commission would combine these duties and should reduce the total number of employees needed to carry out the same functions.

6. *Increase coordination*

At present, four separate agencies—the Clerk of the House, Secretary of the Senate, Comptroller General, and Justice Department—are charged with enforcing the 1971 law. This makes it difficult to achieve fair, consistent and coordinated supervision and enforcement of the law. Such matters as preparation of reporting forms or interpretations of the law may be treated differently by each entity or may require burdensome and extensive consultation to achieve consistency. A single Commission would eliminate many of these problems.

7. *Visibility*

The Commission would have much greater visibility than an office or agency buried within the Clerk, Secretary, GAO or Justice Department. The press, the public, elected officials, the parties and political committees could carefully scrutinize the Commission's actions and lay the blame for any failure squarely with the Commission. With a highly visible Commission, the public would expect and have confidence in nonpartisan, vigorus enforcement of the law.

8. *Assure expeditious enforcement*

Any adminstration and enforcement mechanism must provide for continuous, smooth coordination between the administrators and enforcers of the law. Without it, many serious violations that could be disclosed before the election (when enforcement is most effective) will not be made public until long after the election is over.

With spending and contribution limitations, enforcement before the election may be all-important. A Commission would be able to take almost instantaneous action to curb illegal activities and protect the rights of honest candidates while exposing the violators.

II. DISCLOSURE AND EXEMPTIONS

Section 206 of the Committee bill makes certain exceptions to the definitions of contribution and expenditure for the purpose of *disclosure* under title III of the Federal Election Campaign Act of 1971. Section 102 makes these exemptions applicable to contribution and expenditure limitations under title 18.

These exemptions, which were proposed in good faith to deal with legitimate problems have several negative, potentially disastrous effects. Since some types of donations and disbursements formerly defined as contributions and expenditures are no longer included in that definition, candidates will no longer have to make full and complete *disclosure* of contributions and expenditures.

Secondly, as was previously noted, enforcement of both the *disclosure* provisions and of contribution and expenditure limitations may be much more difficult.

Thirdly, these exemptions may be used as loopholes by special interests and wealthy individuals to circumvent limitations and to channel funds, goods and services into Federal campaigns from hidden, subterranean and suspicious sources.

Fourthly, these loopholes make ambiguous the prohibitions on contributions in the name of another and contributions by unions, coporations and foreign nationals. Since the exemptions apply to these sections as well, if the Committee bill passes with the loopholes intact, the courts may decide that certain types of donations by unions, corporations and foreign nationals are permissible.

Originally, the loopholes in the Committee bill were substantial. After tentative approval by the Committee, however, they were cleaned up an tightened up to a large extent. Nevertheless, these exemptions are still loopholes and may have disastrous effects on election law if the courts linterpret them literally.

Food, travel, and personal property

Two exceptions are exempt up to $500 from both the definition of contribution and expenditure for the purpose of *disclosure* and contributions and expenditure limitations. Without full *disclosure* of these exemptions, it may be difficult to determine whether an individual or political committee has spent $500 or more under either of these exemptions. Through these loopholes, contributors can legally breach the $1,000 maximum contribution limit. These exemptions are as follows:

1. the use of real or personal property by any individual who is the owner of the property with respect to the rendering of voluntary services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises. This amendment was originally intended to cover only a person's home or a volunteer's van or car and was also created to allow friends of a candidate to have small receptions in their homes without becoming subject to the provisions of Federal election law. But this exemption's applicability is much wider. It would allow an individual or political committee to donate a computer, storefront, fleet of cars, printing

factory, perhaps even a television or radio station. It would also allow "fat cats" to stage large, fancy receptions, cocktail parties and dinners in their homes. The candidate would not have to disclose the first $500 of such use as a contribution or expenditure and would not have to credit the first $500 to spending and contribution limitations.

2. Any unreimbursed travel expense with respect to the rendering of volunteer services. The original intent of this exemption was to prevent candidates from being prosecuted for not reporting the travel expenses of volunteers or friends working in their campaign. However, the legislative language of this loophole is much greater than that. Candidates might not have to report their rides on privately owned jets, yachts etc. during a campaign. Costs of transportation of voters to polls could also be exempt.

These two loopholes could be reduced in scope and still preserve the intent of their advocates, but there is no real need for either of them. If the activities exempted by these loopholes are not part of the candidate's formal, organized campaign, they may be classified as an independent expenditure. Any person can make independent expenditures advocating the election or defeat of a candidate that do not exceed $1,000 without the candidate's knowledge or authorization. If such activities are part of a candidate's formal, organized campaign, then they should be reported and counted against his contribution and expenditure limitations.

Slatecards

The so-called slatecard amendment exempts from the definition of contribution and expenditure for the purposes of *disclosure* and contribution and expenditure limitations any payment by a State or local party committee for the costs of preparation, display, mailing or other distribution of a listing of three or more candidates for any public office. This exemption does not apply to costs incurred with respect to broadcasting stations, magazines and other similar types of general public political advertising (other than newspapers). There is no ceiling or limitation placed on such activity.

The original intent of the slatecard amendment was to allow parties to print slatecards, sample ballots etc. to educate voters and encourage straight party voting without being subject to the *disclosure* provisions and contribution and expenditure limitations in Federal law. The slatecard amendment would eliminate the difficult problem of trying to prorate the costs of these items to each candidate's campaign so that they can be reported and credited to a candidate's contribution and expenditure limitation. It would also prevent candidates from being prosecuted for party activities they do not have any knowledge of. This provision would be especially helpful in senatorial and presidential campaigns where a candidate may have no idea what a local party in a remote region of the State or country may be doing in his behalf.

Unfortunately, this amendment also opens up a loophole. State and local parties could send out numerous mass mailings, buy huge quantities of sample ballots and pay for dozens of advertisements in newspapers. As long as the candidate appeared or was involved with two

other candidates, the expenditure and source of the money would not have to be *disclosed*. Further, this might include mailings and newspaper advertisements that just incidentally mention two other candidates. Since State and local party committee is not defined, this provision could be widely abused. Special interests and wealthy individuals might set up dummy party committees and pump in thousands of dollars for a candidate's mailings or advertisements and would not have to *disclose* these donations as contributions.

This exemption is not needed. Both State and local and national parties could be allowed to spend funds independently of a candidate without that candidate's being forced to credit these expenditures to his limitations. The recently passed Senate bill (S. 3044) contained such a provision. State and local and national parties were each allowed to spend up to $10,000 in a House race and $20,000 or 2 cents per voter in any other race for Federal office.

The 1971 law already gives the supervisory officers discretion and flexibility in allowing State and local party committees to avoid disclosing and prorating expenses on behalf of specific Federal candidates. Under section 306(c), the supervisory officers may relieve any category of political committees of the obligation to comply with reporting requirements if the committee primarily supports persons seeking State or local office, does not substantially support any Federal candidate and does not operate in more than one State or on a statewide basis. A similar provision would be written into title 18 to cover contribution and expenditure limitations.

Fund raising

Any costs incurred by a candidate for fund raising purposes, provided that they do not exceed ¼ of the candidate's total spending limit, will be exempted from the definition of expenditure for the purposes of the expenditure limitations. This exemption does not apply to fund raising efforts made through broadcasting stations, newspapers, magazines, outdoor advertising facilities and other similar types of general public political advertising. This provision is another loophole, but is one that is actually needed.

A major goal of campaign finance reform is to encourage the solicitation and raising of small contributions. Yet, it generally costs considerably more to raise funds in small amounts. If candidates and political committees are forced to credit to their limitations all fund raising costs, then there will be a huge incentive to raise money in large chunks, thus defeating one of the major purposes of reform. By exempting fund raising costs from contribution and expenditure limitations, the Committee bill encourages candidates to raise sums in small amounts. Further, since these costs must be *disclosed*, the basic integrity of the 1971 Act is maintained.

The Committee bill also exempts fund raising costs by broad-based political committees. These costs cannot be incurred with respect to broadcasting stations, newspapers, magazines, outdoor advertising facilities and other similar types of general public political advertising. There is no limitation on such activities.

This provision is not really needed since it is unlikely that fund raising costs by broad-based political committees that give to many

candidates will actually be prorated and credited to the candidates' own limitations. To assure that these costs aren't prorated and credited, legislative history can be made on the floor specifically exempting these costs.

A loophole is opened by this exemption. Five or more candidates, especially in large metropolitan, may get together and set up dummy fund raising committees. These committees would spend considerable sums on mass mailings and other similar fund raising techniques. They would give $5,000 to each candidate, but would actually spend much more in their behalf by using fund raising techniques to increase the candidates' name recognition and popularity. Such activities would not be credited to the candidates' contribution and expenditure limitations.

Vendors

The sale of food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal charge, but at a charge at least equal to the cost of food or beverage is exempted from the definition of contribution for both the purposes of disclosure and of contribution limitations. This exemption may not be needed, since food and beverage purchases are largely exempt under another exception. Nevertheless, this provision does allow friends to give the candidate large amounts of food at a discount price without *disclosure.*

Since corporations and labor unions may be included as vendors, they may be able to make indirect contributions by selling candidates food and beverages at extremely cheap prices without even having to *disclose* such activities. It is also reasonable to assume that incumbents will have better luck in receiving these unreported gifts from whiskey merchants, provisioners, and innkeepers than their challengers.

Communications to membership organizations

The committee bill exempts from both the *disclosure* provisions and expenditure limitations any communication by any membership organization to its members, as long as the group is not organized primarily for the purpose of influencing Federal elections. Thus, any special interest group whose primary purpose is not to influence Federal elections could engage in campaign efforts which might parallel those being conducted by the candidate's organization.

Miscellaneous

There are three other exemptions in the committee bill, all of which appear to be non-controversial.

1. Any news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publication is exempted from the definition of expenditure, unless such facilities are owned or controlled by any political party, political committee or candidate. This provision is basically in conformity with the law already, although it may exempt some special interest publications which may be extremely useful and effective to certain candidates during a campaign.

2. Nonpartisan registration activity designed to encourage individuals to register to vote or to vote is exempted from the definition of expenditure. This activity is exempt anyhow.

3. Finally, any communication which is not made for the purpose of influencing an election is also exempted from the definition of expenditure. This seems to ratify existing law, but may be aimed at exempting an incumbent's newsletter and other similar publications (which are exempted anyhow).

Almost all of these exemptions are not needed. The Committee's problem is that its spending limits are too low. These exemptions acknowledge a need for candidates to spend in excess of $75,000. Raising the limit would accomplish the same purpose and assure full disclosure.

Common Cause amendment

Section 206(a) attempts to bring under the disclosure provisions of the 1971 Act groups such as Common Cause and the Environmental Policy Center (which attempt to influence the public by publishing information about incumbents and their records) by extending the definition of political committees to include those that commit any act for the purpose of influencing, directly or indirectly, the election of any person to Federal office. This section, however, will probably not force groups such as Common Cause to report because the phrase "act for the purpose" would require the Government to prove intent. This will be extremely difficult to prove in a court of law.

Duties of the supervisory officer

Section 205(a) eliminates the provisions of the 1971 Act that require the supervisory officers to publish an annual compilation of total contributions and expenditures made by candidates in the preceding year. It also eliminates the preparation of special reports and analyses of campaign financing trends and patterns. Finally, it eliminates the requirements that the supervisory officers assure wide dissemination of statistics, summaries and reports.

Thus, private individuals and public interest groups will be the public's only source of concise information about the *disclosure* information filed by candidates. The provision that eliminates the requirement that the supervisory officers consolidate data and publish summary reports may help to frustrate and reduce the usefulness of *disclosure*. Without these summaries, the public may find itself confronted only by a maze of reports and forms. The main purpose of *disclosure*—the dissemination to the public of information about candidates' sources of funds and disbursements—will be thwarted. Also, without the section encouraging wide dissemination, the Clerk and the Secretary might read the intent of the law as being that the reports remain locked up in their offices or be available to the public for only limited time periods.

Sale of cumulative index

Section 205(a) also adds a provision that requires the supervisory officers to publish a cumulative index of reports and statements in the Federal Register at regular intervals and to make the index available for purchase for a reasonable price. This would be a welcome addition to the present system.

Central or principal campaign committee

Sections 201 and 202 provide that every candidate for Federal office must designate a principal or central campaign committee and that all reports of other committees established to support that candidate must be funneled through the central committee. The purpose of these sections is to assure accountability and stop efforts to circumvent *disclosure* via the proliferation of committees. In addition, only the central committee may make expenditures on behalf of a candidate. Since the Committee's loophole definition of expenditure applies to these sections, this provision is not as effective as it could be. Candidates can simply use the exemptions to circumvent the law and spend money through other committees.

These two sections have two other good provisions. They delete the current requirements that a political committee include a notice on the face of all literature that a copy of its reports is available from the Superintendent of Documents, and the requirement that the Public Printer publish annual reports on the contributions and expenditures of every registered candidate or political committee. These provisions will lessen the burden on candidates, save the taxpayers millions of dollars, while at the same time not weakening the *disclosure* provisions of the 1971 Act.

Sections 201 and 202 could be further strengthened by adoption of the Cook amendment requiring that all expenditures made on behalf of a candidate who has received the nomination of his political party for president be specifically approved by the chairman of the political party or his designated representative.

Reports

Section 203 reduces the number of reports a candidate must file, thereby reducing the administrative burden on candidates, while at the same time assuring that the disclosure provisions are in no way weakened. Instead of a 5 day and 15 day report, there is a single 10 day report which is complete as of the fifteenth day before the election. Reports are also filed on the thirtieth day after the election and must be complete as of the twentieth day after the election. In any year in which an individual is a candidate, a report must be filed between December 31 of that year and January 31 of the following year. Reports must also be filed quarterly. If, however, a candidate or political committee both receives contributions and makes expenditures of less than $1,000 during a quarter in a non-election year, then no quarterly report is required. When the last day for filing a quarterly report occurs within ten days of an election, the quarterly report is waived. Finally, any contribution of $1,000 or more received after the final pre-election report must be reported within forty-eight hours after its receipt. The national acknowledgement on all reports should be eliminated and the candidate and his committee should report on the same form.

Transfers

Section 203 also requires that when a candidate files a report, he shall include not only the total sum of contributions and expenditures, but also contributions and expenditures less transfers between com-

mittees. This provision will alleviate the problem whereby it appears a candidate has spent $100,000, when actually he spent only $50,000, because half of the expenditures (or contributions) were transfers between his own committees.

Date of filing

Section 204 allows quarterly and post-election reports to be delivered by registered or certified mail and provides that the United States postmark stamped on the cover of the envelope shall be deemed the date of filing.

III. CONTRIBUTION LIMITATIONS

The committee bill limits contributions by political committees to candidates for Federal office to $5,000 per election. For the purposes of this limitation, a political committee is a committee which has existed for a period of not less than 6 months which has received contributions from more than 50 persons and has made contributions to 5 or more candidates for Federal office. State committees of a political party are not required to contribute to 5 or more candidates in order to qualify.

All other persons may contribute $1,000 per election to any candidate for Federal office.

A candidate for Federal office may contribute up to $25,000 from his own personal funds or the funds of his immediate family.

A candidate may pay off from his own funds or the funds of his immediate family, any campaign debt incurred before December 31, 1972.

The contribution limitations contained in the Committee bill will be somewhat ineffective and difficult to enforce, because of the exemptions the bill makes to the definition of contribution for the purposes of disclosure and the limitations.

Even if the exemptions are eliminated, there are several other problems with the way the contribution section is worded and drafted.

1. Endorsed or guaranteed loan loophole

The underlying rationale behind contribution limitations is that a person who provides large amounts of money to a campaign gains, or appears to gain, undue influence over the recipient candidate.

However, the definition of contribution contained in the committee bill does not specifically exempt loans from State or national banks. Originally, this exemption was necessary in order that such loans not be considered a contribution by the bank. Such loans are extremely useful in the early phases of campaigns before fund-raising efforts begin to show a return.

It is common practice for such loans, especially loans to political committees, to be endorsed by one or more individuals of sufficient means to repay the loan in case the recipient should fail to do so. Such endorsements must be reported by the recipient, but there is no mention of them in the definition of contribution in the contribution limitation section.

With the adoption of contribution limitations, these endorsements emerge as a major problem. They represent a gaping loophole through

which individuals can still make large amounts of money available to a campaign. The contribution limitation cannot prevent anyone from endorsing loans in amounts as large as a bank will approve. Even if the loan is repaid, the endorser has demonstrated his ability to make large amounts of money available to a campaign, and would almost certainly acquire whatever undue influence accrued to individuals who formerly were able to make large contributions.

Moreover, this practice would enable wealthy candidates to endorse loans to their own campaigns in excess of the present limitation of $25,000 on expenditures from personal funds, an advantage which candidates of modest means would not enjoy.

If the recipient of the loan is unable to repay it, further complications arise. If the endorsed loans exceed $1,000, the endorser has either violated the law in the course of fulfilling a legal obligation openly and legitimately assumed, or the contribution limitation is essentially meaningless.

An amendment to repair this section was offered to require endorsements of bank loans to be treated as actual loans by the endorser for the purposes of reporting and the limitations. Under the terms of the amendment, no person would have been able to make contributions, loans, or endorsements of loans to any candidate or committee which total more than $1,000. This seemed to be a reasonable way of dealing with a major loophole, but the committee saw fit to reject it.

2. *Separate elections*

The contribution limitation applies separately to each election, but the bill does not state what qualifies as an election. Under the definition of election, a candidate could conceivably receive from one individual: $1,000 for a party convention, $1,000 for a primary, $1,000 for a primary run-off and $1,000 for the general election, or a total of $4,000. Similarly, special interest committees could conceivably give up to $20,000. Since the enforcers of the 1971 Act have had considerable trouble interpreting the meaning of election, language should be drafted to alleviate this problem.

3. *Further contribution loopholes*

Even if such language is added, an individual could still contribute up to $4,000 ($1,000 for the nomination+$1,000 for the general election+$500 for each of the two exemptions or $1,000+$1,000 in independent expenditures). He could also funnel money into the state and local parties that could be used for slatecards, sample ballots and newspaper advertisements which feature the candidate with two or more other candidates briefly mentioned. A political committee could contribute $12,000 plus donate money to state and local party committees for slatecards, newspaper advertisements, etc.

4. *Special interest contributions*

A recent Common Cause survey found that special interests groups have a total of $17.4 million in funds available for the 1974 congressional races; almost twice as much as the same groups reported spending on behalf of candidates in the 1972 congressional elections. Further, the prime fund raising season has not even started. Obvi-

ously, special interest groups have not learned much from Watergate. Public confidence will only be further undermined by the unleashing of this mammoth warchest. If public confidence is to be bolstered, then special interest money must be stringently regulated.

While it is the intent of the committee that wealthy individual and special interest groups be prohibited from proliferating their committees to circumvent the contribution limitations, there is no specific legislative language which prevents proliferation. Some special interest groups presently have ten, fifteen or twenty committees. These special interests could conceivably give up to almost a quarter of a million dollars ($12,000 x 20) to a candidate. While the committee's legislative history may be sufficient to prohibit such proliferation, a safer way would be to write legislative language into the bill.

Under the committee bill, an individual can give up to $25,000 to a political party or special interest committee supporting more than one candidate. However, the earmarking language in the bill prevents an individual from channeling funds to a particular candidate through these political parties and political committees. Nonetheless, an individual could give several thousand dollars to a particular party or special interest committee, knowing full well that a substantial part of that money would end up in the hands of a particular candidate. In addition, special interest committees can give unlimited amounts of funds to political parties and political committees supporting more than one candidate. Some limits might be placed on such giving.

The committee's $5,000 limit on special interest committees should be reduced to $3,000, $2,500 or perhaps even $1,000. A major purpose of this legislation is to discourage special interest influence, yet special interest groups are allowed to give five times as much as an individual.

Ideally, these problems could be eliminated by prohibiting the use of special interest money. Because this might be unconstitutional, all contributions should at least be identified as to the original donor. Special interest groups would only be allowed to act as the agents of individual contributors. This provision would reduce considerably special interest influence gained via political contributions. It would stimulate individual interest and participation and would prevent a few "bosses" from dictating political decisions to the many people in the organization. Such an amendment, offered by Rep. Caldwell Butler, was defeated by a vote of 14 to 12 in the committee.

5. *Contributions "in-kind"*

The committee left unchanged the status of "in-kind" contributions. The committee defeated a needed amendment to prohibit such contributions. Under the present disclosure language, "in-kind" contributions must be reported as contributions, but the law should be more specific as far as limitations are concerned.

6. *Authorized committee loophole*

The bill, as drafted, states that if a contribution is given to a political committee authorized by the candidate *in writing* to accept contributions for that candidate, then that contribution is treated as a contribution to the candidate. This language leaves a major loophole. It allows a candidate to receive contributions in excess of the limits simply

by having the contributions go to a political committee of the candidate which is not authorized in writing to accept contributions for the candidate. This loophole is best closed by describing the limit in terms of a contribution made "to or for the benefit of a candidate" rather than just "to a candidate" and/or requiring that any political committee which is raising money for a specific candidate has to be authorized in writing by that candidate in order to raise money for him.

7. *Campaign trips by the President and Vice President*

The President and Vice President are often required either by law or the Secret Service to fly an official plane to political events. The cost of such a trip often runs into the tens of thousands of dollars. Would this count as a contribution? Certainly, it should not. If it does, the President or Vice President might unavoidably or inadvertently violate the contribution limitations. Also, the candidate might exceed his expenditure limitation. For the purposes of the limitations, the cost of such trips must be considered what it would normally cost a person to travel by commercial airline.

8. *Aggregate limits*

The bill limits the aggregate amount an individual can contribute in one year to all candidates to $25,000. However, the exemptions under the definition of contribution apply to this section, so an individual can in reality give more than this amount.

IV. EXPENDITURE LIMITATIONS

The committee bill sets expenditure limitations of $10 million for candidates for nomination for President; $20 million for the general election for President; 5¢ times the population of the geographical area or $75,000 for nomination for election, or election, to the Senate (whichever is greater); $75,000 for nomination for election, or election, to the House of Representatives, Delegate from the District of Columbia, or Resident Commissioner; and $15,000 for nomination for election, or election, for delegate from Guam or the Virgin Islands.

The bill also allows any person to make independent expenditures advocating the election or defeat of a candidate not to exceed $1,000.

The bill repeals the media limitations in the 1971 Act so that candidates will have greater flexibility in how they use their campaign funds.

To assure that these limitations do not become outdated, the bill contains a cost of living escalator clause.

The exemptions under the definition of expenditure for the purposes of disclosure make the limitations ineffective and most difficult to enforce. Without full disclosure, it is impossible to know how much a candidate is spending. Further, the fund raising exemption specifically allows candidates to spend up to $18,750 in additional funds in a House race.

If an expenditure limitation is to be enacted, it should be straightforward and not fraught with loopholes. Public confidence will not be helped by a low limitation that can be easily circumvented through loopholes.

The spending limits in the bill could conceivably have a salutary effect. However, there is simply not enough information available on the cost of campaigns on which to attempt to establish realistic spending limitations. Higher limits should be established until we have better data.

States and congressional districts differ greatly geographically and in economic, social communications, and other factors. Campaign conditions, requirements and costs vary greatly in different parts of the country. There is no formula which can be used to gauge what is the proper amount to spend on a campaign. Placing the same limitation on total spending for all areas is bound to be discriminatory unless the limit is set high enough to account for the varying conditions.

The spending limits in the bill have a pro-incumbent bias. Low limits like those in the bill would tend to limit a challenger's ability to compete effectively. A $90,000 or $100,000 limitation for a congressional campaign may sound generous to reformers or to incumbents who re-election does not require spending of amounts anywhere near that figure. However, for the challenger a limitation of $75,000 imposes nearly impossible problems. With today's costs there is no way a challenger can make himself known over a well-known incumbent under stringent circumstances. In 1972, incumbents won well over 95% of the time, and the 12 challengers that did beat incumbents averaged expenditures of $125,000.

Incumbents have a formidable array of weaponry available to them. They have staff allowances. Legitimate staff legislative work frequently overlaps the political function. They have the franking privilege. Legitimate use of the frank can be extremely helpful politically, and the use of postal patron mailings is commonly thought to be a powerful political device as well as a necessary and legitimate means of communicating with constituents. Incumbents also have name and face recognition because they have ready access to the media. Since most political expense is directed toward name recognition, the incumbent need not spend nearly as much as a challenger even though he can raise funds more easily.

Higher spending limits will not mean excessively high spending. While political spending is increasing at a rapid rate, political spending in the United States is still not excessively high. While total spending for all political campaigns was $400 million in 1972, this figure was still less than the combined advertising budget for Proctor and Gamble, Ford and General Motors for the same year. Four times as much is spent on advertising for drugs and cosmetics. In 1972, advertising for all U.S. companies totaled $22.5 billion. Is this a rational allocation of national priorities? Should the cost of the debate on which type of soap suds or car to buy exceed by fifty times the cost of the debate on the important political issues of our time?

Furthermore, the costs of campaigning in the United States are not significantly higher than the corresponding costs in some nations and are actually lower than in many other countries. An index of political expenditures compared to the economic development of a country found a range of from 27¢ for Australia to $21.20 for Israel. The United States, at $1.12, was clustered near India and Japan at the lower range of the index.

While the amount of expenditures in a campaign is not the only variable affecting the number of people who vote, a reduction in expenditures would lead to a reduction in advertising and campaigning which might very well further reduce citizen interest and participation. Low limitations tend to reduce opportunities for voters to learn about candidates, but even more signficantly, low ceilings reduce the opportunities for voters to learn more about politics.

In setting strict limitations on the common person's ability to get himself or herself elected to Congress, the committee's bill would fail to do anything about the problem of the man who brings not money but other resources to the election. The celebrity, sports figure, the movie star and other famous individuals all have had their advertising done for them as a result of their occupations. They don't need to spend money on their political campaigns. Financial restrictions imposed on their opponents simply insure an unequal contest and deny the common man a chance to serve in Congress.

Low, stringent, sweeping overall expenditure limitations may invite violations of the law because such violations may be extremely difficult to document or prove. It gets progressively harder to keep track of what a candidate or his supporters are spending on such easily manufactured items as bumper stickers or other types of printed materials. Extreme limitations would increase incentives for circumvention of the law.

The belief that the committee's spending limits are too low is bolstered by a careful, voluminous study of the 33 Senate races in 1972 by a group of political scientists at Harvard. The study argues that the purpose of a political campaign is not just to elect the candidate, but also to inform the candidates, educate the electorate and encourage wider political participation.

> Watergate and related events tend to place the issue in the context of preventing excessive spending and controlling "corruption". The idea is that the less money spent, the less needs to be raised, and thus the purer the process. Completely neglected in this statement of the issue is the need for campaigns to serve the broader public purposes and currently proposed spending limits just wouldn't permit this to be done.

Even though 24 of the 67 candidates would have violated a limit of 25¢ per adult, and 47 would have violated a 10¢ limit, few candidates or campaign managers felt they had adequately carried out the broad goals of education and involvement. "If campaigns are to fulfill any of the functions listed above . . . the present level of spending is much too low, if anything" the Harvard study contends. It suggests that 50¢ per adult might be a sufficient figure—a total of $77 million in Senate general election campaigns, over three times the $24 million reported in the 1972 races.

Tight spending limits also substantially favor incumbents, according to the survey. Of the 25 incumbent Senators running for reelection in 1972, only six were outspent by challengers and three of them lost. Of the 20 Senate candidates spending below 10¢ per adult, the only four to win were all incumbents who ran against challengers who spent even less than they did. The only incumbent to spend more than

25¢ per adult and lose was Caleb Boggs of Delaware who was outspent by challenger Joseph Biden. Present proposals, it continues, are "far too low to achieve any conceivable purpose other than to maintain incumbents in office."

The independent expenditure limitation in the committee bill would allow an individual to spend $1,000 on dozens, perhaps even a hunddred candidates. To assure there are no abuses of this exemption, an aggregate limit of $5,000 should be set on independent expenditures.

V. OTHER CRIMINAL CODE AMENDMENTS

Contributions by government contractors

Section 103 allows government contractors to set up separate, segregated funds. This eliminates the present ambiguity whereby corporations and labor unions who have government contracts may or may not be able to set up such funds for their members or employees to contribute to while those without contracts can.

Formerly, government contractors were prohibited from making and soliciting contributions, except possibly through separate, segregated funds. The committee's loopholes will now aply to government contractors as well as to individuals, Since these contributions will also be exempt from disclosure provisions, they will be difficult to monitor and will be subject to considerable abuse.

Contributions by foreign nationals

Section 101(d) prohibits contributions by foreign nationals. Since the definitions under section 591 do not apply to section 613, the meaning of contribution is not clear. If the definitions for this title are made to apply, foreign nationals will be able to use the exemptions or loopholes to circumvent the law. They will be able to give real and personal property, etc., as long as their donations under the exemptions do not exceed $500. Again, since these donations are also exempt from disclosure provisions, they will be extremely difficult to monitor and enforce.

Contributions in the name of another

Section 101(f) prohibits contributions in the name of another.

Cash contributions

Section 101(f) prohibits cash contributions in excess of $100.

Excessive honorariums

Section 101(f) limits the amount of honorariums an officer or employee of any branch of the Federal government can accept to $1,000 per appearance, speech, or article and to an aggregate of $10,000 in any calendar year. This provision is aimed particularly at those who enjoy full-time, relatively good paying government jobs, but who earn large fees for speechmaking. Some Members of Congress earn more than their salary each year by speaking to groups who will be limited as to how much they can give in campaign contributions, but not in honorarium contributions.

VI. PUBLIC FINANCING

General

Section 403 makes appropriations to the Presidential Election Campaign Fund automatic.

Section 404 limits the amount a candidate can receive from the Presidential Election Campaign Fund to $20 million in a general election.

Section 405 makes payments from the Fund payable upon initial certification of eligibility, not upon certification of each expense.

Party conventions

Section 406 of the committee bill provides for $2 million of taxpayers' funds for each major party's convention. Minor parties receive an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive as the number of popular votes received by the candidate for President of the minor party in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the major parties.

National parties may not make expenditures over and above the $2 million limit, unless the supervisory board determines that there are extraordinary or unforeseen circumstances.

Presidential primaries

Matching taxpayer financing is provided in presidential primaries. The funds for the presidential primaries are supplied by the Presidential Election Campaign Fund. In order to qualify for funds, a candidate must raise contributions of $250 or less totaling $5,000 in each of 20 States. Once he reaches the threshold, all aggregate contributions of $250 or less will be matched on a one for one basis. A candidate can receive up to $5 million in public funds.

Payments to candidates of the same political party cannot exceed 45% of the total amount available, while payments to any one candidate cannot exceed 25%. Candidates are subject to the same basic provisions as they would be under the Presidential Election Campaign Fund. The House Administration Committee and Senate Committee on Rules and Administration can veto any rules and regulations promulgated to administer the presidential primary fund.

Pros and cons of public financing

The pros and cons of public financing are well-known. I personally feel that any advantages that might possibly accrue under a system of public financing are outweighed by the potential negative effects it would have on the electoral process. In particular:

1. There is nothing inherent in public financing that will magically and instantly purify the elections process. Even with full public financing, special interest influence will not necessarily be reduced and the law and its spirit will still be broken, innocently and willfully.

2. Incumbents will be protected and challengers discouraged. A challenger has much less name recognition. In order to compensate for the many legitimate advantages of an incumbent (franking privileges, access to media, large personal staff, seniority, free office space

and services), a challenger must commence campaigning early and spend considerably more. While in 1972 the typical challenger who beat an incumbent spent $125,000, almost all public financing bills will provide all candidates with only a small fraction of this amount.

3. Subsidizing campaigns from the Federal treasury will discourage citizen interest and participation, and make candidates less responsive to the demands, needs and concerns of the people. This reduction in interest, participation and responsiveness might further depress voter turnout and foster alienation and cynicism among the general public.

4. Public financing forces the taxpayer to support candidates who are in opposition to their own political views. Public financing denies the taxpayer the right to designate where his or her contribution will go. Worse, there is no personal contribution under the check-off. The check-off is a delusion, because it only allows a taxpayer to apportion some one else's money.

5. Full public financing is an infringement of freedom of speech. Public financing would deprive individuals of the long-enjoyed right of giving money to support candidates of one's choice. Any such prohibition or stringent limitation on giving is probably unconstitutional.

6. Public financing will weaken the party structure. With public financing, parties would have less reason to be responsive to their constituencies. Also, elected officials who receive their campaign funds directly from the Federal government will feel no obligation to their parties.

7. Public financing will unfairly discourage the formulation and operation of serious third or new parties. In so doing, it will dry up important sources of ideas and outlets for dissent and permanently enshrine the present two weak political parties (which in turn it further weakens).

8. Public financing is discriminatory in that it allows one individual to contribute thousands of dollars worth of time and labor, while another individual—perhaps handicapped or ill—cannot make a similar contribution in money.

9. Public financing will take control of the elections from the people and put it into the Federal bureaucracy. The people have little enough left in this country. We should not take their elections away too.

VII. MISCELLANEOUS

Preemption of State law

Sections 104 and 301 preempt State law. This is a welcome change which will insure that election laws are consistent and uniform and that candidates for Federal office do not bear the burden of complying with several different sets of laws and regulations.

Political activities by State and local employees

This bill allows State and local government employees to participate in political campaign activities. This needed change will open up the political process to greater numbers of people. These employees are still prohibited from running in partisan elections.

Taxes

Presently, candidates must pay income taxes on the funds left-over from the last campaign. The committee bill exempts candidates and political committees from this requirement.

Political parties

If this bill passes in its present form, national political party committees, including congressional and senatorial campaign committees, may be forced, for all practical purposes, to go out of business. State and local party committees will not be much better off. The committee bill limits contributions by political committees to $5,000. The definition of political committee clearly includes and encompasses national and State and local political party committees. The definition of contribution clearly includes "in-kind" goods and services.

The national committees and Democratic and Republican Senatorial and Congressional Campaign Committees currently provide invaluable services to both incumbents and challengers. They have large staffs with considerable expertise in public relations, campaign financing and campaign organization. They provide television and radio services (including recording studios) and myriad other services. All of these staff expenses and public relations services will have to be credited and prorated to individual candidates' contribution and expenditure limitations. Both the national committees and Senate and Congressional committees would probably spend up to their $5,000 contribution limit per candidate before the election. Candidates would then be forced to provide these services on their own. These political party committees would then be unable to give any funds directly to candidates' campaigns. The $5,000 limitation would be especially absurd in presidential races and in senatorial races in large States.

This limit becomes even more restrictive when, as is presently the case, most of the action is centered in 50 House races and 10 Senate races. Currently, much of the parties' efforts are channeled into these races. Party involvement in these competitive races would be drastically curtailed under the committee's bill.

While overall, in the short run, Republican party organizations will probably be hurt the most, Democratic organizations will also suffer greatly, because they concentrate such a large portion of their resources in a few key races.

This limitation also lends an even greater pro-incumbent bias to the committee's bill. The political parties are frequently most instrumental in defeating incumbents. They are the organizations best able to channel into a particular area the large amounts of resources and funds needed to beat well-known incumbents. Yet, the Committee bill would essentially prohibit these activities and further insulate incumbents.

State and local political parties might fare little better. For example, the Democratic State Central Committee of Iowa spent over $177,000 in the 1972 election, but might be limited to about $40,000 under the committee bill. The Republican Party of Wisconsin spent over $680,000, but would be limited to around $50,000 under the committee's limits. While it is true that these State committees could be divested of their fund raising efforts on behalf of candidates, such an action would greatly weaken these organizations. Powerful Re-

publican suburban organizations and big city Democratic organizations would face similar problems.

A possibility would be that parties would begin spending large amounts in party primaries, thereby increasing intra-party conflict, creating considerable bitterness and further weakening the party system.

Political parties are the most broadly based groups in the political process and have a great potential for revitalizing our society. Strengthening the role of the parties in the political process may be as important a reform as changing the present system of campaign financing.

In many other democratic nations, the political parties provide a strong focus and rallying point for the consumer or public interest. In the United States, the weak political party system provides no match for the powerful special and vested interests. Yet, somewhat paradoxically, the committee bill further weakens political parties, thereby reducing the potential for harnessing and regulating the powerful special interests.

In its haste to reform our present system of campaign financing, the committee has weakened the party's control over candidates. There will be less and less reason for candidates to work together to formulate party policy and to adhere to party policy decisions. The party system may become hopelessly splintered and could even disintegrate. Given the political instability in European countries with fragmented party systems, such a change may undermine the very foundations of our political system.

National, State and local party committees should be exempted from the contribution limitations. Reformers assert that this will create a gaping loophole. To the contrary, a stronger party system is perhaps the most significant reform needed in the present political system. Further, if a $5,000 limitation is placed on how much a party organization can accept from an individual or committee, wealthy individuals will not be able to gain excessive influence. Also remember that since secretive earmarking and laundering are prohibited under the committee bill, no individual will be able to earmark more than $1,000 to any particular candidate. A political party exemption would not create a loophole and would be an invaluable addition to the Committee's bill.

If a straight-out party exemption is unacceptable, the House should consider an alternative proposal that was adopted by the Senate. Both national and State and local party committees should be able to make expenditures on behalf of a candidate totaling $10,000 in a House race and $20,000 or 2¢ per voter (whichever is greater) in both Senatorial and Presidential races. Such a provision would allow the parties to play a strong role in the electoral process, while at the same time assuring that limitations are placed on their activities.

AMENDMENTS

Campaign finance reform directly affects the lives and livelihood of every member of this body. Each member should have the opportunity to make his contribution to this piece of legislation. I am already

aware of many amendments that may be offered. Other members I have not spoken with will undoubtedly have their own amendments. I will offer a number of major amendments to improve the bill, including amendments to establish an independent Federal Elections Commission, delete the loopholes, increase the spending limits and allow the parties a greater role in candidates' campaigns. I may also offer about ten amendments based on the recommendations of the Senate Watergate Committee. While it is conceivable that an "amateur night" might ensue if all of these amendments are offered, I have sufficient confidence in the Members of this body to believe that open, fully democratic proceedings are the way to obtain the best bill possible.

SUMMARY

After a late start, the Committee has worked diligently to produce an elections bill. Despite its deficiencies, it should be promptly brought to the floor for the necessary repairs. After amendment, it should be passed. The American public has waited long enough for a positive, straight-forward response to Watergate. We should not pass just any bill, but one that will, as much as possible, be free of loopholes and one that will restore public confidence in the integrity of the electoral process. The sooner we pass this bill, get it into and out of conference and on to the President's desk for signing, the better off everyone will be.

BILL FRENZEL.

ADDITIONAL VIEWS OF MR. BUTLER

I was disappointed that the committee did not see fit to adopt amendments to deal with several problem areas of the bill. I offered three admendments which I felt would have improved the bill, and I still believe there is a need for action in these areas. A brief explanation of the problem and proposed solution follows:

1. POOLED CONTRIBUTIONS

It is my considered opinion that the use of political action committees as conduits for political contributions of particular special interest groups is one of the great evils of American politics today. Lobbying groups which also handle contributions have placed themselves in a position where they cannot serve their proper function, which is to educate and assist their representatives, without the suggestion of impropriety arising from past or potential financial contributions to the representative's campaign.

I offered an amendment which would have prohibited the pooling of contributions by special interest groups, requiring that all contributions to a candidate or party committee be identified as to the original donor, and that the donor designate the candidate or party committee which is to receive his contribution. This approach avoids the possible Constitutional challenge which might accompany an effort to prohibit outright contributions from other than individuals.

2. ENDORSEMENTS OF BANK LOANS

Under the existing law, loans are considered contributions to political candidates or committees. There is an exception for loans made by banks.

I proposed to amend the law to provide that, for the purposes of defining a political contribution only, endorsers of bank loans to political candidates are to be considered lenders in the amount of the unpaid balance of the loan. This balance would be divided equally among the endorsers if there are more than one.

This will, of course, bring such endorsements within the contributions limitations proposed in the bill. There will be no change in existing reporting requirements, as the Clerk now requires that all bank loans and their endorsers be reported on a single form, and their repayment on a different form.

My purpose is to insure that no one is able to use endorsements of bank loans as a means of circumventing the contributions limitation.

3. VOLUNTARY LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

There are many who contend that statutary limitations on contributions and expenditures for political campaigns are unconstitutional.

I propose to provide that any agreement between all the candidates for any single federal office to abide by the spending and contributions limitations set forth in this legislation would be valid and binding on the parties to the agreement, even if the courts ruled a portion of the law with reference thereto unconstitutional.

Such agreements would be filed with the appropriate supervisory officer on forms to be approved or supplied by him. There would be no criminal penalties for violation of such an agreement, with the parties to each agreement being left to existing civil remedies for enforcement.

This would be a reasonable solution to what could become a major problem.

M. CALDWELL BUTLER.

HOUSE FLOOR DEBATES ON H.R. 16090

House of Representatives

WEDNESDAY, AUGUST 7, 1974

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The fruit of the Spirit is in all goodness and righteousness and truth.—Ephesians 5: 9.

Almighty God, who hast gathered our people into a great nation and art calling them to live together with justice and good will, renew our spirits in Thee and restore to us a good relationship with those with whom we live and work.

Look with Thy favor upon those who serve our country here on Capitol Hill. Grant unto them wisdom of mind, strength of character, goodness of heart, and so direct them in their decisions that peace and justice may prevail for the benefit of all our people.

We pray especially for our President, our Speaker, and every Member of Congress. Make them equal to their high tasks, just in the exercise of power, generous in judgment, and always loyal to the royal within themselves.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 30, 1974:

H.R. 7207. An act for the relief of Emmett A. and Agnes J. Rathbun;

H.R. 9440. An act to provide for access to all duly licensed clinical psychologists and optometrists without prior referral in the Federal employee health benefits program;

H.R. 11295. An act to amend the Anadromous Fish Conservation Act in order to extend the authorization for appropriations to to carry out such act, and for other purposes; and

H.R. 15461. An act to secure to the Congress additional time in which to consider the proposed amendments to the Federal Rules of Criminal Procedure which the Chief Justice of the U.S. Supreme Court transmitted to the Congress on April 22, 1974;

H.R. 377. An act to authorize the Secretary of the Interior to sell certain rights in the State of Florida; and

H.R. 3544. An act for the relief of Robert J. Beas.

On August 5, 1974:

H.R. 14592. An act to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 566. Concurrent resolution to provide additional copies of hearings and the final report of the Judiciary Committee on the impeachment inquiry.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12281. An act to continue until the close of June 30, 1975, the suspension of duties on certain forms of copper.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11577) entitled "An act to extend and expand the authority for carrying out conservation and rehabilitation programs on military reservations, and to authorize the implementation of such programs on certain public lands," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HART, Mr. MOSS, Mr. STEVENS, and Mr. COOK to be the conferees on the part of the Senate.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 15155, PUBLIC WORKS APPROPRIATIONS, 1975

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent that the managers have until midnight tonight to file a conference report on the bill (H.R. 15155) making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

(Mr. VANIK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

[Mr. VANIK addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

PERSONAL STATEMENT

(Mr. HANLEY asked and was given permission to address the House for 1 minute.)

Mr. HANLEY. Mr. Speaker, I rise today to announce that my vote in favor of the Giaimo amendments to reduce funding for the Safeguard ABM system was incorrectly recorded.

I have consistently supported funding for the Safeguard system and I have every intention of continuing to do so.

I believe that continuation of this program is essential to our Nation's efforts to develop a more advanced system such as site defense. The practical experience we would gain in the operation of Safeguard would prove invaluable in the development of site defense.

To support the emasculation of Safeguard now, after nearly 20 years of ABM research and $4.9 billion expended would seem to me to be the height of fiscal folly.

CONGRESSMEN'S STATEMENTS ON WATERGATE INAPPROPRIATE

(Mr. RUTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUTH. Mr. Speaker, there has been some interest in my response to the many questions we have all received concerning the impeachment inquiry. For the record I insert my response at this point.

STATEMENT OF EARL B. RUTH—AUGUST 6, 1974

During the entire Watergate investigation, my feeling has been that statements by Congressmen were not appropriate. Primarily, I have felt that as one sitting on the impeachment jury an open mind is a prerequisite for fairness.

Those who have made premature statements have convinced me that my position is correct. Many of their statements have been influenced by either what they hoped to be true or what they suspected to be fact.

As evidence unfolds, I feel that if and when a Representative is called upon to cast a vote the issue will be more clear-cut, which in reality is the purpose of the investigation.

I realize that the current flurry of comment is due to the President's latest statement and it is very tempting to try interpreting these recent developments. However, with things happening so fast, just as yesterday's statement can have no relevance to events of today, so can today's statement be outmoded tomorrow.

FOURTH ANNUAL REPORT ON GOVERNMENT SERVICES TO RURAL AMERICA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-330)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Agriculture and ordered to be printed:

To the Congress of the United States:

I am transmitting herewith the fourth annual report on Government Services to rural America as required by the Agricultural Act of 1970.

RICHARD NIXON.

THE WHITE HOUSE, *August 7, 1974.*

PROVIDING FOR CONSIDERATION OF H.R. 16090, FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1292 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1292

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16090) to impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes, and all points of order against title IV of said bill for failure to comply with the provisions of clause 4, rule XXI, are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on House Administration, the bill shall be considered as having been read for amendment. No amendment, including any amendment in the nature of a substitute for the bill, shall be in order to the bill except the following: In title I, (1) germane amendments to subsection 101(a) proposing solely to change the money amounts contained in said subsection, providing that said amendments have been printed in the Congressional Record at least one calendar day before being offered; and (2) the text of the amendment to be offered on page 13, following line 4, inserted in the Congressional Record of August 5, 1974, by Mr. Butler. In title II, (1) germane amendments to the provisions contained on page 33, line 17 through page 35, line 11, providing they have been printed in the Congressional Record at least one calendar day before being offered; and (2) the amendment printed on page E5246 of the Congressional Record of August 2, 1974. In title IV, (1) germane amendments which have been printed in the Congressional Record at least one calendar day before they are offered, except that sections 401, 402, 407, 409, and 410 shall not be subject to amendment; and (2) the text of the amendment printed in the Congressional Record of August 2, 1974, at page H7597, which amendment shall be in order, any rule of the House to the contrary notwithstanding: *Provided, however,* That not withstanding the foregoing provisions of this resolution, amendments to any portion of the bill shall be in order, any rule of the House to the contrary notwithstanding, if offered by the direction of the Committee on House Administration, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 456]

Blaggi	Gude	Powell, Ohio
Blatnik	Hansen, Idaho	Randall
Brasco	Hansen, Wash.	Rarick
Burke, Calif.	Harrington	Reid
Chisholm	Harsha	Riegle
Clark	Holifield	Rooney, N.Y.
Clay	Ichord	Roybal
Conyers	McKinney	Ruppe
Coughlin	McSpadden	Scherle
Davis, Ga.	Macdonald	Smith, N.Y.
Diggs	Mollohan	Stark
Downing	Murphy, N.Y.	Stokes
Edwards, Ala.	Nedzi	Sullivan
Esch	Owens	Ullman
Gisimo	Patman	Wiggins
Gray	Podell	Wylie

The SPEAKER. On this rollcall 386 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION TO FILE CONFERENCE REPORT ON S. 2510, CREATING FEDERAL OFFICE OF PROCUREMENT POLICY

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the Senate bill S. 2510.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

CONFERENCE REPORT (H. REPT. NO. 93-1268)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2510) to create an Office of Federal Procurement Policy within the Executive Office of the President, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the text of the bill, insert the following:

That this Act may be cited as the "Office of Federal Procurement Policy Act".

DECLARATION OF POLICY

SEC. 2. It is declared to be the policy of Congress to promote economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch of the Federal Government by

(1) establishing policies, procedures, and practices which will require the Government to acquire property and services of the requisite quality and within the time needed at the lowest reasonable cost, utilizing competitive procurement methods to the maximum extent practicable;

(2) improving the quality, efficiency, economy, and performance of Government procurement organizations and personnel;

(3) avoiding or eliminating unnecessary overlapping or duplication of procurement and related activities;

(4) avoiding or eliminating unnecessary or redundant requirements placed on contractor and Federal procurement officials;

(5) identifying gaps, omissions, or inconsistencies in procurement laws, regulations, and directives and in other laws, regulations, and directives, relating to or affecting procurement;

(6) achieving greater uniformity and simplicity, wherever appropriate, in procurement procedures;

(7) coordinating procurement policies and programs of the several departments and agencies;

(8) minimizing possible disruptive effects of Government procurement on particular industries, areas, or occupations;

(9) improving understanding of Government procurement laws and policies within the Government and by organizations and individuals doing business with the Government;

(10) promoting fair dealing and equitable relationships among the parties in Government contracting; and

(11) otherwise promoting economy, efficiency, and effectiveness in Government procurement organizations and operations.

FINDINGS AND PURPOSE

SEC. 3. (a) The Congress finds that economy, efficiency, and effectiveness in the procurement of property and services by the executive agencies will be improved by establishing an office to exercise responsibility for procurement policies, regulations, procedures, and forms.

(b) The purpose of this Act is to establish an Office of Federal Procurement Policy in the Office of Management and Budget to provide overall direction of procurement policies, regulations, procedures, and forms for executive agencies in accordance with applicable laws.

DEFINITION

SEC. 4. As used in this Act, the term "executive agency" means an executive department, a military department, and an independent establishment within the meaning of sections 101, 102, and 104(1), respectively, of title 5, United States Code, and also a wholly owned Government corporation within the meaning of section 101 of the Government Corporation Control Act (31 U.S.C. 846).

OFFICE OF FEDERAL PROCUREMENT POLICY

SEC. 5. (a) There is established in the Office of Management and Budget an office to be known as the Office of Federal Procurement Policy (hereinafter referred to as the "Office").

(b) There shall be at the head of the Office an Administrator for Federal Procurement Policy (hereinafter referred to as the "Administrator"), who shall be appointed by the President, by and with the advice and consent of the Senate.

tially similar provisions found in subsections 5(a) and 5(d) of the House amendment.

Subsection 6(c)

This subsection of the conference substitute incorporates provisions found in the House amendment (subsection 5(a)) excluding nonappropriated fund activities from the scope of the act. This takes the place of a similar provision in the Senate bill (subsection 6(d)(4)) which was limited to *military* nonappropriated fund activities. The conference substitute also incorporates a provision in the Senate bill, but not in the House amendment, for the Administrator to conduct a study of procurement by nonappropriated fund activities and report to the Congress within two years.

Subsections 6 (d), (e)

The conference substitute adopts a combination of language in the Senate bill (subsection 6(c)) and the House amendment (subsection 5(b)) enumerating six specific functions of the OFPP. There are a number of clarifying changes, including one to make clear that the OFPP will recommend and promote rather than oversee Civil Service Commission and other agency procurement personnel programs. The conference substitute also drops one enumerated function in the Senate bill (subsection 6(c)(2)) as redundant to another enumerated function (subsection 6(d)(3) of the conference substitute).

Subsection 6(e) of the conference substitute incorporates provisions in the Senate bill (subsection 6(c)(8)) and in the House amendment (subsection 5(c)) for the OFPP to consult with executive agencies in the development of policies, regulations, procedures, and forms. The conference substitute adopts the Senate language authorizing designation of other agencies to coordinate agency views.

Subsection 6(f)

The conference substitute incorporates with minor changes the provisions found in the House amendment (subsections 5(d) (1) and (2)) to rule out any authority of the OFPP to interfere with executive agency procurement actions or determinations of procurement needs. Counterpart provisions were included in the Senate bill (subsections 6(d) (1) and (2)).

A provision in the Senate bill (subsection 6(d)(3)) defining the authority of the and forms was deleted as redundant to other OFPP to deal with procurement procedures and forms was deleted as redundant to other provisions in the conference substitute (subsection 6(a)) giving the OFPP general authority over policies, regulations, procedures, and forms.

Subsection 6(g)

To assure that the OFPP will not have its procurement reform role diluted, the conference substitute includes specific language that, except as otherwise provided by law, the Administrator will have only those functions expressly assigned by the act. The conferees do not wish the Administrator to be burdened with extraneous responsibilities or to have any of his functions transferred elsewhere.

SECTION 7—ADMINISTRATIVE POWERS

The conference substitute incorporates substantially identical provisions found in the Senate bill (subsection 7(b)) and the House amendment (section 6) providing for executive agencies to furnish the OFPP with services, personnel, facilities, and access to records. The conference substitute omits other administrative provisions found in subsections 7(a) and 7(c) of the Senate bill as no longer necessary or appropriate in view of placement of the OFPP in the OMB.

SECTION 8—RESPONSIVENESS TO CONGRESS

Subsection 8(a)

The conference substitute incorporates modified language of the Senate bill (subsection 8(a)) for the Administrator to keep the Congress and its committees fully and currently informed and to submit annual and other reports on the major activities of the Office. The conferees agree that this wording is to be given a reasonable interpretation permitting submission of information on a summary basis at intervals consistent with the intent of this subsection. The conference substitute omits a provision in the Senate bill (subsection 8(b)) requiring the Administrator and OFPP personnel to testify before Congress. The conferees agree that it would be anomalous to spell out this requirement for the OFPP without a similar requirement for all executive officials. Nevertheless, the conferees expect that OFPP personnel will be available for information and testimony before congressional committees, and there is no intent to imply that the OFPP, or any other office, is beyond the reach of congressional committees.

Subsection 8 (b), (c)

The conference substitute incorporates a provision for the Administrator to give 30 days' advance notice of any proposed major policy change to the Committees on Government Operations of the Senate and the House of Representatives, with a description thereof, a summary of reasons, and the names of OFPP representatives designated for consultation with the committees. This reporting requirement is intended also to extend to policies implementing executive orders. This is a modified version of a provision found in the Senate bill (subsection 8(c)) but not in the House amendment. The conference substitute adds a provision for waiver by the President in emergency cases, but omits a provision for the proposed policy to be rendered ineffective by resolution of either House within 60 days.

SECTION 9—EFFECT ON EXISTING LAWS

The conference substitute follows the language of the House amendment (section 8) making any authority of executive agencies to prescribe policies, regulations, procedures, and forms subject to the authority of the OFPP. The Senate bill included a substantially similar provision (section 9).

SECTION 10—EFFECT ON EXISTING REGULATIONS

The conference substitute adopts a Senate bill provision (section 10) continuing existing procurement policies, regulations, procedures, and forms in effect until repealed, amended, or superseded by OFPP action. A substantially similar provision was contained in the House amendment (section 9).

SECTION 11—AUTHORIZATION OF APPROPRIATIONS

The conference substitute incorporates, with changes, the provisions in the Senate bill (section 11) authorizing appropriations. As changed, this provision authorizes appropriations not to exceed $2 million for the fiscal year ending June 30, 1975, of which not more than $150,000 is to be available for research, and authorizes appropriations as may be necessary for each of the four fiscal years thereafter. It also provides that subsequent legislation to authorize appropriations is to be referred in the Senate to the Committee on Government Operations. The authorization of $2 million for the first fiscal year is in lieu of the $4 million authorized in the Senate bill, and in lieu of the $1 million estimated by the report on H.R. 15233 of the Committee on Government Operations (H. Rept. No. 93-1176, pp. 6-7).

The conference substitute is in lieu of a provision in the House amendment (section 10) which indefinitely authorized such unspecified sums as may be necessary to carry out the act. However, the conference substitute does include language, reflecting the House amendment, that appropriations shall be available "for no other purpose." This is intended to assure that such appropriations will be used only for activities of the OFPP and will not be mingled with appropriations for other OMB activities.

SECTION 12—DELEGATION

The conference substitute incorporates a Senate provision (section 12) authorizing delegation to OFPP personnel, and also to other agencies of any OFPP authority except the basic authority of OFPP to direct procurement policy and prescribe policies and regulations. The wording is changed specifically to authorize redelegation as provided in a counterpart provision of the House amendment (section 11). The House amendment did not include the restriction as to delegating the basic authority of the OFPP.

SECTION 13—ANNUAL PAY

The conference substitute adopts the provision of the House amendment (section 12) for compensating the Administrator at Executive Level IV ($38,000) rather than Executive Level III as provided in the Senate bill (section 13).

SECTION 14—ACCESS TO INFORMATION

Subsection 14(a)

The conference substitute incorporates identical provisions found in the Senate bill (subsection 14(a)) and the House amendment (section 13) giving the Comptroller General access to records of the OFPP.

Subsection 14(b)

The House conferees receded from their objection to subsection 14(b) of the Senate bill and accepted a modified version thereof in the conference substitute. There was no similar provision in the House amendment. This subsection of the conference substitute requires the Administrator to open to the public certain formal, scheduled meetings of the OFPP concerning the establishment of procurement policies and regulations and specifies that a ten-day notice will be given of such meetings. The Administrator is to designate the meetings subject to this subsection and prescribe, by regulation, the procedures to be followed in the conduct of such meetings. Although the Administrator is given authority to determine the need for and conduct of the public meetings, in general, it is intended that the formal meetings of the Office will be conducted so as to give substantial visibility to its rulemaking determinations. This subsection complements the provisions of subsection 6(d)(2) calling for the timely, effective solicitation of the viewpoints of interested parties, and is in line with the policy declaration in subsection 2 (9) on improving the understanding of procurement policies.

SECTION 15—REPEALS AND AMENDMENTS

The conference substitute adopts with technical changes provisions in the House amendment amending four sections of the Federal Property and Administrative Services Act to make the authority of the Administrator of General Services to issue regulations and forms subordinate to the authority conferred on the OFPP Administrator to prescribe procurement policies, regulations, procedures, and forms under this act. The Senate bill covered two similar amendments to the Federal Property and Administrative Services Act. The technical changes in the conference substitute make clear that no authority is given to the OFPP Administrator apart from that specifically conferred by other provisions of this act.

CHET HOLIFIELD,
FERNAND J. ST GERMAIN,
DON FUQUA,
FRANK HORTON,
JOHN N. ERLENBORN,
Managers on the Part of the House.

LAWTON M. CHILES,
SAM NUNN,
WALTER D. HUDDLESTON,
WILLIAM V. ROTH,
WILLIAM BROCK,
Managers on the Part of the Senate.

PROVIDING FOR CONSIDERATION OF H.R. 16090, FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The SPEAKER. The gentleman from Texas (Mr. YOUNG) is recognized for 1 hour.

(Mr. YOUNG of Texas asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Nebraska (Mr. MARTIN), for the purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1292 provides for a modified open rule with 2 hours of general debate on H.R. 16090, the Federal Election Campaign Act Amendments of 1974.

House Resolution 1292 provides that all points of order against title IV of the bill for failure to comply with the provisions of clause 4, rule XXI—prohibiting appropriations in a legislative measure—are waived.

House Resolution 1292 also provides no amendment, including any amendment in the nature of a substitute for the bill, shall be in order except the following: in title I: First, germane amendments to subsection 101(a) proposing to change the money amounts regarding contribution and expenditure limits contained in that subsection, providing that the amendments have been printed in the CONGRESSIONAL RECORD at least 1 calendar day prior to being offered; and second, the text of the amendment to be offered on page 13, following line 4, inserted in the CONGRESSIONAL RECORD by Mr. Butler on August 5, 1974, pertaining to the consideration of bank loan endorses to be counted as contributors.

In title II: First, germane amendments relating to the composition of the Board of Supervisory Officers provisions contained on page 33, line 17 through page 35, line 11, providing they have been printed in the CONGRESSIONAL RECORD at least 1 calendar day before consideration; and second, the amendment printed on page E5246 of the CONGRESSIONAL RECORD of August 2, 1974, relating to a change in the composition of the Board of Supervisory Officers and also deleting the authority of congressional committees to review campaign regulations. In title IV: First, germane amendments which have been printed in the CONGRESSIONAL RECORD at least 1 calendar day before they are offered, except that sections 401, 402, 407, 409, and 410—pertaining to public financing for Presidential campaigns—shall not be subject to amendment; and second, the text of the amendment printed in the CONGRESSIONAL RECORD of August 2, 1974, relating to matching public financing for congressional elections, which shall be in order, any rule of the House to the contrary notwithstanding.

House Resolution 1292 also provides that amendments to any portion of the bill shall be in order, any rule of the House to the contrary notwithstanding, if offered by the direction of the Committee on House Administration, but such amendments shall not be subject to amendment.

H.R. 16090 places limitations on campaign contributions and expenditures, it facilitates the reporting and disclosure of the sources and disposition of campaign funds by centralizing campaign expenditure and contribution reporting. The bill also establishes a Board of Supervisory Officers to oversee enforcement of and compliance with Federal campaign laws and strengthens the law for public financing of Presidential general elections and authorizes the use of the dollar checkoff fund for financing Presidential nominating conventions and campaigns for nomination to the office of President.

Mr. Speaker, I urge the adoption of House Resolution 1292 in order that we may discuss, debate, and pass H.R. 16090.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 4 minutes.

(Mr. MARTIN of Nebraska asked and was given permission to revise and extend his remarks.)

Mr. MARTIN of Nebraska. Mr. Speaker, House Resolution 1292, as the gentleman from Texas (Mr. YOUNG) has explained, provides for 2 hours of debate on this very important piece of legislation.

Unfortunately, however, this resolution provides practically for a closed rule on the bill that will be debated by this body this afternoon. The Members can carefully go through the rule and the bill itself and they will find that really only three amendments are in order:

First, in regard to the amount of money which a candidate may expend or the amount of money which may be contributed to a candidate's campaign;

Second, an amendment may be offered in regard to changing the composition of the Board of Supervisory Officers, which amendment will be offered by the gentleman from Minnesota (Mr. FRENZEL);

And then the third amendment will be in order in regard to endorsers of loans from banks to political campaigns. This is another loophole in this present bill.

Those in essence are the only 2 amendments to be allowed to the bill itself.

Mr. Speaker, without going into all of the details of the bill, I would like to point out some of the loopholes that we are confronted with in this piece of legislation. The American people are demanding, Mr. Speaker, that the Congress enact tough legislation to tighten the laws in regard to campaign receipts and campaign expenditures in the conduct of campaigns. This bill does not meet the criteria that the American people are demanding today.

Let me point out further some of the loopholes in this legislation. First, we have the so-called slatecard expenditures. This provides that a committee or an organization may expend any amount that it wishes in regard to candidates in a situation where there are three or more candidates included in the advertising without being reported nor counted in the total expenditures of that candidate from his receipts.

This is restricted somewhat, but newspaper ads can be taken out by labor unions, the American Association of Manufacturers, the chamber of commerce, or other groups if three or more candidates are advertised through this means. This is a wide loophole which disregards the total expenditures as set forth in this legislation.

Mass mailings may be made by these organizations. Sample ballots may be distributed and, as I said, newspaper ads may be covered.

Then we have another loophole in this bill which allows a $500 limit of personal property, so-called. This would allow fat cats or friendly people to stage receptions, cocktail parties, and dinners in their homes for the purpose of promoting the candidacy of a particular Member running for Federal office. This also is not included in the total expenditures reported.

Rides on private jets or airplanes or donated travel, such as hauling a candidate around his district in an automobile, and so forth, is not reported. This is another loophole.

A fourth loophole concerns vendors, in regard to the sale of food or beverages at reduced prices for receptions or dinners by people friendly to a particular candidate.

The SPEAKER. The time of the gentleman has expired.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, there are exemptions also for organizations in communications to their members where these organizations are not organized primarily for the purpose of influencing political elections.

Mr. Speaker, again I point out there are far too many loopholes in this legislation, and there is no chance, and I repeat, no chance at all, to offer amendments to change these provisions. Therefore, Mr. Speaker, we propose, on our side of the aisle, to make an attempt—and I hope it will be successful—to vote down the previous question, and I urge the Members to vote "no" on the previous question. I intend then to offer a resolution which provides for an open rule, not requiring that the amendments to be offered be published in the CONGRESSIONAL RECORD 1 calendar day previously. Also that the bill shall be read by title rather than by section. I urge the Members to vote "no" on the previous question.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Ohio (Mr. HAYS).

(Mr. HAYS asked and was given permission to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, I was a little surprised to see the gentleman from Nebraska riding in here on a white horse because the gentleman has never been noted in my time here of being such a champion in carrying out election reforms.

Just let me take a minute or two to clear the air a little bit about the loopholes the gentleman talks about. We do provide in the bill—and I think it is a sensible provision—that if some woman gives a coffee party in her own house, and invites 30 or 40 of her neighbors in, that she does not have to report to the Federal Elections Commission, which is set up in this bill, that she made a contribution to a candidate, and the candidate, who may not know about it and

failed to report it, could be subject to legal sanctions if he did not report it.

If that is a great big loophole, then I will argue this with you all afternoon. There is a limit on it.

We have a couple of committee amendments that were adopted in the committee this morning, and which will be offered to further tighten it up. The gentleman from Minnesota (Mr. FRENZEL) was concerned about them, and the gentleman is satisfied that these amendments we will offer will make it workable.

It was not the intention of the committee to create great big loopholes. It was the intention of the committee not to have anyone who might want to engage in a little neighborhood politics subject to indictment, fine, and imprisonment, because they did not know that if they spent $20 for cookies and coffee they had to make a report to the Federal Elections Commission.

What we tried to do is put a tight limit with some sensible—and I emphasize the word sensible—exemptions.

What about the travel amendment? We are saying—and I am paraphrasing some language—we further tightened that up with a committee amendment that if a person voluntarily, on his own, comes into the gentleman's district to help him, then his expenses which he pays for up to $500 shall not be considered a contribution. That is all.

We are saying, furthermore, these are the big loopholes the gentleman is talking about, that if one gives a reception on his own as a fund raiser and he has a friend who has a motel, or any other place that he can hold a reception in, and he sells the person the food and beverage at wholesale price, that the difference between the wholesale price and the retail price is not considered a contribution.

He may not sell it to the person at less than cost. He may not lose a dime on it. If he does, that becomes a contribution, and that, again, to the extent of $500. If it is $600, he has got to list it.

These are just some commonsense exemptions that we have found over the past few years that we had better write into law, because if we do not we are going to have some rulings that just make it impossible to comply with the law.

Let me just give the Members one example of what I am talking about. Under the laws of the State of Ohio, one has to pay $50 filing fee and have 100 signatures or he cannot get on the ballot. That is the law. The secretary of state of Ohio, who is not a great friend of mine, says this is not a campaign expenditure; it is a legal requirement.

But under the rules promulgated by the Commission, they told me that I had to file—and I did not realize this until I had already filed—an amended return saying that I had contributed $50 to myself and then another set of papers saying I had spend $50 to pay the election board my filing fee.

That appealed to me as so ridiculous that I refused to do it. I simply wrote a letter to the Clerk of the House and I said, "I went to the Election Board and filed my papers, and I reached in my billfold and paid $50, which the law requires, and I have a receipt for it. You can consider that as saying I made a contribution to myself and, therefore, spent it, or anything you want to, but this letter is all I am filing."

I had the letter notarized, and I sent it in. Up to now I have not been indicted, but I may be. I cannot tell.

All we are trying to do in this bill is pass a tight expenditures law. I want to reiterate again for the benefit of those who supported the substitute 2 years ago which was floated by my friend, the gentleman from Illinois (Mr. ANDERSON), who stood on this floor and said: "We do not need limitations; we just need disclosure; that will do the job," the bill I brought to the floor 2 years ago had limitations of $15 million on a Presidential campaign. I do not say this with any pleasure, but I will say this, if that bill had been passed and the substitute had not been passed—and I know it was not in the name of the gentleman from Illinois (Mr. ANDERSON), but it was his bill; he got Mr. BROWN or somebody else to introduce it for him, but it was his bill——

The SPEAKER. The time of the gentleman has expired.

Mr. YOUNG of Texas. Mr. Speaker, I yield 2 additional minutes to the gentleman from Ohio.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I just want to make a point. I am sure the gentleman now in the well would not mislead the House. When I said I did not think we need the limitations, I was referring to overall limits.

Mr. HAYS. Mr. Speaker, I cannot yield any further; I do not have the time.

I will say that if we had limitations in the amount I specified 2 years ago, the country would not be in the trauma it is in today, because all of these people would not have been running around all over the country with bags full of money.

In retrospect, the President could have been elected for $4.59 given the situation we were in.

Mr. DAVIS of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from South Carolina.

Mr. DAVIS of South Carolina. Mr. Speaker, I thank the gentleman for yielding.

I rise in support of the resolution. I ask that we do not vote down the previous question. I just say simply that if we vote down the previous question and do not have this rule and adopt some of the amendments that are floating around, it will make the Hatch Act look like the Bill of Rights.

Mr. HAYS. I think the gentleman has summed it up better than I could.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield to the gentleman from Alabama (Mr. DICKINSON) 3 minutes.

Mr. DICKINSON. Mr. Speaker, I want to say why I am going to oppose this rule. I would like to get the attention of the Members because I think this is probably something they have not thought of before. I favored the idea of requiring the printing of proposed amendments in the CONGRESSIONAL RECORD at least one calendar day prior to their consideration, but I had never envisioned that in its infinite wisdom the Rules Committee would not provide any guarantee of at least 24 hours so that the Members could comply with this requirement.

This is the situation we are faced with now. We are considering adopting a rule that requires on its adoption that we have to have gone back to yesterday and have printed in the RECORD something that will make it in order to introduce today. How can this be so? We were told, some of us on the inside, that this was going to be so, and some of us did get our amendments put in the RECORD yesterday. But what are we doing?

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I yield, but I have only a few minutes.

Mr. HAYS. I appreciate the gentleman's cooperation.

Mr. Speaker, I announced to the House last night we would do this when there were at least 250 Members here on the floor, for whatever that is worth.

Mr. DICKINSON. That is all right. I happen not to have been here. But if 250 Members were here, that means about 250 Members were not here. They had no notice and even those present had no staff in their office due to the lateness of the hour.

I think the basic fundamental constitutional right of the Members is being abrogated and threatened if we start this type of procedure. What we are saying is that we must have at least 1 calendar day notice to get one's amendment printed, but immediately upon adoption of this rule we go right into the bill. There is no way one can protect himself unless one is privy to what is going on inside the committee or has some knowledge of it.

The "Rules of Proceedings" say:

In the exercise of their constitutional power to determine their rules of proceedings, the House of Congress may not "ignore constitutional restraints or violate fundamental rights, and there should be a reasonable relation between the mode or method of proceeding established by the rule and the result which is sought to be attained.

If we start this type of procedure, then no Member can ever be sure that he will be allowed to introduce an amendment even if it would normally be in order and it would be germane. We are denying to the Members of the House the right to offer an amendment that would normally be in order, that would be acceptable, but if he does not have the knowledge ahead of time that the rule would require him to do this, then he is precluded.

For this reason I urge the Members to vote down the rule and the previous question.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Tennessee (Mr. JONES).

(Mr. JONES of Tennessee asked and was given permission to revise and extend his remarks.)

Mr. JONES of Tennessee. Mr. Speaker,

I support the motion and I support the rule on H.R. 16090.

This is a very complex bill which the House Administration Committee has spent many long hours writing and rewriting. In size alone, it numbers 79 pages, more than double the length of the committee print we started with last March.

I think that all of us on the committee learned a lot during the hearing and markup process. There is a tendency to think that we are all experts on political campaigns and on election law. And that may be true in our own districts. But this bill is bigger than the Seventh Congressional District of Tennessee. It is being proposed as a new law to govern the conduct of all candidates for Federal office and all political committees that get involved in the campaigns of any candidate for Federal office anywhere in the country.

We have produced a good bill. It took a long time and it was not easy. It is not a perfect bill; there are still points of controversy. But under this rule, amendments will be offered to answer every doubt a Member may have about this bill.

Public financing of elections is one of the controversial points. H.R. 16090 provides for a complete package of public financing for the 1976 Presidential election. I favor that, because it is in the Presidential election that millions of dollars are required, where the public is demanding that we put a stop to the excessive influence of the special interests. We need to make sure that the abuses of 1972 do not happen again, and that is the reason I am supporting the idea of paying for the next Presidential election out of the dollar check-off fund.

Some people think we need to extend public financing to House and Senate elections as well. I disagree. I think we ought to give this new idea a trial run in the 1976 Presidential primaries to see how it will work. But to my colleagues who want to extend public financing to congressional races, let me assure you that you will get a chance to vote for such an amendment under the rule we are considering.

Then, there are some who feel we need to change the enforcement mechanism. Personally, I think Pat Jennings, the Clerk of the House, has done an outstanding job overseeing the thousands of pages of reports which candidates must file. As far as I can discover, there have been no complaints about the operation of his office or the office of the Secretary of the Senate during the past 2 difficult years we have operated under the current election law.

But for the Members who wish to provide for somebody else to serve on a Board of Supervisory Officers, an amendment will be offered to provide for this.

There are other amendments planned. I agree with some of my colleagues who feel that $75,000 is too much to spend on a primary, that $75,000 is too much to spend on an election for the House. I plan to support the amendment offered by my friend from Pennsylvania (Mr. DENT) to lower this amount. Others of you plan to support amendments to increase this amount.

My point is this: Under the rule proposed by the Rules Committee, all of these amendments will be in order.

The major vote that will not be in order will be proposals to create new loopholes for political party committees, to permit wealthy individuals and special interest groups to give money to a political party, which in turn could provide services to candidates. Under the bill, no committee can give a candidate more than $5,000. I think that is more than enough.

I can assure you that we will have many hours of debate under the 5-minute rule on the many amendments that will be offered under the pending rule. However, a completely open rule would prevent us from completing work on this bill for another week.

Look at what happened during the debate on the strip mining bill. Very few of us have any mining in our districts yet the debate went on and on and on—almost 2 full weeks of legislative time. Unfortunately, we just do not have 2 weeks left on the calendar to devote to this very important bill.

I speak from the experience of our committee deliberations. To those of you who really believe in election reform, who sincerely want to get a good bill passed this year to make sure that we do not have a repeat of the scandals of 1972—I urge you to support the rule on this bill.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. JONES of Tennessee. I yield to the gentleman from Ohio.

Mr. HAYS. I do not see the gentleman from Alabama on the floor, but I would like to announce to the membership, it would not be my position, nor do I know it would be the purpose of anybody on the committee, to object to an amendment not printed in the RECORD which would be otherwise germane under the rule.

I want the Members to know that if it is germane and the rule is adopted and if the amendment is germane or an amendment to an amendment, we do not intend to object.

We asked for that because this is an extremely technical bill, as the gentleman from Tennessee knows. We had hoped that on major amendments we would be put on notice so our legal staff would have a chance to examine them and tell us what the implications are but I have no intention to preclude a Member if the rule is adopted from offering any amendment to any section that the rule says amendments are in order to.

Mr. MARTIN of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. JONES of Tennessee. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. I would like to point out that under the resolution we are considering at the present time any Member of the House could object to the offering of an amendment that is not printed in the RECORD.

Mr. HAYS. Mr. Speaker, if the gentleman will yield further, I am aware of that. I think all Members of the House are aware of this and if the rule is adopted and the amendment is germane, it will be accepted.

Mr. JONES of Tennessee. Mr. Speaker, I urge support for this bill.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, Members of the House, it is certainly not an overstatement to say that this is a bill for which the country has been waiting, and one in which every one of the 435 Members of this body is very, very much interested. The only question before us during this hour is the kind of rule under which we are to debate this bill.

I am asking the Members to vote down the previous question. I want a rule. I want a bill, but I suggest that it is a travesty on the legislative process and an insult to every one of the 435 Members of this House to tell us that we should be limited by the kind of rule that is proposed in this case.The Democratic caucus in February 1973, at least adopted some rules that were postulated in order to meet Democratic aims to do away with what they said was the iniquitous procedure that had been followed by the Committee on Ways and Means in presenting closed rules. Yet, we have the distinguished chairman—I think he is here—of our Committee on Rules take office in this Congress, and I remember reading an interview where he said he wanted the Members—referring to the Members of this body—to vote. "That is what they are sent here for."

Yet, they are going to muzzle the Members of this House today with the kind of rule suggested for adoption. Vote down the previous question; give us a chance to legislate. We will do that responsibly and intelligently.

Mr. Speaker, I took the trouble to see what some of the people around the country who are really interested in the subject of reform had to say about this, and I have letters and will put them in the RECORD. John Gardner wrote:

> DEAR REPRESENTATIVE ANDERSON: We deplore the failure of the House Rules Committee to fully open up the contribution and spending limits of H.R. 16090 to germane amendments.

I have a letter which I will put in the RECORD that I frankly solicited from Ralph Nader saying the same thing:

> The failure yesterday of the House Rules Committee to fully open up the contribution and spending limits of H.R. 16090 to amendments is an inappropriate action.

I am reminded of the claims that are given that this is the "Sunshine Congress." We have opened up the House to let the sunshine in. I have read that in the closing scene of the musical production "Hair" that they take off their clothes and they are naked by the time they finish, "Let the Sunshine In." Those who say they are for reform of the procedures of this House are going to be equally naked this afternoon in their pretentions to open up this body to

let the sunshine in if they support this closed rule.

If we adopted the kind of modified closed rule that is being sought, and there are at least 10 areas—10 areas that were called to my attention as a member of the Committee on Rules in which perfectly legitimate amendments are sought to be offered on the floor of this House, and to suggest that in a matter as fundamentally as important as the electoral process, how we solicit campaign funds, how we are elected to office, is not of equal interest to every Member of this body—and I appreciate the gentleman's expertise, I appreciate the 21 markup sessions that it took to produce a bill and I am glad he is here today.

Many of the provisions, perhaps most of them, I will support, gladly support, but I would suggest that to deny us who are interested in other areas of the bill what is our legitimate right to write a piece of legislation of this interest and of this import on the floor is to deny us the right we ought to have as Members of this body.

Mr. Speaker, the letters follow:

COMMON CAUSE,
Washington, D.C., August 6, 1974.

Hon. JOHN B. ANDERSON,
House of Representatives,
Longworth House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE ANDERSON: We deplore the failure of the House Rules Committee to fully open up the contribution and spending limits of HR 16090 to germane amendments. This action prevents major issues in controversy on the campaign finance bill from being considered on the House floor.

We believe that the House in considering the rule on HR 16090 should vote to defeat the previous question and should adopt an open rule making all germane amendments in order. To do less will seriously jeopardize House consideration and action on campaign finance reform in 1974.

Sincerely,

JOHN GARDNER.

AUGUST 6, 1974.

Hon. JOHN B. ANDERSON,
House of Representatives,
Longworth House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE ANDERSON: The failure yesterday of the House Rules Committee to fully open up the contribution and spending limits of HR 16090 to germane amendments is an inappropriate action. Legislation of the dimensions of HR 16090 needs to receive full consideration on the floor of the House. This action prevents major areas of legitimate controversy from being considered by all members of the House of Representatives.

The House, in considering the rule on HR 16090 (H. Res. 1292), should vote to defeat the previous question and should vote an open rule making all germane amendments in order. HR 16090, the Anderson-Udall amendment and the Frenzel-Fascell amendments should be passed with the benefit of full debate and consideration of all relevant points of view.

Yours truly,

RALPH NADER.

PUBLIC CITIZEN,
August 6, 1974.

DEAR MEMBER OF CONGRESS: This Wednesday and Thursday, August 7th and 8th, the House will debate a bill of immense importance to the democratic institutions of the United States—H.R. 16090—the Federal Election Campaign Act Amendments of 1974.

The House Administration Committee's bill reforms several areas of campaign financing abuses—abuses which have brought scandal, disrespect and criminal convictions not only to Presidential campaigns, but to congressional, state and local campaigns as well.

The Committee's bill would establish expenditure and contribution limits for individuals and committees; would provide public funds from the income tax check-off fund for Presidential general and primary campaigns; and would provide funds for national party conventions. However, it does contain two glaring omissions.

First, the bill limits any public support to only Presidential campaigns, completely omitting congressional races. Representatives John Anderson (R-Ill.) and Morris Udall (D-Ariz.) are proposing an amendment to cover congressional campaigns that deserves your support. Under this amendment, money from the income tax check-off fund would be provided to congressional candidates for general elections on a matching basis for private contributions of $50 or less. The matching funds could only be used for voter communication functions, i.e., radio and TV, newspaper advertising, billboards, etc. and would be limited to ⅓ of the candidate's spending limit (under the Committee's bill, to $25,000). In addition, each candidate will have to raise a threshold amount equal to 10% of the spending limit in order to qualify for matching payments. Thus, frivolous candidates would not qualify for these funds.

The second omission concerns enforcement powers. Representatives William Frenzel (R-Ill.) and Dante Fascell (D-Fla.) are introducing an amendment to correct this deficiency. As a *Washington Post* editorial, August 5, 1974 said, ". . . for there could be no more constructive change in federal campaign practices than to have the regulatory laws—whatever they may be—aggressively and consistently policed by an agency with enough authority to do the job." Given the history of weak enforcement of campaign financing laws and the extensive evidence of misuse of law enforcement agencies for political purposes, anything less than a truly independent elections commission with sufficient law enforcement authority will be perceived by citizens as a self-serving arrangement.

Congress Watch supports the provisions of the Committee bill to provide public funds for Presidential general elections, primaries, and nominating conventions. We oppose, however, the high limit on contributions by special interest groups ($10,000 per election).

Reform of the campaign financing system is one of the most difficult challenges facing the 93rd Congress. The Senate is firmly on record for serious reform. It is now the duty of the House of Representatives to see that the abuses which have brought the democratic institutions of America such disrespect are corrected. Your support of the Anderson-Udall and the Frenzel-Fascell amendments and HR 16090 is crucial to the reconstruction of citizen trust in government.

The House Rules Committee has failed to fully open the contribution and spending limits of HR 16090 to germane amendments. The House, in considering the rule on HR 16090, should vote to defeat the previous question and should adopt a rule making all germane amendments in order. It is inappropriate for a bill of the importance of HR 16090 to be considered under a rule which does not allow for major areas of controversy to be considered on the floor.

Yours truly,

JOAN CLAYBROOK.
MORGAN DOWNEY.

Mr. DENNIS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Speaker, I would like to extend my congratulations to the gentleman from Illinois for what he said, and I associate myself with his remarks. I would like to say that as long as this Congress tries to start election reform by adopting a gag rule, it cannot expect to be any better thought of by the public than it unfortunately is.

Mr. ANDERSON of Illinois. Mr. Speaker, the gentleman is correct. There is the utmost irony in a situation where we find that we are legislating reform under the kind of rule that it proposed here this afternoon.

Vote down the previous question; let the gentleman from Nebraska offer an open rule so that we can work our will on this vital piece of legislation and get on with the kind of reform that the country is waiting for.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Florida.

(Mr. YOUNG of Florida asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Florida. Mr. Speaker, I rise in opposition to the previous question on House Resolution 1292, the rule for consideration of H.R. 16090, the Federal Election Campaign Act Amendments of 1974.

H.R. 16090 is one of the most important legislative items on our calendar this year; it provides for long-overdue reforms in Federal election laws. The American people have been calling for these reforms ever since the revelations of widespread abuses by many candidates and campaign organizations of both parties during the 1972 elections. It is unfortunate that there has been such substantial delay in getting a bill before the House, and that we must consider it at a time of domestic upheaval which diverts our energies and attention.

I have long been a vigorous supporter of campaign reform, both in the Florida State Senate and here in the House. I agree with millions of Americans that there are glaring defects in existing Federal law, and I have introduced my own campaign reform bill, H.R. 11735, to correct these defects. My bill is much tougher in many respects than H.R. 16090, and I had therefore looked forward to offering amendments to the committee bill to make it tougher.

However, the Rules Committee has unfortunately decided that H.R. 16090 will be considered under what is essentially a "gag rule." Whole crucial sections of the bill will, under House Resolution 1292, be totally exempt from amendment. We will not be able to toughen up the provisions of H.R. 16090, nor will we be able to close some very glaring loopholes in the bill.

As I noted previously, campaign reform is one of the most pressing issues of our time. I am reluctant to vote against the rule for consideration of such an important bill, because I feel that

H.R. 16090 should be debated and passed, with certain amendments. But the rule which we have before us today is totally unsatisfactory for consideration of this measure because it does not allow the House to work its will in the normal legislative manner. Therefore, Mr. Speaker, I am going to join other Members in voting against the previous question on House Resolution 1292 so that we may bring H.R. 16090 to the floor under a completely open rule.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from New Hampshire (Mr. CLEVELAND).

(Mr. CLEVELAND asked and was given permission to revise and extend his remarks.)

Mr. CLEVELAND. Mr. Speaker, as a member of the Committee on House Administration which produced this bill, I rise in opposition to its consideration under what amounts to a closed rule. It would be an utter disgrace for the House to act on the critical issue of political campaign reforms while denying Members meaningful opportunity to improve it by amendment.

The record will show that this legislation was finally reported, more than 2 years after the Watergate break-in, by a committee dominated—like the rest of the House—by the majority party. Many amendments offered in committee were rejected by party-line vote. Some amendments such as the Brademas proposal to use check-off funds for matching of small contributions to candidates in presidential primaries were adopted with bipartisan support, including my own. Yet the bill with all its deficiencies is essentially a Democratic product.

It is significant to me that many of the amendments barred from consideration by this rule deal with special-interest contributions, the problem of pooling of funds so as to prevent identification of original donors, and in-kind contributions.

The affinity of organized labor for the majority party makes all too evident the basis for resistance to this type of reforms, as well as other measures to tighten up this legislation. Because the majority does operate from a privileged sanctuary, the media and election reform advocates will probably remain respectfully and benignly silent.

The spectacle of a sharply limited rule is all the more abhorrent in view of the impeachment proceedings now in process of being accelerated. Granted, the fixing of responsibility for Watergate is the principal priority response to Watergate. But a close second is election reform. To do only half the job now would be manifestly a return to business as usual, politics as usual and I will have no part in it.

Incidentally, a third priority is further progress in congressional reform, from which this rule represents a giant step backward. It would be absolutely absurd to abandon our progress toward a more open and responsive Congress in enacting a legislative response to the closed-door horrors of Watergate. I, for one, tend to view this as being of a piece with the tactics of the Democratic Caucus in bottling up the latest congressional reform proposals.

One might argue that the debate would last too long, that the bill might be extensively altered. That is no excuse for preventing the House from working its will. I reject the suggestion that Members cannot act constructively and responsibly. Indeed, we have an obligation to assure that they are confronted with the opportunity and the responsibility to vote these pending amendments up or down, on the record.

I insist that we must take the time. The body has recently scheduled an entire 2 weeks of debate on impeachment. It now appears that 1 week will suffice. There is no way the House could spend its time more in the public interest than to take an entire week, if need be, to do the job that must be done on this bill.

Mr. CRONIN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Massachusetts (Mr. CRONIN).

(Mr. CRONIN asked and was given permission to revise and extend his remarks.)

Mr. CRONIN. Mr. Speaker, Congress has spent the past year and a half attempting to enact a meaningful campaign reform bill. During this period many of us strongly and consistently urged prompt action by the House Administration Committee, only to be met with delay after delay. I was pleased when the committee—at long last—reported out a campaign reform measure, because I foresaw the opportunity to transform all of our efforts into reality.

Although I do not believe the bill as reported is strong enough to prevent campaign financing abuses, it is a good base from which to initiate an effective reform. Through the adoption on the floor of many strengthening amendments—several of which I am cosponsoring—I believe that the House could pass a meaningful reform bill which could be further strengthened in a House-Senate conference.

Now, through the procedural tactic of a modified closed rule, we are prohibited from even offering these amendments which I feel are necessary if we are to claim, with any integrity, that we have enacted a reform measure. If this rule is adopted, many of the major areas of controversy of campaign financing will never be considered by the 93d Congress. Instead of ignoring these issues, I feel it is the responsibility of every Member of Congress to take a public stand of each of them, so that their constituents will know exactly how their Congressman has voted on legislation to change the law which governs his reelection efforts. I believe the full House should have the opportunity to consider each of these amendments and to determine its merit.

Although I am certain my vote on the previous question to this rule could be misinterpreted by some of my constituents as "antireform," I am equally confident that my constituents will not be deceived by attempts to limit true campaign reform. Openness is a basic ingredient if any democratic system is to work; openness is what reform is all about. If we are truly concerned about reform with this bill on campaign financing and campaign practices, then it is imperative that we have an open rule. Therefore, I will vote no on the previous question, and I urge my colleagues to do likewise.

Mr. YOUNG of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. HAYS), the chairman of the committee.

Mr. HAYS. Mr. Speaker, I would yield to the gentleman from Illinois, who refused to yield to me, but that is beside the point.

I just want to make a few observations. The gentleman from Indiana (Mr. DENNIS) has shifted his position once this week on a very vital matter. He might shift again when he understands what is involved here.

A lot of the Members are shifting their positions over there, when they should not have taken one, as I did. I did not have to shift.

Let me say this to you, Mr. ANDERSON: I can understand the speech you made, and if I had been the author of the bill which produced Watergate, as you were, with no limitations I would be making the same kind of speech you made.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL).

(Mr. FRENZEL asked and was given permission to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, during the past 2 years, the American public has been forced to witness the depressing spectacle of massive violations of our campaign laws under a coverup atmosphere. Do we now dare to subject the American people to the irony or perhaps the outrage of considering the campaign finance reform bill under a closed rule?

The confidence of the American people in their Government is too low for us to embark on such a risky undertaking. With public cynicism and alienation so rampant, a campaign reform bill that is considered under a closed rule will be short on credibility.

The rationale for the closed rule is that the House cannot be trusted to deal with one of the most important issues it will consider all year. If our own leadership does not have confidence in us, then how can we expect the American people to have any confidence in us?

I think we can be trusted to handle the people's business. I think that is what we were elected for. If the public is to regain confidence in the Congress, then we have to show confidence in ourselves. I think the best way to display that confidence is for all Members to commit themselves to the principle that open proceedings are the way to obtain the best bill possible.

The closed rule will both stifle debate and discussion and drastically limit the amendments that can be offered. Only about half a dozen amendments will be in order. Proponents claim that, under

an open rule, the House will take weeks to complete a bill. To date, there have been only about 50 separate amendments printed in the RECORD. Committee amendments will eliminate many of these. Under our proposed open rule, these are the only amendments that could be offered. A close examination of these amendments demonstrates that all of them are germane to the topic at hand, and should be debated.

I do not want to discuss the merits or demerits of the bill, but in an 80-page comprehensive election reform bill, each of us can find ideas for amendment. Why should some of us be more equal than the rest? We used an open rule in 1971, and we all survived.

Mr. Speaker, the case for an open rule is overwhelming.

We are not going to bring sunshine into the electoral process by considering the campaign reform bill in the dark.

We cannot expect the public to have confidence in this body, when we ourselves do not have sufficient confidence to allow Members to work their will freely on one of the most important issues of the year—an issue on which each of us has plenty of expertise.

What a dreadful irony it will be to handle a bill designed to open up the political processes under a procedure that is not open.

The public is not going to believe that this bill will open up the processes when it is legislated under a closed rule.

I urge Members to vote down the previous question so that we can consider the bill under an open rule.

Mr. YOUNG of Texas. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. Mr. Speaker, with due respect to the feelings of the gentleman from Minnesota (Mr. FRENZEL), who has worked long and hard on this legislation and of the gentleman from Illinois (Mr. ANDERSON), I rise in support of this rule. I do so because, notwithstanding the fact that it is not completely open, every single section of the proposed legislation in which there has been a major public interest is open and will be open.

Further, our distinguished committee chairman, the gentleman from Ohio (Mr. HAYS), has indicated a willingness not to object to amendments which have not been printed in the RECORD if they are germane. What could be more open than that?

It has not been my habit to vote for closed rules, but I really honestly do not consider this to be closed since the very vital elements of it are open.

Mr. Speaker, only this morning in committee there were adopted and agreed to by the gentleman from Minnesota (Mr. FRENZEL) and by other members, including myself, five committee amendments which go a long, long way toward satisfying the desires of those who really want meaningful election reform. Certainly the American people want it and demand it, and they are going to get it. We are going to get a very splendid piece of legislation as a result of this process.

I see no need to open it up further, especially on those technical aspects which really do not go to the heart of the matter. The heart of the matter is in the financing, in the limitation, and in the enforcement procedures, all of which are open.

Mr. Speaker, I respectfully request the Members of the House to vote for this rule.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

(Mr. ARMSTRONG asked and was given permission to revise and extend his remarks.)

Mr. ARMSTRONG. Mr. Speaker, I thank the gentleman from Nebraska for yielding this time to me.

I commend the gentleman from Nebraska for his leadership in this matter in drawing the attention of the House to the serious shortcomings of this rule. I also particularly commend the gentleman from Illinois (Mr. ANDERSON), who has underscored so vividly the reasons of principle and conscience why this rule must be defeated. He has pointed out, and I think we all know, the moral implications of bringing this bill to the House floor for consideration under an antireform rule.

The very idea of bringing an election reform bill to the floor of the Congress of the United States under a closed rule is absurd, and it would be laughable if it were not tragic.

Mr. Speaker, I want to say a word about some needed amendments which will be precluded unless we vote down the previous question so an amendment providing for an open rule can be adopted.

Let me call attention of the Members to provisions of this bill as it is now written which give to candidates for public office a veto power over the rights of publication and speech of other persons. The language contained in this bill is strikingly similar to that which was held by a New York court to be unconstitutional just a few months ago. It is not my purpose to argue the legal considerations, but I just do not see how we can give that kind of a veto power to any person over the free speech and publication rights of another person without violating the first amendment of the Constitution.

I think we ought to have an amendment to strike that provision out of the bill. The Committee of the Whole ought to be entitled to take this matter up under debate and vote on an amendment which would be proposed on that portion of the bill.

Second, I want to point out this bill does not deal effectively with in kind contributions. It does not close the existing loopholes; it opens up new loopholes, not only as to limitation but also as to reporting.

Third, Mr. Speaker, I want to respond to the chairman of the committee, the gentleman from Ohio (Mr. HAYS), who has mentioned Watergate. One of the most serious shortcomings of this piece of legislation is that it fails to take into account the abuses revealed by the Watergate investigation. This rule would not make in order, amendments to the bill which would be offered by the gentleman from California (Mr. DEL CLAWSON) and others aimed at outlawing specific Watergate types of abuse. I refer to campaign spying, and espionage, and that kind of thing. In my judgment, these are far more in need of legislative attentive than other aspects of the bill that comes before us.

Let me say to the Members of the House that worthwhile amendments will be proposed; let them be considered and vote them up or down on their merits. I urge my colleagues to vote down the previous questions so that the Members of this body can exercise their prerogatives and have free and open debate on the bill and its amendments.

The SPEAKER. The time of the gentleman has expired.

Mr. YOUNG of Texas. Mr. Speaker, I yield 3 minutes to a distinguished member of the committee, the gentleman from Indiana (Mr. BRADEMAS).

(Mr. BRADEMAS asked and was given permission to revise and extend his remarks.)

Mr. BRADEMAS. Mr. Speaker, I rise in support of the rule, and urge that the Committee on Rules and the Committee on House Administration be supported in their effort to produce what I believe can mark a milestone in major campaign reform legislation written by the Congress of the United States.

The gentleman from Illinois (Mr. ANDERSON) who has himself made a significant contribution to the shaping of public opinion on this important legislation, remarked that the only question before the House today was the rule. That is not the only question. The real question coming up, in my judgment, is whether we will have a campaign reform bill this year or not. For one of the reasons for the rule that has been brought forth by the Committee on Rules to the floor of the House today is to make sure, on the one hand, that all of the major matters that are in controversy or that may have been considered by the Committee on House Administration are in fact brought before the floor of the House so that we will have a chance to vote on them while, on the other hand, assuring that we are not hit with such a raft of amendments that may be frivolous in nature that, with time running out in this session of Congress, they could pose a danger to the passage of effective campaign reform legislation this year.

Mr. Speaker, I think it is important to note, if the Members will look at the rule, that germane amendments to limitations on expenditures and contributions will be made in order.

The amendment to be offered by the gentleman from Virginia (Mr. BUTLER) to make bank loan endorsers contributors is in order. Germane amendments to the composition of the supervisory board are in order, and the Fascell-Frenzel amendment relating to the Supervisory Board is made in order. These parts of title IV which have to do with public financing will be made in order, and the rule specifically permits a vote on the Anderson-Udall amendment on public financing of congressional elec-

tions. Committee amendments are also made in order under the rule.

There will be, therefore, this speaker, ample opportunity for the House to work its will in this bill on matters of substance.

The Committee on House Administration considered nearly 100 amendments over the many days of markup. We worked long and hard.

I want to say further, Mr. Speaker, that this is a bipartisan bill. The gentleman from Minnesota (Mr. FRENZEL) made contributions. Members on both sides of the aisle made contributions.

So, Mr. Speaker, I suggest that the real issue here, and I am not now going to take time to go into the substance of the major features of the bill, but the real issue here is: Do the Members want a campaign reform bill this year or not? If they do, then they should vote for the previous question and the rule.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to ask the chairman of the Committee on House Administration, the gentleman from Ohio (Mr. HAYS), a question.

The gentleman has stated that he would not object to amendments being offered on the floor regardless of whether they had been published in the CONGRESSIONAL RECORD 1 calendar day previous to today.

I would ask the gentleman from Ohio, does the gentleman's statement also include that the entire bill be open to amendment, and that the gentleman does not object to amendments to other sections?

Mr. HAYS. Of course not. I said anything that the rule does make in order.

Mr. MARTIN of Nebraska. I decline to yield any further. I am glad the gentleman from Ohio clarified that, because we still have a closed rule before us.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. FREY).

(Mr. FREY asked and was given permission to revise and extend his remarks.)

Mr. FREY. Mr. Speaker, reference was just made to the position of the gentleman from Indiana (Mr. DENNIS) and by implication to other Members on our side of the aisle who served on the Committee on the Judiciary. I certainly was proud of these men, or I was proud of the entire Committee on the Judiciary in the way they approached this issue of impeachment. It was obviously a tough issue and tore a lot of people apart. But these men acted on the evidence, and they acted within their consciences.

Then changes of position in light of the new evidence was not only courageous but correct. To question this is to do these men a disservice.

During this time of the debate on impeachment we heard from both sides of the committee words like "fairness and justice," words like "bipartisan approach," and words like "rule of law."

The Judiciary Committee, I think, acted on the whole within these concepts and most of us in this country were proud of such actions.

I would say to my colleagues on the other side of the aisle that we are in a position today where the House can continue in the path which the Committee on the Judiciary followed. Certainly, it is a tough vote to vote down the previous question and provide an open rule when the head of the Democratic Campaign Committee wants a modified closed rule. But your position is not nearly as tough as the position that many of us have been in and had to wrestle with. There is only one fair way to approach this issue. That is to vote down the previous question and open up this rule and give us a real chance at reform. It is something that we want; it is something that this country needs. This country will not tolerate a double standard of conduct; one for impeachment of the President, the other for the Democratic Party and the Congress. It is time in the House for fairness, not partisan action. The vote will tell the story more than any words.

Mr. YOUNG of Texas. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Pennsylvania (Mr. DENT).

(Mr. DENT asked and was given permission to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, I take this moment just to say that I endorse the rule and the previous question on it, because I started this little bill on its way with the hearings in our subcommittee over a long period of time. Most of the closed parts of the bill are matters that in my honest opinion have very little to do with campaign behavior. Most of them are kinds of regulations and criteria that have to be put into legislation for guidelines.

The real heart of the legislation that all of us are interested in is the matter of solicitation of funds, the spending of funds, limitations or no limitations. I am going to support the rule. But I say to the House that ever since I started working on the bill before we put it up to the full committee, Mr. HAYS took all of the hard work and all of the blame and abuse on the legislation because some persons do not believe one has to have time to work, and he had to have time. The Members may think this is an argument on a rule. Can they imagine what we have gone through for over 2 years in the committee?

I intend to offer two amendments. I will offer one myself and the other will be offered by the gentleman from Georgia (Mr. MATHIS) dealing with the limits of spending, dealing with the total amounts, dealing with how much one can contribute and how much one can accept. That is what the people call reform. That is what the people are interested in.

When we get to the floor and action on the bill, I hope some of us will stay around and let me give them the facts after 2 years of intense work on this bill.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 3 minutes to the distinguished Minority Leader, the gentleman from Arizona (Mr. RHODES).

(Mr. RHODES asked and was given permission to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I rise in opposition to the rule on H.R. 16090, the Federal Election Campaign Act Amendments of 1974, and I ask that the previous question be voted down so that the rule may be amended.

I have consistently urged enactment of responsible campaign reform legislation, and I feel it is a priority for the 93d Congress. The House Administration Committee has worked long to develop H.R. 16090, and while I do not agree with all of the committee's proposals I commend the members for their diligent efforts. I cannot, however, allow the rule under which we will consider this important legislation to go unchallenged.

In a straight partyline vote, the Committee on Rules adopted House Resolution 1292, a "modified closed" rule. Instead of full and open consideration of campaign reform, the rule permits Members to amend only a few, specific portions of the bill.

On such a vital issue, where real, workable reform is essential, it is unconscionable that the major party would impose a gag rule.

As set forth in the statement by the Republican Policy Committee, H.R. 16090 contains many areas of serious concern. For that reason the House should have every opportunity to work its will and consider not just the provisions adopted by the House Administration Committee but the substantive amendments proposed by other Members of the House.

I think it is strange, Mr. Speaker, of those sections which are eligible for amendment under this rule the section which have to be amended in order to shut off the "soft money" type of contribution is not one. In other words there are no amendments which can be offered which would shut off the kind of contribution which certainly is unconscionable, if not illegal. I do not know why it would be that any campaign reform bill worthy of the name would not shut off the largest source of illegal aid that we have in the whole country.

It has been said that this bill does not deal with all of the things which caused Watergate. That is undoubtedly true, but I think it is even more serious that it does not even deal with the type of opening in the artery of the political system which causes the hemorrhage which the "soft money" causes.

I do not believe that the gentleman from Ohio really is getting his hats mixed up, and that he is wearing his hat as the chairman of the Democratic Congressional Committee with as much more pride as he wears the hat of the chairman of the House Administration Committee. I just think it is at least suspect that this "soft money" phase of the bill is not covered adequately.

I ask that the previous question be defeated so that the proper amendments can be offered to make this truly a campaign reform bill which will be evenhanded as it deals with both parties.

Mr. YOUNG of Texas. Mr. Speaker, I yield 1 minute to the distinguished ma-

jority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, I rise in strong support of the rule.

I ask the Members on our side of the aisle to stay with the gentleman from Ohio, the chairman of the committee, who has worked so long and arduously on this bill.

It is quite unexpected that the minority party should at the last minute come up with the roadblocks that they have. Their actions have made this a partisan issue. I certainly hope that our party stays with the gentleman from Ohio (Mr. HAYS) and I congratulate him and his committee for the work which they have done in reporting a campaign reform bill that has teeth in it. H.R. 16090 is a strong measure, and it is a giant step toward improving Federal campaign practices.

The bipartisan House Administration Committee has had an exhaustive and lengthy debate on this issue. They have spent over 4 months drafting this legislation and have considered more than 95 amendments. Chairman HAYS has been fair and patient with all the members of his committee, and everyone—Democrats and Republicans alike—have had ample opportunity to offer amendments and alternative proposals.

The leadership considers this bill of highest priority in the 93d Congress. The American people have been waiting long enough for a straightforward and positive response from the Congress on the numerous campaign abuses stemming from the Watergate affair. The Senate has already acted. Time is running out. The House must agree on an effective campaign reform package as a step toward restoring public confidence in Government.

I believe that this bill meets that objective. It is a solid measure, which corrects some of the abuses of campaign financing that were so graphically pointed out to all of us over the past 2 years. H.R. 16090 places strict limits on campaign contributions and expenditures—simplifies campaign reporting procedures and provides for public financing of the 1976 Presidential election.

If this badly needed reform is to become effective in time for the 1976 election, it must be acted upon this session. I repeat—time is running out. We must have immediate action by the House so that the differences with the Senate-passed bill can be worked out quickly in conference. This is why I think the rule is a fair and reasonable one.

It allows for amendments to the most controversial sections of the bill: expenditure limits, contribution limits, composition of the board, public financing of both Presidential and congressional elections, and bank loan endorsers as contributors. We cannot delay action. Public confidence in the electoral process will continue to erode unless we act responsibly and expeditiously on this bill. If we do not adopt this rule, we will open up the floor to amendments that will prolong interminably the debate and final action on this urgently needed legislation. That would not only be self-defeating, it would also be a betrayal of the public mandate to their representatives to act immediately on substantive revisions in our campaign financing laws.

Mr. Speaker, the rule is openly fair. We cannot delay action. I urge all my colleagues to vote "aye" on the previous question.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington (Mr. PRITCHARD).

(Mr. PRITCHARD asked and was given permission to revise and extend his remarks.)

Mr. PRITCHARD. Mr. Speaker, the very credibility of this Congress reform spirit depends upon adoption of an open rule for this Federal Election Campaign Act Amendments bill so that a number of crucial perfecting amendments can be considered. Without these amendments, this Congress, under the facade of reform, will be passing laws that in reality are insufficient and incomplete.

I have been a strong proponent of Federal campaign reform throughout my short tenure here in the House. This rule, House Resolution 1292, which limits consideration of perfecting amendments to only certain sections of the bill is inimical to the very spirit of reform.

Numerous crucial amendments have been drafted for this Federal election campaign reform bill. But many of these cannot even be considered because of this modified closed rule that we have been given by the Rules Committee. How are we to be able to develop the best possible legislation for Federal election campaign reform if we are unwilling to subject the entire bill to proper scrutiny? Does this Congress fear consideration of all these amendments? Is this true reform?

This bill in its present form is not the true campaign reform legislation we so crucially need and I cannot accept it until certain basic and crucial revisions are affected.

Halfway measures designed to appease the appetite without satisfying the hunger of the times for thorough election campaign reform are little better than no pretense at reform.

This bill fails to provide for any Federal funding in congressional elections, but requires comprehensive public financing of Presidential election campaigns. I urge adoption of the Anderson-Udall amendment to eliminate this double standard and extend clean election standards to congressional races. The Anderson-Udall congressional matching amendment provides for limited public funds to match small private contributions to congressional campaigns.

I also urge adoption of the Frenzel-Fascell amendment to create an independent body to enforce compliance with these clean election laws and require full congressional accountability.

This bill before us, H.R. 16090, limits congressional campaign expenditures to $75,000. It sounds good to the lay ear. But surely we are all aware that such an across-the-board spending limitation gives a nearly insurmountable advantage to the incumbent.

As incumbents with the franking privilege, high profiles in our district media, and full time to devote to being Congressmen, we naturally have a tremendous advantage over any challenger. I have heard some of my colleagues estimate the advantage to be one of as much as $80,000.

A challenger limited to spending $75,000 must attempt to overcome a Congressman also spending $75,000 in addition to his huge incumbency benefits. Is this limitation equitable when we know that a challenger must spend so much more than the incumbent just to be in the race?

Common Cause prefers a $90,000 spending limitation; $75,000 seems quite low for major congressional campaigns. The point is that with the present format of the legislation, any lowering of the limitation level would only exacerbate the disadvantage of the nonincumbent. Clearly we need to develop a mechanism to create greater equity in campaigns by allowing challengers to spend an amount to begin to counter the incumbency advantage. The solution may be a lower spending limitation for the incumbent.

I suspect that my colleagues on the other side of the aisle are anticipating the predicted landslide congressional victories for their party this fall. So naturally they are anxious to pass this bill, heavily weighted in favor of the incumbent, which will become law next year with Congress heavily controlled by the Democratic majority. Such a bias to the advantage of the incumbent will insure their continued strength and domination in this body. The new election campaign laws would not apply to this fall's election campaigns.

Finally, Mr. Speaker, I believe it essential that we establish strong financial disclosure laws for candidates and elected officials. To this end I am a cosponsor of H.R. 16195. We had hoped to offer that bill as the Steelman amendment to H.R. 16090 before us today. But to my distress the Parliamentarian ruled the proposed amendment nongermane and the Rules Committee refused the special rule necessary for its consideration.

For the record, though, this financial disclosure legislation is something this Congress must concern itself with in the very near future.

That is where we stand now with H.R. 16090. With these necessary amendments we can make it an acceptable Federal election campaign act amendments bill; without these amendments the American people will have to wait another year for true election campaign reform laws.

I urge this Congress to demand an open rule for consideration of amendments to H.R. 16090.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. ARCHER).

(Mr. ARCHER asked and was given permission to revise and extend his remarks.)

Mr. ARCHER. Mr. Speaker, one of the major responsibilities of this Congress is to eliminate the abuses in our Nation's election processes, but the reform proposal before us is surely deficient in this desired result. It does have a number of strong points, but there are still too many

weaknesses in the bill that can only be corrected by amendment.

Unfortunately, we will not be allowed to offer those amendments on the House floor. The chairman of the House Administration Committee saw to that when he went before the Rules Committee. The result is a rule allowing only the five amendments he approved. Others will not be allowed because, by his own admission before the committee, they would not benefit Democrats.

In my opinion, this is an irresponsible answer to the Nation's plea for open election processes. The bill that should accomplish that goal has become itself a closed partisan issue. As it now stands, there can be no amendment to restrict the "in-kind" contributions Democrats enjoy from big labor. Instead, the limitation has actually been increased from $100 provided in present law to $500 per individual. Nor can any amendment even be considered to restrict contributions by organized griups, whether they be big labor or big business, which deny the individual's right to decide which candidate receives his contribution.

According to the present bill, incumbents still have too great an advantage over their challengers in congressional races. I also question whether or not the American people want to finance Presidential nominating conventions of political parties with their tax dollars.

We need responsible nonpartisan campaign reform to guarantee fair competition in our election processes, not a package that simply carries the title of "reform" but in fact is designed to assure advantages to only one political party. If we indeed want true reform and open elections in this country, we also need to open up the debate and amendment procedure by which this reform legislation is written.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. CONABLE).

(Mr. CONABLE asked and was given permission to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, the majority leader apparently feels that Republican Members are throwing obstacles in the way of election reform. Nothing could be further from the truth. Our situation typifies the dilemma of the minority. For too long we have been working and calling upon the majority for progress in Federal campaign legislation. Having committed ourselves in many ways to the concept of reform, we are now presented with a reform package, credible in appearance, but inclusive of partisan mischief. What do we do to "throw obstacles in the way of reform"? We ask for the right of amendment, to protect our party procedures and our view of what is appropriate. To criticize this insistence is partisan politics, for we have no further remedy; and so we must take our chances that the public will misinterpret a vote against a restrictive rule. I think most people realize this problem exists for any minority on any issue within the control of the majority. I regret that the majority in this case has not dealt with this vital subject on a level above traditional politics.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. MAYNE).

(Mr. MAYNE asked and was given permission to revise and extend his remarks.)

Mr. MAYNE. Mr. Speaker, I rise in opposition to the attempt by moving the previous question to prevent debate and amendment of House Resolution 1292, the resolution providing for consideration of H.R. 16090, the Federal Election Campaign Act Amendments of 1974. The resolution provides for a closed rule allowing only amendments of five special types to be considered. The Members of the House, as well as the Nation, have long awaited this legislation, one of the most important bills to come before the House in this Congress. It is completely inappropriate to hog-tie and hamstring this House through a closed rule so that it can not even consider the several very important amendments that would be offered to this legislation, in order to strengthen its provisions, improve its enforceability and feasibility, fill the loopholes, and correct the several defects evident in the bill as reported.

H.R. 16090 as reported by the House Administration Committee constitutes a substantial improvement over the present law regarding campaign financing and disclosure, and I commend the chairman and members of the House Administration Committee for their work and efforts in preparing it and bringing it before the House. However, it is sadly deficient in several major instances.

The Senate Select Committee on Presidential Campaign Activities—the Watergate Committee—in its recent report stated that an independent Federal Elections Commission is the single-most important change needed in existing law. Early in May, 1973, I cosponsored introduction with the distinguished gentleman from Illinois (Mr. ANDERSON) of H.R. 7901, the Clean Elections Act, which proposed establishment of just such a Commission. The House Republican task force on election reform under the able chairmanship of our colleague from Minnesota (Mr. FRENZEL) in July, 1973, publicly recommended enactment of such a reform.

I am gratified that the Chamber of Commerce, the White House, and such public-interest groups as the League of Women Voters, Common Cause, and Congress Watch have joined in urging enactment of this absolutely essential reform. I share their disappointment that the House Administration Committee bill instead provides for an inadequate, Congress-dominated, nonindependent mechanism to administer this act. I strongly urge my colleagues to defeat the motion for the previous question so that the Frenzel amendment establishing a more independent administration and enforcement agency may be given the consideration it deserves. I am a cosponsor of the Frenzel amendment and shall give it my strong support.

The Anderson-Udall Clean Elections Act introduced in May of last year with my full support also proposed public financing through limited matching of private contributions for congressional candidates. I cannot understand the present bill's failure to incorporate similar provisions as a protection against candidates being tempted to rely on "fat-cats" and special interest groups for campaign financing in the future. I am an early cosponsor of the amendment proposed by the gentleman from Illinois (Mr. ANDERSON), which would establish a system of matching grants for congressional general elections, matching payments for private contributions of $50 or less, and I am pleased that public interest groups including the League of Women Voters, the Center for Public Financing, Common Cause and Congress Watch all agree that adoption of this amendment is essential if we are to obtain true campaign financing reform.

The bill contains still other deficiencies which cry out for correction by floor amendments, amendments which will not be allowed unless the proposed closed rule is amended into an open rule. For example, the bill as reported exempts certain gifts-in-kind from limitations and disclosure, such as up to $500 of unreimbursed travel expenses. Furthermore, the bill does not require the amount of a bank loan whose endorser waives repayment after an election be counted as part of his total allowable contribution. The bill's limitations on special interest group contributions to campaigns are woefully inadequate. I intend to support appropriate amendments to correct these deficiencies if the closed rule is amended to permit such amendments to be offered—but we must first defeat any attempt to move the previous question and thereby prevent amendment of the rule.

Ladies and gentlemen of the House, I respectfully urge all to join in defeating this effort to gag the membership and prevent it from working its will, and to amend the rule so that we may adopt these desperately needed amendments and enact campaign reform legislation of which this House can truly be proud. It is indeed time for this House to agree to effective campaign reform as a straight-forward response to the so-called Watergate abuses and a step toward restoring public confidence in Government and especially in this Congress.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 1 minute to the gentleman from Indiana (Mr. HUDNUT).

(Mr. HUDNUT asked and was given permission to revise and extend his remarks.)

Mr. HUDNUT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as an original cosponsor of the Anderson-Udall bill, on Monday, August 5 I submitted a statement before the House Rules Committee appealing to them to adopt an open rule on H.R. 16090 that would permit the offering of amendments during debate on the House floor, including one that several of us are interested in to require complete financial disclosure of everyone in public life above the $32,000 level of income, which might

or might not be ruled germane or might or might not be in the view of the House a good idea. They voted against this open rule on a straight party line vote. This was most disappointing even though we have great respect for the wisdom and integrity of our colleagues on the other side of the aisle.

It appears the majority does not want to allow a bill to pass that would in any way discomfit or disadvantage their Members on their side of the aisle who presently control the Congress. It appears that they are more eager to perpetuate themselves than to effect true campaign reform, and more concerned about the narrow self-interest of incumbents and special groups than they are in the public's interest in clean, competitive election campaigns by persons who are willing to be forthright and open with the public about their sources of income. The public should know this. They should be aware of the support of the other party for a closed rule. And they should also be assured that I and many of my colleagues on our side of the aisle intend to flight this issue as hard as we can.

Mr. Speaker, I urge my colleagues to vote "no" on the previous question.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I happen to be one of those Members not fortunate enough to serve on the House Administration Committee and who, therefore, will be foreclosed from an opportunity to present an amendment to this legislation, unless we get an open rule. I, frankly, resent that.

It was said in the Committee on Rules that there were no experts on campaign reform. I would submit there are 435 experts in this House on campaign reform and that we all deserve some opportunity to work our will on this legislation.

Now, we had an open rule the last time we had campaign reform legislation in 1971 and 1972 and we got good legislation out of it; at least we got legislation that is substantially better than what we had been operating under previously. That is not the case with this proposed legislation.

We admire and respect the gentleman from Ohio (Mr. HAYS). He is one of the cleverest and funniest speakers in this House and he is a man of considerable power in this body; but this bill is merely an exercise in that power, unless we can get an open rule.

This bill is also an example of his cleverness. While it is called reform legislation, it strengthens the hand of the majority party and those groups which generally support that party. But it is bipartisan to the extent that it benefits incumbents of both parties.

The funny thing about this bill is that it comes to the floor under a gag rule passed by the Rules Committee on a straight party-line vote. The argument that reform of campaigns should be passed under gag rule—that we cannot amend a bill to give the public a fairer share in how their campaign contributions are to be collected, spent, and reported.

Mr. Speaker, I regret that this has become such a partisan bill, but perhaps the times make the circumstances.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker and Members of the House, I take the well with less than wholehearted support for broad sweeping election reform legislation. I am really speaking only as an individual, for I would say the majority of my party would not probably not hold to that particular position.

I frankly would be content with something providing for full disclosure of contributions in limited amounts, both cash, and in kind, closely monitored and wth stiff penalties for violations.

There is no simple solution to this problem upon which we are about to legislate. There is a wide disparity of conditions that prevail in this country. What is good for New York City certainly is not good for the hinterlands out in the Midwest in Peoria or in some rural community.

On the expenditure side, I have to take a very practical stance. I am representing a party in the minority. How can we in the minority ever hope to gain majority status when incumbency carries with it so many advantages and we Republicans are so outnumbered here in the Congress. Challengers are tightly limited by this bill and cannot possibly compete with incumbents in those districts where expensive media can make the difference.

The Senate-passed bill is for all practical purposes an incumbent protection act. All of us here today are incumbents. As a practical matter, none of us are about to give our challengers an advantage; but I think just simple equity dictates that at least we debate this overall question.

I can appreciate the chairman's concern over opening this thing up and having some silly amendments being offered here and people demagoguing all over the place. I should like to be the first one down here in the well to help fight those kind of silly amendments.

I must say, Mr. Speaker that I do resent being so restricted, as we can be under this rule. I feel strongly, as do several other Members with responsible amendments, that our legitimate rights in this House are being submerged simply by sheer weight of political numbers. For that reason, I take this time to ask that we vote down the previous question and open up the rule so we may have an opportunity to offer our constructive amendments and have them stand or fall on their merit after reasonable debate.

Mr. MARTIN of Nebraska. Mr. Speaker, again I urge the Members of the House to vote down the previous question so that we can have open debate on this matter for a very important piece of legislation and the Members of the House can be able to work their will in the forming of the election process.

The present resolution we have before us precludes amendments to about 95 percent of the bill and the Members will not be allowed to offer amendments to most of the sections of the legislation because of the type of resolution we are currently considering.

Again I urge a no vote on the previous question, so that we may have an open debate on this bill and the Members can work their will. The people of the United States expect no less from their Congress.

Mr. YOUNG of Texas. Mr. Speaker, I yield the remaining 4 minutes to the gentleman from Arizona (Mr. UDALL) for the purpose of closing debate.

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Speaker, sometimes we cannot have everything we want. I want debates under open rules whenever possible, but I also want to end a national system of election laws that have brought disgrace and shame to this country.

We have today an historic opportunity to change that system of laws, and I see the thing possibly going down the drain, and I do not like it. I would have preferred to have debated this bill a year ago. I think we should have done so. I would have preferred to have taken 5 or 6 days to debate it. But the clock is running and we are confronted with a condition where we are going to adjourn for a recess in a week or 2 weeks or 3 weeks. The Senate is probably going to start an all day program on the impeachment trial, and we have some tough choices.

One choice is to conform to procedural purity here and probably lose a bill which has 95 percent of what I want and what I think the gentleman from Illinois (Mr. ANDERSON) wants and those who have supported this long bipartisan effort want. The other choice is to do something we do not like to do and support—not a closed rule—this is a modified open rule—which takes two pages in the rule to list the kinds of things, parts of the bill that are open for debate. So we can stand on procedural purity on one side and lose an historic opportunity. I reluctantly decline to be a party to such a destructive choice.

Let me make a couple of things clear. Most of the points in dispute; most of the points mentioned are either in the law, the kind of things the gentleman from Colorado talked about such as spying, dirty tricks, these kinds of things, are in the law and people have gone to jail for violating them; or they are in the bill; or they are made open for debate and amendment in the rule.

The rule provides that the Anderson-Udall public financing amendment is available for debate; the Frenzel-Fascell, supervisory authority is open for debate. The amounts for limitation of spending and contributions are open for debate. The Butler amendment to take care of the problem of bank loans is open for amendment and debate.

So, what are we talking about here? We are talking about losing an historic opportunity, because we are insisting of some kind of theoretical procedural sanctity and we are going to end up with a fiasco here this afternoon where we lose an opportunity we have all fought

for. I do not think we ought to do that. I think we ought to support this most sensible, modified, open rule in this case. Before this day is out we will have sent on to conference with the Senate a darn good bill. In that conference, many of the other things my friends are concerned about can be corrected.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, I want to thank the gentleman from Arizona for yielding to me.

I have the same problem with open rules as the gentleman has expressed having himself, but I am convinced of the mood of the House, having listened to this debate and having followed the media reporting of this matter and rule, the mood which prevails in this House today is one of few of the media and that with a completely open rule, there are going to be totally unworkable and unrealistic amendments offered which this Congress will not have the courage to resist. Emotions and fear of being against reform with prevail.

We will have an unworkable bill which will guarantee each of us 4-year terms—2 years when we are elected and 2 years in jail, because nobody can comply with what I think we will be faced with. Let us use some commonsense for a change.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for yielding to me.

For the record, I would like to address myself to the gentleman from Ohio, the chairman of the committee, who remarked that somehow an amendment I offered to the 1971 Campaign Finance Act was responsible for Watergate.

The hearings on that act began in June 1971; it was reported to the House in October 1971; it was not brought to the floor until December 1971; it was stalled in conference until mid-January 1972; so that we did not get an effective date for enactment until April 1972.

I think the record shows who is responsible for the fact that we have Watergate.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I certainly agree with every word the gentleman from Arizona has said. This is a much stronger bill than the Senate bill, and a far stronger bill than the cynics thought this Congress would enact.

Mr. UDALL. Mr. Speaker, I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Speaker, I thank the gentleman from Arizona.

I want to join in his comments. I support this rule because every major issue has been considered or is reachable by amendment. There are obviously many other amendments which could be offered but in the interest of passing in this session of Congress the important reforms contained in this bill and leave for later additional improvements.

The SPEAKER. The time of the gentleman from Arizona has expired.

All time has expired.

Mr. BAUMAN. Mr. Speaker, I rise in opposition to the adoption of the closed rule, House Resolution 1292, which would provide for consideration of the Federal Election Campaign Act Amendments of 1974. While the House Administration Committee has worked for some time on this measure, and has reported a bill to the floor of the House which will provide for significant reform, I would agree with many of my colleagues that it is inappropriate to consider a bill of this importance with a closed rule. It is clear that at a time when both the country and the Congress are attempting to recover from the excessive campaign practices of past elections, all Members of the House of Representatives should have the opportunity to offer amendments which they sincerely believe will correct certain deficiencies in the measure as reported by the committee.

One major provision of the bill as reported by the committee which should be corrected would place a limitation of $5,000 on the contributions of political committees to candidates for Federal office. The definition of a political committee clearly includes the National and State committees of both major parites, and this action if approved by the House would significantly weaken the two-party system as we know it in this country. I would support those Members of the House who feel that National and State committees of major parties should be excluded from the definition of political committee for the purposes of contribution limitations.

Throughout the history of this Republic political parties have been important institutions in our political process and have provided a measure of stability in our political system. If the opportunity was offered, I would join with the minority members of the House Administration Committee in supporting an amendment which would provide for continued viability of our national and State parties so that they may assist candidates as the need arises, and to provide for the continuation of the two party system in this country. This is just illustrative of many other areas of this legislation which should be strengthened by the adoption of constructive floor amendments, including those sections dealing with special interest groups, and the inability of the committee to deal affectively with the problems associated with in kind contributions.

I would hope that my colleagues will realize that the people of this country will be watching what we in the Congress do in the area of campaign reform legislation, and it should be incumbent upon us to provide for a thorough and complete discussion of this bill and of all amendments which would strengthen the provisions of the legislation. I hope that my colleagues will vote to oppose the adoption of this rule and will vote to provide for an open rule instead. To do any less is political cynicism disguised as "reform."

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in opposition to debate of the campaign reform bill under the restrictive procedures proposed by the House Rules Committee.

I do so because I am deeply disturbed that the leigslation approved by the House Administration Committee does not include the provisions of my own Election Campaign Espionage bill which would outlaw political spying in election campaigns.

This bill, which I introduced last year, is designed to prohibit individuals from interfering in the political campaign of any other candidate. It would prohibit the use of contributions for the commission of any illegal act such as wiretapping, electronic surveillance, burglary, or other such activities.

And, it makes it a felony to cover up any violation of Federal election laws.

It is his type of repugnant political activity that we must be seeking to end and I believe we should go ahead and do so directly rather than indirectly through other controls.

I believe very strongly in the concept embodied by my bill because the type of behavior known as "Watergate" has no place in the American election process and is completely contrary to our system of free and open elections.

Bill Stodart, my administrative assistant who passed away last month, worked quite closely with me in the process of developing this proposal.

He did the basic research needed to perfect the language and achieve the goal we both sought to reach.

It was his keen sense of the need for morality to retain and improve America's participatory democracy that helped to come up with the idea for this legislation and get it into final form.

The distinguished gentleman from Minnesota (Mr. FRENZEL) offered my proposal as an amendment in the committee but it was not accepted. If possible amendments are prohibited when the bill is considered on the floor of the House, it will be impossible to offer this amendment to outlaw "dirty tricks" and coverups.

The gentleman from Minnesota has been most helpful in trying improve the bill before us. It is a "dirty trick" to prevent the House from considering amendments to a bill of this nature.

Therefore, I urge the House to reject the rule and allow a more stringent regulation of conduct in political campaigns to be included in this measure.

GENERAL LEAVE

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of House Resolution 1292.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Before the Chair goes into the question, he desires to state that the monitor on the Republican side is not in order. The Chair has tried to see if we could get up a substitute monitor but apparently there is not sufficient time.

While the Chair could order the vote taken by rollcall, the Chair thinks that both sides can use the Democratic monitor and can alternate in the use of the monitor and save that much time. Therefore, the Chair will ask the Democratic operator and monitor to alternate with the Republican operator and monitor.

For what purpose does the gentleman from New York rise?

Mr. WYDLER. I just want to make it clear to the Chair that in coming onto the House floor at 12 o'clock, I informed the clerks of the House that the Republican monitor was not working. That was within a few minutes after noon today.

The SPEAKER. The Chair was not informed about that until 2 minutes ago. The Chair is the proper person to be advised of things of this sort.

The Chair is going to order that the vote on the previous question be taken by electronic device.

Without objection, a recorded vote was ordered on the motion for the previous question.

The vote was taken by electronic device, and there were—ayes 219, noes 190, not voting 25, as follows:

[Roll No. 457]

AYES—219

Abzug	Denholm	Jones, N.C.
Adams	Dent	Jones, Okla.
Addabbo	Dingell	Jones, Tenn.
Alexander	Donohue	Jordan
Anderson, Calif.	Dorn	Karth
Andrews, N.C.	Drinan	Kastenmeier
Annunzio	Dulski	Kazen
Ashley	Eckhardt	Kluczynski
Aspin	Edwards, Calif.	Koch
Badillo	Eilberg	Kyros
Barrett	Evans, Colo.	Landrum
Bergland	Evins, Tenn.	Leggett
Bevill	Fascell	Lehman
Bingham	Fisher	Litton
Blatnik	Flood	Long, La.
Boggs	Flowers	Long, Md.
Boland	Flynt	Luken
Bolling	Foley	McCormack
Bowen	Ford	McFall
Brademas	Fountain	McKay
Breaux	Fraser	Macdonald
Breckinridge	Fuqua	Madden
Brooks	Gaydos	Mahon
Brown, Calif.	Gettys	Mann
Burke, Calif.	Giaimo	Maraziti
Burke, Mass.	Gibbons	Mathis, Ga.
Burleson, Tex.	Ginn	Matsunaga
Burlison, Mo.	Gonzalez	Meeds
Burton, John	Grasso	Melcher
Burton, Phillip	Green, Oreg.	Metcalfe
Byron	Green, Pa.	Mezvinsky
Carey, N.Y.	Griffiths	Milford
Carney, Ohio	Gunter	Mills
Casey, Tex.	Haley	Minish
Chappell	Hamilton	Mink
Clark	Hanley	Mitchell, Md.
Collins, Ill.	Harrington	Moakley
Conyers	Hawkins	Moorhead, Pa.
Corman	Hays	Morgan
Cotter	Hébert	Moss
Daniel, Dan	Helstoski	Murphy, Ill.
Daniels, Dominick V.	Henderson	Murphy, N.Y.
Danielson	Hicks	Murtha
Davis, S.C.	Holtzman	Natcher
de la Garza	Howard	Nedzi
Delaney	Hungate	Nichols
Dellums	Ichord	Nix
	Johnson, Calif.	O'Hara
	Jones, Ala.	O'Neill
Passman	Roy	Thompson, N.J.
Patman	Roybal	Thornton
Patten	Runnels	Tiernan
Pepper	Ryan	Traxler
Perkins	St Germain	Udall
Pickle	Sarbanes	Ullman
Pike	Satterfield	Van Deerlin
Poage	Schroeder	Vander Veen
Preyer	Seiberling	Vanik
Price, Ill.	Shipley	Vigorito
Randall	Sikes	Waggonner
Rangel	Sisk	Waldie
Rees	Slack	White
Reid	Smith, Iowa	Whitten
Reuss	Staggers	Wilson, Charles H., Calif.
Riegle	Stanton, James V.	Wilson, Charles, Tex.
Roberts	Stark	Wolff
Rodino	Steed	Wright
Roe	Stephens	Yates
Rogers	Stokes	Yatron
Roncalio, Wyo.	Stuckey	Young, Ga.
Rooney, Pa.	Studds	Young, Tex.
Rose	Sullivan	Zablocki
Rosenthal	Symington	
Rostenkowski	Taylor, N.C.	
Roush		

NOES—190

Abdnor	Frenzel	O'Brien
Anderson, Ill.	Frey	Parris
Andrews, N. Dak.	Froehlich	Pettis
Archer	Gilman	Peyser
Arends	Goldwater	Powell, Ohio
Armstrong	Goodling	Price, Tex.
Ashbrook	Gross	Pritchard
Bafalis	Grover	Quie
Baker	Gubser	Quillen
Bauman	Gude	Railsback
Beard	Guyer	Regula
Bell	Hammer-schmidt	Rhodes
Bennett	Hanrahan	Rinaldo
Biester	Hastings	Robinson, Va.
Blackburn	Hechler, W. Va.	Robison, N.Y.
Bray	Heckler, Mass.	Roncallo, N.Y.
Brinkley	Heinz	Rousselot
Broomfield	Hillis	Ruppe
Brotzman	Hinshaw	Ruth
Brown, Mich.	Hogan	Sandman
Brown, Ohio	Holt	Sarasin
Broyhill, N.C.	Horton	Schneebeli
Broyhill, Va.	Hosmer	Sebelius
Buchanan	Huber	Shoup
Burgener	Hudnut	Shriver
Burke, Fla.	Hunt	Shuster
Butler	Hutchinson	Skubitz
Camp	Jarman	Smith, N.Y.
Carter	Johnson, Colo.	Snyder
Cederberg	Johnson, Pa.	Spence
Chamberlain	Kemp	Stanton, J. William
Clancy	Ketchum	Steele
Clausen, Don H.	King	Steelman
Clawson, Del	Kuykendall	Steiger, Ariz.
Cleveland	Lagomarsino	Steiger, Wis.
Cochran	Landgrebe	Stratton
Cohen	Latta	Symms
Collier	Lent	Talcott
Collins, Tex.	Lott	Taylor, Mo.
Conable	Lujan	Thomson, Wis.
Conlan	McClory	Thone
Conte	McCloskey	Towell, Nev.
Coughlin	McCollister	Treen
Crane	McDade	Veysey
Cronin	McEwen	Walsh
Culver	McKinney	Wampler
Daniel, Robert W., Jr.	Madigan	Ware
Davis, Wis.	Mallary	Whalen
Dellenback	Martin, Nebr.	Whitehurst
Dennis	Martin, N.C.	Widnall
Derwinski	Mathias, Calif.	Wiggins
Devine	Mayne	Williams
Dickinson	Mazzoli	Wilson, Bob
Duncan	Michel	Winn
du Pont	Miller	Wyatt
Edwards, Ala.	Minshall, Ohio	Wydler
Erlenborn	Mitchell, N.Y.	Wyman
Esch	Mizell	Young, Alaska
Eshleman	Montgomery	Young, Fla.
Findley	Moorhead, Calif.	Young, Ill.
Fish	Mosher	Young, S.C.
Forsythe	Myers	Zion
Frelinghuysen	Nelsen	Zwach
	Obey	

NOT VOTING—25

Biaggi	Hanna	Rarick
Brasco	Hansen, Idaho	Rooney, N.Y.
Chisholm	Hansen, Wash.	Scherle
Clay	Harsha	Stubblefield
Davis, Ga.	Holifield	Teague
Diggs	McSpadden	Vander Jagt
Downing	Mollohan	Wylie
Fulton	Owens	
Gray	Podell	

So the previous question was ordered.

The Clerk announced the following pairs:

Mr. Fulton with Mr. Hanna.
Mr. Biaggi with Mr. McSpadden.
Mr. Teague with Mr. Rarick.
Mr. Rooney of New York with Mr. Stubblefield.
Mr. Podell with Mr. Harsha.
Mrs. Chisholm with Mrs. Hansen of Washington.
Mr. Davis of Georgia with Mr. Hansen of Idaho.
Mr. Mollohan with Mr. Scherle.
Mr. Owens with Mr. Wylie.
Mr. Downing with Mr. Vander Jagt.
Mr. Diggs with Mr. Gray.
Mr. Clay with Mr. Holifield.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 330, nays 78, not voting 26, as follows:

[Roll No. 458]

YEAS—330

Abdnor	Conte	Guyer
Abzug	Conyers	Haley
Adams	Corman	Hamilton
Addabbo	Cotter	Hanley
Alexander	Coughlin	Hanrahan
Anderson, Calif.	Cronin	Harrington
Anderson, Ill.	Culver	Hastings
Andrews, N.C.	Daniel, Dan	Hawkins
Andrews, N. Dak.	Daniel, Robert W., Jr.	Hays
Annunzio	Daniels, Dominick V.	Hébert
Ashley	Danielson	Hechler, W. Va.
Aspin	Davis, S.C.	Heckler, Mass.
Badillo	de la Garza	Heinz
Bafalis	Delaney	Helstoski
Barrett	Dellenback	Henderson
Bell	Dellums	Hicks
Bennett	Dent	Hogan
Bergland	Devine	Holt
Bevill	Dingell	Holtzman
Biester	Donohue	Horton
Bingham	Dorn	Howard
Blatnik	Drinan	Hungate
Boggs	Dulski	Ichord
Boland	Duncan	Jarman
Bolling	du Pont	Johnson, Calif.
Bowen	Eckhardt	Johnson, Colo.
Brademas	Edwards, Ala.	Johnson, Pa.
Breaux	Edwards, Calif.	Jones, Ala.
Breckinridge	Eilberg	Jones, N.C.
Brinkley	Esch	Jones, Okla.
Brooks	Eshleman	Jones, Tenn.
Broomfield	Evans, Colo.	Jordan
Brotzman	Fascell	Karth
Brown, Calif.	Findley	Kastenmeier
Broyhill, N.C.	Fish	Kazen
Broyhill, Va.	Fisher	Kemp
Buchanan	Flood	Ketchum
Burgener	Flowers	Kluczynski
Burke, Calif.	Flynt	Koch
Burke, Fla.	Foley	Kyros
Burke, Mass.	Ford	Landrum
Burleson, Tex.	Fountain	Latta
Burlison, Mo.	Fraser	Leggett
Burton, John	Frenzel	Lehman
Burton, Phillip	Frey	Lent
Butler	Fulton	Litton
Byron	Fuqua	Long, La.
Camp	Gaydos	Long, Md.
Carney, Ohio	Gettys	Lujan
Carter	Giaimo	Luken
Casey, Tex.	Gibbons	McClory
Cederberg	Gilman	McCloskey
Chamberlain	Ginn	McCormack
Chappell	Gonzalez	McDade
Clark	Grasso	McFall
Clausen, Don H.	Green, Oreg.	McKay
Cohen	Green, Pa.	McKinney
Collier	Griffiths	Macdonald
Collins, Ill.	Gude	Madden
	Gunter	Mahon
		Mallary
		Mann

Maraziti	Railsback	Stokes
Martin, N.C.	Randall	Stubblefield
Mathis, Ga.	Rangel	Stuckey
Matsunaga	Rees	Studds
Mayne	Regula	Sullivan
Mazzoli	Reid	Symington
Meeds	Reuss	Talcott
Melcher	Riegle	Taylor, Mo.
Metcalfe	Rinaldo	Taylor, N.C.
Mezvinsky	Roberts	Teague
Milford	Robinson, Va.	Thompson, N.J.
Miller	Robison, N.Y.	Thomson, Wis.
Mills	Rodino	Thone
Minish	Roe	Thornton
Mink	Rogers	Tiernan
Minshall, Ohio	Roncallo, Wyo.	Towell, Nev.
Mitchell, Md.	Roncallo, N.Y.	Traxler
Mitchell, N.Y.	Rooney, Pa.	Udall
Mizell	Rose	Ullman
Moakley	Rosenthal	Van Deerlin
Montgomery	Rostenkowski	Vander Veen
Moorhead, Calif.	Roush	Vanik
	Roy	Veysey
Moorhead, Pa.	Roybal	Vigorito
Morgan	Runnels	Waggonner
Moss	Ruppe	Walsh
Murphy, Ill.	Ruth	Wampler
Murphy, N.Y.	Ryan	Ware
Murtha	St Germain	Whalen
Natcher	Sandman	White
Nedzi	Sarasin	Whitehurst
Nelsen	Sarbanes	Whitten
Nichols	Satterfield	Widnall
Nix	Schroeder	Wiggins
O'Brien	Sebelius	Williams
O'Hara	Seiberling	Wilson, Charles H., Calif.
O'Neill	Shipley	
Passman	Shriver	
Patten	Sikes	Wilson, Charles, Tex.
Pepper	Sisk	
Perkins	Slack	Winn
Pettis	Smith, Iowa	Wolff
Peyser	Snyder	Wright
Pickle	Staggers	Yates
Pike	Stanton, J. William	Yatron
Poage		Young, Alaska
Preyer	Stanton, James V.	Young, Ga.
Price, Ill.		Young, Ill.
Price, Tex.	Stark	Young, Tex.
Pritchard	Steed	Zablocki
Quie	Steele	Zwach
Quillen	Stephens	

NAYS—78

Archer	Froehlich	Myers
Arends	Goldwater	Obey
Armstrong	Goodling	Parris
Ashbrook	Gross	Powell, Ohio
Baker	Grover	Rhodes
Bauman	Gubser	Rousselot
Beard	Hammer-schmidt	Schneebeli
Blackburn		Shoup
Bray	Harsha	Shuster
Brown, Mich.	Hillis	Skubitz
Brown, Ohio	Hinshaw	Smith, N.Y.
Clancy	Hosmer	Spence
Clawson, Del	Huber	Steelman
Cleveland	Hudnut	Steiger, Ariz.
Cochran	Hunt	Steiger, Wis.
Collins, Tex.	Hutchinson	Stratton
Conable	King	Symms
Conlan	Kuykendall	Treen
Crane	Lagomarsino	Wilson, Bob
Davis, Wis.	Landgrebe	Wyatt
Denholm	Lott	Wydler
Dennis	McCollister	Wyman
Derwinski	McEwen	Young, Fla.
Dickinson	Madigan	Young, S.C.
Erlenborn	Martin, Nebr.	Zion
Forsythe	Michel	
Frelinghuysen	Mosher	

NOT VOTING—26

Biaggi	Gray	Patman
Brasco	Hanna	Podell
Carey, N.Y.	Hansen, Idaho	Rarick
Chisholm	Hansen, Wash.	Rooney, N.Y.
Clay	Holifield	Scherle
Davis, Ga.	McSpadden	Vander Jagt
Diggs	Mathias, Calif.	Waldie
Downing	Mollohan	Wylie
Evins, Tenn.	Owens	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Downing with Mr. Holifield.
Mr. Rooney of New York with Mr. Hanna.
Mr. Carey of New York with Mr. McSpadden.
Mr. Biaggi with Mr. Hansen of Idaho.
Mr. Mollohan with Mr. Rarick.
Mrs. Chisholm with Mr. Gray.
Mr. Davis of Georgia with Mr. Scherle.
Mr. Diggs with Mr. Patman.
Mr. Evins of Tennessee with Mr. Vander Jagt.
Mr. Clay with Mr. Owens.
Mr. Waldie with Mrs. Hansen of Washington.
Mr. Podell with Mr. Wylie.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT THURSDAY, AUGUST 8, 1974, TO FILE CERTAIN PRIVILEGED REPORTS

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tomorrow night, Thursday, August 8, 1974, to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 15405, DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 15405), making appropriations to the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. HAYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16090) to impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. HAYS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 16090, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Ohio (Mr. HAYS) will be recognized for 1 hour, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 1 hour.

The Chair recognizes the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I propose to take as little time in general debate as possible. There is usually not a very heavy attendance, and I think we will get down to the crux of the disagreements, if any, under the 5-minute rule.

I want to quickly run through the general provisions of the bill.

There are questions that Members have, and I will yield myself more time in an attempt to answer them.

In title I, the Criminal Code amendments, we have these limits of $1,000 per election by any person to a candidate. A "person," of course, is a broad term under the law. There is a $5,000 limit per election on contributions to candidates for Federal office by multicandidate committees. That would be the Democratic Campaign Committee, the Republican Campaign Committee, et cetera.

There is a $25,000 limit on the amount one individual may contribute in one year to all candidates. In other words, if a man wanted to contribute $1,000 to 25 candidates, he could do it, and then the ball game is over for him.

This gets away from the type of $2.5 million contributions and $1 million contributions that were had on both sides the last time, and of course, if the bill stays as it is, there will be no contributions in Federal elections because we propose to fund them out of the income tax checkoff.

The expenditure limits are set overall in this way: The President for the general election, $20 million; for the primary election, $10 million; for the Senate, $75,000 or 5 cents times the population of the State, whichever is larger; in the House, $75,000 in each primary and general election.

Expenditure limitations would be increased by the cost of living escalation.

There is a prohibition against a candidate spending more than $25,000 of his own funds in an election. That, of course, includes the candidate, his wife, and members of his immediate family.

We allow an exemption for slatecards and sample ballots being exempted from the reporting requirement. The reason for that is that in very, very many geographical areas of this country there are counties with a population of 20,000, 30,000, and 40,000 where the parties in the county on both sides put out a sample ballot. I will use, for example, one county in my district in Ohio which has a population of 16,000 people. You can buy 16,000 sample ballots, even at today's prices, for less than $300 if you buy them from the people who print the ballots.

In Ohio the law requires anything labeled "sample ballot" to have the names of every candidate for both parties on it.

Mr. Chairman, under the old law, if

that party spent $300 in this year's election for sample ballots, which would be one for every household in the county, they would be forced, under the penalty of fine and imprisonment, whether they knew it or not, to report to the Federal Election Commission that they had spent $20 on my behalf, for instance, because there are 15 candidates this year in my district on the ballot.

That is the kind of little thing that is one of the technical violations, of which there are literally thousands, that we are trying to eliminate by what seems to me to be a rather sensible exemption.

Under the Disclosure Act we simplify the reporting requirements. We provide for a single 10-day preelection report instead of the 5-day and 15-day report that the present law provides. The reason we did that is simply because the 5-day provision was not realistic. By the time you got your books closed, got your report made, and got it down here and the clerk put it on his computer and it was recorded, it was difficult to get copies in by election day.

So we did away with this. We now make one report mandatory 10 days before election and another 30 days after election.

I think the Members are also going to be delighted to know that we have eliminated these reports which had to come quarterly, most of which said, zero, zero, zero, but which had to be notarized and sent in. In any quarter in any year in which you do not spend $1,000 in that quarter, you do not make a report until the end of the year, when you make a cumulative report. If you spent over $1,000 in a quarter, you have to file a report.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. HAYS) has expired.

Mr. HAYS. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, we waive quarterly reports if they fall within the 10 days of a pre- or post-election report. In other words, if a quarterly report came within 10 days or 30 days after election, you just combine them and make one report.

We require each candidate to have a principal campaign committee. I am going to take a little time to explain that. If you have nine counties in the district or nine wards in the city and you want to have a committee in each ward, that is all right, but you have got to designate one committee as your principal committee. All of those country or ward committees have to report whatever they spend in your name to the principal committee, and the principal committee is responsible and must make the report to the reporting authority.

Mr. Chairman, we have agreed, by a committee amendment, with the gentleman from Minnesota (Mr. FRENZEL) and the gentleman from Florida (Mr. FASCELL), as well as other Members—the committee agreed to it this morning—that the committee will offer an amendment on the composition of the board, which will be as follows: The board will be composed of six people, four voting members and two nonvoting members. The four voting members will be appointed, two by the Speaker of the House and two by the Vice President of the United States.

I wish to tell the Members that we included the Vice President of the United States in an effort to be eminently fair to the minority side, because normally those appointments are made by the Speaker of the House and the President pro tempore of the Senate, and they are both Democrats. However, we stipulate that those appointees must be, one from each party in both cases, and to that are added the Clerk of the House and the Secretary of the Senate as nonvoting members of the Board, for the purpose of being there and being in on the promulgation of rules and regulations and being available for Members to consult as to what are the proper procedures so that one can make out his report and have some real feeling that he is within the law.

We also have compromised another thing in the bill which will be offered as a committee amendment. Under the old bill the reporting authority got together and made rules and regulations and they changed the law. It was 5 days and 15 days, but by regulation they changed it to 22 days and 12 days. We do not think that ought to be done. We had in there that any rules or regulations they made could be vetoed by either committee, but we decided that raised a constitutional question. So, by committee amendment, we will change that so that anything they promulgate can be vetoed within 30 days by a vote of either House of the Congress.

In other words, it would probably be referred to the committee. If they thought it worthwhile, they would bring it to the House for a vote.

In title II we amend the Hatch Act so as to allow State and local government employees to participate on a voluntary basis in certain partisan political activities.

We strengthen and expand the existing dollar checkoffs now limited to the financing of Presidential elections. The gentleman from Indiana (Mr. BRADEMAS) will explain this later in detail. We make the dollar checkoff self-perpetuating to assure that the money may be used within the election, and we set aside $20 million for each major political party. We define major political parties and minor political parties, and something will be available for the minor political parties.

The definition of a minor political party is one that got 5 percent of the vote in the last election. As I say, there is $20 million for each major party in the State, and they may not raise any money privately, and they may not spend more than $20 million, which must be spent again through a designated single committee, which may be the national committee or it may be another, but it must be one single committee, and they will not be out running all over the country, raising money.

Finally, we put in the law that political committees with no gross income for the taxable year would not be required to file income tax returns for that year. The IRS rules that whether you made a nickel or not you had to file a return.

Well, I was chairman around here many years ago when the Committee on Excess Government Paperwork was formed, and I think this was excess government paperwork. Anybody who does not have any income does not have to file a return, so why should a political committee which has no income be forced to file a return? We just wiped it out. That is one of the reasons of the waiver on points of order in the rule.

Mr. Chairman, I have touched on the high points, and other Members will explain in greater detail other sections. The members of the committee will be available to answer any questions that other Members may have.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYS. Mr. Chairman, I yield myself 1 additional minute.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, the gentleman from Ohio serves as the chairman of the Democratic Congressional Campaign Committee, and the gentleman and I are friendly adversaries in the sense that one of my responsibilities around here is chairman of the Republican Campaign Committee.

I have one question. The gentleman stated that there is a $5,000 limitation on contributions to candidates for Federal office by committees other than one's "principal" campaign committees, and the gentleman from Ohio I think in the course of his general debate a moment ago likened the congressional committees to some of the better known recognized special interest groups. What was the rationale in the treatment of those kinds of committees as though they are on a par with the respective congressional campaign committees we chair?

I would like to think our respective national committees, senatorial and congressional campaign committees, could be looked upon in a special way—even in this bill. Why could we not have been excluded from this limitation?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAYS. Mr. Chairman, I yield myself 1 additional minute in order to answer the question posed by the gentleman from Illinois (Mr. MICHEL).

Mr. Chairman, I would say to the gentleman from Illinois—and I understand that this is a complicated matter—that the rationale was in trying to make a distinction between the different candidate committees—and it was not my contention, and I want to make a little legislative history here, and I do not think it was the intention of the committee, to include whatever services we give to any candidate as far as the $5,000 is concerned.

In other words, if you furnish a candidate with a voting record, or my voting record, or if I furnish a candidate with the gentleman's, that is not included. We were talking about the way I understood it, and I believe that is the intent—a cash contribution to the candidate's campaign.

Mr. MICHEL. Strictly a financial contribution under an information and educational allowance, or whatever we might call it; but the inhouse kind of contributions that our respective committees have been accustomed to making candidates or to incumbents would be excluded?

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYS. Mr. Chairman, I yield myself 3 additional minutes.

It is my belief that they are not included—just the cash contributions.

Mr. MICHEL. I thank the gentleman.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. I thank the gentleman for yielding.

As the gentleman knows, when he appeared before the Rules Committee, I raised a question relative to the definition of the term "any election" as used in section 101. I raise the question for the reason that, while setting the limitation on the amount that any person may contribute, the term "any election" is used, in setting the maximum for expenditures that any candidate may make, the term "any campaign for nomination for election, or for election" is used.

Mr. HAYS. May I say to the gentleman I do not have the section at my fingertips, but there is a section in there defining elections, and in the definition of election as the term is used, it means any primary, any runoff, and any general election.

Mr. MATSUNAGA. That is fine. For the purpose of establishing legislative history, I thought I should raise the question.

Mr. HAYS. It is also in the bill in the definition.

Mr. MATSUNAGA. I will remind the gentleman that the definition merely refers to existing law, which is not printed in the bill itself.

Mr. HAYS. But in the Ramseyer report it is there, and it is defined that way.

Mr. MATSUNAGA. I thank the gentleman.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Michigan.

Mr. CONYERS. I appreciate the chairman's yielding to me.

I should like to have him explain, if he would, the question I raised with him before that apparently requires new political parties to have to accumulate 5 percent of the vote, which means that it would have to go from 0 percent to in excess of 5 percent. I know that it is in existing legislation, and is continued in the bill.

Mr. HAYS. Let me say that there is defined in there—and one of the other Members is going into it in depth—major party and minor party—and a minor party is one which accumulated 5 percent—and new parties. A minor party, to be called a minor party and to be eligible, must have gotten the 5 percent in the last election, but that is subject to amendment. That is in one of the sections that is open, and it could be amended.

Mr. CONYERS. The gentleman from Ohio perceives, then, the problem I am raising?

Mr. HAYS. I do.

Mr. CONYERS. We are precluding new parties from getting started. Both of the major parties in the United States pried themselves from splinter groups or from different political formations and entities. What we are now requiring is that these new parties, to get the benefit of public financing—as important and vital as it is—we are now in effect requiring to grow to at least 5 percent or die. I think that is a very serious situation that ought to be gone into very carefully by the Chairman and the Members.

Mr. HAYS. Let me say to the gentleman that I respect his position. He and I may have a fundamental philosophical disagreement about this without affecting our friendship. I personally would like to do anything I can to protect the two-party system, because I am too familiar with too many European countries that have multiparty systems that have degenerated into almost anarchy. There will be provisions for debate on this under the 5-minute rule. There will be provision for amendment, and I do not want to use more time because I have promised a lot of time; but I will be glad to discuss it further with the gentleman under the 5-minute rule.

Mr. CONYERS. Before we get into the 5-minute rule, the 5-minute rule, as I see it practiced on the floor, is that after we start the 5-minute rule, a great number of Members will decide that we ought to cut off the 5-minute rule—and I am referring to the $90 billion Department of Defense bill that was just considered yesterday.

Mr. HAYS. I will assure the gentleman that he will have 5 minutes if I have to get it and give it to him myself.

Mr. CONYERS. I am not only concerned about getting the 5 minutes but I am equally concerned about the provisions that limit new and small parties which ought to be thoroughly considered in passing this legislation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman yielding. I wanted to ask my colleague, the gentleman from Michigan, did he vote for the closed rule?

Mr. CONYERS. I think that is an irrelevant question.

Mr. ROUSSELOT. I do not think so. As a matter of fact, it is a most relevant question because an open rule would have guaranteed the gentleman from Michigan more adequate time for appropriate amendments.

Mr. FRENZEL. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama (Mr. DICKINSON), the ranking minority member of the Committee on House Administration.

Mr. DICKINSON. Mr. Chairman, let me say at the beginning that I want to compliment the chairman of the committee, the gentleman from Ohio (Mr. HAYS) and the membership of our committee for the conscientious hard work that they have put forth in bringing forward this bill. We had 21 different sessions on markup. We charged up the hill many times and charged back down again, and we charged up on the same hill again. There are many things in this bill that are good, that are salutary, that are needed.

There are many things in this bill that I object to that I would like very much to see removed from the bill. For instance, I favor some of the spending limitations, but on the question of campaign expenditures for Members of Congress I think that the amount is excessive. We voted I do not know how many different times on different figures and they ranged anywhere from $150,000 per election down to as low as $50,000 or even less. We finally settled on the figure of $60,000 per election. We tried to take into account the differences in rural areas and metropolitan areas or industrialized areas and agricultural areas in trying to work some equity because we realize the situation is different from Manhattan, say, to the rural areas of my 13 counties, and it costs more in some areas.

I felt that $60,000 was the most equitable figure we could have settled on. After we voted on it, it came up again and then we voted on $75,000. I can support the $75,000, but if an amendment is offered I will vote to go back to $60,000, because this means $50,000 per election, which means every time we vote.

It means that if there is a primary, that is $75,000. Then if there is a runoff a month later, that is $75,000, or a total of $150,000 which we will have spent right there. It is not a pass through and it is not cumulative, but we can spend $75,000 per election there or $150,000 total for the primary and runoff, and then if there is a general election, that is another $75,000, and if there is a runoff after that general election, as is permitted in some States, there is another $75,000, and it is up to $300,000 for a seat in the Congress, which I think is too high.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. Mr. Chairman, I offered an amendment in the committee which reduced the amount of expenditure per election to $42,500. The gentleman supported that, and I would appreciate the gentleman's support in this instance as on that date.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, I think it might be appropriate to make the observation that in the last election the challengers who defeated incumbents spent on the average, $120,000 to defeat the incumbents. I subscribe to the gentleman's personal view and hope that we could keep campaign expenditures down to a minimum in each one of our districts, but the facts of life prove that the only way one can possibly unseat those of us who are incumbents with our built-in advantages, and this was particularly

true in 1972, is to spend considerable sums of money. So the $42,500, while good talk for the folks back home, is one of those kinds of amendments I referred to during the consideration of the rule as rather ridiculous and it will put the Members unfairly to the mast on the floor when we get under the 5-minute rule.

Mr. DICKINSON. I thank the gentleman for his observation.

Mr. Chairman, moving right along now, there are other features of the bill I find most repugnant and objectionable. For instance, on the financing of national conventions out of the public till, there is $2 million set aside here to finance the national conventions.

This is bad for many reasons. They say, "If you do not want it, we will make it optional." The Democrats say, "We want it. You don't have to take it if you don't want it."

We can find going through the whole thread of this bill the partisanship, I suppose, which is part of this ball game; but but let me remind all of us that with the pursestrings goes control. That is a simple axiom of life that we cannot change.

When Federal funds go in, sooner or later we will have Federal control. We will find when the Federal Government starts financing purely partisan campaigns and elections, then they will start setting parameters of how many delegates we are going to have, the composition of the delegates. Ultimately we will find there are some disadvantaged ones that say, "We don't have the money to serve as a delegate." So we will see the Federal Government paying the salaries and transportation expenses of delegates to go to national conventions, all out of the taxpayers' pocket. This is one of the things I am adamantly opposed to. I think it is wrong. The taxpayers of the United States should not finance national conventions.

We heard the statement a bit earlier that do not let procedural purity keep us from this historical chance. This historical chance to what, to freeze in the incumbents? Procedural purity, and the thing I objected to when we were discussing the bill and the reason I wanted to vote it down under the discussion of the rule, I wanted to vote down the rule, because for the first time we required a proposed amendment to be printed 24 hours or a calendar day in advance and then moved immediately into the bill without preserving that 24 hours for the Members to avail themselves of the opportunity.

This is ludicrous. This means anybody that did not guess or hear or pick up a rumor yesterday that we were going to pass this rule today, if he did not have inside information and get his amendment in the RECORD yesterday, even though it is germane, even though it is acceptable in every other way, he cannot offer it today.

I think this is bad procedure. I think we are setting a bad precedent. I cannot imagine the Committee on Rules setting up this rule without at least guaranteeing 24 hours to a person to avail himself of this opportunity, but they did so. That was one good reason I think for opening up the rule.

Mr. Chairman, I think we need campaign reform. I think there are many good areas in here. I was very pleased to hear the chairman of our full committee in the colloquy with the gentleman from Illinois saying it was not intended that the overhead expense of the two campaign committees, such as salaries, rent and heat and so forth, be prorated in donations and given to the various incumbents that they serve, but only the cash contributions were to be intended; but as I pointed out in my special views in the report, in setting up the authority, whatever the authority there is to oversee and carry out the aims and wishes of this bill, we must be careful that in the name of reform we do not drive out and scare people away good dedicated honest people who are interested in the Government of this country, scare them out of politics by stringing so many trip wires that they do not know if they are going to jail or not if they are a candidate or even helping a candidate.

I did serve on the special subcommittee that was set up to monitor elections by the Congress. The Clerk of this House certified over 5,000 violations of the last election law of the House of Representatives alone, over 5,000 violations to the Justice Department for investigation and/or prosecution.

I am very fearful if we are not careful in setting up whatever authority is to control this, if we do not get somebody knowledgeable and sympathetic and with commonsense, if we set up a Commission that is going to be headhunters, we are all going to be in danger of what the gentleman from Louisiana said earlier. We will be serving two sentences, one for 2 years in the Congress and one for 2 years in jail.

So, let us be very careful in considering what we are doing here. I am anxious to get a good campaign bill, and I hope I can vote for this on final passage.

But, some of the abuses in here, some of the things provided for such as public financing of some of these elections, make the bill ridiculous, in my opinion. To think the taxpayers should finance me in my campaign, or my opponent and considering the proliferation of candidates that are going to emerge as soon as they find out there is tax money involved, is staggering, I cannot think of a better business to go into than the public relations business for political campaigns.

(Mr. DICKINSON asked and was given permission to revise and extend his remarks.)

Mr. DENT. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. MINISH).

Mr. MINISH. I thank the chairman for yielding. Mr. Chairman, under the Campaign Reporting Act of 1971, the American Federation of Teachers filed a report showing they distributed close to $70,000 to different Members of Congress and to certain other groups. I was charged with that entire amount.

I brought it to the attention of the Clerk of the House, and he said the reason they did that was because in the report that they filed, they said they were supporting Senator MONDALE, and myself, so I was credited with the entire amount.

My question is this: Could that happen under this legislation?

Mr. DENT. Mr. Chairman, if the gentleman will yield, I will say absolutely not. It should not have happened under the old legislation. There were many cases exactly like this in the country. Certain groups would make contributions to more than one candidate, but the candidates in turn would say they received money but had not named that group as their contributor.

The gentleman evidently named the Federation of Teachers and he probably turned the name in showing that the organization had contributed to him. However, they also sent in a report stating the amount of money they have spent. Having no other names, and the gentleman having admitted that was his contributor, they turned it all into his account. This happened in many situations all over the country.

Mr. MINISH. Mr. Chairman, as I look around the floor, there are at least eight Members here who received money from the American Federation of Teachers AFL–CIO that I was credited with. I only received $250.

Mr. DENT. The only advice I can give the gentleman is to go see the Clerk.

Mr. Chairman, I yield 11 minutes to the gentleman from Indiana (Mr. BRADEMAS).

(Mr. BRADEMAS asked and was given permission to revise and extend his remarks.)

Mr. BRADEMAS. Mr. Chairman, I rise in support of H.R. 16090, the Federal Elections Campaign Amendments of 1974.

I would first like to take this opportunity to pay special tribute to the distinguished chairman of the committee, the gentleman from Ohio (Mr. HAYS). Mr. HAYS worked diligently day after day in the markup sessions on the bill and if major campaign reform legislation is passed by Congress this year, much of the credit will be due to WAYNE HAYS.

Because the gentleman from Ohio has been subjected to considerable criticsm on this matter, I believe it only fair to make the point I have just made.

Mr. Chairman, members of the House Administration Committee have worked long and hard on this bill. We considered almost 100 amendments, offered by both Republicans and Democrats, and we have reported to the House what I believe to be a very sound campaign reform bill—one which will significantly improve and strengthen current law.

To quote from a letter to me of July 25, 1974, from the able codirectors of the Center for Public Financing of Elections, Susan B. King and Neal Gregory, following the action of the House Administration Committee in reporting H.R. 16090—

We would like to commend you and your colleagues on the House Administration for the months of work which resulted in yesterday's reporting out of the Campaign Reform Bill.

. . . Your action in moving to clean up the way in which we finance Federal elections

was a very positive response to the current crisis of confidence in government. This is a good bill of which the Committee can be proud.

Mr. Chairman, the existing campaign finance laws include the Federal Elections Campaign Act of 1971, the Presidential Election Campaign Fund Act, and certain portions of the United States Criminal Code. The most significant of these is, of course, the Federal Elections Campaign Act, which calls for the disclosure of campaign expenditures and contributions.

Although the Federal Elections Campaign Act has only been in effect for little over 2 years, it has become apparent that certain provisions of the law need to be strengthened. Further, the law failed to reach one of the most serious campaign finance problems—the excessive influence of big money in political campaigns.

Mr. Chairman, the committee bill meets these problems by improving the disclosure requirements of the Federal Elections Campaign Act and by providing for a Board of Supervisory Officers to strengthen the enforcement of campaign finance laws. To meet the problem of spiraling campaign expenditures and the excessive influence of big money, the bill sets strict limits on campaign expenditures and contributions. And to limit the influence of big money in the area which, I believe, offers the greatest potential for abuse—all phases of election to the office of President—the committee bill strengthens the existing dollar check-off law with respect to the Presidential general elections and authorizes the use of checkoff funds for presidential nominating conventions and Presidential primary elections.

Mr. Chairman, although I would like briefly to summarize the major provisions of the bill, I would like to focus my remarks on two important features of the bill—the Board of Supervisory Officers and the sections dealing with public financing of Presidential elections.

CONTRIBUTION LIMITS

Mr. Chairman, the committee bill limits contributions to candidates by persons to $1,000 per election—primary, runoff, special election, and general election.

The bill permits committees which have: First, been registered for 6 months pursuant to the Federal Elections Campaign Act of 1971; second, which have received contributions from more than 50 persons; and third, which have contributed to at least 5 candidates for Federal office to contribute to candidates up to $5,000 per election. This limit on contributions by so-called multicandidate committees applies equally to the Republican and Democratic Congressional Campaign Committees and to the National, State, and local committees of the political parties as well as to broadbased citizens groups which support candidates for Federal office.

By providing higher limits on contributions by multicandidate committees, our committee recognized the important role of broad-based citizen interest groups—whether conservative, such as the Americans for Constitutional Action, or liberal, such as the National Committee for an Effective Congress.

To curtail the influence of excessive political contributions by any single person, the bill establishes a $525,000 limit on the amount any individual can give to all candidates for Federal office in a single year.

Mr. Chairman, these limits were subject to lengthy debate in the committee and I believe we have provided for limits which are low enough to bar excessive contributions, yet not so low so that it would be impossible for candidates to raise adequate campaign funds without incurring exorbitant fundraising costs.

EXPENDITURE LIMITS

Mr. Chairman, the bill would curb spiraling campaign expenditures by setting strict limits on campaign spending.

Candidates to the office of President would be able to spend only $20 million; candidates for the nomination to the office of President could spend a total of $10 million.

Senate candidates would be able to spend the higher of either $75,000 or 5 cents times the population in the candidate's State in each of the primary and general elections.

And House candidates would be able to spend $75,000 in each of the primary and general elections.

In addition to these general expenditure limits, the committee bill allows candidates to spend up to 25 percent above the limits to meet the costs of fund raising. This provision is particularly important in view of the cost of raising campaign funds through small contributions.

Mr. Chairman, these expenditure limits were adopted after extensive and thorough debate in our committee, and I believe the limits we have recommended are low enough to prevent excessive campaign expenditures, yet high enough to allow challengers to mount meaningful campaigns and to permit both incumbents and challengers to communicate their positions on campaign issues to the voters.

PRINCIPAL CAMPAIGN COMMITTEES AND DISCLOSURE REPORTS

To simplify reporting requirements and facilitate the dissemination of campaign finance information, the bill eliminates unnecessary disclosure reports and provides for the designation of principal campaign committees to make all committee expenditures on behalf of a candidate and to file a consolidated report of all such expenditures and all contributions of committees which support the candidate.

Mr. Chairman, the committee bill eliminates the 15- and 5-day preelection reports required by existing law and requires instead a single preelection report 10 days before each election. In addition, the bill requires a report 30 days after each election. Quarterly reports would still be required, but a candidate would not have to file a quarterly report if it falls within 10 days of the pre- or post-election report or if in that quarter neither contributions or expenditures exceed $1,000.

BOARD OF SUPERVISORY OFFICERS

To assure full compliance with and effective enforcement of the election laws, the committee bill establishes an independent Board of Supervisory Officers.

The Board would be composed of the three existing supervisory officers—the Clerk of the House, the Secretary of the Senate, and the Comptroller General—and four public members appointed by the Speaker of the House and the President of the Senate. To assure that the members of the Board are selected on a bipartisan basis, one of the Speaker's appointments shall be made from a list of recommendations provided by the House majority leader, and one from a list of recommendations provided by the House minority leader. Similarly, one of the President of the Senate's appointments would be made from a list of recommendations provided by the Senate majority leader and one from a list of recommendations provided by the Senate minority leader.

Under the bill, the supervisory officers would retain their existing authority to maintain disclosure reports and other records. Any apparent violation of election laws which they discover would have to be referred immediately to the Board.

The Board would be responsible for reviewing the actions of the individual supervisory officers, supervising development of rules and regulations, and the preparation of forms to assure they are uniform, to the extent practicable. To assure that the regulations developed by the Board and the supervisory officers conform to the law, all regulations would have to be submitted to congressional committees with election law responsibilities for review.

The Board would have the authority to investigate possible violations of the law, subpena rceords and witnesses, hold hearings, and refer appropriate apparent violations of the election laws to the Department of Justice for criminal and civil enforcement action. To avoid referring technical and minor violations to the Department of Justice, the Board would be authorized to encourage voluntary compliance through informal means.

And to assure expeditious enforcement action by the Justice Department, the bill requires the Attorney General to report to the Board on the status of referrals—60 days after the referral and at the close of every 30 day period thereafter.

Mr. Chairman, I would like here to note that I will later be offering a committee amendment to this section of the bill which will modify the composition of the Board. Very briefly, the amendment will provide for a six-member Board composed of four public members who will be appointed by the Speaker of the House and the President of the Senate, on a bipartisan basis, and the Clerk of the House and the Secretary of the Senate, both of whom will serve as nonvoting members.

The amendment will also amend the "review of regulations" provision in the committee bill to provide that all rules and regulations be submitted to the Sen-

ate and the House for review, rather than to the House Administration Committee or the Senate Rules and Administration Committee.

I will provide a more complete explanation when the amendment is considered, but I would like to observe that this amendment received the unanimous support of the House Administration Committee and will, I believe strengthen the enforcement of campaign finance laws.

PUBLIC FINANCING OF PRESIDENTIAL ELECTIONS

And finally, Mr. Chairman, the bill provides a full package for public financing of Presidential elections.

First, the bill strengthens existing law with respect to public financing of Presidential general elections. As you are aware, the dollar checkoff law, first passed in the 92d Congress and amended last year, allows individuals to designate on their annual tax return that a dollar be paid to the Presidential Election Campaign Fund, or the so-called dollar checkoff fund. The amount of money available for Presidential general elections is limited to the amount voluntarily designated by individual taxpayers that candidates may use public funds, or they may continue to finance their campaigns through private resources.

The committee bill amends current law to provide that the amount of public money available from the checkoff fund conforms to the spending limit for Presidential general elections—$20 million and to provide that the dollar checkoff fund be self-appropriating to assure that the dollars checked off by individual taxpayers are actually available.

In addition, the bill authorizes the use of dollar checkoff funds for Presidential nominating conventions.

Mr. Chairman, I think it is important to note that the current system of convention financing is a de facto public financing scheme. The national nominating conventions are now paid for principally by corporate and union advertisements in the convention programs. And much of the cost of this convention advertising is passed on to each taxpayer by means of tax deductions for these ads.

This section of the bill is based on a recommendation of the bipartisan Commission on Convention Public Fnancing, composed of top officials of both the Republican and Democratic national committees. It repeals the provision authorizing tax deductions for convention advertising and provides up to $2 million for major parties and proportionately smaller amounts for minor parties to defray the costs of conducting Presidential nominating conventions. The bill specifically prohibits, however, the use of public funds for direct cash payments to delegates and candidates.

Public financing would be voluntary and any political party that wished to continue to finance its convention with private resources could continue to do so. However, overall expenditures from both public and private sources would, under ordinary circumstances, be limited to $2 million.

Finally, Mr. Chairman, the bill provides for limited public financing of Presidential primary elections by authorizing matching payments from the dollar checkoff fund for small contributions.

Candidates would receive matching payments for the first $250 or less received from each contribution. The maximum amount of public money a candidate could receive would be one-half the expenditure limit for Presidential primaries. Under this bill, that means each candidate could receive up to $5 million. To prevent public financing of frivolous candidates, the bill would require a candidate to accumulate at least $5,000 in matchable contributions in each of 20 States.

All public funds would come from the surplus in the dollar checkoff fund after funds have been set aside to meet the estimated obligations of Presidential general elections and nominating conventions. Since experts estimate that the checkoff fund will contain approximately $64 million by 1976 and that some $46 million would be used for general elections and conventions, approximately $13 million should be available for primary elections.

Mr. Chairman, this Presidential public financing package is one of the most important features of the bill. Clearly, the potential for the abuse of big money is the greatest in the area of Presidential elections, and public financing would, in my view drastically reduce this potential.

Mr. Chairman, H.R. 16090 is a solid piece of campaign reform legislation, one which if passed, will prove to be a major advance in the financing of campaigns for Federal office.

Some critics have charged that the bill is loophole ridden and that it fails to provide an effective enforcement mechanism. These critics allege that the enforcement entity in the bill builds on a system of nonenforcement by the Clerk of the House and the other supervisory officers, and they infer that these deficiencies can never be corrected under the present approach because of the "appearance" of a conflict-of-interest situation. To support their case, they cite a whole litany of alleged shortcomings of the Clerk and the other supervisory officers.

Mr. Chairman, I have gone to some trouble to review the criticisms of this bill to determine if there is any solidity to these charges. And I must say that after investigation, there appears to be no basis for these allegations.

Take, for example, the charge that "the Clerk of the House waited until after the election to forward many of the violations to the Justice of Department. The Clerk reported 5,000 unprocessed violations (most of them trival or minor). The Clerk did not actively search for and investigate incomplete filings."

From April 7, 1972, the effective date of the 1971 elections law, throughout the 1972 election year, the Clerk made 15 separate referrals of violations to the Justice Department. The Clerk averaged making such a referral once every 16 days during 1972. Of the 4,893 referrals of apparent violations made during 1972, 3,192 or approximately two-thirds were made before the general elections of 1972. A goodly portion of the remaining 1,701 apparent violations were either not committed or not uncovered by audit until after the general elections. Each report filed with the Clerk by a candidate or political committee was audited. Each apparent violator was contacted separately on the deficiency by both the Clerk of the House and the Special Committee To Investigate Campaign Expenditures prior to being referred to the Justice Department.

This dual investigatory procedure by the Clerk and the special committee averaged approximately 40 days from the time an apparent violation was uncovered by audit until it was referred to the Justice Department. None of these referrals were for trivial or minor violations such as forms not being signed, or forms not being notarized. These referrals included failure to file, late filing, corporate contributions, union contributions, contributions from Government contractors, exceeding candidate's spending limitations, and other apparent violations of Federal election laws. Under section 308 of the election law, the Clerk's responsibility was to refer apparent violations to the Justice Department. Under the law the Attorney General has prosecutorial discretion on which cases he chooses to prosecute and it is his responsibility to perfect each case prior to trial.

Or take the charge that "since the Clerk apparently did not conduct any field investigations, the Justice Department was forced to reexamine and reinvestigate many of the complaints reported by the Clerk."

The Clerk has regularly conducted numerous field investigations and hearings on complaints. Some of these investigations and hearings were held jointly with the bipartisan House Special Committee To Investigate Campaign Expenditures. During the 1972 elections, the Clerk of the House has been the only supervisory officer to hold field investigations and hearings on election campaign complaints—and all of these hearings have been open to the public.

In fact, a review of the record of the Clerk of the House and the other supervisory officers shows that overall they met their election law responsibilities fairly and efficiently. And the enforcement entity in the bill builds on this expertise by creating a Board composed of these supervisory officers and four public members of national prominence. I am certain that both the high quality of these public members and the scrutiny of the Board by the public will remove any taint of an apparent conflict of interest.

Mr. Chairman, the House Administration Committee has labored long and hard on this measure, and has developed what I believe is a most significant piece of campaign finance legislation, and I would urge all my colleagues to give it their full support.

Mr. Chairman, I want to add just one word to what was observed by the gentleman from Arizona (Mr. UDALL), who has contributed so significantly to the shaping of the climate for the kind of legislation we are today considering. Time is running out. There is scheduled to come

before the House in a few days, a very major piece of business which will preoccupy us all and, presumably, the other body as well, and then there will be a brief recess.

Mr. Chairman, it seems to me that it would be tragic if we were to fail in our obligation to the American people to produce a campaign reform bill in 1974 that can respond to the abuses of which we are all now too painfully aware.

H.R. 16090, with the committee amendments to which I have already alluded and with certain other committee amendments to which the gentleman from New Jersey (Mr. THOMPSON) and other Members will address themselves, represents a solid, substantial campaign reform bill around which Members of the House, both Democrats and Republicans, of every point of view, can rally.

The time to act is now, 1974, not 1975. So I urge adoption of H.R. 16090, I hope with overwhelming support from both sides of the aisle.

Mr. BELL. Mr. Chairman, will be gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENT. Mr. Chairman, I yield 1 additional minute to the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Chairman, I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, I want to ask a question of the gentleman. It is a technical one, but I think perhaps the gentleman knows the answer, and I want to make a little legislative history on the floor.

Let us take an off election year. And I might say this happened in California a year or so ago. It was an off year, and a candidate who had not declared himself to be a candidate, but he goes around the State. He makes airplane trips. He has dinners and meetings, and so forth. And this runs up to a considerable amount of expense, and yet at the time he was not a candidate because it was an off election year, and he was not a declared candidate. He may spend over $25,000.

My question is: Would that $25,000 be considered as an expenditure for his election if he was not at that time himself an announced candidate for office, and it was an off election year?

Mr. BRADEMAS. In response to the gentleman's inquiry, I would say that he must declare himself a candidate to be a candidate.

Mr. BELL. But the gentleman from Indiana knows there have been a number of candidates for statewide office who have made speeches and made public appearances who have not announced as to whether they were or were not candidates.

Mr. BRADEMAS. I understand. But if we were to take California, if I were to cite an example——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield an additional minute?

Mr. DENT. I yield 1 additional minute to the gentleman from Indiana.

Mr. BRADEMAS. I thank the gentleman. And I believe I can respond to his question more fully, and simply, by referring him to page 42 of the committee report on H.R. 16090, and the definition of "candidate" in section 591(b) of title 18, United States Code, which reads as follows:

(b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, to Federal office, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

Mr. BELL. So that the $25,000, or even above that, could be spent without the person running or apparently not running publicly, at least?

Mr. BRADEMAS. I believe that the definition of "candidate" I have just cited will answer the gentleman's question.

I hope I have responded satisfactorily to the gentleman's question.

Mr. BELL. I thank the gentleman.

Mr. FRENZEL. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, in response to the inquiry made by the gentleman from California (Mr. BELL) I might state that the law says a candidate is a candidate whenever he or she raises or expends money in behalf of a candidacy, or when a committee does so for them. In addition, of course, if he or she is a declared candidate, or a candidate under the particular State law at that time, he or she is also a candidate under our law.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from California.

Mr. BELL. What the gentleman from Indiana (Mr. BRADEMAS) said, was that so long as they are not a declared candidate, or because you cannot exactly prove that they are, then he or she could continue the expenditures as long as they are not declared candidates.

Mr. FRENZEL. If it was for a goodwill trip, yes, but if the expenditure one made was for a sign that said "Vote for Jones for Congress," then maybe they would come under the definition.

Mr. BELL. In other words, if word were mentioned that he or she were a candidate.

Mr. FRENZEL. Exactly; then he or she would be a candidate under the law.

Mr. BELL. I thank the gentleman.

Mr. FRENZEL. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Illinois (Mr. CRANE), a member of the Committee on House Administration, and whose amendments are not allowed under the closed rule.

(Mr. CRANE asked and was given permission to revise and extend his remarks.)

Mr. CRANE. Mr. Chairman, I thank my distinguished colleague from Minnesota for yielding this time to me.

Mr. Chairman, for openers, I would like to extend my congratulations to my colleagues on the Committee on House Administration for the time and energy they have put into preparing this rather prolix campaign "reform" bill. I put the word "reform" into quotation marks, Mr. Chairman, because, unfortunately, my colleagues in this body saw fit earlier this afternoon under our vote on the rule to prohibit me from introducing some amendments which I had anticipated I might have the opportunity to present for consideration, and which, in my judgment, represent the real substance of campaign reform, while much of that contained in the proposed legislation I do not view as reform at all. On the contrary, I think it is going to set our political system back rather considerably.

One of the areas of concern that many people have touched upon in the past several months in connection with the revelations accompanying Watergate and related matters is influence peddling in politics. We are all too familiar with the role of the milk lobby, and the question of whether in fact contributions from the milk lobby had any impact on decisionmaking in the White House.

In this connection we had an amendment introduced before our committee by the distinguished gentleman from Wisconsin (Mr. FROEHLICH) which would have dealt with this question of influence-peddling by special-interest groups, and which would remove any doubt in anyone's mind as to whether any vested-interest group was exercising undue influence on the decisionmaking of a Member. This amendment that the gentleman from Wisconsin (Mr. FROEHLICH) had initially proposed before the committee, and was defeated in the committee, I intended to bring before the whole House. It would have prohibited contributions from political committees to candidates except for contributions from the respective congressional campaign committees of the Democratic and Republican Parties, and the Senate campaign committees.

As the gentleman from Wisconsin (Mr. FROEHLICH) very capably explained to the committee at the time he introduced this amendment, this would have had the effect of removing any area of doubt as to whether the realtors through REALPAC, or business and industry through BIPAC, or the American Medical Association through AMPAC, or for that matter, even the American Conservative Union through its Conservative Victory Fund.

Also the Political Education Committee of the AFL–CIO—was exercising undue influence over Members through campaign contributions. That, in my estimation, was a salutary amendment. It was one that I think should have been adopted by the committee and incorporated into this bill.

The second amendment I intended to offer deals with contributions in kind. This has been an area where we are all too aware of a number of abuses—and they are not confined exclusively to unions. When corporations provide, for example, unreported aircraft travel, that

surely is an abuse as much as when unions engage in the providing of services of a similar nature. Such contributions should have an appropriate fair market value attached to them and classified and reported as in-kind contributions. That was the second amendment that I had hoped to bring up before this committee.

The third is one that I introduced first before the committee at the time we had our Reporting Act legislation 2 years ago. This would have prevented the use of involuntarily raised union moneys for political purposes, whether those were voter registration drives or get-out-the-vote drives. I do not think there is any question in anyone's mind that these have distinctly partisan overtones.

I can understand so long as silence in the law permits this injustice to continue, that those people who are so inclined will exploit this deficiency in the law. I have been waiting vainly for the American Civil Liberties Union to get involved in the fight on behalf of the civil liberties of these people whose involuntarily raised union moneys, which must be paid frequently as a condition for employment, are being used to subsidize political objectives contrary to their own.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRENZEL. Mr. Chairman, I yield 2 additional minutes to the gentleman from Illinois.

Mr. CRANE. I yield to the gentleman from Indiana.

Mr. DENNIS. I thank both of the gentlemen for yielding.

I simply want to say that in my judgment the gentleman from Illinois in the well is making a very important contribution to this debate, although unfortunately there are very few people here to hear it. The essential cynicism of the process we are going through this afternoon is illustrated by the consideration of this so-called reform bill, which is being considered under a rule where the three important amendments mentioned by the gentleman, indeed, essential amendments for any real campaign reform, to anyone who knows anything about the subject realistically cannot even be considered by this body, cannot even be voted upon. The essential cynicism of this situation is a sad commentary on our whole operation here, and I am glad the gentleman at least is still allowed to point out the need, even though in this body we are not allowed to have a vote.

Mr. CRANE. I thank the gentleman for his comments.

In conclusion I would like to add this one final note. In connection with the abuses we have thought about and heard reported in the media over the past year or so, I think it is essential for us to bear in mind that there is one overriding reason for abuse that this body ought to consider, for it gets to the nub of the problem. In answering the question why people are willing to spend millions of dollars and willing to circumvent the law as a means of obtaining influence here, I think the answer is that the Federal Government in Washington is too vast and too sweeping in its powers and exercises life and death control over too many aspects of American life. When we address ourselves to this problem, we will have begun the most meaningful campaign reform and not before.

Mr. FRENZEL. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho (Mr. SYMMS).

(Mr. SYMMS asked and was given permission to revise and extend his remarks.)

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

I would like to associate myself with the remarks of the gentleman from Illinois (Mr. CRANE).

Mr. Chairman, one way or another, this Congress soon will act on campaign spending reform. I am sure all my colleagues will want to be on record back home as being solidly on the side of representative government, and solidly opposed to special interests.

However, unless the campaign reform legislation we enact covers in-kind—noncash—political expenditures by special interest groups, we will be doing more harm than good.

Dave Broder of the Washington Post recently addressed that point:

> If access to large sums (of cash) is eliminated as a potential advantage for one candidate or party by the provision of equal public subsidies for all, then the election outcome will likely he determined by the ability to mobilize other forces. The most important of these factors are probably manpower and publicity. Legislation that eliminates the dollar influence on politics automatically enhances the influence of those who can provide manpower or publicity for the campaign.

Such nonreform legislation would by definition leave virtually unchallenged the bosses of big labor in the political arena—making a mockery of the political ambitions of the estimated 16 million wage earners who must pay union officials for representation they do not want or lose their jobs.

Like most Americans, we recognize the serious need for further careful examination and reform of the practices under which political campaigns are financed. That is why we are supporting efforts in this House to address the reform issue to "in-kind" as well as direct financial aid.

There is not one of us who can honestly deny the excessive influence union officials exert in this Congress, because of the political support they provide. Support which Mrs. Helen Wise, the recent past president of the teachers union, says will amount to "millions and millions" this year.

Twelve years ago, Justice Hugo Black in his dissent in IAM against Street said:

> There can be no doubt that the federally sanctioned union-shop contract here, as it actually works, takes a part of the earnings of some men and turns it over to others, who spend a substantial part of the funds so received in efforts to thwart the political, economic and ideological hopes of these whose money has been forced from them under authority of law.

That situation has not changed. The use of compulsory union dues for political purposes seriously jeopardizes our system of representative government. It dilutes every citizen's political freedom and outrageously violates the basic rights of workers whose money is being misused. We believe that there can be no meaningful campaign reform legislation unless it contains provisions which will put a stop to these political spending abuses.

A recent public opinion study by Opinion Research Corp. showed that 78 percent of all union members—and a greater majority of the general public want union dues kept out of politics.

Can we deny them and still claim to be representatives of the people?

Mr. FRENZEL. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, we have reported this bill at great length in the RECORD, and in the committee report, which of course, will stand for itself. Like the chairman of the committee, I hope we do not use all of our time in the scheduled debate and that we do proceed on a prompt basis to the amendments allowed.

Our job has been rendered a great deal easier by the passage of the closed rule, which we on this side disagreed with. But since the vote has gone against us we must proceed as that restrictive rule directs.

Mr. Chairman, the bill before us is a mixed bag. The committee labored mightily, and diligently, and produced a good vehicle, but an imperfect one. The bill has been considerably strengthened within the last 24 hours due to the hard work on the part of the chairman of the committee in constructing what I think are important compromises to be reflected in the committee amendments. These will do a great deal to shore up what I think are some of the weak spots in the bill that is before us.

There are many strengths in the bill and the committee is to be commended for those strengths. For instance, the limitations on contributions and expenses, while all of us may disagree with the various levels, have got to be something that is necessary and something the people want.

The single committee, the limitation on cash, the preemptions of State rules, the restoration of reasonable rights under chapter 611 for Government contractors the removal of State and local employees from unreasonable Hatch Act restrictions, the redefinition of restrictions on foreign nationals, the restrictions on honorariums are all important features of this bill. All of us will undoubtedly agree to the merits of these features even if we might have some complaints with some of the particular numbers involved.

I am particularly pleased with the committee amendment which will relate to the board of supervisory officers because I think it answers a number of the complaints I had about the committee bill. I am pleased that the compromise has been able to worked out.

What has not been worked out is the subject of public financing of elections which in my judgment is destructive to our election processes and will reduce

individual participation and reduce party strength in this country.

The bill itself is restrictive to political party activities because it equates a broad-based national political party with any small special interest group of 50 persons. Each is able to contribute $5,000 to any campaign, and in my judgment this particular facet of the bill makes a special interest, a single tiny special interest, the equivalent of a political party. It renders violence to the concept that political parties are important and necessary to our system of government.

It is also my regret that the clearinghouse function, which was previously provided by the General Accounting Office, has been dispensed with in this particular bill. It may be possible to resurrect it now that we have a new board of supervisory officers. It is the one element in the Federal Government that renders some good to State governments.

We seem to have plenty of interest in telling the States how to run elections, but no interest in helping them with the elections. The clearinghouse served in that function and it is my hope that will be restored to the bill.

Mr. Chairman, I hope we adopt some of these amendments, but certainly not the Anderson-Udall amendment, and that we move this bill along and produce for the American people a good election reform bill at a time when confidence in our Government is threatened.

Mr. HAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. GAYDOS).

(Mr. GAYDOS asked and was given permission to revise and extend his remarks.)

Mr. GAYDOS. Mr. Chairman, I rise in support of this bill.

Mr. Chairman, the Committee on House Administration has spent many hours in marking up this bill and, at this time, I want to congratulate both the Chairman, Mr. HAYS, as well as my colleagues on the committee for their diligent efforts in drafting the legislation which is now before the House. It was evident to all the members of the committee that there was no easy answer to the many problems that were raised. I do think, however, that the bill before us is a good one. It reflects an attempt to meet the problems arising out of the 1972 elections and to provide a means of preventing their repetition in future elections.

We must bear in mind the fact that many of the abuses of the 1972 elections which have been exposed, were brought to light only because of the disclosure requirements of the Federal Elections Campaign Act of 1971. Furthermore, we must not lose sight of the fact that many of those responsible for those abuses have been and are still being prosecuted under existing law.

So I submit that we do have existing law that has been beneficial.

I. LIMITATION ON EXPENDITURES AND CONTRIBUTIONS

The purpose of the bill before us is to add to the 1971 act by providing additional restrictions on campaign activities. The 1971 act established limitations on the amount that a candidate could spend on "communication media." The substantial sums spent in the 1972 Presidential campaign, namely $54 million by Mr. Nixon and $28 million by Senator MCGOVERN, as well as some House campaigns involving expenditures by individual candidates in excess of $100,000, and even a few in excess of $200,000 have demonstrated that a limitation on only a portion of the total campaign expenditures is inadequate.

Accordingly, the bill before us would place an overall ceiling on campaign expenditures. For Presidential campaigns this would be $10 million in the preconvention period and $20 million in the general election. When compared with the expenditures on the 1972 election, it is abundantly clear that it is the intent of the bill that the tide must be reversed and allowable Presidential campaign expenses must be substantially reduced.

With respect to senatorial campaigns the limits are 5 cents multiplied by the population of the State—but in no case less than $75,000—for each election; primary and general.

For House campaigns the limits are $75,000 for each election; primary and general—and runoff if needed.

Admittedly the $75,000 limitation has to be arbitrary as many candidates spent substantially less while others spent more, but in order to take into consideration variations between congressional districts, the committee concluded that $75,000 was an appropriate limitation.

The bill does contain two provisions that could affect these limitations. One provision allows an increase in the ceiling based on an increase in the price index from the base period of 1973 and the year preceeding the election. The second provision does allow a candidate to exclude from the limitation any expenses—not to exceed 25 percent of the limitation—for the costs entailed in fundraising. These provisions apply to all Federal elections.

Much has been made about the existence of the few very large contributors who appear to play a disproportionate role in the elections of Federal officials. The provisions of this bill setting very low contribution limits should eliminate the potential for abuse by the very large donors. No individual can contribute more than $1,000 to a candidate for each election—a total of $2,000 for primary and general, or $3,000 if a runoff is included—and no individual can contribute more than $25,000 to all candidates for all Federal elections in a single year.

Strict enforcement of these provisions should both eliminate the undue influence of the very large contributor to past elections as well as encourage many more individuals to contribute to the candidates of their choice. No longer will an individual be discouraged from making a modest contribution to an election campaign because of his feeling that his contribution will mean nothing compared to the substantial contribution of the very affluent individual.

The lack of participation and apathy of such a large segment of the electorate is a problem that concerns all of us. The setting of very low limits on individual contributions should serve to convince these individuals that they should take a more active part in election campaigns, to educate themselves as to the candidates and issues involved and to contribute to those candidates who promote their interests.

With respect to contributions by organizations, the bill provides a limit of $5,000 on contributions by a "political committee" to any candidate for any election.

A candidate cannot contribute more than $35,000 from his personal funds or the personal funds of his immediate family in connection with his own campaign.

There are additional provisions which prohibit contributions by foreign nationals and cash contributions in excess of $100.

II. DISCLOSURE

In order to make the disclosure provisions of the 1971 act more effective, the bill requires that each candidate designate a "principal campaign committee" to make expenditures on behalf of the candidate and to be responsible for the preparation and filing of reports to reflect the activities of all committees which support a candidate. This should inhibit the proliferation of campaign committees and provide a single report to reflect all activities in support of the candidate.

The bill amends existing law by repealing the provision requiring the 15-day and 5-day report and instead requiring a 10-day report which would have to be mailed no later than the 12th day prior to the election. Experience has indicated that the 5-day report has been of little value because the short time span involved between filing and the election prevents the most effective use of the information contained therein.

III. FINANCING OF PRESIDENTIAL ELECTIONS

The bill contains provisions which mark a radical change from the present private system of financing presidential elections. It expands on the dollar checkoff procedure which was adopted in 1971 by providing each major party with funds up to $2 million to cover the expenses of the party's nominating convention. Minor parties would be eligible for a lesser sum based on their past vote or to be reimbursed on the basis of their present vote in the general election.

Payment for convention expenses would be the first claim on the funds available from the checkoff procedure.

The major parties would be eligible to receive up to $20 million to cover expenses incurred in the general election. Minor parties would be eligible to a lesser amount. If a party chooses to use this method and funds available from the dollar checkoff fund are insufficient to cover the entire $20 million then the parties would be allowed to raise the difference from private sources.

With respect to presidential prenomination activities, the bill provides for funds from the dollar checkoff fund to be available on a matching basis. This is to assure that a candidate for nomination has sufficient national support and is not a frivolous candidate.

The use of funds from the dollar checkoff are limited only to the Presi-

dential elections. Experience to date indicates that the overwhelming number of instances of election campaign abuses involved the recent Presidential campaign.

I am not presently convinced that the use of the checkoff system is going to be a complete solution to this problem, but I do support this approach with the hope it will be a viable solution.

On the other hand, I am not convinced at this time that the dollar checkoff system should be applied to other Federal elections. There is a substantial difference both in the magnitude and the process of Presidential elections as compared to elections to congressional office which make the former more appropriate for the use of public rather than private funds. The problem of frivolous candidates alone is one that could be a nightmare in the case of public funding of congressional elections.

Furthermore, I am quite optimistic that the limitations on contributions and expenditures provided in the current bill when combined with the disclosure provisions of the 1971 act as amended by the bill before us will eliminate the opportunity for campaign abuses in congressional elections.

We must not be unmindful of the fact that the constitutionality of funding Federal elections from the dollar checkoff system is far from clear.

Accordingly, I support the approach of the bill before us which limits the dollar checkoff system to the Presidential election.

CONCLUSION

The bill that the House Administration Committee has reported to the full House is a sound and workable approach to a very complex problem.

I sincerely urge my colleagues to give their full support to it.

Mr. FRENZEL. Mr. Chairman, I yield 7 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman, it is my purpose to ask some questions about provisions of the bill which trouble me. I refer to language on line 21 of page 6. I would like to read it and put it in perspective:

"(e)(1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate under the provisions of subsection (c)) relative to a clearly identified candidate during a calendar year which, when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds $1,000.

I would like to inquire of the floor manager of this legislation whether or not I correctly understand that this section limits not just the right of candidates or their supporters, but other persons who are in no way related to the campaign or the candidates on either side.

Mr. FRENZEL. It is my impression that this $1,000 limitation was the committee's response to the question of free speech, which was at least hinted at in the ACLU-Jennings case. We decided we should let an individual spend $1,000 to defeat or to elect the candidate, which amount would be not spent through the particular candidate's campaign committee or through the candidate personally. What we are doing, I think, in a short phrase, is to allow every individual a thousand dollars' worth of free speech.

Mr. ARMSTRONG. Mr. Chairman, the gentleman from Minnesota has come quickly to the heart of my concern. We are talking about other persons, not candidates or their committees.

The thing I do not understand, and I wish we could have some explanation, is how we can limit the right of free speech to $1,000 worth. The first amendment says we may not abridge free speech; we may not curtail; we may not diminish; we may not shorten. Is that not exactly what we are doing by this amendment?

Mr. FRENZEL. Mr. Chairman, if the gentleman will yield further, the gentleman is correct. We are at least modifying or containing the right of free speech exactly as the Supreme Court said, that one can shout "Fire" anywhere he wanted to except in a closed building. We are saying that a person can have $1,000 worth of free speech to elect a candidate or to defeat him.

We chose $1,000 because that was the limit we put on individual contributions to the committees. We said there ought to be a limit which would be similar for independent expenditures. The constitutionality may be doubtful, but if so, then the individual limitation is also doubtful.

Mr. ARMSTRONG. I thank the gentleman for his explanation.

But let me make it clear my concern is not primarily legalistic, but simply to draw attention of the Members to the fact that we are tampering in a very unfortunate way with free-speech rights, not of candidates or their supporters, but other persons, persons who may be entirely unrelated to the candidates, who may be citizens' groups, as was the committee in the New York decision—American Civil Liberties Union against Jennings.

May I now ask whether or not this $1,000 limitation would apply to advertisement or advocacy of the pros and cons of issues which may be clearly identified with the candidates, even though the candidates are not clearly identified within the meaning of the definition which follows this paragraph?

For example, if we have two candidates clearly defined on an emotional issue such as busing, inflation or amnesty, can citizens go out and advocate one side or the other of the issue and not mention candidates and escape this limitation?

Mr. FRENZEL. In my judgment, they cannot. This particular amendment was proposed by the gentleman from Michigan (Mr. NEDZI). The gentleman will find in our committee records that gentleman's explanation. I think he intended to cover by the words "clear and unambiguous" reference to a candidate the kind of thing the gentleman is discussing. One cannot by subterfuge or indirection escape that description if in fact the candidate, opposed or proposed, is apparent.

Mr. ARMSTRONG. Let me suggest that while such issues as busing or amnesty may be clear cut, other issues are less sharply defined. I feel that we will find ourselves in a quagmire of litigation as committees try to determine where this line is.

May I ask a further related question of the gentleman? Supposing a committee seeks to advocate the election of 10 candidates and buys a $10,000 ad. Is it then to be prorated among the 10 of them?

Mr. FRENZEL. That is my understanding.

Mr. ARMSTRONG. May I ask, if the money is spent for an organizational effort not directly related to a candidate; for example, suppose to hire poll watchers or campaign workers, which in the end may be the most effective political expenditure of campaign funds, does it escape this limitation and other similar limitations in the bill?

Mr. FRENZEL. In my judgment, that expense would have to be prorated also, depending on the number of candidates.

Mr. ARMSTRONG. Suppose it is not for a candidate, but simply an expenditure for this purpose in the area?

Mr. FRENZEL. We can think up all kinds of situations that are difficult to explain. I think we have to take each one on its face. If there is a party expense which is pure overhead and is not directed at any single candidate, or may flow over to non-Federal type candidates, we will simply have to interpret those as they come up.

That is one of the reasons the committee wrote into the bill the advisory opinion section, which I hope will be helpful to candidates of all parties.

Mr. ARMSTRONG. Mr. Chairman, in the brief time remaining, I would like to again thank the gentleman from Minnesota for his explanations and to comment the gentleman and others who worked on this legislation for their sincerity of purpose. But I think they have gone far astray. I think they are making a terrible mistake which will be ultimately invalidated by the courts, but which will in the meantime cause a great harm.

I hope that there may yet be a way to amend the bill to strike out this provision.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I will yield if I have any time left.

Mr. FRENZEL. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. ARMSTRONG. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I wish to associate myself with the gentleman's concerns. I think there is a real question as to whether or not we can put a quantified limit on the individual's constitutional rights of free speech, whether it is about political campaigns or anything else, but in particular political campaigns, which strikes at the heart of the operation of our Government.

I think the gentleman has raised a substantial point which, if this legislation is thoughtfully considered, will sustain his viewpoint.

(Mr. BROWN of Ohio asked and was

given permission to revise and extend his remarks.)

Mr. HAYS. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey (Mr. THOMPSON).

(Mr. THOMPSON of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON of New Jersey. Mr. Chairman and members of the committee, I do not intend to use 5 minutes, but I cannot let this opportunity pass without commending, in particular, the chairman of the committee (Mr. HAYS) and the members of the committee.

I have heard virtually innumerable attacks on the chairman and on members of the committee for being dilatory, for not wanting legislation, and for stalling, all of which attacks which have been unfair and untrue.

This is enormously complicated legislation, and I would expect that of the members of the committee, there were at least an average of 10 amendments in the hands of each one of them. The gentleman from Minnesota (Mr. FRENZEL) himself must have had 50 amendments. I had about 12 or 14.

We operate under the 5-minutes rule, and everyone was given every possible opportunity to be heard and to have his amendments voted upon. Virtually innumerable votes were taken, and in the course of this we saw a committee operate in the best possible and most democratic fashion in terms of give and take.

The gentleman from Minnesota referred to the committee amendments which were agreed upon a bipartisan and unanimous basis. I shall present 4 of them. They are not long, nor are they complicated, but their effect is to tighten up what we consider to be loopholes in this very excellent legislation.

Groups from outside this body, with particular interests, have been heard. They were present at the markups, have had their input, and have been paid attention to. In many cases their suggests have been accepted.

In the final analysis, the votes of the committee, despite individual differences on individual sections or words or interpretations, were agreed upon almost totally unanimously in order to get this legislation to the floor.

I simply want to reiterate my confidence in the chairman and in my colleagues on the committee and to suggest to the Members that it is absolutely impossible to draft a perfect piece of legislation which is as complicated as is this. We think that we voted as well as can be done, and there may be subsequent changes necessary, but nevertheless, we are answering to an honest and much-needed response from the American public for meaningful election reform. That is the essence of this legislation.

We shall achieve the desires of the American public, and we shall do so honorably in this process today.

Mr. FRENZEL. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee (Mr. BAKER).

(Mr. BAKER asked and was given permission to revise and extend his remarks.)

Mr. BAKER. Mr. Chairman, in the catalog of abuses, compulsory political donations by union members rank right up there with the worst.

Absolutely no one argues against union officials' right to assist their political friends. It is precisely the same right enjoyed by business groups. The trouble begins when unions take dues money to finance that assistance.

How do they do this? Mostly through the services they perform for prounion candidates. Union political front organizations, notably the Committee on Political Education, COPE, conduct get-out-the-vote drives in neighborhoods likely to go for right-thinking candidates; they turn over buildings, trucks, telephones, and computers to friends of the union viewpoint.

Now if the dues-paying union man happens to like the candidate his union is helping, he may not worry much about where his dues are going. But what if he hates the fellow, cannot stomach his views for a minute? It is too bad, but there is no help for him: Like it or not, he is going to subsidize a candidate for whom he refuses to vote.

The issue, then, is one of political freedom. Either the union member has the right to withhold support from a given candidate or he has not the right. There is no other way of looking at it.

In 1972 the unions spent some $50 million on their political friends, only about 10 percent of which, according to labor columnist Victor Riesel, came from voluntary giving.

Accordingly, I would have been supporting the proposed amendments to curb "in kind" as well as directed donations.

As the Dallas Morning News wrote in a recent editorial, we can—

Take it from George Meany: "Existing laws aren't nearly strong enough to prevent the use of union dues for political purposes." The ban, as the AFL–CIO chieftain puts it, is "honored as far as I am concerned by everybody in the breach."

I do not know how I can vote for this discriminatory legislation since the rule prohibiting amendments has been adopted.

Mr. FRENZEL. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. MICHEL).

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. DEL CLAWSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, I would like first to commend the committee for several of the items that are incorporated in the legislation, namely, the establishment of one central campaign committee through which we would do all of our reporting. I think that is certainly laudable. The fact that it establishes an independent election commission or board, I think, is good and sound and, as the Chairman pointed out, the simplifying of the election reporting requirements is surely desirable.

Then, too, the $100 limitation on cash contributions, in view of the shocking abuses that we have read and heard about within the last 18 months or so. One item that has not been touched upon up to this point, and that is the limitation of $1,000 on honorariums with a total of $10,000 in total for any Federal official.

And while this may in some respects be aimed at some of the Members of this body, I think in the main it is aimed at the members of the other body who have been so piously proclaiming from time to time that Members of Congress do not need any pay raises, while all the time making as much and more in honorariums as their salary as Senators. I commend the committee for facing up to this thing and laying it right out here for everybody to see for what it is worth.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. I thank the gentleman for yielding.

I want to inform the gentleman that that particular amendment happens to be my amendment, and he is absolutely right.

Mr. MICHEL. I did not know that, but I would expect that the gentleman from Illinois, from conversations we have had in the past, would be the one inclined to offer that kind of an amendment. Obviously he had enough support to persuade his fellow committee members to write that into the legislation brought before us here today.

I do have some reservation, however, about the $1,000 contribution limitation. I do not need it in my own case. I think my maximum contribution is $250 in this particular campaign. But we do have some big, significant races here in this body on both sides of the aisle, and I think from a practical point of view, when one runs for the U.S. Senate, that may very well be a low limitation. I believe the limitation in the Senate-passed bill is $3,000. Of course, that could very well be compromised.

I have some other serious reservations with respect to the $5,000 limit per election on contributions to candidates by our recognized national party organizations, as I engaged the chairman of the committee in a brief colloquy during his presentation. I think that limitation on some of the special interest groups is very much in order, but I would surely much have preferred that each of our national committees and our congressional and senatorial campaign commit-

tees would have been excluded from that $5,000 limitation. I want to see both of the principal national parties enhanced. I want to see them as two strong, vigorous parties, and I think by this figure equalizing special interest groups with our national recognized Republican and Democratic national congressional and senatorial campaign committees really downgrades the importance of our respective nationally recognized committees.

I personally would have preferred that limitation to be something in the neighborhood of $10,000 or more. So I have to voice my reservation here today.

I am also concerned about the flat $75,000 limitation on any race. In my own case, I would hope that we would not spend more than $25,000 or $30,000 in a race in which I am running, but as an 18-year incumbent, I would expect that all of the good will that I have built up over the period of many years would not require 50, 60 or more thousand dollars. As I said earlier in the exchange with the gentleman from Alabama (Mr. DICKINSON) for a challenger to unseat an incumbent in 1972, it took an average of $125,000 to get the job done.

And again, representing the party in the minority in this body, I just cannot concede to this figure of $75,000. I think the problem—and I really do not criticize the committee so much in arriving at this figure as I do the incapacity of the general public to really comprehend it, are the differences that prevail throughout the country from one district to the other.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. I thank the gentleman for yielding again. I would like to point out that I was responsible for the $75,000 amendment.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WARE. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. MICHEL. Mr. Chairman, I yield again to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Chairman, as I pointed out to my friend, the gentleman from Illinois (Mr. MICHEL), I was also the sponsor of the $75,000 limitation which was a compromise in the committee. We had several figures. But I want to point out that we can add $19,000 more to that, because we provide in the committee bill for 25 percent of the $75,000, but in the end, in reality it amounts to $94,000.

Mr. MICHEL. On that point I might ask the gentleman a question. As I read it, we provided for a 25-percent amount over the $75,000, but would that be limited to the expenditures involved in raising the money, in raising the funds initially?

Mr. ANNUNZIO. It could be limited. I would call it the meat-and-potato amendment. If one has a banquet for example the cost of the meat and the potatoes would come out of that, out of the moneys one would raise.

Mr. MICHEL. Or if there was a direct mail expenditure, that would be included?

Mr. ANNUNZIO. Yes.

Mr. MICHEL. I thank the gentleman.

Then, one final point I would like to make in transgressing upon the Member's time in general debate here is what I see is left out of the bill and which I would liked to have seen offered in the form of an amendment to appropriately treat the in-kind services and goods, for the special interest groups often make substantial contributions by providing in-kind services and goods, such as telephones, cars, airplanes, computer time, staff "volunteers," and the like.

The committee bill would exempt these contributions from both the limitation and in some cases the disclosure requirements.

To prevent this type of campaign abuse, the amendment I had intended to offer before adoption of the closed rule would have prevented or prohibited such in-kind contributions in excess of $100.

I might say that in the four particular special elections for seats in the House of Representatives that were held earlier in the year it has been estimated with pretty good justification, and I will insert with my remarks, when I have asked for permission to revise and extend, some documents that will lead us to believe in just those four special elections the in-kind services provided actually approached or exceeded the amount of hard contributions.

Current law defines the word "contribution" to exclude "services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee," and the committee bill further exempts certain other limited personal services, so my amendment would have had no effect on truly voluntary efforts by individuals on behalf of a candidate.

The amendment would, however, have curbed the type of "in-kind" contributions of special interest groups that have resulted in millions of dollars worth of what are, in effect, unreported campaign contributions.

Such contributions have been extensively documented in past campaigns, and represent a serious violation of the spirit, if not the actual letter, of our campaign law.

While several legislative methods of dealing with this problem have been suggested, a flat prohibition of "in-kind" contributions in excess of $100 is by far the most effective since it would eliminate, beyond the $100 level, the inevitable questions that arise over the worth or dollar value of such services to a candidate.

It seems to me if we hope to maintain any measure of credibility in our efforts at campaign reform, we must certainly take the steps necessary to curb abuses such as this.

Mr. Chairman, I am inserting in the RECORD the material I referred to earlier.

PENNSYLVANIA'S 12TH DISTRICT

The documented record of the race between Democrat John Murtha and Republican Harry Fox reveals that literally tens of thousands of union dollars were poured into the campaign by Murtha for former Representative John Saylor's (R–Pa) seat in the 12th District.

Contributions were of two types:

1. "Hard" contributions, in the form of cash donations, from thirty-two different union political action committees in the amount of $25,450.00 that were made to the Citizens for Murtha Committee.

2. "Soft" contributions, in the form of full time union staff personnel from national COPE, state COPE, the Pennsylvania state AFL–CIO and various other unions, the mailing by unions in behalf of Murtha, organizational activity at Indiana University that was clearly coordinated with Frontlash and supervised by a union "volunteer", last minute get-out-the-vote activities, polls conducted by the state AFL–CIO, and others such "soft" contributions. The amount identified in this area—by no means a full tally since the record for most of these hidden contributions remain in the hands of private organizations—comes to over $40,000—or nearly double the amount of hard contributions made by union officials.

STAFF TIME

It is clear that at least 20 union officials contributed time and effort during the campaign. They were:

1. Alexander Barkan, Director, COPE, $32,274.00 annual salary and $6,727.23 expenses.

2. Joseph Ferguson, Business Agent, International Ladies Garment Workers, $11,388.00 annual salary and $1,274.46 expenses.

3. Douglas Allen, Pennsylvania State AFL–CIO, salary unknown.

4. Mike Trbovich, Vice President, United Mine Workers, $31,100.57 annual salary and $3,049.04 expenses.

5. John Vento, Pennsylvania State AFL–CIO, salary unknown.

6. Carl Stellmack, Pennsylvania State AFL–CIO, salary unknown.

7. Harry Boyer, Pennsylvania State AFL–CIO, salary unknown.

8. Bernard Lurye, Assistant Manager, Garment Workers, $12,855.00 salary and $938.25 expenses.

9. James Myers, Organizer, AFSCME, $8,793 salary and $8,563.05 expenses.

10. Andrew Koban, District 15, Steelworkers, $17,314.59 salary and $4,179.56 expenses.

11. Edward Monborne, District 2, and International Exec. Board Member NMW, $22,491.73 salary and $4,600.61 expenses.

12. Frank Kulish, District 2 President, UMW, $15,314.17 salary and $87.22 expenses.

13. Mike Johnson, Vice President, Pennsylvania State AFL–CIO, salary unknown.

14. Robert Spence, International Representative, COMPAC, salary unknown.

15. Walter Carmo, Pennsylvania Education Assoc., salary unknown.

16. Chuck Krawetz, UMW, salary unknown.

17. Arnold Miller, President, UMW, $36,283.79 salary and $3,966.71 expenses.

18. Irwin Aronson, staff Pennsylvania State AFL–CIO, salary unknown.

19. Tom Reddinger, President, Indiana Labor Council (IAM), union salary, if any, unknown.

20. Dana Henry, member, IAM, no union salary.

Each of these individuals were identified—either through newspaper accounts, internal memos or union newsletters and papers—as having spent from one day to as much as five weeks promoting the Murtha candidacy.

One unionist, Tom Reddinger, identified by the Johnstown Tribune-Democrat as President of the Indiana County Central Labor Council, admitted in a personal interview, that he took five weeks of unpaid leave time from his job at Fisher-Scientific Company, Indiana, Pa., to work in the Murtha campaign. He further stated that all his expenses during this time were paid for by the Pennsylvania State AFL–CIO, including the cost

for four telephones at headquarters, that, according to a General Telephone Company spokesman in Johnstown, would cost $126.80 during the five week period. Based on Reddinger's rate of pay with Fisher, his "in-kind" contribution in salary during the five week period would come to approximately $1000.

Where salaries are available, the union official involved was pro-rated at the actual salary (plus identifiable expenses), for the period of time he was involved; where no salary was available, a reasonable figure of $15,000 per annum was assigned (a low figure in light of the bulk of identified salaries of union officials.)

On this basis, it was determined that salaries involved amounted to $5,902.78 and expenses to $2,317.73, for a total of $8,220.51.

PRINTING

There were four mailings to the 66,000 union members in the district and 6,500 active and retired teacher union members by the Pennsylvania AFL–CIO COPE and the Political Action Committee for Education (PACE), political arm of the state teachers union (Penn. State Education Association).

The two mailed under Permit #1, Harrisburg (the permit is held by Speed Mail, Inc.) were costed out by reputable printers at the following rates:

1. Mailing of January 18, 1974 to 1,000 retirees only:

Printing, $10 and postage, $80. (mailed first class); totals $90.

Mailing of January 25, 1974 to 6,500 active and retired educators:

Printing at $10/m, $650 and postage, $520 (mailed first class) totals $1,170.

Two additional mailings were sent out at the non-profit organization rate (1.7 cents per piece) under permit #668 at Pittsburgh, Pa., a permit registered to the Pennsylvania State. . . . Costs of these two mailings, were as follows:

Mailing to 66,000 union members in District by United Labor Committee:

Printing at $27/m, $1,782; postage at 1.7¢, $112; and postage $191, totals $2,025.

The second quoted postage cost is the difference between a non-profit mailing rate of 1.7¢ and what the candidate would have had to pay if the mailing had gone out regular bulk mail rates.

Mailing to same members in district of flyer with four halftones:

Printing at $40/m, $2,640; postage at 1.7¢, $112; and postage, $191; totals $2,943.

Thus, the total value of mailings by unions in behalf of the Murtha candidacy came to $6,288.00.

OTHER CONTRIBUTIONS

Other "soft" contributions by unions to the Murtha race included:

1. At least 15,000 telephone calls by the Indiana County Central Labor Committee to members of the union in the county. (Source—interview with Tom Reddinger.)

2. "at least $12,000 is expected to go into the district from labor for last minute campaign expenses and election day activities." (Philadelphia Bulletin, February 3, 1974.)

3. "$14,000 which . . . the state and national AFL–CIO and COPE committees spent to house and feed staff members at a downtown Johnstown motel during the election campaign." (Johnstown Tribune-Democrat, January 30, 1974.)

4. The AFL–CIO was "operating out of 15 rooms at the Sheraton Inn, on Market Street." (Johnstown Tribune-Democrat, December 18, 1973.)

5. The state AFL–CIO conducted a telephone poll for Murtha in the 12th District (Johnstown Tribune-Democrat, December 18, 1973.)

6. Democratic telephone bank workers use facilities of Gautier Hall, which is owned by the Steelworkers Union (photo in the Johnstown Tribune-Democrat, February 5, 1974.)

SUMMARY

By category, identifiable soft contributions by unions to the Murtha campaign are as follows:

Staff time, salaries and expenses deferred	$8,220.51
Printing and postage for mailings	6,288.00
Student activities	369.52
Other:	
Last minute get-out-the-vote	12,000.00
Costs at the Sheraton	14,000.00
Subtotal	40,878.03

When one includes the "hard" (reported) contributions of $28,450.00, it can be seen that the value of the total union effort in the district is at least $66,328.04, or nearly as much as Murtha reported for his entire campaign.

OHIO'S FIRST DISTRICT

There is very little doubt that, both in and off the record, union officials and their political organizations had a tremendous impact on the race between the Democrat, Tom Luken, and the Republican, Bill Gradison, on March 5th.

Direct contributions by union political organizations to the Luken for Congress Committee were made by thirty-three separate union organizations in the amount of $30,875.00.

The scope and significance of the indirect contributions by union officials is captured in the February 8, 1974 edition of The Chronicler, a bimonthly publication of the Cincinnati AFL–CIO Labor Council, which is distributed to 2,000 labor officials in the Cincinnati area.

In it, an announcement is made of the "most important business meeting for all union stewards and committeemen geared to their vital part in labor's effort to insure the election of Tom Luken to Congress." It goes on to note that "materials will be furnished and *definite assignments outlined* for the action required to build a Luken victory . . ." (emphasis supplied)

The cost of the space devoted in the Chronicler to Luken over the January 8-March 25 period represents an indirect cost of $360 alone.

In addition, William Sheehan, head of the Labor Council, disclosed that at least 4 national and state staffers were in for the election—or as George Meany put it on "Face the Nation" on March 3rd concerning the race, "We're putting in the usual—we're sending in outsiders. Some of our COPE men . . ."

Among those in Cincinnati were Ray Alverez, Area Director of COPE ($2,085.46 contribution in salary and expenses under previous formula); Ruth Colombo, COPE, ($1,977.19 pro rated salary and expenses for one month); Jane Adams Ely, Ohio State AFL–CIO (salary unknown); W. C. Young, National Field Director, COPE (salary $20,373.50 expenses $8,659.84). Ely and Young were in for an undisclosed period of time, but the bare minimum of salary and expenses for even one day's stay could reasonably be put at $500.00.

Thus, identifiable staff time and expenses for union officials came to $4,562.65.

Moreover, Alverez stated in an interview that at least 84,000 telephone calls were made from the phone banks at the Central Labor Council to union members in the District. If the cost of those calls were projected at the same 4½ cents per call rate used in Michigan, that would place their value at $3,780.00.

As in other districts, there were many mailings to union members:

1. At least two—one dated February 18, 1974 and another February 28, 1974 were sent out to members of District 30, United Steelworkers of America.

2. Another mailer dated February 28, 1974 was sent to all members of Local 863, UAW.

3. Yet another mailer dated February 18, 1974 was sent to members of the Amalgamated Clothing Workers.

4. Space was devoted in local union papers to promoting the candidacy of Luken.

In all at least $8,342.65 in paid staff time and telephone costs on a projected basis were pumped into the Luken's campaign.

MICHIGAN'S EIGHTH DISTRICT

As in the case with other special, off-year elections, the race between Democrat Robert Traxler and Republican Jim Sparling was significantly influenced by the infusion of "hard" and "soft" contributions made by union officials to the Traxler campaign.

Hard contributions amounted to nearly $29,000.00 with the United Auto Workers—an independent union based in the state—contributing nearly half the "hard" labor money, as reported by the Traxler for Congress Volunteer Committee.

Some 22 labor political action groups contributed $28,880 in "hard" money to the campaign, a figure that even cursory research shows does not realistically measure the contribution on the part of the union hierarchy in behalf of the Traxler campaign.

STAFF

A minimum of eight national, state, and local union officials contributed their salaried staff time (plus expenses) to the project of getting Traxler elected.

Those officials were:

James George, United Auto Workers (UAW), Detroit, annual salary $17,093.80, expenses $4,285.06,

Sam Fishman, UAW, salary $23,088.10, expenses $6,219.25,

Ray Alverez, Area Director, AFL–CIO COPE, salary $19,772.50, expenses $6,868.17,

Ernest Dillard, UAW, Detroit, salary, $18,294.65, exp., $6,246.37,

W. C. Young, National Field Director, COPE, salary $20,373.60, expenses $8,659.84,

John Dewan, UAW, Madison Heights, Michigan, salary $16,943.80, expenses, $3,992.16,

Ruth Colombo, Assistant Area Director, Women's Activities Program (COPE), salary $20,360.50, expenses $3,365.90.

In addition, Wallace J. "Butch" Warner, 2575 N. Orr Rd., Hemlock, Michigan, was off his job (unpaid) from January 14, 1974 through the election (April 16, 1974) to work as coordinator on the campaign for the "Traxler for Congress Labor Coordinator."

An employee of Michigan Bell and a paid staffer as President of Communications Workers of American Local No. 4108, Warner's worth to the campaign (he is a cable splicer and earns $225 per week under terms of the union contract) come to $3,202.50.

Warner disclosed in an interview that he had indeed worked with COPE and UAW personnel, identifying Sam Fishman as having been on the scene for at least one week, W. C. Young for 10 days, Ruth Colombo as having supervised for "at least 10 days" the phone banks used to contact the 43,000 active UAW members, 5,000 retirees and 25,000 AFL–CIO members in the district.

For various reasons—such as an unlisted number, personnel moving, etc.—some 50% of the 73,000 union members, according to Warner were not contacted. Thus, some 43,800 calls were made, many of them twice, once they were identified as in the Traxler camp. Assuming ½ of those contacted were in this category, that means approximately 65,200 phone calls to union members alone at the rate of 4½ cents per call (as billed in Michigan) for a net cost of $2,922.

In terms of paid staff time, we must weigh in the appropriate pro rata share of Ray Alvarez' salary and expenses. Alvarez candidly admits he was assigned to work in three congressional districts (Ohio 1, Michi-

gan 5 and Michigan 8) from January 3 through April 16—or 28% of his annual time.

Thus, in all three races, his "in-kind" contribution was $6,256.40, a third of which ($2,085.46) is allocated to the race in Michigan 8.

Applying the same pro rata formula, the "in-kind" contributions for other COPE and UAW operatives are as follows:

W. C. Young had salary of $738.00 and expenses of $309 which totals $1,047.

Ruth Colombo had salary of $738.00 and expenses of $309 which totals $1,047.

Sam Fishman had salary of $444.00 and expenses of $120 which totals $564.

In summary, a cursory glance will establish at least $7,945.96 in "soft" contributions of paid staff time to the Traxler campaign.

PRINTING

In addition to the identifiable staff time and expenses involved, a substantial "soft" contribution come in the form of four separate mailings, three of which were sent "To all UAW members in Michigan's 8th Congressional District." Copies of those mailings are attached as "A."

Two different mailing permits were used at the non-profit organization rate, with permit #3333, which belongs to American Mailers and Binders of Detroit, on two mailings, and the UAW's own permit #6000 being used for the third.

In terms of cost, as estimated by a Michigan printer, here is what each of the mailings would cost:

Mailing of March 30, 1974 to 43,000 UAW members:

Printing at $28.80/m, $1,238.40; Postage at 1.7¢, $73.10; and postage, $124.70 totals $1,436.20.

Mailing of April 2, 1974 to 43,000 UAW members: (It is noteworthy that this mailing made from Detroit under permit #3333, contained as an insert a six panel brochure allegedly paid for by the Traxler for Congress Volunteer Committee).

Printing a two page letter at $38.30/m, $1,668.40; postage at 1.7¢, $73.10; and postage at 2.9¢, $124.70, totals $1,866.20.

Mailing of April 6, 1974 to 43,000 UAW members:

Printing, $1,688.40; postage at 1.7¢, $73.10; and postage at 2.9¢, $124.70, totals $1,866.20.

Mailing of "8th Congressional District Special Election Edition" of Michigan *AFL–CIO News* (Vol. 35, No. 37, April 16, 1974) to UAW members in the 8th District.

(In this 8 page tabloid, five pages are devoted unabashedly promoting the candidacy of Traxler. Taking 5/8ths of the costs the "in-kind" contribution is shown below.)

Printing, $2,750.00; and postage, $200.00, totals $2,950.00.

Thus, total soft printing costs contributed by the UAW and Michigan State AFL–CIO to the candidacy of Traxler came to a total of $8,118.60.

SUMMARY

It is therefore reasonable to state that many thousands of dollars in soft contributions were funnelled into the Michigan 8 race by the unions and union officials.

The contributions break down as follows:

"Hard" contributions from labor sources, $28,880.

"Soft" contributions:

Staff time and expenses	$7,945.96
Printing	8,118.60
Telephone costs	2,922.00
Total	18,986.56

This "investment" is over and above the reported money, for a grand total union contribution of $47,866.00

Additionally, three union officials were identified as being on the scene, whether as paid or unpaid is not clear. The three were: James George, UAW, Detroit (annual salary of $17,093.80); Ernest Dillard, UAW, Detroit (annual salary of $18,294.64); and John Dewan, UAW, Madison Heights (annual salary $16,943.80).

MICHIGAN'S FIFTH DISTRICT

The race for Vice President Gerald Ford's former seat in Congress was somewhat different from the other three special elections, in that a professional firm—headed by John Martilla—took over direction and management of the Vander Veen campaign.

Nevertheless, the union influence directing the campaign was exercised in both a direct and indirect fashion, much as it was in all other special elections.

1. Direct contributions as filed by the treasurer of the Vander Veen for Congress Committee lists some 12 separate union political action groups contributed a total of $18,711.00 to the Vander Veen campaign—or approximately 38% of the total direct reported contributions of $49,588.70.

2. Indirect contributions. Perhaps because a professional consulting firm was retained to direct the Vander Veen campaign, the "high profile" maintained by union officials while working in other special elections was not as evident. However, Ray Alvarez, area Director of the AFL-CIO's Committee on Political Education (COPE) admitted to having been in Michigan's 5th District. Under the same formula developed for the Michigan's eighth District some $2,085.46 of Alvarez' annual salary and expenses of $26,590.67 could be considered an indirect campaign contribution.

The printing area was one that afforded a good deal of "in-kind" support for the Democrat. Curiously, the same format, type face, halftones, paper, three of the pages are exactly the same and appeared in a tabloid-type mailer that went out under *both* the permit number of the candidate (#552) and the permit of the Western American mailers (#1), which mailed the piece in behalf of Region 1–D, United Auto Workers, Box H, Grand Rapids, Mich.

In terms of specific mailings and costs, the following were sent during the course of the campaign:

Two page letter, enclosing a xeroxed "fact sheet" on Vander Veen plus a postage paid return card under Permit #4721 addressed to Region 1–D, UAW, soliciting workers for the Vander Veen campaign.

Printing, $1,151.70; postage at 1.7c, $374.00; and postage at 2.9c, $638.00, totals $2,163.70.

Tabloid mailer (mentioned previously) sent to all UAW members in the district.

Printing, $2,373.00; postage at 1.7c, $374.00; and postage at 2.9c, $638.00, totals $3,385.00.

In addition a separate tabloid mailer was also prepared that is, once again, similar & identical in places to the other two tabloids. The difference is that this is printed on offset stock instead of newsprint and in all likelyhood mailed at an estimated cost of $3,315.00 to all UAW members in the district.

Thus total "in kind" printing and contributions to the Vander Veen campaign came to $8,863.70; combined with the salary for just one member of the COPE staff, Ray Alverez, the total in kind contributions in their quietest of the districts comes to at least $10,949.30.

Obviously, not all "soft" contributions are covered in the report on this district—telephones, etc.—but the low profile maintained by union officials during the race makes them almost impossible to detect.

Mr. HAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO asked and was given permission to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Chairman, I rise today in support of H.R. 16090. I want to particularly congratulate the chairman of the full committee for the patience that he exercised during the past 6 months while the committee was deliberating all of the amendments that have been offered in committee to this legislation. As a cosponsor of this legislation, I would also like to pay tribute to the gentleman from Minnesota (Mr. FRENZEL), the gentleman from Ohio (Mr. DEVINE), the gentleman from Alabama (Mr. DICKINSON), the gentleman from Pennsylvania (Mr. DENT), the gentleman from Indiana (Mr. BRADEMAS) and the gentleman from New Jersey (Mr. THOMPSON); in fact, all the members of the full Committee on House Administration for the manner in which they attended all the meetings in order to come out with a bill that deals with limitations, that deals with disclosure and deals with an idea whose time has come. I refer to public financing.

I would like to remind the Members of this House that in 1968 we passed in the House on a Christmas tree bill a $1 contribution the taxpayer would designate to which political party his contribution would go. In the public finance section this legislation we have $24 million that has already been collected by the Internal Revenue Service checked off by the citizens as a voluntary contribution. It is estimated that by 1976 we are going to have $60 million in this fund.

I want to also remind the Members of this House that I am totally against any moneys being taken out of the general revenue fund for purposes of financing an election; but I do strongly favor the fact that the American people checked off and have mandated the Members of Congress to act, "We have given you voluntarily $60 million. We expect you to use this money so that we can have the kind of elections in America that we can feel comfortable with, and especially with the Members of the Congress and the President of the United States."

This is the reason we included in the bill a limitation of $20 million for candidates on a presidential level, $20 million for the Democrats and $20 million for the Republicans, and $2 million for each party convention.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. ANNUNZIO. Mr. Chairman, there is $2 million for each party convention and with the Presidential primaries to be financed, as fully explained by my distinguished colleague, the gentleman from Indiana, Mr. JOHN BRADEMAS, that we would have to collect $250 in small contributions, a total of $5,000 in 20 States, a total of $100,000 to be eligible to qualify.

I believe in congressional public financing and the checkoff system. If the money is there and if the committee can work its will this afternoon, I would like to see both the Democratic Congressional Committee and the Republican Congressional Committee, with my good friend from Illinois (Mr. MICHEL), that those committees be used as a vehicle to dis-

tribute that public money that has been designated by the taxpayers to be used for public financing of congressional elections.

Mr. HAYS. Mr. Chairman, I yield 7 minutes to the gentleman from Pennsylvania (Mr. DENT), the chairman of the Elections Subcommittee.

(Mr. DENT asked and was given permission to revise and extend his remarks.)

Mr. DENT. Mr. Chairman, with all of the talk about the closed rule and not allowing certain sections of the bill to be open for amendment, I can say to the Members that for the number of years—not only months—that our committee held hearings and so forth, and the committee itself under the gentleman from Ohio (Mr. HAYS), with its meetings and markups for 22 sessions, the major point of discussion in all of these days and hours has been the question of money—m-o-n-e-y—the root of all evil and the source of much good.

Money is the name of the game in politics, and until we admit that and stand up and face it, all of the reforms that we may yap about and talk about and try to get our attention about are just so much talk.

As long as one candidate can spend $204,000 in a general election against a candidate who spends $2,775, it is a farce and a fraud upon the body politic; as long as the total number of candidates in the entire primary and general last year, who were candidates in the primaries and won and went on to the general election, 834 candidates spending a total of $40 million less $8,000.

We are proposing in this legislation to increase that spending allowance, almost by mandate in this law, to $240 million for 835 candidates. Who on God's earth is going to say that this is a reform when we are proposing to spend $7,395,000 for an election for Members of Congress more than the entire salaries of all the membership of the Congress combined?

The reason this has all come to this stage is because those who talk reform do not want reform; because every public organization demanding reform is basing it upon greater expenditures for elections, instead of less; when these same organizations fight every attempt by the Congress or even by the Commission on Salaries to raise or increase the salary of Congressmen. All right, they all agree, Common Cause and the rest, they agree that we should spend $240 million to get elected, but not one cent for an increase in pay to put us in a position where we would not have to go out with cap in hand and a tincup asking for donations.

"Please put money in the pot so that I can run for Congress. Please send me some money so that I can buy some matches and cards. Please do that. I want to serve in the Congress. I want to be a public servant, but you better send me some money or else I will not be able to do it, and if I am not there, I cannot do you any favors."

That is the condition we find ourselves in, because we have allowed this office to be bought and sold and traded around like a commodity. Three hundred and twelve thousand dollars by one candidate who ran against another candidate in the same election, who spent $208,000. It goes from the sublime to the ridiculous. The average spending of the Members of this Congress, of the total number of Members running, was $47,000. But, we are saying to 5 percent—5 percent of the candidates for Congress spent near the amount that we are saying in this bill ought to be the amount to spend for Congress.

The other 95 percent somehow found a way into the Congress with much, much, much less. The limit of one's spending is not the criterion that we measure an election on.

Let me just show the Members some of the examples, if they wish.

We have in one State—I will not mention the names of the Members; it might embarrass them, and I would not want to do that—but a Democrat spent $274,000 against a Republican who spent $152,000. The Republican was a nonincumbent and won.

We have in our House a very wonderful man. I think the Members would recognize him by the clothes he wears. He spent $218,000 to get elected to a seat in Congress. I want to know what kind of service he can render to his people that entitles him to $218,000 worth of expenditures on his part.

He had running against him a candidate who spent $169,000 and another one who spent $212,000 and beat a candidate against him—not a challenger, a candidate; they were both nonincumbents—he beat a candidate who spent $306,000.

Here we have another example of $518,000 and in another instance, $520,000 for a job that pays a total of $85,000.

I do not know. Maybe some of the Members come from some place where they have a money machine.

Here is what happens because of this. Here is an opus written by a well-known newspaperman. Let me give the Members his analysis of Congress: "$661 million puts Congressmen on Easy Street."

He starts off by asking a question, and I will give anyone a dime who can answer it.

This is what he says:

"What costs $661 million a year, travels a lot, talks a lot, talks himself to sleep, and writes letters even when he is not written to? Two guesses. Do you give up? Why, it is an easy answer: The Congress of the United States."

The Congress is now about to come on scene in a great public spectacle on the impeachment.

If we Members figure this out, it comes to about $1 million-plus per Member per year that the taxpayers have to pay.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HAYS. I have another minute left, I understand. I will be glad to yield it to the gentleman from Pennsylvania.

Mr. DENT. I do not want to read the whole thing, but I just want to tell the Members what he counts as an emolument, as a great piece of the gravy train.

He says: "The Library of Congress provides him with free reading matter by bedtime if by chance he cannot sleep, and when he dies, the deceased Member receives automatically an extra year's salary to help him out with his own final arrangements."

Mr. Chairman, I think we ought to put this man up for the Pulitzer Prize.

Mr. FRENZEL. Mr. Chairman, I yield a minute to the gentleman from Georgia (Mr. BLACKBURN).

(Mr. BLACKBURN asked and was given permission to revise and extend his remarks.)

Mr. BLACKBURN. Mr. Chairman, we are now engaged in trying to pass a campaign reform bill—a bill which most Americans want to see adopted. I believe it is almost incredible, however, that this long and detailed bill makes absolutely no mention of what is probably the largest single abuse of our present campaign laws. I refer to the giant loophole which, in effect, allows union dues to be used in vast quantities, perhaps $100 million in a general election, to be funnelled by the union leaders to their favored candidates. Two international unions—caught red-handed in these practices—have recently agreed as a result of court cases to refund to their members those portions of their union dues which have been spent on political campaigning. These were the Brotherhood of Railway and Airline Clerks and the International Association of Machinists. A recent article in the Wall Street Journal, January 29, 1974, makes it very clear that cash-equivalent political expenditures by union officials far outweigh their direct cash aid to candidates.

I should like to submit this article for the RECORD at this time:

MONEY'S JUST ONE TOOL MACHINISTS USE TO HELP FAVORED OFFICE SEEKERS—INDIRECT AID IS A BIG ITEM, COURT RECORDS INDICATE; HOW DEMOCRATS BENEFITED—SOME OF THE DOUGH IS SOFT

(By Byron E. Calame)

LOS ANGELES.—Like the President himself, some of Richard Nixon's foes in organized labor have been surrendering sensitive political records.

The International Association of Machinists, in a case initiated by a group of dissident members of the union, was forced by a federal court here to release thousands of documents. They reveal in unusual detail how the IAM goes about electing its friends to federal office.

This rare glimpse into the inner workings of one of the AFL-CIO's largest (800,000 members) and most politically active unions shows that there is a lot more to a union's political clout than the direct financial contributions reported to government watchdogs—and labor's political experts say the machinists probably adhere to the campaign spending laws as closely as any union.

The documents indicate that direct gifts are often overshadowed by various services provided free of charge to favored candidates under the guise of "political education" for union members. The indirect aid includes some of labor's most potent political weapons; assignment of paid staff members to candidates' campaigns, use of union computers, mobilization of get-out-the-vote drives.

TRIPS AND DINNERS

Dues have also been used, the documents indicate, to supply IAM-backed candidates with polls and printing services and to finance "nonpartisan" registration drives, trips by congressional incumbents back home during campaigns, and dinners benefiting office

seekers endorsed by the machinists. Machinist-backed candidates are almost invariably Democrats.

An important question is whether these dues-financed activities violate federal laws that for decades have barred unions and corporations from using their treasury funds to contribute "anything of value" to candidates for federal office. Money for such direct contributions by unions must come from voluntary donations coaxed out of the members. The federal statutes do permit unions to spend dues for partisan politicking directed at the union's members and their families, on the theory that this sort of thing is internal union business, and the money used for this activity is called "education money," or "soft money."

The political activities of the machinists' union are, indeed, aimed at the union's members and are therefore proper, says William Holayter, director of the union's political arm, the Machinists Non-Partisan Political League.

DRAWING THE LINE

Even labor's critics concede that it is sometimes hard to draw the line between activities designed to sell a candidate to a union's members and those intended to sway voters in general. A member of the machinists assigned to promote a candidate among other machinists may inevitably find himself wooing other voters as well.

Still, the machinists' documents suggest that the union has often sought to provide maximum assistance to a candidate by use of soft money. "The problem," says one labor political strategist, "is that the machinists put too much in writing." The late Don Ellinger, the widely respected head of the Machinists Non-Partisan Political League who died in 1972, evidently had a penchant for memos.

Spending reports filed with the Senate for the 1970 campaign show that the Machinists Non-Partisan Political League openly gave Sen. Gale McGee $5,000; the internal records now disclose that the Wyoming Democrat also received at least $9,300 in noncash assistance. Direct donations to Texas Democrat Ralph Yarborough's unsuccessful Senate reelection bid in 1970 were listed at $8,950; one document indicates he got other help worth at least $10,680. While the league poured $15,200 directly into Democrat John Gilligan's unsuccessful 1968 bid for an Ohio Senate seat, the documents show it indirectly provided more, $15,500.

RECEIPT UNREPORTED

Available records indicate that few, if any, campaign committees for machinist-backed candidates listed indirect aid from dues money as contributions. Prior to a 1972 toughening of disclosure requirements, candidates evidently found it easy to spot loopholes that were used to avoid reporting such indirect assistance.

The dissident machinists who forced disclosure of their union's files had brought their suit with the backing of the National Right to Work Legal Defense Foundation. The dissidents wanted the court to bar the union from using dues money for any political activity—including such clearly legal endeavors as politicking directed at its own members and traditional union lobbying efforts. The real goal of the right-to-work foundation is to eliminate the forced payment of dues. A federal judge dismissed the suit Dec. 19, largely because the union offered to start rebating the dues of any member who disagrees with the union's stand on political or legislative issues. The dissident group appealed the decision Jan. 10.

One questionable arrangement of the machinists helped reelect Sen. McGee in 1970. Alexander Barkan, director of the AFL–CIO Committee on Political Education, asked the machinists early that year to put the names of 65,000 "Democrats in Wyoming" on the machinists' computer for the Senator's use in "mailings, registration, etc." The minutes of the Machinists Non-Partisan Political League executive committee show that Mr. Ellinger recommended handling the chore but warned that it would have to be financed with "general-fund money" (the league's separate kitty composed of voluntary donations and would be considered "a contribution toward the Gale McGee campaign.")

Despite the warning, internal records show that bills totaling $9,302.74 for the operation were paid out of the league's political-education fund, built from dues money. Computing & Software Inc. was paid $4,696.84. Minnesota Mining & Manufacturing Co. received $414, and $4,191.90 went to reimburse the IAM treasury for cards it provided.

Doubts about such arrangements may be raised in the coming report by the Senate Watergate committee. Though Republican hopes for public hearings on union campaign contributions will probably be disappointed, the committee staff has asked unions broad and potentially explosive questions about the services provided to candidates.

Watergate revelations, some union politicians believe, have demonstrated that labor can never collect enough rank-and-file donations to rival campaign contributions by business bigwigs. "There is no way we can match them," says Mr. Holayter of the machinists. "It's silly to try." Hence the importance of the indirect contributions.

This is one reason why the AFL–CIO is pressing for public financing of federal campaigns; its strategists obviously figure that a ban on direct contributions would leave labor in a better position relative to business than it is in now.

If past performance is any guide, the machinists' union would still be a valuable supporter for its political favorites if public financing were adopted. Its indirect assistance in staffers' time alone has totaled in the tens of thousands of dollars, the court documents show.

Printing is another campaign expense that the IAM often helps its friends meet. With the 1970 elections coming up, an aide to Rep. Lloyd Meeds passed to the machinists a bill for the printing of the Washington Democrat's quarterly newsletter. "The newsletter went to every home in the Second District," the aide rejoined in one of the released documents. "We had a tremendous, positive response to it." Although the newsletter had been distributed far beyond the IAM's ranks in an election year, a soft-money check for $695.17 to the printer was quickly dispatched to a local union official.

Early in the 1972 reelection drive of Sen. Thomas McIntyre, the Machinists Non-Partisan Political League agreed to spend $1,000 "for assistance in newsletters" put out by the New Hampshire Democrat. And earlier, during Rep. John Tunney's successful 1970 bid for a California Senate seat, the league picked up a $1,740 tab for printing of a brochure that compared the Democrat's voting record with that of the GOP incumbent, George Murphy. Some of the brochures were passed out at a county fair.

The amount of union staff time devoted to candidates' campaigns is difficult to pin down. Irving Ross, a certified public accountant retained by the suing dissident machinists to analize the IAM documents, filed an affidavit giving "incomplete" tabulations. Mr. Ross says the time that IAM "grand lodge representatives" and "special representatives" spent on campaigns in 1972 was worth $39,175. The amounts were $56,241 in 1970 and $42,921 in 1968, he says. The IAM says the figures are too high, but it didn't challenge them in court.

A stauts report prepared by the machinists political unit in late August 1970 shows that at least one field representative was working full time on each of over 20 congressional campaigns. IAM agents often become almost part of the candidate's campaign staff. When Robert Brown was assigned full time to Indiana Sen. Vance Hartke's reelection campaign in May 1970, he set up an office right in the Democrat's headquarters and had the title of chairman of the Indiana Labor Committee for Hartke. Another IAM representative, William Wolfe, was assigned to Yarborough campaigns in Texas in 1970 and 1972—and was being paid out of the union treasury in May 1972 even though a new law effective in April 1972 specifically barred a union from using dues money to pay for services rendered to a candidate, thus spelling out more clearly an old prohibition.

The union also takes machinists out of the shop for campaign duty, giving them "lost time" compensation out of dues money to make up for the lost of regular pay. Thus, the files show, two Baltimore machinists got $282.40 a week while working for the Humphrey presidential campaign for five weeks in 1968. A Maryland IAM official said later that the two "did a first-rate job, especially in smoking out the local Democratic politicians who were inclined to cut the top of the ticket" and persuading them not to do so.

Rep. Richard Hanna of California got $500 from the machinists to help finance a $6,000 "nonpartisan" registration effort to help get him reelected in 1970. In a letter requesting the union's aid, the Democrat predicted that the drive would "raise the district to at least 53.5% Democratic . . . because most of the unregistered voters are Democrats." He said the registrars would be preceded by "bird dogs," meaning that Democratic workers would roam out ahead of the registrar to identify residence of unregistered Hanna supporters.

The machinists' union's airline credit cards come in handy when incumbents are eager to get home in election years. Early in 1969, the executive committee of the machinist political unit authorized the expenditure of $3,600 to buy plane tickets home for unnamed "western Senators" during the following year's campaign. The league's "education fund" provided Sen. Yarborough and his aides with $705.60 worth of tickets during his 1970 reelection campaign. The files show that $500 went to Sen. Albert Gore, Democrat of Tennessee, during his losing reelection effort in 1970.

Machinist officials contend the organization pays for such travel because the candidate speaks to a union group or "consults with union leadership" in his district. But correspondence in the files indicates that this is more of a rationalization than a reason. Take a 1969 Ellinger memo to Sen. Yarborough outlining procedures "for all transportation matters." It states:

"We would like our files to contain a letter . . . indicating that you intend to be in Texas on a particular date to consult with the leadership of our union. If a trip includes a member of your staff, the letter should also name the staff member as being included in the consultation."

"Appreciation dinners" for Senators and Representatives often serve as a conduit for "soft money." Consider the ten $100 tickets the IAM bought to a 1969 testimony gathering for Sen. Frank Moss, Democrat of Utah, who faced an election in 1970. "Since Moss is not yet an announced candidate, we can use educational money for this event and later consider this as part of our overall contribution," the minutes of the league's executive committee explain.

Mr. FRENZEL. Mr. Chairman, I yield 4 minutes to the gentleman from Texas (Mr. STEELMAN).

Mr. STEELMAN. Mr. Chairman, I thank the gentleman for yielding.

The American public wants campaign reform, and I think the majority of the Members of this body want campaign re-

form, and I intend to vote for portions of this legislation.

I should say, however, that campaign reform, whether it involves financing or whether it involves special interest groups or whatever, is not genuine reform until we start to face the basic question of personal financial disclosure.

It seems to me that the greatest doubt, the greatest amount of suspicion in the minds of the American people, has to do with the decisions that we in this House make, decisions made in the executive branch and in the judicial branch that affect the public interest, those decisions that are made daily by all of us, whether elected or appointed.

Those decisions are decisions that affect defense contracts and affect mineral leases and all these things, as well as other potential conflicts of interest which we in this body and these other two branches of Government might have.

Mr. Chairman, many of us have voluntarily disclosed not only our statement of assets and liabilities but also our private income tax returns.

However, it is not enough to have voluntary disclosure. The standards which we have to abide by now provided in the form A and form B are minimal. They do not get to our sources of income; they do not get to our assets and liabilities except as it applies to debts and transactions above a certain amount.

It just seems to me that the field of personal financial disclosure is the major uncharted area as far as campaign reform is concerned.

Mr. FREY. Mr. Chairman, will the gentleman yield?

Mr. STEELMAN. I yield to my colleague, the gentleman from Florida.

Mr. FREY. Mr. Chairman, I thank the gentleman for yielding.

I want to commend the gentleman for his own personal work in this area. I have also been involved in this matter for several years.

I think to a certain extent this does constitute an invasion of privacy of each and every Member. Yet under the circumstances we face today I think we must take that extra step and make that extra amount of effort to win back the confidence of the people in this country in ourselves and in all those who are in politics.

As distasteful as it is personally to me—and it frankly is—I think it is the price we have to pay. It is the price we have to pay, because of the loss in confidence that we have experienced.

Mr. Chairman, it is a shame that we are not able, under these procedures, to bring this matter up and to get this meaningful reform enacted.

Mr. STEELMAN. Mr. Chairman, the gentleman makes a good point.

Under the rule that has been adopted, we will not be able to offer this amendment. I wish to say that I intend to remain active in this field, and I know that the cosponsors of this amendment also intend to remain active in this area of personal financial disclosure, not because of the wrongdoing it may uncover or the wrongdoing it may prevent, but because of the contribution it will make toward restoring public trust. It seems to me that is the lacking commodity right now.

The personal example set by Vice President FORD, I think, with respect to the scrutiny of his public and private affairs during the investigation he underwent, was a major contributing factor to the public support that he has now.

Mr. Chairman, I just want to say that I hope at some point, if not in this session, certainly in the next session we will get a bill, the like of one which I introduced, along with cosponsors, that would require personal financial disclosure, not only on the part of us who serve in the legislative branch but also on the part of those who serve in the executive and judicial branches. I think it is only by this sort of approach that we will make a genuine contribution to restoring public trust and thereby complement the other steps I hope we will take today in reforming campaign finance practices.

Mr. PRITCHARD. Mr. Chairman, will the gentleman yield?

Mr. STEELMAN. I yield to the gentleman from Washington.

Mr. PRITCHARD. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, earlier in the day, the chairman of the committee, the gentleman from Ohio (Mr. HAYS), stated that he would not object to amendments that were serious. I wonder if the gentleman would indicate now whether he would object to an amendment such as this.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. STEELMAN. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I said that I would not object to any amendment that was germane under the rule. The amendment which the gentleman is talking about is not germane.

The CHAIRMAN. The time of the gentleman from Texas (Mr. STEELMAN) has expired.

Mr. HAYS. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, to respond further to the gentleman from Texas and the gentleman from Florida, I would tell the Members on the other side, if they have not already heard it, that Senator GOLDWATER was on television a few minutes ago saying that there would be a resignation today. That will do more to restore confidence than all the breast-beating that the gentleman from Texas can do from here on out.

Mr. FRENZEL. Mr. Chairman. I yield 1 additional minute to the gentleman from Texas (Mr. STEELMAN).

Mr. STEELMAN. Mr. Chairman, I thank the gentleman for yielding additional time to me.

I will say for the benefit of the chairman of the committee, the gentleman from Ohio (Mr. HAYS), that this amendment that I sought to offer and which the rule precludes would have applied to the President and to the Vice President the same standards with respect to personal disclosure that I would have applied to those of us who serve here in the legislative branch.

It seems to me the standing of the Congress in the opinion polls, at least the ones I have seen this year, have been lower than those of the President. So I think we have an example to show in that respect, also.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. STEELMAN. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I will say to the gentleman that after the performance of the Committee on the Judiciary may I say after the performance of the members of the committee on both sides, I think the next poll will show that the standing of Congress will have gone up a great deal.

Mr. PRITCHARD. Mr. Chairman, will the gentleman yield?

Mr. STEELMAN. I yield to the gentleman from Washington.

Mr. PRITCHARD. Mr. Chairman, I would like to say that we were led to believe that we were going to have this bill opened up for serious amendments. Now we find the gentleman from Ohio says this does not apply. That is just the reason why I think it is a gag rule. I think we are doing an injustice to the Nation with respect to the cause of election reform when we bring this type of a rule to the floor, limited rule, or whatever you want to call it, instead of an open rule.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRENZEL. I yield 1 additional minute to the gentleman from Texas.

Mr. STEELMAN. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I resent the inference cast by the gentleman from Washington. I did not mislead anybody, and I did not try to mislead anybody. I said, in response to a question that the gentleman asked about publishing his amendment 24 hours before in the CONGRESSIONAL RECORD, and the gentleman said he did not know until today that that was a requirement, I said I would not object, and hoped that no one else would object to an amendment which would be germane under the rule being offered to the House just because it was not published in the RECORD. And that is all I said.

If the gentleman from Washington was misled, then the gentleman was misled because the gentleman either was not listening or was not here, or did not understand what I said.

Mr. PRITCHARD. Mr. Chairman, if the gentleman will yield further, I desire to state once again that this is a gag rule that we are working under. I believe that this is serious election reform that the gentleman in the well is bringing forth. This is why I believe that we should open up the financial affairs of we Members of the Congress. We are not ordinary citizens—and I repeat, we are not ordinary citizens—we are public servants. If we are going to have election reform that is meaningful, we are going to have to have this included before the public will have some real confidence in the Members of the Congress.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. MATHIS).

(Mr. MATHIS of Georgia asked and was given permission to revise and extend his remarks.)

Mr. MATHIS of Georgia. Mr. Chairman, I, too, would like to join in with my colleagues on both sides of this body today in offering my congratulations to the chairman of the committee for the time the gentleman has spent in bringing before the House this legislation, which I believe goes a long way toward restoring the confidence and the faith of the American people in our democratic institutions, and hopefully in our public servants, we politicians, if you will.

There is one thing that I would like to point out in this bill that has not been pointed out before, and that is we have removed the limitation on the media expenditures. The House in its wisdom adopted in 1971 legislation fixing a ceiling of $50,000 that could be expended on media. We have repealed that section, and we leave it to the candidate's own judgment as to where he wants to spend the money, where he can get the best results for his dollar in his campaign.

The one big fault that I find in the bill is that it simply allows too much money to be spent on elections.

We come in here, and we talk about campaign reform. We talk about restoring the faith of the people in the processes of our Government, and yet we are allowing $270,000 plus to be spent by a candidate for Congress in any given year. I want to suggest once again to all of you who feel as I do that this figure is too high; that I will offer at the proper time an amendment that will reduce the amount of money that can be spent in any one election to $42,500.

It makes no sense at all to me to allow a candidate for Congress to spend $270,000 for a job that pays $42,500.

I do not think there is any way we are going to restore the confidence of the American people in this Congress as an institution unless and until we adopt some kind of a realistic spending figure.

Mr. FRENZEL. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina (Mr. MIZELL).

(Mr. MIZELL asked and was given permission to revise and extend his remarks.)

[Mr. MIZELL addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. HAYS. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. KOCH).

(Mr. KOCH asked and was given permission to revise and extend his remarks.)

Mr. KOCH. Mr. Chairman, I thank the gentleman from Ohio for yielding me this time.

This bill has three provisions in it which everyone concerned about campaign reform wanted, and they have been accomplished, limitation of expenditures, complete disclosure, and public financing. The committee bill, with the committee amendments is a good one.

I know that there are those who will seek to lessen the amount that can be spent by a candidate for Congress. The bill now provides $75,000 in addition to the actual cost of raising the money. There will be some who are going to say they are going to outreform the reformers by reducing that amount. That would not serve the American public because to give a nonincumbent a reasonable chance of winning requires a reasonable sum for campaigning.

While I thought there should have been a higher limit, for example, $90,000, the amount in the bill is a reasonable amount, and I would hope that it will not be changed.

I also want at this moment to pay my respects to the distinguished chairman of the committee, Mr. HAYES. The chairman of our committee has been the subject of a great deal of what I consider to be unfair attacks and abuse on the ground that he was stopping the reform bill from coming to the floor. It is just the other way. The fact it, it was primarily through his efforts that the bill reached the point where we were able to bring it to the floor. I know that the chairman gives at least as good as he gets in debate, so I do not think he was as upset about the attacks as those of us were who serve on the committee and were aware of what was taking place.

Mr. BADILLO. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from New York.

Mr. BADILLO. Mr. Chairman, I thank the gentleman for yielding.

I want to compliment the gentleman from New York for his work on the committee.

(Mr. BADILLO asked and was given permission to revise and extend his remarks.)

Mr. BADILLO. Mr. Chairman, I am pleased that we have the opportunity today to improve and expand upon the reform of our political process which we began with passage of the Federal Election Campaign Act of 1971. We have had ample time over the past 3 years to observe the loopholes and inadequacies of that particular measure, and the bill before us today, H.R. 16090, will remedy some of the deficiencies of our earlier effort.

The Federal Election Campaign Act Amendments of 1974 will for the first time set absolute ceilings on expenditures for campaigns for all Federal offices. It sets much-needed limits on individual contributions to any single candidate and aggregate contributions for all Federal offices in any year. It places limits on cash contributions and restricts a candidate's personal financing of his own campaign. Most importantly, H.R. 16090 authorizes the use of public funds for Presidential elections and establishes qualifications for raising donations in small amounts to receive Federal matching funds for primary elections.

I believe, Mr. Chairman, that H.R. 16090 provides us a vehicle to enact a meaningful campaign reform bill in this Congress. The provisions of this bill are important and they set new standards for campaign practices. However, the measure needs considerable amplification if we are not to be accused of being half-hearted in our commitment to campaign reform. The events of the 1972 election, in all their sordid detail, cry out for a response from us, and I am convinced that the American people will accept nothing less in 1974 than comprehensive legislation to eliminate once and for all the pervasive influence of private wealth in the election of candidates for Federal office.

True campaign reform entails much more than setting limits on contributions and expenditures. I support the establishment of such ceilings as a necessary beginning, and though nobody has an excess of wisdom in determining what the magic figures should be, the committee levels provide a yardstick that I am willing to see enacted into law in order to get the principle of such limitations into the statute books. Should experience indicate the advisability of revising the amounts upward or downward at a later date, we will find it relatively simple to amend an existing law.

We all agree that spending for national elections has simply gotten out of hand, Mr. Chairman, and our initiatives should be stimulated by the sorry record of intimidation, coercion, and blatant tradeoffs between candidate and contributors in the 1972 Presidential campaign. By putting ceilings on election expenditures, we can at least limit the opportunities for corruption and conflict of interest when large sums of money are sought from every possible source.

The ceilings in H.R. 16090 of $10 million for Presidential primaries and $20 million for general elections for the highest office in the land are realistic and should be adequate to conduct an effective campaign around the country. Our approval of this principle should be overwhelming since we have witnessed the temptations that are succumbed to by those in possession of funds far in excess of what is needed for election campaigns per se.

The American people have endorsed the principle of public funding of elections by their response to the dollar checkoff on Federal income tax returns. I am gratified that this totally voluntary system will establish a Presidential election campaign fund in the neighborhood of $70 to $80 million for the 1976 election. The healthy public participation is convincing proof to me that the public wants an end to the corrupting influence of private campaign contributions and is willing to provide the funding that will accomplish that reform. Public financing of Presidential elections will not forever end the possibility of corruption or secret deals in the Oval Office, but it will make it far easier for men of integrity seeking that high office to avoid indebtedness to the special interests which can be counted on to show up sooner or later to demand their quid pro quo, usually out of the pockets of the public.

What I find inexplicable, Mr. Chair-

man, is the omission from H.R. 16090 of public financing for House and Senate election campaigns. I cannot understand how the committee could endorse the removal of private money from Presidential races and not concede that the public interest lies in the same treatment of congressional elections. Consequently, I am joining the movement to amend this bill to provide Federal matching funds for congressional general elections. This particular amendment will authorize public matching funds for up to one-third of the spending limit for the office. A requirement that 10 percent of the candidate's spending limit must be raised in contributions of $50 or less will provide an incentive for the participation of more small donors than has been the case, reducng the traditional reliance on a handful of wealthy donors.

I regret that we are not today voting on full public financing of all Federal elections, but that is a goal which I believe we will reach in succeeding years and one which I am certain the American people will subscribe to if we take the necessary first step of approving the Anderson-Udall amendment to H.R. 16090. It is much cheaper for the public to underwrite election campaigns than it is to pay for Government policies such as the milk price support increase and the late unlamented oil import quota system, two of the most glaring examples of the price extracted from the average person for political deals struck between candidates and well-heeled industry lobbies. When Government decisions are made on the basis of what is right and just for the country as a whole, we will have a climate of greater respect for the political process and greater confidence in officials selected by the people to participate in making those decisions for them.

I will also support the Fascell-Frenzel amendment to create an independent Federal Elections Commission to oversee and insure compliance with the laws governing Federal elections. A commission composed of six full-time public members nominated by Congress and appointed by the President will inspire more public confidence than the committee bill's board of four public members and three—the Comptroller General, Secretary of the Senate, and Clerk of the House—who are intimately involved in the legislative process and whose tenure is decided by incumbent officials they would have to regulate. The confidence of the people in the political process is what this is all about, Mr. Chairman, and to merit that confidence we must make it clear that we in no way are hedging our responsibility to observe the law and submit our conduct to the scrutiny of objective public officers. I regard an independent Federal Elections Commission as absolutely essential to any serious reform of our election campaign laws.

Mr. Chairman, I urge my colleagues to accept these strengthening amendments to the bill and send H.R. 16090 to conference with the Senate to insure enactment of a meaningful Federal election campaign reform law this year. We have had such legislation before us for 3 years, and there can be no excuse for further delay. Grievous abuses of Federal elections are amply documented and have been paraded before us for all too many months now. The American people have a right to expect us to stand up and be counted on this issue, and I do not believe they will settle for partial or limited reform. This is our opportunity to demonstrate whether we believe that we have a living political process worthy of improvement and perpetuation. Passage of a strong campaign reform bill is our mandate from the people, and I hope that we will meet that high expectation in this Chamber today.

Mr. HAYS. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. PHILLIP BURTON).

(Mr. PHILLIP BURTON asked and was given permission to revise and extend his remarks.)

Mr. PHILLIP BURTON. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from New York and add my own personal commendation to the distinguished chairman of the Committee on House Administration. The gentleman from Ohio (Mr. HAYS) is really in many, many respects a very misunderstood Member. His basically kind and generous nature is not understood universally. Very importantly, his commitment to make the House a responsive instrument to resolve the public policy issues confronting this country is known by all who watch him and work with him.

I think that the gentleman from New Jersey (Mr. THOMPSON) should be commended; the gentleman from Indiana (Mr. BRADEMAS); the chairman of the subcommittee, the gentleman from Pennsylvania (Mr. DENT); the gentleman from Illinois (Mr. ANNUNZIO); the gentleman from Pennsylvania (Mr. GAYDOS); the gentleman from Tennessee (Mr. JONES); the gentleman from New York (Mr. KOCH); the gentleman from West Virginia (Mr. MOLLOHAN); the gentleman from South Carolina (Mr. GETTYS), and the gentleman from Georgia (Mr. MATHIS); and the whole committee on our side, because they have brought to the floor a most worthy product. More importantly, they have permitted all of those amendments that had meaningful support to be the subject of the House working its will.

I would also like to note, the gentleman from Minnesota (Mr. FRENZEL) who has played a very constructive role in the developing of this legislation. While we are at it—the gentleman from Florida (Mr. FASCELL), the gentleman from Arizona (Mr. UDALL), the gentleman from Illinois (Mr. ANDERSON), the gentleman from Washington (Mr. FOLEY), and the gentleman from New York (Mr. CONABLE), have all contributed to the important public dialog on th e nature of the legislation the House should write.

I freely predict when the sound and fury is behind us, just as did our Committee on the Judiciary reflect great credit on this institution by its conduct in recent weeks, similarly the Committee on House Administration and the House itself will send to the Senate a meaningful, responsible, and effective campaign reform bill that will come to grips with most of the urgently pressing campaign financing problems.

So, Mr. Chairman, again I want to commend the committee and say I am sure within the next 2 days we are going to write legislation every single man and women in this House can be most proud of.

Mr. WRIGHT. Mr. Chairman, this is an historic day in the life of our political institutions. The bill presently before us offers historic opportunity to help get politics out of the gutter and back onto a platform of public respect envisioned by those who drafted the Constitution.

This clearly is one of the most important bills which will come before us this year. In my opinion, as I shall point out in these remarks, it does not go quite far enough nor perform the total cleanup that I would like to see performed.

But what it does is in every respect salutary. It is, on balance, an exceptionally good bill and a much stronger bill than cynics had thought this Congress would pass.

We owe it to all those who want to believe in the basic goodness and decency of the American system to pass this bill by an overwhelming and resounding majority.

One of the saddest byproducts of the Watergate scandals has been the general impression that politics and our historic system of electing public officials is by its very nature corrupt—that it always has been, always will be, and that there is no use trying to make it otherwise.

This is tragic for two reasons. First, it is not true. Second, by destroying faith in the political processes, this cynical idea destroys faith in the system itself. It is up to us to restore that faith, and to make the American system of public elections worthy of public confidence.

Ridiculed in public print, satirized by cartoonist and comedian, butt of the street corner humorist and self-righteous moralist alike, politics is as necessary to the functioning of our society as water is to the flow of a river. It does not have to be filthy and corrupted—and neither does the river—for man has the wisdom, if he has the will, to keep them both clean.

Politics—the process of elections—is the lifeblood of democracy, the fuel that propels the engines of a free society. To profess love for the democratic form of government but disdain for politics is to pretend to honor the product while despising the process that creates it.

There have been abuses of the system. There is no denying it. We should not close our eyes to those abuses. We should correct them. We must devise laws that prevent their recurrence.

No facet of American life has cried out more loudly for reform than that of political campaign financing. It has cast a lengthening shadow over all else we do in our public institutions.

More than 6 years ago—in April 1967—I wrote an article for Harper's magazine calling for reform of the campaign financing laws. For years their cynical neglect made a mockery of our elective system. Under leave to extend my remarks, I am inserting a copy of that arti-

cle for printing in the RECORD at the end of my statement.

Three years ago, Congress finally acted. It passed in 1971 the most sweeping campaign reform law since the Corrupt Practices Act of 1925. Although the public seems largely unaware of that law, it was a long step in the right direction. The bill we are considering today would build and improve upon it.

The 1971 law strictly limits total campaign expenditures in communications media. It makes candidates themselves responsible for reporting all moneys spent in their behalf during a campaign, puts an end to the devious practice of hiding behind phony "committees" whose expenditures the candidate pretended to know nothing about.

Under the 1971 law, full public disclosure must be made of every contribution in excess of $100 including the name and address of the contributor. Now, in light of the mammoth contributions revealed by the Watergate hearings—single contributions in the range of $50,000 and upward, some from corporations and thus clearly illegal under even the old 1925 law, which slipped in just days before the new law took effect and went officially unreported—we now are considering an absolute limit of $1,000 that any one individual may lawfully give to any Federal political campaign. I support this provision.

Enactment of this proposed limit will go a long way to reduce the shameful reliance upon a few enormous contributors who more and more have held the keys to the gates of public service, particularly in the larger States—California, New York, Texas, Illinois, Pennsylvania, Ohio—where it now can take $2 million or more to conduct a winning statewide campaign.

The bill presently before us would limit total expenditures in most congressional campaigns to no more than $75,000. Surely that is enough, unless we merely wanted to turn Congress into an exclusive playground of the wealthy and put its seats up for auction to the highest bidder, like seats on the New York Stock Exchange. I think we well could do with a lower ceiling.

Another extremely useful reform which went into effect in 1972 seeks to broaden the base of political fund-raising and give more plain citizens a piece of the action. It permits a tax deduction for any individual American contributing up to $50 to the candidate or party of his choice—or up to $100 on a joint husband and wife income tax return.

Unfortunately, this law has been little publicized. When it becomes generally known, it should provide encouragement for many small and moderate contributors to take up the slack heretofore filled by contributions in the multithousand-dollar range.

Personally, I would support an even stronger inducement, such as a tax credit rather than just a deduction, for any individual contribution up to $25.

Along the same line, Congress has tried to freshen the springs of Presidential campaign financing by permitting every taxpayer to check a square on his income tax report authorizing exactly $1 of his tax to go to the national Presidential campaign. This particular law was administratively emasculated in 1973 by on the 1040 tax return form, the IRS required any citizen desiring to avail himself of it to take the initiative, ask for and fill out an entirely separate form. Most citizens did not know to do so. Most did not even know of the law.

Under outraged pressure from Members of Congress who supported that reform, IRS was forced this year to carry out the intent of the law. The box now appears on the form 1040 itself, and a lot of good Americans did check the form and authorize the $1 deduction. I predict that, as it becomes better understood in subsequent years, more and more Americans will avail themselves of this means to provide clean and unfettered money for Presidential campaigns.

Some now are suggesting public financing of all political campaigns, including congressional elections. In other words, pay campaign expenses out of taxes. There is one thing wrong with this: it does not give the citizen any choice.

It would be thoroughly wrong, in my opinion, to take tax money from an individual and arbitrarily turn it over to some candidate or party of which that citizen does not approve. If you are a Republican, for example, it seems to me that you would have every right to object if the Government took some of your taxes and used them to finance Democratic political campaigns. And a Democrat would have every right to be unhappy about the reverse.

The answer, in my judgment, does not lie in paying congressional campaign costs out of public tax money. It lies in popularizing political contributions among average citizens, helping them to understand that it is a function of citizenship, and making it easier for them to contribute of their own volition to the candidates and parties of their own individual choice and preference.

Tainted money, however, is not the only evil that has been brought to light in the recent Senate and House investigations. One cannot blame the average citizen for being more than a little sickened by the illegal use of spies, burglary, electronic surveillance, fake documents and phony charges against the opposition.

Not only have there been thefts and illegal wiretaps. Telegrams have been sent falsely bearing the names of other parties. One of the rottenest and most callous abuses cited was the forging of a bogus telegram, purporting to be a State Department document, with the sole and express purpose of maligning the reputation of the late President Kennedy.

Phony press releases have been handed out purporting to come from an opposing candidate, with the deliberate intent of misrepresenting and embarrassing him and misleading the public. Elaborate hoaxes have been perpetrated, such as the one that pretended to document a connection between the late President Kennedy and the assassination of President Diem of South Vietnam. A lot of people have innocently believed these malicious frauds. How can they know, so long as this type of deliberate deceit is permitted, until it is too late?

Each of these offenses has been confessed in open hearings, sometimes without any apparent sense of shame or repentance. The cynical defense is that "everybody does it." And that just may be the most monstrous falsehood of all. Many public officials are decent. Many have never corrupted the political process in any such way. Nobody should, and anyone who does should be punished for the irreparable harm he commits not only to the reputation of another but to the sancity of the political process itself.

Certainly it ought to be a punishable offense deliberately and knowingly to spread malicious untruths about the opposition. If lying and deceit about campaign contributions and expenses should be forbidden, as needed they should be, then intentional lying about the opposition is equally reprehensible. It ought to be equally punished.

Without doubt the one thing that has done more than any other to poison the political process, to disenchant decent Americans with political life and keep good men out of it, is the nauseating prevalence of slander and personal abuse in political campaigns.

For this reason, I feel that the bill presently before us, as good as it is, does not go far enough. I would like to see the legislation broadened to make all the penalties which it applies against misrepresenting campaign gifts and expenditures equally applicable against: First, publication of any spurious statement and attributing it to the opposition; second, reproducing any bogus telegram or communication falsely purporting to bear the signature of any other person; third, signing a false name to any political advertisement or letter to a newspaper editor; fourth, the use of "bugging" devices against political opposition; and fifth, using trick photography to cast an opponent in an unfair and untrue light.

I was prepared to offer such an amendment to this bill, but as I understand the rule, an amendment of that type would not be in order. I urge the committee to keep it in mind for future legislation.

If democracy and our form of elective government are sacred, then the political processes that create them should be equally sacred. Those processes can be kept clean. It is up to all of us to insist that they are.

Enactment of this bill today will be one long stride in that direction.

Although something short of a total answer to all of our Nation's electoral problems, the bill deserves to be considered on the basis of the affirmative reforms it makes.

On this basis, it clearly deserves our support.

The article referred to follows:

[Reprinted from Harper's magazine, April 1967]

WASHINGTON INSIGHT: CLEAN MONEY FOR CONGRESS

(By Jim Wright)

No facet of American life cries out more loudly for reform than the dingy gray area of political campaigns financing, which casts a lengthening shadow across all else we do in our elective public institutions.

As a veteran of seven successful campaigns for the U.S. House of Representatives and one losing race for the Senate, I've experienced at first hand the skyrocketing cost of politics. It is now, in fact, nearly impossible in most states for men of modest means to seek high elective office—unless they are willing wards of the wealthy.

The price of campaigning has risen so high that it actually imperils the integrity of our political institutions. Big contributors more and more hold the keys to the gates of public service. This is choking off the wellsprings of fresh, new thought and severely limiting the field of choice available to the public. I am convinced, moreover, that the intellectual *quality* of political campaigns is deteriorating as a result.

One curious by-product of big money in politics is the slick, shallow public-relations approach with its nauseating emphasis on "image" at the expense of substance. In the arenas where Lincoln and Douglas once debated great issues, advertising agencies last year hawked candidates like soap flakes.

Nineteen sixty-six was the year of the political singing commercial; easily seven or eight times as much money was spent on 20-second or 50-second spots on TV as on programs permitting any serious discussion of issues. Candidates hired professional pollsters to sample the electorate and offer advice on the most effective color combinations, lettering styles, and photographic poses. The whole business was taking on a patently phony, make-believe veneer.

This situation will not change unless Congress enacts a meaningful body of law to reform the antiquated and unenforceable regulations that are evaded by almost every candidate and ridiculed by the public. In the past decade eighteen different proposals designed to do this have been introduced in Congress. Not one has been acted upon.

Campaign expenditures for federal office generally fall under the purview of an ancient statute known as the Corrupt Practices Act of 1925. This law must have had some meaning in its day. But in 1966 it was about as effective as stuffing popcorn into the mouth of a running fire hose. The law stipulates among other things that a candidate for the House may spend no more than $5,000 in his bid for election, and a candidate for the Senate no more than $25,000. If I told you I had never spent more than $5,000 in a House race. I'd be a hypocrite. And if I actually had spent so little in my first race, I'd never have been elected. The same applies to at least 95 per cent of my colleagues. The huge loophole in the law lies in the fact that a candidate need not report the funds collected and spent in his behalf by a *committee*. The transparent fiction is that this goes on without his knowledge.

No candidate has ever been prosecuted for noncompliance with the Corrupt Practices Act (it carries penalties of two years' imprisonment and a $10,000 fine for willful violation). In times past, revelations of flagrant overspending or unsavory contributions evoked shock and public censure.

But today our very capacity for indignation seems to have withered. We take huge expnditures for granted. In the New York Senate race of 1964, for example, winner Robert F. Kennedy is reported to have spent $1,236,851, and over a million was spent in behalf of loser Kenneth B. Keating.

Last October Republican headquarters in New York announced that $4,330,000 had been spent up to that point in the campaign to reelect Governor Nelson Rockefeller and his running mates.* Jesse M. Unruh, Speaker of the California Assembly and a key political figure in the state, says Republicans spent between $5 million and $6 million in electing Ronald Reagan last year. Unruh believes the steadily mounting price of politics is putting pressure on both parties to nominate movie stars and other political neophytes with well-known names and faces. It simply takes too much cash to publicize an unknown, however well qualified.

Why does the pursuit of public office cost so much? Let me itemize out of my own experience in Texas, which is by no means unique. Just one firstclass letter to every family in Texas requires—in production and postage—approximately $300,000. A single billboard in one of our big cities rents for $550 a month. Others can be had for only $75 or $100 a month. But multiply this by the thousands it takes to cover a large state. A 30-minute TV broadcast which I did on eighteen of the fifty television stations in Texas cost me a little over $10,000. The same amount of time, on the same stations, if taken in 20-second spots, would have cost $400,000. The "quicky" spot announcement is by far the most expensive thing on television.

Even races for House seats, with their more limited constituencies, can consume staggering sums. For example, an unsuccessful primary race for a Congressional nomination in North Carolina last year cost approximately $250,000 in mass-media advertising alone.

My Democratic colleague, Dick Ottinger of New York, frankly reported an outlay of $193,000 in his successful bid for office in 1964. He is to be commended for his candor.

But what kind of example do we give to the public for obedience to law? There may be some excuse when the general populace ignores an obviously unworkable and commonly disobeyed ordinance. But what excuse can there be for us who have it directly in our hands to change the law? It is our very profession to make the law, and to make it mean something—if, in fact, we want it to mean something! By refusing either to abide by it or to change it, we present a sad spectacle indeed.

CONVENIENTLY BLIND AND DEAF

An impossible dilemma confronts a candidate who wants both to obey the law and tell the truth. Last summer John J. Hooker, Jr., a Nashville attorney who unsuccessfully sought the Tennessee gubernatorial nomination, promised during his campaign to make a complete public report on his expenditures. He fulfilled the pledge on September 4, showing total spending of $591,296.27.

Political pros in Tennessee were shocked. Certainly it wasn't the first time there had been expenditures in this range; but it was the first time such a public disclosure had been made in the history of the state. Hooker could hardly have affronted tradition more flagrantly had he denounced old folks or come out in favor of General William Tecumseh Sherman.

The legal limit for a statewide primary race in Tennessee is $25,000. Hooker may have rendered himself subject to prosecution, though it is doubtful that one would be pressed. His successful opponent, Buford Ellington, played it safe and traditional. He filed a solemn declaration just a whisker under the legal limit—$24,809.12. A similar figure was rendered, straight-faced, by the manager of former Governor Frank Clement's winning race for the Senate nomination—$24,089.22.

Ellington, questioned by newsmen conceded that, of course, it costs a lot more than $25,000 to run such a race. But he maintained that a candidate was complying with the law if he did not "personally know" of the various expenditures in his behalf. (His own report made no reference to funds devoted to advertising, the inference being that the candidate had traveled throughout his state blind to billboards, car stickers, and newspaper ads, and deaf to his own radio and TV commercials.)

Ellington should not, however, be singled out for censure. Pretending not to know of expenditures in one's behalf is an accepted practice. When lawmakers generally flout the law, democracy is in peril. But still greater evils result when lawmakers are subjected to mounting financial pressures.

Just last year a Senate committee examined the ethics of Senator Tom Dodd of Connecticut, who paid off his campaign debts with the proceeds of testimonial dinners at each of which the principal speaker was a Vice President (Lyndon Johnson for the first two, Hubert Humphrey for the third). More than two thousand of Senator Dodd's constituents bought tickets to one or more of these gala affairs, which jointly netted over $100,000.

For a public official, debt is delibitating. It can plague his conscience and divide his energies. It can sorely test his integrity, or sap his courage at the very time he needs it most. Ultimately, if he remains single-minded in his devotion to the public weal and keeps his back resolutely turned upon temptation, debt can drive him, despairing, out of public life. Sometimes its shadow hovers over him for years afterwards.

I know this at first hand. In 1961, I made an unsuccessful race in a special election for the U.S. Senate. After it was over, we figured that we had spent some $270,000. Obviously, it hadn't been enough. But I ended up owing $68,000, mostly for debts which I had not personally authorized. It took me two and a half years to retire the notes.

Consider the case of Democrat Leonard Wolf of Iowa, who served one term in the House. He came to Congress in January 1959 owing $89,000 in campaign debts and business losses incurred while campaigning. He was defeated in 1960 when Nixon carried Iowa for the Republicans. Today, six years after leaving office, Wolf has finally paid off most of the $89,000. When friends urged him to run again in 1966, he understandably said, "No, thanks."

But even this financial disaster seems minor compared with the experience of James E. Turman who conducted an unavailing campaign for Lieutenant Governor of Texas in 1962. He came close, made the runoff, but lost in the second primary. For almost five years, he has been making regular monthly payments from his personal income to retire his campaign debt. And he calculates that, on this schedule, he will not be in the clear until 1981. It will take *nineteen years* to pay for one near-miss at the polls!

Perhaps you're thinking, "That's too bad, but it's his tough luck. A fellow who can't afford it shouldn't take on a campaign of that kind." And perhaps you'd be right. But where does that leave any able young American who genuinely wants to contribute his time and talent to the political life of his country? Unless he has inherited spectacular wealth, it leaves him at the mercy of large contributors, who will expect him in one way or another to serve their interests.

TEN MILLION HANDS TO SHAKE

So far as my own case goes, I've been luckier than most politicians. When I made my first run for Congress I had enough money of my own to pick up the tab personally for half (about $8,000) of the campaign cost. Since the beginning, I've made it an unvarying rule never to accept more than a $100 contribution from any individual. The average over the years has been around $10. This preserves my independence from personal obligation. I wouldn't want it otherwise. A Congressman can get by this way if he's fortunate—as I am—in having a very understanding constituency.

*Richard Nixon, perhaps not a wholly unbiased observer, is reported to believe that Rockefeller actually spent close to $14 million in his reelection race.

But this formula is impossible for a statewide contest, as I discovered in my 1961 try for the Senate. In that race, two balloons of fantasy exploded in my face. The first was the notion that if I announced my candidacy early, I would frighten off prospective aspirants. Instead, seventy-one would-be candidates threw their hats in the ring, creating the biggest field of entries in the history of Texas politics. If this raised some doubts as to my ability to intimidate opposition, I argue that it should have established me as a *leader of men,* since never before had so many followed the example of one.

My second and more serious fallacy was the assumption that a determined man in good health could make up by prodigious personal effort what he lacked in finances. I would simply campaign harder than anyone else in the race.

In the ensuing four months, I traveled 27,000 miles, made 678 speeches, slept an average of four-and-a-half hours a night and worked off eighteen pounds. During one week, I averaged eleven speeches a day in as many different localities. But it was like trying to siphon off the Gulf of Mexico with an eyedropper. For there were then ten million people in Texas; if I worked sixteen hours a day and wasted no time, it would have taken me some twenty-eight years to talk for one minute with every citizen in the state. I had four months.

The upshot was that I came close, but not close enough. Out of the seventy-two entries, I barely missed second spot which would have put me in the runoff, with John Tower, the sole Republican. Tower subsequently won over airline executive Bill Blakley who had nosed me out of the number two position. Each of these two men had spent on billboard, newspaper, and radio advertising at least three times the amount I'd been able to put together.

I planned to make the race again in 1966 when Senator Tower would be up for reelection. But, as the time drew near, the problem of money again loomed large. I could not bring myself to initiate alliances with those who could provide the wherewithal in big chunks. This is, alas, the accepted way in Texas, and probably in most states. Nor, with a son in college and two daughters almost ready to enter, could I mortgage their futures on another underfinanced race which might leave me owing $100,000 or more and out of a job.

In a last-ditch effort to find a broad base of campaign financing I bought $10,000 worth of television time for one statewide broadcast. I told the audience exactly what it costs to run a statewide campaign in Texas, and said that I would become a candidate for the Senate if 25,000 individual Texans who agreed with my views would participate to the extent of contributing $10 each.

The response was good. I received nearly seven thousand letters—a bona fide expression of grass-roots support. But contributions and precise pledges totaled only $48,828.50—far less than the $250,000 I had considered a minimum base.

I am convinced that I could have won with sufficient public exposure. But to obtain it I would have had either to make a beggar of myself in repeated telecasts, or to meet privately with affluent individuals and organized groups to discuss what I could do for them primarily rather than for the United States. I'm not temperamentally suited for the former rule nor conscientiously fitted for the latter.

So there was nothing to do but return the generous contributions and forget about running for the Senate.

MARTINIS AND LOBBYISTS

My experience is no great tragedy for America. But when the same thing happens all over the country, then the consequences are ominous.

Senator Dodd's testimonial dinners were at least supported by his own constituents. This is not true of the now-familiar Washington cocktail party which is financed by lobbyists.

The Congressional friends of the honoree are generally importuned to attend these gatherings (on free ducats), while blocks of tickets—ranging in price from $50 to $1,000—are bought by various lobbyists. Everybody stands around nibbling hors d'oeuvres and sipping martinis until a whistle blows and a few words are said in behalf of the honored guest. His campaign fund receives the proceeds. One trade-association executive was invited—in an eighteen-month period—to seventy such receptions.

Another money-raising gimmick, employed by the national party headquarters, is the fancy brochure with ads selling for $10,000 to $15,000 a page. The Democrats' latest book is called "Toward an Age of Greatness"; the Republicans' is titled "Congress—The Heartbeat of Government." Eleven of the nation's top twenty-five defense contractors have bought ads in brochures of this kind and they've deducted the price from their taxes as a "business expense."

Many advertisers have been corporations, legally prohibited from contributing to campaigns. But the proceeds go to the national campaign committees which divide them among various Congressional candidates. Other advertisers include companies whose activities are directly regulated by the government, including six airlines (American, Braniff, Continental, Eastern, Pan American, and TWA); three railroads—the Milwaukee Road, Southern Railway System, and Union Pacific; the Tennessee Gas Transmission Company; and various steamship lines. Does anyone believe that these companies—and others throughout the country who more quietly slip multi-thousand-dollar contributions into the individual campaign coffers of their favored candidates—expect no selfish return?

A more subtle lure, for Presidential campaign money, is the chance to visit socially with the President at party functions by joining the President's Club at annual dues of $1,000. Recently, plans were said to be under way to create an "elite" President's Club, with dues of $10,000, the additional bonus being an invitation to the White House. I find it embarrassing that any President should have to engage in such maneuvers. And I deplore the legal vacuum that makes them necessary.

BROADENING THE BASE

President Johnson in his draft bill last year asked Congress to require that *every* gift and *every* expenditure of $100 and more, whether taken or spent by the candidate himself or by one of his "committees," be publicly reported. He also proposed that $5,000 be established as the absolute maximum which any one individual or interest may lawfully contribute to any one campaign. (In my view, $5,000 is still too much; I think the figure should be reduced to around $1,000.) The President's main recommendation was that political contributions of up to $100 be deductible in computing one's income taxes, as are philanthropic gifts. I would like to go even further: I think we should offer a tax *credit*—deductible from the tax itself rather than from reportable income—of contributions up to $25.

This is the indispensable key to any really workable reform. Average Americans, with no axe to grind except good government, must be induced to take up the slack if we are to free American politics from its disgraceful dependence upon the little handful of blue-chip contributors.

To be effective, individual tax deductions and ceilings on individual contributions should be coupled with a practical and legally enforceable upper limit on allowable expenditures. Surely there should be *some* limit—high enough to permit each side an adequate campaign of public enlightenment but low enough to take politics out of the commercial marketplace, where today it almost can be said that public office is up for sale to the highest bidder.

I introduced in the 89th Congress and again this year a bill which would limit expenditures for House candidates to not more than $30,000 for a party primary and an additional $30,000 for a general election. (The two figures add up to precisely the amount of a Congressman's salary for a two-year term.) For Senatorial races my bill proposes a ceiling related to the population of the state. It would be calculated by multiplying $30,000 by the number of Congressmen from that state. In Texas, for example, with twenty-three members of the House, a Senate candidate could spend up to $690,000 for a primary and the same amount for a general election. In New Hampshire or New Mexico, with two House seats each, the ceiling would be $60,000. For Maryland, it would be $240,000; in New York and California, a little more than a million dollars. With all parties and all contestants honoring the same law, this would be enough.

I do not pretend to know how much should be allowed for Presidential campaigns. The present unrealistic law purports to limit a party committee to raising and spending no more than $3 million a year. However in 1964, the two major parties reported expenditures of $29 million. Nobody knows how much more went unreported.

In the closing weeks of the 89th Congress, concern over the enormous cost of Presidential campaigns resulted in a legislative surprise—a special amendment to the "Christmas Tree" tax bill.

The new law provides that any taxpayer, by simply placing a check mark in a box which will appear on future income-tax forms, may authorize $1.00 of his taxes to be placed in a Presidential Campaign Fund. He will not be able, however, to direct which party gets his dollar. Proceeds will be divided equally between the major parties. A minor party (one receiving more than five million but less than fifteen million votes in the immediately preceding Presidential election) may have a *pro rata* share based upon the number of votes it got. The law stipulates that the total in dollars placed in this fund may not exceed the total votes cast in the previous Presidential election for all major and minor parties. Using 1964 votes as a base, this would make the maximum more than $70 million.

This plan is at least worth a try. Its weakness, of course, is that it gives the citizen no choice as to which party shall receive his largess, and, since it applies only to Presidential campaigns, it still leaves the candidates for Congress right where they were—at the mercy of the big contributors.

In addition to legislation that would limit Congressional candidates' campaign expenditures, I think it might be worthwhile considering another requirement: that a certain minimum amount of *prime TV time* be made available without charge in 15-minute or 30-minute segments as a *public service* to all candidates for the Senate and House. This has been done abroad, notably in Great Britain, where lavish campaign spending is considered not only bad form but actually hurtful to the cause of the spenders.

In my opinion, the profligate spending and shallow sloganeering that are becoming commonplace in American politics insult the public's intelligence and do the electorate a grave disservice.

Traditionally, Americans have mistrusted the concentration of power in too few hands. We have steadily democratized the ballot. In the space of one generation, we have sounded the death knell to the "white man's primary," passed civil-rights voting laws, swept

aside the rotten boroughs of maladjusted districts, and outlawed the poll tax. But of what real effect is all of this if we cannot recruit our elected officials from all levels of our society? Of what value is "one man, one vote" if the real power remains in the hands of the few who provide the money for political campaigns? What real choice does the voter have when only a limited few can afford to get their names on the ballot?

This year Congress will once again consider bills designed to restore decency and sense to political financing. Let us hope that this will be a year of action.

Mr. GILMAN. Mr. Chairman, at long last we have before us an election reform measure for consideration. While imperfect, this measure will nevertheless, lay the groundwork for providing substantial changes in our election law, changes which should help to tighten the controls of campaign contributions and expenditures of candidates for Federal offices, provided that we adopt an open rule to the bill before us, H.R. 16090, the Federal Election Campaign Act Amendments.

Mr. Chairman, the American people have clearly expressed their staunch support for election reform. Having witnessed the debacle of the past 2 years, resulting in instituting proceedings for the impeachment of our President as a result of undesirable, illegal campaign practices, the American public, to whom we are all responsible, has recognized the necessity for campaign reform making its views known to each of us. We now have the responsibility of bringing about such reform of our election laws.

The committee bill we are considering offers several recommendations worthy of consideration, including: a $100 limitation on cash contributions; limiting individual contributions to $1,000 and substantially increasing the penalties for violations of election laws.

However, the committee did not go far enough with its recommendations. In the event that we are successful in adopting an open rule, I intend to support several important amendments.

In September of 1973, I joined in cosponsoring the Clean Elections Act of 1973. During consideration of the bill before us, my colleague from Illinois, Mr. ANDERSON, intends to offer an amendment which, if adopted, will add to the committee bill a major portion of the Clean Elections Act . . . a system of partial public financing of congressional campaigns by matching small contributions with funds appropriated from the "dollar check-off" fund now present in our tax return forms. This amendment will not impose any additional burden on the taxpayer, nor will it force any individual to designate a dollar of his tax monies for campaign financing. Only those funds which are specifically earmarked by individual citizens in their tax returns will be used to finance, in matching payments, congressional campaigns.

Another questionable provision in the committee bill relates to the enforcement of election laws. While the committee bill establishes a supervisory board for overseeing the enforcement of election laws, the committee proposed that the membership of this board include the Clerk of the House, the Secretary of the Senate, the Comptroller General, with additional members appointed by the House and Senate leadership. Such a proposed board is not sufficiently independent of congressional control to permit a free hand in administering and enforcing the election laws. Accordingly, I intend to support an amendment to be offered by my colleague from Minnesota, Mr. FRENZEL, which provides for a separate and totally independent supervisory board with civil enforcement powers to act as a truly responsive watchdog over election laws.

The adoption of these two amendments would bring us much closer to what is needed to insure the necessary safeguards for our electoral system.

Mr. Chairman, if ever there was a time for a stringent, strict bill regulating campaigning for all Federal elections, this is the time. By adopting a halfhearted measure we will be reneging in our constitutional responsibilities, abdicating the trust our constituencies have placed in us.

Accordingly, Mr. Chairman, I urge my colleagues not only to adopt an open rule on this measure to enable us to fully debate the amendments offered today, but also to vote in support of a strong campaign reform measure so that we can help restore the faith and confidence of the American people in our democratic form of government.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 16090, the proposed Federal Election Campaign Act Amendments of 1974.

There is no other measure which the American people today recognize the need for than this one, Mr. Chairman. The events of the last few days have become a discordant reprise of a sad song played secretly before, during and after the 1972 campaign. H.R. 16090 offers us the opportunity to stop the music.

By and large, Mr. Chairman, H.R. 16090 is a thoughtful and far-reaching piece of legislation, notwithstanding the fears expressed by many during the long and difficult months of committee consideration. That is not to say that the bill cannot be strengthened; it can. I intend to support several amendments I believe are crucial if the campaign finance reform bill is to be truly a reform bill. But I believe the chairman of the House Administration Committee, the gentleman from Ohio (Mr. HAYS) and the subcommittee chairman, the gentleman from Pennsylvania (Mr. DENT), and the other committee members, deserve a great deal of credit for the legislation they are presenting to the House today.

At the risk of repeating what some of my colleagues have set forth, I would like briefly to note the major provisions of H.R 16090:

CONTRIBUTION LIMITS

Contributions by a person to a candidate for Federal office would be limited to $1,000 per election, applied separately to primary and general elections. Contributions by multi-candidate committees would be limited to $5,000 per election. Contributions by any individual in any year to all candidates for Federal office could not exceed $25,000. Contributions made in currency or cash would not be allowed in excess of $100.

EXPENDITURE LIMITS

Candidates for President would be limited to $10 million in campaign expenditures for primary elections and $20 million for general elections. Senatorial candidates could spend up to $75,000 or 5 cents per voting age population, whichever is greater, in each of the primary and the general elections. House candidates would be limited to $75,000 per election. In all instances, candidates could spend up to 25 percent over and above these limits to meet fundraising expenses. No cash expenditure could exceed $100. No candidate could spend more than $25,000 of his own money or that of his family for any election.

DISCLOSURE

A single 10-day pre-election report would be required, instead of the 15-day and 5-day reports now specified. The postelection report would be due 30 days after the election, rather than January 31 of the following year, as in present law. All receipts and expenditures would have to be reported through a central committee, to avoid fragmenting information and making public scrutiny more difficult.

INDEPENDENT ENFORCEMENT ENTITY

To supervise Federal election laws, the bill would create an independent Board of Supervisory Officers. I was greatly pleased to learn that a compromise amendment will be offered and accepted by the committee to change the composition of the Board so as to insure its independence from congressional control. Enforcement would remain with the Justice Department, but a new Assistant Attorney General would be created to deal with this area of the law.

Mr. Chairman, I am gratified to note that H.R. 16090 contains many provisions which I have been advocating for years, and have attempted to effect through legislation of my own. My most recent bill, H.R. 12268 of this Congress, calls for full public financing of Presidential elections building on the dollar check-off, a principle virtually assured by the committee bill; establishment of an independent Elections Commission to administer the law, toward which the committee bill is a good step; limits on both expenditures and contributions; prohibitions of large cash transactions of any kind; and strengthened reporting requirements.

Of course, a number of amendments are in order under the rule reported by the Rules Committee and adopted earlier this afternoon by the House. Many of the amendments are thoughtful, desirable additions to the bill, and I will support some of them. Particularly important will be the amendment offered regarding partial public financing of congressional campaigns, sponsored by a broad coalition of House Members. It conforms closely to the plan contained in H.R. 7612, the so-called Anderson-Udall bill, which I warmly endorsed at the time I introduced my own bill earlier this year.

One of the areas most fraught with

difficulty, Mr. Chairman, is that of limitations on expenditures. Although care must be taken that the limit is not so high as to permit anyone to buy an election, even more care must be taken to avoid setting the limit so low that challengers cannot overcome the name identification advantage and high visibility of incumbents. I understand fully that I am addressing a Chamber full of candidates, only a handful of whom are challengers. But each House Member serves a relatively short time, as these things are measured, and I know that my colleagues will be guided as they consider this matter by their respective views of what is best for the Republic.

Mr. Chairman, a glance at the timetable facing us makes it clear why it is imperative that we act on this legislation without any delay. The awesome task of impeachment lies only days ahead in this House; it may occupy all of September or October, or both, in the other body. Other major legislation—mass transit, foreign aid, housing, veterans' benefits—all await final action. Adjournment will follow not long after, and then we must await the 94th Congress. The closer we come to a Presidential election just 2 years hence, the greater the resistance to changes that might affect one party more than the other.

So the time to act is now, Mr. Chairman. And the proper action is passage of H.R. 16090. I urge my colleagues to do just that, by an overwhelming margin.

Mr. McKAY. Mr. Chairman, I rise in support of the legislation before us today, the Federal Election Campaign Amendments of 1974. I would like to commend the members of the Committee on House Administration for their work on this historic legislation to revise campaign laws and change practices by which candidates for Federal office obtain and expend campaign money.

The committee bill reforms present campaign law by limiting contributions that an individual or a group may make to a candidate for Federal office. It also limits the amount of money that may be spent by congressional or Presidential candidates. And, it places limits on the amount that a candidate may spend from his own pocket. The bill provides public financing from the dollar checkoff fund for Presidential general elections and primaries and for national party conventions. There are also provisions for improving reporting requirements.

Mr. Chairman, it is critical that the 93d Congress take action to reform campaign practices. I am in substantial agreement with provisions of this bill. However, I feel that in certain instances it does not go far enough in reforming campaign procedures. There are several amendments before us today which will correct inadequacies in the bill and strengthen it.

I support an amendment before us to provide some public financing of congressional races. This amendment will provide a system of financing in congressional elections that enhances the importance of the small contributor, while lessening the influence of the special interests. The amendment provides safeguards to insure that frivolous candidates do not receive public funds. I can see no justification for reforming the Presidential election process while turning our backs on congressional races.

I also support an amendment to lower the ceiling on allowable group contributions. Under the committee bill a political committee may contribute $5,000 per election, per candidate. Thus, a candidate could receive $5,000 in the primary in September from a special interest group, and another $5,000 for the general election campaign in October, from the same group. A system that allows group contributions of $10,000 to a single candidate will retain the undue influence of special interests in our political process. This ceiling is too high. I support the amendment to reduce the contribution limit for groups to $2,500 per candidate, per election.

I support an amendment to create an independent Board of Supervisory Officers. It is appropriate that the Clerk of the House, the Secretary of the Senate, and the Comptroller General, as employees of the Congress, should have advisory duties only on the Board of Supervisors. The amendment before us goes on to eliminate the veto power of the House Administration Committee and the Senate Committee on Rules and Administration. Only an independent enforcement committee can administer this law with fairness and impartiality. I urge support of this amendment.

Mr. Chairman, we have here an opportunity to give new direction and life to American politics by correcting abuses and bringing reform to the political process. I urge my colleagues to support the bill before us, with these amendments.

Mr. BROWN of California. Mr. Chairman, I rise in support of the general provisions and thrust of H.R. 16090, the Federal Election Campaign Act Amendments of 1974. I also wish to state that I will support two important amendments to this legislation, the first to provide for partial public financing of congressional general elections and the second to revise the Board of Supervisors provision to further insulate the regulators from the regulated.

I do not think it is necessary for me to elaborate on the provisions of this bill, or to explain my reasons for supporting particular provisions, except in a general sense. Others have done an excellent job of explaining the reasons for and the meaning of these proposals.

I would like to explain some of the background that led to my current philosophy on campaign reform. I have had the rather unique experience of conducting a statewide campaign for the U.S. Senate in the most populous State in the Union, California. I have also conducted five campaigns for the House of Representatives, and I am in the middle of my sixth campaign. Due to circumstances beyond my control, I have had to conduct two of those House campaigns as a nonincumbent. The first time was in 1962 when the total election costs were about $80,000, and the last time was in 1972 when the total election costs were about $175,000. Mr. Chairman, I submit that $175,000 is far too much money to spend on a congressional seat in the House, and while I was fortunate enough to be able to raise these large sums, I believe most candidates would not be so fortunate. During my U.S. Senate campaign I discovered just how difficult it is to reach a larger electorate, and the importance of adequate financing, even when the candidate has a large and dedicated volunteer organization. Money may not have made the difference in that campaign, but the suspicion always remains that it may have.

I speak today as both a victim and a beneficiary of the current election laws. The conclusion that I have reached from these experiences and from the general knowledge that I share with my colleagues about other elections, is that virtually no reform can be so strong that it would result in a system worse than that which we have today. When I consider all of the potential for abuses in the present system, I am amazed that we have done as well as we have with the archaic laws that govern Federal elections.

My own State of California sent shockwaves through the Nation last June when it resoundingly adopted the citizens' initiative on election reform, proposition 9. That law is stricter than H.R. 16090 in some respects, and not as thorough in other respects. This is to be expected. The House bill before us differs from the Senate bill, and each of these bills differs in some respects from what may be considered a logical approach by others interested in campaign reform. I am not discouraged by this variety of legislative remedies to the existing Federal election process. In fact, I am encouraged because the interest shown in this subject will probably result in good, solid permanent election reforms. I do not think that the bill before us today is the final word in election reform either. I would hope that the process is continually reviewed and analyzed and revised until it truly serves the public interest in the maximum. It is with this thought in mind that I support H.R. 16090.

One main provision of campaign reform must be public financing. Numerous proposals have been put forth to guarantee that public financing is fair to all parties concerned. It is a concept that must be carefully thought out. I believe the Anderson-Udall-Conable-Foley amendment to this bill is such a proposal, and I fully support it. Again, I do not believe this provision is the last word in public financing, especially since it ignores primary elections. Nevertheless it is a positive step in restoring integrity and balance to our electoral process.

In conclusion, I wish to reiterate my support for this legislation and repeat my belief that our work should not end with the legislation we begin considering today.

Mr. BROWN of Ohio. Mr. Chairman, since 1972, we have witnessed an acceleration corrosion of the confidence of Americans in our system of electing candidates for public office. We have witnessed an increased skepticism on the part of the American people that the independence of their elected officials has

been undermined by large political contributions from either powerful individuals or special interest groups.

It is this lack of confidence and growing skepticism which have led to the legislation we are now considering. The bill before us, by placing a limit of $1,000 on individual contributions to a political candidate and a $5,000 limitation on contributions to a candidate by special interest committees, represents an import step toward reducing the influence gained by special interests through political contributions.

Unfortunately, the bill does not go far enough toward reducing the influence which special interests can have via campaign contributions. The amendment I had hoped to offer—the contributors rights amendment—sought to go one step further. It would have provided that a candidate—or a political committee acting on his behalf—could only accept contributions from individuals, with the sole exception being a contribution of a political party organization. Other organizations would have been able to act as agents of the individual contributor, but the individual would have been permitted to designate to whom the contribution would be given and the agent would have been required to identify the original donor:

It is apparent in Washington that a small number of business, labor, and professional organizations exert influence on the Federal Government far out of proportion to the constituency which they serve.

As of May 31, 1974, according to a widely published survey, political action committees representing business, agriculture, health, labor, and other interest groups held cash on hand of $14.7 million. This is in addition to $2.7 million already given on behalf of 1974 congressional races. That amounts to $40,000 per congressional district to influence political races this year. The total of $17.4 million in special interest group funds which is available for the 1974 congression races is almost twice the $9.7 million reported as available for the 1972 congressional elections. And the fund raising for this year is far from over.

The way in which these special interest groups are able to exert such a disproportionate influence is through the accumulation of relatively small and anonymous donations from their members. Then, by zeroing in with large campaign contributions on key races in the House and Senate or other marginal elections where the outcome is in doubt at the time of the donation, the power brokers who head the special interest groups are able to keep "friendly ears" in Washington and elsewhere for their special interests. While in theory there is nothing essentially wrong with the expressions of a common viewpoint through a collective campaign donation, in practice there are serious flaws.

To begin with, to say that member contributions are "collected" by these special interest groups is often the wrong characterization. "Forced" is often more correct, whether the special interest group is a labor organization, business, or professional group or "special cause" organization. Often the individual has no choice but to give, no choice as to how much he will give, and no voice in who shall receive his financial support for a political campaign. Decisions as to who receives donations and how much a candidate is to receive are usually made by the power brokers who head the committees. There is often little or no input from the individual donor whether a union member, doctor, or businessman who is the original source of the money.

In essence these people are asked to pour money into the wide mouth of a funnel without any real idea of where the spout comes out. The only thing they know is that "it will help the cause." The political action committee system is often a denial of the individual's basic right to free political self-expression.

All each of us has as a personal political right, after all, is our vote, our voice, our volunteer effort, or our individual financial contribution. Under the present system, the individual's donation is too often corrupted in ways which he would never understand or approve. It makes a mockery of the "informed electorate" concept by encouraging boss-type politics. If funds are to be aggregated for a particular use, it should be the result of a conscious decision on the part of the individual contributor and not the result of pressure tactics from special interest power brokers.

Under the bill before us, contributions which are earmarked must be disclosed. The bill, however, does not prevent an individual from channeling several thousand dollars to a special interest group without designating the recipient of his donation but knowing full well that a substantial part of his donation will end up in the hands of a particular candidate.

The amendment I suggested would have gone one step beyond the earmarking language in the bill and require that all contributions knowingly accepted by a candidate, with the exception of contributions from political parties, be fully identified as to the original individual donor source. This could close a major gap in present law by blocking individual efforts to avoid disclosure and circumvent the law.

By adopting this amendment, Congress would have met its obligation to strengthen the voice of the individual citizen in his government by protecting the sanctity and underscoring the importance of his individual financial contribution to a political candidate or campaign. The individual would have been able to control where his political donation would go and would have been able to know who would be spending it. This amendment would have served to tighten the group's accountability to its members and the politician's accountability to the individuals who are the ultimate support of his election.

Mr. VANIK. Mr. Chairman, today is a welcome day for the membership of this body. Almost 2 years after the most corrupt national political campaign in our history, we are provided the opportunity of making substantial repairs on our battered and abused electoral process. The hour is late—but we must act now to restore a measure of integrity to American politics.

The fact that we are even considering so comprehensive a measure as the Federal Election Act amendments is testimony to our neglect over the years of one of our basic freedoms—the right to vote. We have allowed our electoral process to be perverted by monied interests seeking special favors. No one needs to be reminded of the litany of sordid events which together have brought us to the brink of a wholesale subversion of the American political system. As public servants, we have no more important task to perform than to restore the basic confidence and faith of our citizens in the vitality, strength, and fairness of our political institutions.

I believe that each individual must make his or her own commitment to restore the integrity of that process. This is the opportunity that lies before us today.

Mr. Chairman, I support the thrust of this legislation. Nonetheless, gaps must be filled. Most important, is the need to establish an impartial board to supervise the administration of the Federal Elections Act. In devising a procedure for the selection of the membership of this Board, Congress must work with extreme caution. After two years of endless stories of dirty poltical deals, the American people have had their faith shattered. It will not be an easy task to rebuild this faith. For this reason, we must go out of our way to insure that the membership of the Supervisory Board is above reproach. The Supervisory Board will function as the public's eyes and ears—if we are careless in choosing its members, the credibility of our efforts here today will be destroyed.

I intend to support an amendment to strengthen the independence of the Board of Supervisors int he committee bill.

The second major area of weakness in the committee bill is the failure of the legislation to cover adequately the financing of congressional candidates in general election campaigns. This omission strikes to the heart of the integrity of our reform effort itself. If we are not willing to subject ourselves to the same constraints we establish for Presidential candidates, then we have cast a long shadow over our own intentions in drafting this legislation.

The events of the last few months have inexorably thrust the Congress into a more dominant role in the conduct of our national affairs. To assume this additional responsibility, Congress must have the faith and confidence of the electorate. Without this support, the effectiveness of our leadership will quickly erode.

We must recognize that we are entering a new era of congressional leadership. In preparation, we should take steps now to include congressional campaigns under the financing requirements of this legislation. Specifically, I will support the effort to extend matching payments from the checkoff fund for congressional candidates in general elections.

Mr. Chairman, this legislation—with

the perfecting amendments I have mentioned—provides us with a good starting point for the restoration of our political system. But if there is one lesson these long months of Watergate have taught us, it is that the institutions of our government require constant vigilance and maintenance. The sustained involvement of a concerned citizenry is the only real guarantee that our Government will perform efficiently, effectively, and fairly.

Mr. CULVER. Mr. Chairman, I wish to voice my strong support for two amendments to H.R. 16090, the Federal Election Campaign Act Amendments of 1974. Though H.R. 16090 goes a long way toward improving Federal campaign practices, it falls short of ending many of the abuses that we have witnessed during the preceding 2 years. I, therefore, urge my colleagues to support two key amendments that will be introduced today, both of which I have cosponsored.

The Frenzel-Fascell amendment would insure strong and effective enforcement of our campaign laws; and the Anderson-Udall amendment would establish public financing of congressional elections by creating a matching payment system for congressional general elections which would be financed out of the "dollar checkoff" fund already provided in H.R. 16090 for Presidential elections.

Prohibitions and limitations are not sufficient by themselves to restore confidence and equity in the electoral process. We must break with the precedent of large donations, and provide incentives to encourage a resurgence of citizen participation in campaigns while at the same time reasonably equalizing the terms of competition between incumbents and challengers.

I, therefore, fully support efforts to amend H.R. 16090 to include a system of matching payments for small contributions to congressional campaigns. The thrust of such a system is not to eliminate private money from campaigns, but to shift the source of funding from the special interests and large contributors to a broad base of citizen participants. With entitlement to a $50 Federal matching payment for each equivalent contribution raised privately, candidates would have a far stronger incentive to turn to the people to finance their campaigns.

There can be no more constructive change in Federal campaign practices than to have our campaign laws aggressively and consistently policed and enforced by an agency with the proper authority. If we are going to have an equitable election law that protects the rights of the general public we must establish an independent administration and enforcement agency.

Unfortunately, H.R. 16090 leaves congressional employees—the Clerk of the House and the Secretary of the Senate—in an enforcement position, and maintains the congressional committee veto of rules and regulations. This situation gives the appearance of a conflict of interest since employees of the House and Senate are charged with identifying and reporting possible violations of the law committed by their employers. Even with the most conscientious and well-intentioned Clerk of the House and Secretary of the Senate, the public is certain to be skeptical and question the objectivity and zeal of their enforcement efforts against persons to whom they owe their jobs.

An independent commission would eliminate the present conflicts of interest, reverse the long history of nonenforcement, and achieve proper integration of the administrative and enforcement mechanisms of the law. Most importantly, a Commission would foster much needed public confidence in the effectiveness and fairness of election laws as well as in the aspirants for public office.

Finally, it must be remembered that we face a broader issue than "Watergate." The corruption that we have seen during the last 2 years is a manifestation of a more serious problem.

The U.S. Constitution lists few eligibility requirements for holding public office. However, the unwritten requirements are staggering. Under present conditions, there are clear handicaps for a person to run for public office in this country unless he or she is independently wealthy or is willing to seek the help of people or organizations of wealth. Watergate happened in part because a small group of unprincipled men had large sums of money—some of it laundered money, secreted in safes and suitcases. Nothing is more corrupting than unlimited money. If absolute power corrupts absolutely, uncontrolled money corrupts uncontrollably.

In 1972, candidates across the country spent $400 million. Significantly, incumbents were able to raise and spend twice as much as their challengers. More than two-thirds of this money was raised, not from a broad range of concerned citizens contributing small amounts of money, but from a very small number of individuals and groups.

One quality should not be pertinent to a candidate's qualification to hold public office, and yet this quality has often become the most critical to his chances of success—that is, the amount of wealth he can command. The democratic quality of choice is inherently diminished where a public election must depend in significant part upon one's ability to raise money.

There is a desperate need to equalize the political influence of all citizens in the United States. We must act to insure that the inequality in the amount of money one has or can command does not disproportionately affect the extent of their political influence.

Carefully designed public subsidization of elections constitutes an attempt to insure that the rights guaranteed by the first amendment are shared equally among the people.

Mr. HARRINGTON. Mr. Chairman, I rise in support of H.R. 10690, the Federal Election Campaign Act Amendments of 1974, as strengthened by the Anderson-Udall, Fascell-Frenzel, and Conte amendments.

By placing limits on campaign expenditures, controlling the runaway costs of elections, and making available matching public funding, this act will permit candidates without great personal wealth or wealthy friends, and without the advantages we all enjoy as incumbents, to realistically seek public office.

The "seedmoney" requirements should discourage frivilous candidates, but at the same time levels set in the legislation are sufficiently modest that no serious contender should be locked out of running an effective campaign by the monetary demands on candidates.

These provisions are central to the legislation, and have received considerable public attention. They certainly deserve the support of the Congress, but I would also argue that adequate enforcement and public disclosure are equally necessary to cleaning up our electoral process. Designation of a principal campaign committee and the institution of tighter reporting regulations will provide the public with greater access to the financial records of office-seekers. But most importantly the creation of an independent Federal Election Commission will move us closer to the goal of honest campaign financing. Without a strong regulatory agency, even the best legislation could prove worthless.

I would offer only one word of caution to my colleagues—in setting expenditure levels, they must not be set too low. A primary goal of any election should be the dissemination of information to the voters, and certainly that is necessary if a candidate is to have any realistic chance of winning. My experience in Massachusetts gives me a feeling that any ceiling whether it is $75,000 or some other number may in fact be unrealistic in many parts of the country and certainly anything much below a $75,000 figure could leave a challenger in a situation in which he would automatically be overwhelmed by the built-in advantages of an incumbent.

In closing, while the optional public financing of H.R. 10690 may not ultimately be the best approach available, particularly since the red herring issue of public versus private financing may mar future campaigns, this bill at least offer one way of removing the influence of money from our electoral system. What we want are campaigns which are informative, broadbased, and financed with money that does not carry strings or responsibilities leading public officials to violate their public trust. For only when the political arena is open to all candidates, and only then they are freed from the controlling influence of large contributions, will confidence in our electoral process be warranted.

Therefore, Mr. Chairman, I urge my colleagues to vote for this legislation before us today.

Mr. BOLAND. Mr. Chairman, H.R. 16090, the Federal Election Act Amendments of 1974, is a measure whose time has truly come.

A scant 3 years following the enactment of the Federal Elections Campaign Act of 1971, which provided the first reform of election law since 1925, we in this country have witnesses a debacle in election funding and misuse of campaign funds that has revealed to us all too

clearly the pressing need for a far more thorough overhaul of our election laws.

The abuses of Watergate are, very simply, traceable in large respect to money.

I am a cosponsor of the original Anderson-Udall bill, H.R. 7980, which first brought this issue to the House. At the time that bill was introduced, none of us could have foreseen how truly necessary it has become.

There were no spending limits at the time of Watergate. There was, as a result, no problem in establishing the slush funds that financed the break-in at the Democratic National Committee offices.

There were no contribution limits either. Thus, it was no problem for officials of the Committee to Re-Elect the President to acquire funds for their various covert and illegal activities.

The cumbersome reporting requirements which each candidate must file, under current law, were not yet in effect when Maurice Stans and other Presidential fund-raisers collected millions in cash and unreported contributions.

Even today, it would be difficult for a citizen, with all of a candidate's reports before him, to determine how much indeed had been contributed to a candidate—and from whom.

One reason for this is that there is no limitation on the number of political committees that a candidate can form—or cause to be formed in support of his candidacy.

During the 1972 Presidential campaign, there were thousands of political campaigns formed. Some of those committees—Democratic and Republican—have yet to straighten out their tangled affairs.

The prospect of a similar state of confusion is imminent with the 1974 congressional races just ahead.

Lastly, the present law does not limit the cash amount of a contribution. It ought to be painfully obvious to anyone who has kept up with the far-flung and nefarious enterprises associated with Watergate corruption that cash offers too facile a medium for unethical and illegal activities.

Its untraceability and easy transferability obviously played a great role in tempting those who originally set up the network of espionage and sabotage in the Nixon campaign apparatus.

I will not say that H.R. 16090 offers a perfect solution to the evils that have beset the campaign process despite the 1971 law. Yet, something has to be done in short order to shore up the gaps which have opened in the wall we had sought to build around the improper influences that can act on candidates and their selection.

The new law that we now consider would take several basic steps toward restraining and greatly reducing the influence of big money and special interest groups.

Five essential reforms have been proposed: Individual and organizational contribution limits, expenditure ceilings for Presidential, senatorial, and congressional races, simplified reporting and expenditures for candidates centered in a single, principal campaign committee, independent supervision of the new law by a board of election supervisors and public financing of Presidential elections.

In the area of limits for individual political contributions, maximum amounts of $1,000 per candidate are allowed for both primary and general elections. An individual aggregate in contributions to all candidates cannot exceed $25,000 per year. There is a similar $25,000 aggregate for families in each calendar year. State political party organizations and multi-candidate committees can contribute up to $5,000 to a candidate per election. The use of middlemen to disguise or evade attribution in contributing funds is also prohibited. No cash contributions in excess of $100 are to be allowed. In addition, no contributions from a foreign national can be accepted by a candidate or his committee.

Expenditure limits in Presidential races on a per candidate basis are $10 million for primary spending and $20 million for the general election. Senate candidates would be allowed to spend $75,000 per election or $.05 per State resident, whichever is greater. Congressional candidates can spend $75,000 in both the primary and general elections. In addition, up to 25 percent more of a candidate's total allowance in senatorial and congressional races can be spent in exempted fund-raising efforts. These figures may in the future be raised in concert with rises in the price index from year to year by virtue of an escalation clause in the bill.

A last limitation centers on the independent expenditure by an individual or individuals in support of a candidate.

If unconnected to campaign spending by the candidate or a political committee, these expenses can total an aggregate of $1,000 per individual.

An extremely important feature of the bill is the new recommendations it has for campaign funding disclosure. The number of reports are reduced, but most significantly, all filings must now be made by a principal campaign committee for the candidate.

This committee is responsbile for collecting and collating all the receipts and expenditures of other committees supporting the candidate. This measure not only reduces the mass of paperwork required under present law, it also makes an understandable and comprehensive picture of a candidate's campaign funding possible for the first time.

This reform, alone, is worth the long fight that has finally brought this measure to the floor.

The Board of Supervisors, which would oversee and administer the law, will consist of seven members, the three existing supervisory officers of campaign laws—the Comptroller General, Secretary of the Senate, and Clerk of the House—plus four public members appointed by the House and Senate, on the recommendations of the majority and minority leadership of those bodies.

The Board will supervise the actions of the individual supervisory officers, help insure compliance with the election laws, and formulate overall policy with respect to campaign laws.

It will also give advisory opinions, conduct investigations, and report on an annual basis to the Congress.

The Board will, in conducting its investigations, hold hearings which may result in its referring violations to the Justice Department for prosecution. It can also declare candidates who fail to file their reports ineligible to run again for the office they seek.

The final innovation of the bill before us as a revolutionary one. Public financing of Presidential elections.

Utilizing funds from the dollar check-off fund, funding in order of priority will be provided to pay: Up to $2 million in legitimate political conventions expenses for each party, the entire $20 million limit per Presidential nominee in the general election and Federal matching funds for up to one-half of the overall per candidate limit.

In the last situation, each candidate will have to raise a threshold amount of at least $100,000, of which $5,000 must come from 20 States in $250 denominations or less.

As I have said, this bill offers broad and necessary changes in our election campaign laws.

I will support it for the great strides that it takes toward the restoration of strong positive public confidence in the election process.

In particular, the use of the dollar check-off fund to finance Presidential campaigning offers us a method whereby those citizens who wish to can contribute their tax dollars—at no expense to them—to free national politics from the influence of big money and special interest.

In this vein, I also wish to go on record in wholehearted support of several amendments which will be offered to this bill.

The first and most important amendment, which I have cosponsored, will be introoduced by Representatives ANDERSON, UDALL, CONABLE, and FOLEY. It also will make use of the dollar check-off fund, but for the financing of congressional and senatorial general elections.

The method employed in providing the financing for these elections involves—like that for Presidential primaries—a mixture of public and private financing. But, unlike the Presidential financing measures, the fundings provided from the checks-off fund will match only very small private contributions, $50 or less.

In addition, no candidate would be eligible for Federal contributions in excess of one-third of the candidates spending limit.

Use of the funds is further limited to certain specified media and other uses which are best calculated to reach the broadest segment of the voters.

Frivolous candidates will be unable to profit by the provisions of the amendment because each candidate must raise at least 10 percent of his spending limit in contributions of $50 or less before he is eligible for matching Federal funds.

This amendment has the great advantage, to my mind, of costing the American public no more than they are themselves willing to contribute to Federal matching funds.

Since, in either case, citizens pay no extra or any less tax, their convictions are their guide.

At present, the dollar check-off fund is growing by large percentages each year. There will be, I am convinced, ample funds available for this matching fund program in congressional races.

It is further, a system that can not help but insure that it is the little guy who makes a matching payment possible. If we are limiting individual qualifying contributions to a $50 maximum, there can be no doubt that a great many people will have to give before any check-off funds are available to the candidate. That is a sort of populist insurance that I feel is pretty hard to beat.

In addition to this amendment, I support two others. One will reduce the per election maximum contribution any group can make to a candidate—and that to be offered by Congressmen FRENZEL and FASCELL, to beef up and fully insure the independence of the Board of Supervisors that will administer this law.

Mr. Chairman, the legislation before us today offers some unique but highly workable answers to the questions in everyone's mind that were created by Watergate. Watergate is with us still—and may be for some time to come, but the sickness from which it was spawned can be cured. People in this country want to believe in their Congressmen. I am convinced that they would welcome the return of stability and confidence in government.

H.R. 16090 presents an opportunity to give those things to them that we may not again be presented with. We have an opportunity to return election politics to the people of this country, to take it from those who would win by purchase.

Populism is a much bandied-about phrase, but it can receive more meaning from what we do here today than any other force in this country. I urge the passage of this bill and the amendments I have endorsed. That result will reap unending benefits to this Nation and to those who made it all possible. We are those people and today is the day of reckoning:

I would like to append to my remarks an editorial that I have clipped from the July 7, 1974, Springfield Republican.

It sets out, to my mind, the very considerable advantages of the Anderson-Udall-Conable-Foley amendment, which the paper so graciously commends me for supporting.

I would like, in my turn, to point out that both for myself and for many other Members of this body, much of the encouragement, the research and the inspiration for this bill and the amendments which will be offered to it are the work of Common Cause, whose dedicated staff has labored unstintingly to advance this most crucial reform.

I would like to add my thanks—and I am sure, that of many others—for their contributions.

The article referred to follows:

MATCHING FUNDS REFORM FACTOR

U.S. Rep. Edward P. Boland, D-Springfield, in taking issue with the House Administration Committee's rejection of public funding for congressional campaigns, supports a sorely needed reform.

Much to his credit, Boland parts company on the issue with those House incumbents who are reluctant to surrender what they regard as an advantage to themselves in keeping funding strictly private.

What the congressman favors, as does Common Cause, is a mixture of small private contributions with some public funds—a limited matching system, in other words.

Public funds would match the House candidates' private contributions up to $50 each—but only up to a level that would be written into the law. Unlimited public funds would not be available to any candidate.

Also, the candidate would have to show a reasonable level of public support by collecting a certain amount—such as $7500—in contributions of no more than $50 each.

Thus serious candidates would qualify, as other candidates are screened out, for the public funding. And he or she would receive matching funds for all private gifts of $50 or less—up to the maximum set by the law.

This proposal, which will be offered during House floor action on campaign law reform, would set the public funding maximum at one-third of whatever overall spending limit is finally legislated.

The matching system would broaden the base of private contributions by encouraging candidates to seek more of these. In turn it would make the candidate more representative of the people.

Conversely, it would make candidates less dependent on, and obligated to, big special-interest contributors. At present, 90 per cent of campaign giving comes from less than one per cent of the population.

Fully as important, the matching funds system would give challengers of incumbents a more equitable stake in the election. A side-effect of that could be more responsible performance in office by an incumbent.

Mrs. HOLT. Mr. Chairman, the House Administration Committee should never have brought the Federal Election Campaign Act to the floor with a modified closed rule that bars major amendments.

This subject is too important to the Nation to be treated as a routine piece of legislation to be shot through this House, and many of us have important objections to provisions of H.R. 16090. Mr. Chairman, after reviewing this bill, I have concluded that it does very little in the way of reform, but actually aggravates conditions that already plague our election system.

For example, the ceilings established for campaign expenditures by candidates for the House of Representatives are much too high. A House candidate would be allowed to spend $75,000 in a primary election and $75,000 in a general election for a total of $150,000. I know of no House election campaign in Maryland in which spending by individual candidates has reached so high. Indeed, the norm would be in the neighborhood of $100,000 for both primary and general elections.

If we are really interested in campaign reform, we will try to reduce campaign spending below the existing norm, or we will not have anything that could be called reform. As presently written, this bill is an open invitation to spend up to the excessively high limits, and to raise sufficient money from special interests to reach those limits.

The legislation also continues the unfair rule that allows labor organizations to contribute to campaigns while corporations are barred from making such contributions. We should not continue allowing the dues of union workers to be donated by union leaders to candidates who may not be supported by individual members. And we should not continue the practice of stacking the election system against business and for organized labor.

I must also vehemently protest the provisions for public financing of Presidential election campaigns. The effect of such a system is to force taxpayers to support candidates not of their choice, and I believe that would be unconstitutional.

Perhaps it is time for us to go back to some fundamental principles on the use of tax dollars. Many of us have a strong conviction that tax dollars should be used only for essential public services.

Mr. Chairman, bumper stickers, signs, balloons, advertisements, caterers for political rallies, and various gimmicks are not public services by any stretch of the wildest imagination. The provisions for public financing of Presidential campaigns are also blatantly discriminatory against any third political party, and indeed could be said to prevent the rise of any third party. I have the gravest doubts as to the constitutionality of that discrimination.

Mr. Chairman, many of us wanted to have an open rule for this bill so that it could be amended to effect a true reform without violating the constitutional rights of our citizens. The alternative is to vote against this legislation.

Mr. MURTHA. Mr. Chairman, I would like to share with my colleagues some of my thoughts, and the thoughts of my constituents, on the very important subject of televising the impeachment proceedings of the full House.

A great help to me in deciding how to vote on the resolution came from a special poll I conducted in the 12th Congressional District. The poll results gave me not only statistical evidence on public sentiment, but provided an outlet for the expression of individual opinions that helped to clarify the issues in my own mind and convince me of the proper decision.

I support the motion to televise the House debate. Before that debate actually begins, though, I believe it is important for the Representatives, the public, and television personnel to reflect on the significane of the House vote.

Impeachment represents the single most important decision this Congress was granted by the framers of the Constitution. The entire impeachment process has been compared to a trial of a public official from grand jury through verdict; and it is basically a trial. But we must remember it is not only a trial of the person charged, but also represents a test of the Congress, and of the strength of the Constitution itself.

It seems vital to me that the people be given every opportunity to judge the congressional process, the evidence presented, the full debate, and the final verdict. It seems to me the way to insure such a complete examination is to make available the entire procedure—unedited, uninterrupted, and uninterpreted—to the American people.

I have no doubt that given the full

information, the intelligence and commonsense of the American people will render a proper verdict, not only on the final outcome, but on the Congress and the impeachment procedure as well.

The final decision this Congress makes will be effective only if it justifies public support. And to insure agreement and support by the public, it becomes essential that the people have access to the same complete set of facts the Congress does.

To test public sentiment on this question, Mr. Chairman, I conducted a special "Instant Poll" of a cross-section of 3,500 persons in the 12th Congressional District. I asked these people whether they favored or opposed the televising of the House impeachment procedure. The results of that poll showed:

In favor of televising; 66.7 percent.

Opposed to televising: 31.8 percent, and

Undecided: 1.5 percent.

It is essential, though to examine some of the many important comments accompanying these results. Particularly, I would like to analyze some very well-considered comments by those opposing televising the procedure. These comments provide important guidelines for all of us involved.

First, many persons argued that cameras should be barred because this is a judicial procedure. Certainly the electronic media are properly excluded from regular trials. But the reasons for this normal exclusion are: First, potential disruption of the trial since most courtrooms are not equipped for television coverage; second, unfair publicity in the community at large which could prejudice future jurors in a retrial; third, possible slander of a defendant or witness; and fourth, the fact that most trials do not directly affect the well-being of the entire community.

While all these are valid concerns in a standard trial, they seem less applicable to the special procedure we face. In this situation, the community-at-large must be the ultimate judge, and we must remember this. There is much less possibility of unfair slander, but we must all remember the rules of fair and ethical judicial behavior. And in this procedure we have a chance to correct what many people believe has already been unfair publicity.

Second, many constituents fear the presence of television cameras would turn the proceedings into a "circus-like" atmosphere with the attention of the Members directed to politics rather than a serious debate of the evidence.

Let me say first that I have great respect for the seriousness of the Members of this Chamber. I do not believe the presence of cameras or TV lights will deter us from our task. I believe the House Members will carefully weigh the evidence. I do not believe we will turn aside the serious judicial nature of this procedure. I believe the dignity of the Judiciary Committee hearings illustrates the conscientiousness of the Members as we approach this debate. Moreover, as I mentioned earlier, if Congress does not conduct itself properly, then we too deserve to be judged by the people.

Third, some individuals in the poll added they were tired of the entire "Watergate" problem and did not want it spread across their televisions for the next few months. I can understand the frustration of individuals over the events of the last year in Government. I can also understand the desire for Government to get on with other critical problems such as the economy.

The fact is, though, that we have been working on many problems including the economy. Outside the glare of front-page attention in the last few weeks we have considered election reform, vital strip-mining legislation and have passed 11 of the 13 regular appropriation bills. Just this week we passed the defense appropriations bill 3½ months earlier than last year. We are all anxious to bring this impeachment inquiry to conclusion, and I am sure the House will proceed with all deliberate speed. Impeachment is only one part of our concern, though, and we have not stopped activity in other vital areas. Moreover, I believe in the long run the impeachment process—once concluded in whatever manner—will help with those problems by reuniting the country and restoring public trust in our institutions and constitutional form of government.

Also, Mr. Chairman, I would like to address a few brief remarks to the television networks. As we all know, there has been considerable private and public criticism of the news media over the past few years. I think everyone would agree that there is nothing more critical to a democracy, than a free, responsible press. The next few months provide the news media—and particularly television—with an opportunity to show their maturity, responsibility, and commitment to democracy by covering the impeachment process with the respect, decency, balance, fairness, and comprehensiveness that this most important story deserves.

A century ago Americans knew little of the daily developments in the presidential impeachment proceeding then being conducted. This year, Americans have an opportunity to look in on history. The news media faces the burden of being the people's daily eyes and ears. They must present the information in the spirit of the free flow of ideas that is fundamental to a democracy. I believe the media are capable of this task. I urge them to prove it with their coverage.

A final word: As far as my own feelings on impeachment are concerned, I enter the debate prepared to listen, and to make a final judgment based on the facts presented. I ask the people of my district—regardless of your present feelings—to join with me in this fair judgment, aided by the on-the-spot coverage of the events, so that history records our people as being willing to listen and render a fair judgment.

Mr. FRENZEL. Mr. Chairman, I yield back the balance of my time.

Mr. HAYS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Under the rule, the bill is considered as having been read for amendment.

The bill is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

TITLE I—CRIMINAL CODE AMENDMENTS

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 101. (a) Section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, is amended by redesignating subsections (b) and (c) as subsections (f) and (g), respectively, and by inserting immediately after subsection (a) the following new subsections:

"(b)(1) Except as otherwise provided by paragraphs (2) and (3), no person shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $1,000.

"(2) No political committee (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $5,000. Contributions by the national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States shall not exceed the limitation imposed by the preceding sentence with respect to any other candidate for Federal office. For purposes of this paragraph, the term 'political committee' means an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 for a period of not less than 6 months which has received contributions from more than 50 persons and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

"(3) No individual shall make contributions aggregating more than $25,000 in any calendar year.

"(4) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate, in writing, to accept contributions on his behalf shall be considered to be contributions made to such candidate; and

"(B) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(5) The limitations imposed by paragraph (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

"(6) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the appropriate supervisory officer and to the intended recipient.

"(c)(1) No candidate shall make expenditures in excess of—

"(A) $10,000,000, in the case of a candidate for nomination for election to the office of President of the United States;

"(B) $20,000,000, in the case of a candidate for election to the office of President of the United States;

"(C) in the case of any campaign for nomination for election, or for election, by

a candidate for the office of Senator, the greater of—

"(i) 5 cents multiplied by the population of the geographical area with respect to which the election is held; or

"(ii) $75,000;

"(D) $75,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Representative, Delegate from the District of Columbia, or Resident Commissioner; or

"(E) $15,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Delegate from Guam or the Virgin Islands.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States;

"(B) expenditures made on behalf of any candidate by a principal campaign committee designated by such candidate under section 302(f)(1) of the Federal Election Campaign Act of 1971 shall be deemed to have been made by such candidate; and

"(C) the population of any geographical area shall be the population according to the most recent decennial census of the United States taken under section 141 of title 13, United States Code.

"(3) The limitations imposed by subparagraphs (C), (D), and (E) of paragraph (1) of this subsection shall apply separately with respect to each election.

"(d)(1) At the beginning of each calendar year (commencing in 1975), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Comptroller General and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (c) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1973.

"(e)(1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate under the provisions of subsection (c)) relative to a clearly identified candidate during a calendar year which, when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds $1,000.

"(2) For purposes of paragraph (1), the term 'clearly identified' means—

"(A) the candidate's name appears;

"(B) a photograph or drawing of the candidate appears; or

"(C) the identity of the candidate is apparent by unambiguous reference.".

(b) Section 608(a)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, is amended to read as follows:

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of $25,000.".

(c)(1) Notwithstanding section 608(a)(1) of title 18, United States Code, relating to limitations on expenditures from personal funds, any individual may satisfy or discharge, out of his personal funds or the personal funds of his immediate family, any debt or obligation which is outstanding on the date of the enactment of this Act and which was incurred by him or on his behalf by any political committee in connection with any campaign ending before the close of December 31, 1972, for election to Federal office.

(2) For purposes of this subsection—

(A) the terms "election", "Federal office", and "political committee" have the meanings given them by section 591 of title 18, United States Code; and

(B) the term "immediate family" has the meaning given it by section 608(a)(2) of title 18, United States Code.

(d)(1) The first paragraph of section 613 of title 18, United States Code, relating to contributions by certain foreign agents, is amended—

(A) by striking out "an agent of a foreign principal" and inserting in lieu thereof "a foreign national"; and

(B) by striking out ", either for or on behalf of such foreign principal or otherwise in his capacity as agent of such foreign principal,".

(2) The second paragraph of such section 613 is amended by striking out "agent of a foreign principal or from such foreign principal" and inserting in lieu thereof "foreign national".

(3) The fourth paragraph of such section 613 is amended to read as follows:

"As used in this section, the term 'foreign national' means—

"(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term 'foreign national' shall not include any individual who is a citizen of the United States; or

"(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).".

(4)(A) The heading of such section 613 is amended by striking out "agents of foreign principals" and inserting in lieu thereof "foreign nationals".

(B) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 613 and inserting in lieu thereof the following:

"613. Contributions by foreign nationals.".

(e)(1) Section 608(g) of title 18, United States Code (as so redesignated by subsection (a) of this section), relating to penalty for violating limitations on contributions and expenditures, is amended by striking out "$1,000" and inserting in lieu thereof "$25,000".

(2) The second paragraph of section 610 of title 18, United States Code, relating to penalties for violating prohibitions against contributions or expenditures by national banks, corporations, or labor organizations, is amended—

(A) by striking out "$5,000" and inserting in lieu thereof "$25,000"; and

(B) by striking out "$10,000" and inserting in lieu thereof "$50,000".

(3) Section 611 of title 18, United States Code (as amended by section 103 of this Act), relating to contributions by firms or individuals contracting with the United States, is amended in the first paragraph thereof by striking out "$5,000" and inserting in lieu thereof "$25,000".

(4) The third paragraph of section 613 of title 18, United States Code (as amended by subsection (d) of this section), relating to contributions by foreign nationals, is amended by striking out "$5,000" and inserting in lieu thereof "$25,000".

(f)(1) Chapter 29 of title 18, United States Code, relating to elections and political activities, is amended by adding at the end thereof the following new sections:

"§ 614. Prohibition of contributions in name of another

"(a) No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 615. Limitation on contributions of currency

"(a) No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or election, to Federal office.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 616. Acceptance of excessive honorariums

"Whoever, while an elected or appointed officer or employee of any branch of the Federal Government—

"(1) accepts any honorarium of more than $1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or

"(2) accepts honorariums (not prohibited by paragraph (1) of this subsection) aggregatin more than $10,000 in any calendar year;

shall be fined not less than $1,000 nor more than $5,000.".

(2) Section 591 of title 18, United States Code, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"Except as otherwise specifically provided, when used in this section and in sections 597, 599, 600, 602, 608, 610, 611, 614, and 615 of this title—."

(3) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"614. Prohibition of contributions in name of another.

"615. Limitation on contributions of currency.

"616. Acceptance of excessive honorariums.".

(4) Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 310, relating prohibition of contributions in the name of another.

DEFINITIONS OF POLITICAL COMMITTEE, CONTRIBUTION, EXPENDITURE, AND PRINCIPAL CAMPAIGN COMMITTEE

SEC. 102. (a) Section 591(d) of title 18, United States Code, relating to the definition of political committee, is amended by inserting immediately after $1,000" the following: ", or which commits any act for the purpose of influencing, directly or indirectly, the nomination for election, or election, of any person to Federal office, except that any communication referred to in paragraph (f)(4) of this section which is not included within the definition of the term 'expenditure' shall not be considered such an act".

(b) Section 591(e)(5) of title 18, United States Code, relating to an exception to the definition of contribution, is amended by inserting "(A)" immediately after "include" and by inserting immediately before the semicolon at the end thereof the following: ", (B) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of

invitations and food and beverages provided on the individual's premises for candidate related activities, (C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor, (D) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, or (E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines, or other similar types of general public political advertising (other than newspapers): *Provided,* That the cumulative value of activities by any person on behalf of any candidate under each of clauses (B) or (D) shall not exceed $500 with respect to any election".

(c) Section 591(f) of title 18, United States Code, relating to the definition of expenditure, is amended—

(1) in subparagraph (2) thereof, by striking out "and";

(2) in subparagraph (3) thereof, by inserting "and" immediately after the semicolon; and

(3) by adding at the end thereof the following new subparagraph:

"(4) notwithstanding the foregoing meanings of 'expenditure', such term does not include (A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate, (B) nonpartisan activity designed to encourage individuals to register to vote or to vote, (C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office, (D) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (E) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, (F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office, (G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of three or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers), (H) any costs incurred by a candidate (including his principal campaign committee) in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate (including his principal campaign committee) in excess of an amount equal to 25 per centum of the expenditure limitation applicable to such candidate under section 608(c) of this title, or (I) any costs incurred by a political committee (as such term is defined by section 608(b)(2) of this title) with respect to the solicitation of contributions to such political committee or to any general political fund controlled by such political committee, except that this clause shall not apply to exempt costs incurred with respect to the solicitation of contributions to any such political committee made through broadcasting stations, newspapers, magazines, outdoor advertising facilities, and other similar types of general public political advertsing: *Provided,* That the cumulative value of activities by any person on behalf of any candidate under each of clauses, (D) or (E) shall exceed $500 with respect to any election;".

(d) Section 591 of title 18, United States Code, relating to definitions, is amended—

(1) by striking out "and" at the end of paragraph (g);

(2) by striking out the period at the end of paragraph (h) and inserting in lieu thereof ", and"; and

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

"(i) 'principal campaign committee' means the principal compaign committee designated by a candidate under section 302(f)(1) of the Federal Election Campaign Act of 1971."

POLITICAL FUNDS OR CORPORATIONS OR LABOR ORGANIZATIONS

SEC. 103. Section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, is amended by adding at the end thereof the following new paragraphs:

"This section shall not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 610 of this title prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund.

"For purposes of this section, the term 'labor organization' has the meaning given it by section 610 of this title.".

EFFECT ON STATE LAW

SEC. 104. (a) The provisions of chapter 29 of title 18, United States Code, relating to elections and political activities, supersede and preempt any provision of State law with respect to election to Federal office.

(b) For purposes of this section, the terms "election", "Federal office", and "State" have the meanings given them by section 591 of title 18, United States Code.

TITLE II—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

PRINCIPAL CAMPAIGN COMMITTEE

SEC. 201. Section 302 of the Federal Election Campaign Act of 1971, relating to organization of political committees, is amended by striking out subsection (f) and inserting in lieu thereof the following:

"(f)(1) Each individual who is a candidate for Federal office (other than the office of Vice President of the United States) shall designate a political committee to serve as his principal campaign committee. No political committee may be designated as the principal campaign committee of more than one candidate, except that the candidate for the office of President of the United States nominated by a political party may designate the national committee of such political party as his principal campaign committee.

"(2) Except as otherwise provided in section 608(e) of title 18, United States Code, no political committee other than a principal campaign committee designated by a candidate under paragraph (1) may make expenditures on behalf of such candidate.

"(3) Notwithstanding any other provision of this title, each report or statement of contributions received by a political committee (other than a principal campaign committee) which is required to be filed with a supervisory officer under this title shall be filed instead with the principal campaign committee for the candidate or whose behalf such contributions are accepted.

"(4) It shall be the duty of each principal campaign committee to receive all reports and statements required to be filed with it under paragraph (3) of this subsection and to compile and file such reports and statements, together with its own reports and statements, with the appropriate supervisory officer in accordance with the provisions of this title.

"(5) For purposes of paragraphs (1) and (3) of this subsection, the term 'political committee' does not include any political committee which supports more than one candidate, except for the national committee of a political party designatd by a candidate for the office of President of the United States under paragraph (1) of this subsection.".

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 202. Section 303 of the Federal Election Campaign Act of 1971, relating to registration of political committees and statements, is amended by adding at the end thereof the following new subsection:

"(e) In the case of a political committee which is not a principal campaign committee and which does not support more than one candidate, reports and notifications required under this section to be filed with the supervisory officer shall be filed instead with the appropriate principal campaign committee.".

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 203. (a) Section 304(a) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended—

(1) by striking out the second and third sentence and inserting in lieu thereof the following:

"The reports referred to in the preceding sentence shall be filed as follows:

"(A) (i) In any calendar year in which an individual is a candidate for Federal office and an election for such Federal office is held in such year, such reports shall be filed not later than the tenth day before the date on which such election is held and shall be complete as of the fifteenth day before the date of such election; except that any such report filed by registered or certified mail must be postmarked not later than the close of the twelfth day before the date of such election.

"(ii) Such reports shall be filed not later than the thirtieth day after the date of such election and shall be complete as of the twentieth day after the date of such election.

"(B) In any other calendar year in which an individual is a candidate for Federal office, such reports shall be filed after December 31 of such calendar year, but not later than January 31 of the following calendar year and shall be complete as of the close of the calendar year with respect to which the report is filed.

"(C) Such reports shall be filed not later than the tenth day following the close of

any calendar quarter in which the candidate or political committee concerned received contributions in excess of $1,000, or made expenditures in excess of $1,000, and shall be complete as of the close of such calendar quarter; except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.

"(D) When the last day for filing any quarterly report required by subparagraph (C) occurs within 10 days of an election, the filing of such quarterly report shall be waived and superseded by the report required by subparagraph (A)(i).

Any contribution of $1,000 or more received after the fifteenth day, but more than 48 hours, before any election shall be reported within 48 hours after its receipt"; and

(2) by striking out "Each" at the beginning of the first sentence of such section 304(a) and inserting in lieu thereof "(1) Except as provided by paragraph (2), each", and by adding at the end thereof the following new paragraph:

"(2) Each treasurer of a political committee which is not a principal campaign committee and which does not support more than one candidate shall file the reports required under this section with the appropriate principal campaign committee.".

(b)(1) Section 304(b)(8) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total receipts less transfers between political committees which support the same candidate and which do not support more than one candidate".

(2) Section 304(b)(11) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total expenditures less transfers between political committees which support the same candidate and which do not support more than one candidate".

FORMAL REQUIREMENTS FOR REPORTS AND STATEMENTS

SEC. 204. Section 306 of the Federal Election Campaign Act of 1971, relating to formal requirements respecting reports and statements, is amended by adding at the end thereof the following new subsection:

"(e) If a report or statement required by section 303, 304(a)(1)(A)(ii), 304(a)(1)(B), or 304(a)(1)(C) of this title to be filed by a treasurer of a political committee or by a candidate, or if a report required by section 305 of this title to be filed by any other person, is delivered by registered or certified mail, to the appropriate supervisory officer or principal campaign committee with whom it is required to be filed, the United States postmark stamped on the cover of the envelope or other container in which such report or statement is so mailed shall be deemed to be the date of filing.".

DUTIES OF THE SUPERVISORY OFFICER

SEC. 205. (a)(1) Section 308(a) of the Federal Election Campaign Act of 1971, relating to duties of the supervisory officer, is amended by striking out paragraphs (6), (7), (8), (9) and (10), and by redesignating paragraphs (11), (12), and (13) as paragraphs (8), (9), and (10), respectively, and by inserting immediately after paragraph (5) the following new paragraphs:

"(6) to compile and maintain a cumulative index of reports and statements filed with him, which shall be published in the Federal Register at regular intervals and which shall be available for purchase directly or by mail for a reasonable price;

"(7) to prepare and publish from time to time special reports listing those candidates this title and those candidates for whom such reports were not filed as so required;".

(2) Notwithstanding section 308(a)(7) of the Federal Election Campaign Act of 1971 (relating to an annual report by the supervisory officer), as in effect on the day before the effective date of the amendments made by paragraph (1) of this subsection, no such annual report shall be required with respect to any calendar year beginning after December 31, 1972.

(b)(1) Section 308(a)(10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the prescription of rules and regulations, is amended by inserting before the period at the end thereof the following: ", in accordance with the provisions of subsection (b)".

(2) Section 308 of such Act, relating to duties of the supervisory officer, is amended—

(A) by striking out subsections (b) and (c);

(B) by redesignating subsection (a) as subsection (c); and

(C) by inserting immediately after subsection (a) the following new subsection:

"(b)(1) The supervisory officer, before prescribing any rule or regulation under this section, shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate or the Committee on House Administration of the House of Representatives, as the case may be, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If the committee of the Congress which receives a statement from the supervisory officer under this subsection does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the supervisory officer may prescribe such rule or regulation. In the case of any rule or regulation proposed by the Comptroller General of the United States, both the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives shall have the power to disapprove such proposed rule or regulation, and the Comptroller General may not prescribe any rule or regulation which has been disapproved by either such committee. No supervisory officer may prescribe any rule or regulation which is disapproved under this paragraph.

"(3) If the supervisory officer proposing to prescribe any rule or regulation under this section is the Secretary of the Senate, he shall transmit such statement to the Committee on Rules and Administration of the Senate. If the supervisory officer is the Clerk of the House of Representatives, he shall transmit such statement to the Committee on House Administration of the House of Representatives. If the supervisory officer is the Comptroller General of the United States, he shall transmit such statement to each such committee.

"(4) For purposes of this subsection, the term 'legislative days' does not include, with respect to statements transmitted to the Committee on Rules and Administration of the Senate, any calendar day on which the Senate is not in session, with respect to statements transmitted to the Committee on House Administration of the House of Representatives, any calendar day on which the House of Representatives is not in session, and with respect to statements transmitted to both such committees, any calendar day on which both Houses of the Congress are not in session.".

DEFINITIONS OF POLITICAL COMMITTEE, CONTRIBUTION, EXPENDITURE, AND SUPERVISORY OFFICER

SEC. 206. (a)(1) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"SEC. 301. When used in this title and in title IV of this Act—".

(2) Section 401 of the Federal Election Campaign Act of 1971, relating to extension of credit by regulated industries, is amended by striking out "(as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971)".

(3) Section 402 of the Federal Election Campaign Act of 1971, relating to prohibition against use of certain Federal funds for election activities, is amended by striking out the last sentence.

(b) Section 301(d) of the Federal Election Campaign Act of 1971, relating to the definition of political committee, is amended by inserting immediately after "$1,000" the following: ", or which commits any act for the purpose of influencing, directly or indirectly the nomination for election, or election, of any person to Federal office, except that any communication referred to in section 301(f)(4) of this Act which is not included within the definition of the term 'expenditure' shall not be considered such an act".

(c) Section 301(e)(5) of the Federal Election Campaign Act of 1971, relating to an exception to the definition of contribution, is amended by inserting "(A)" immediately after "include" and by inserting immediately before the semicolon at the end thereof the following: ", (B) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor, (D) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, or (E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): *Provided*, That the cumulative value of activities by any person on behalf of any candidate under each of clauses (B) or (D) shall not exceed $500 with respect to any election".

(d) Section 301(f) of the Federal Election Campaign Act of 1971, relating to the definition of expenditure, is amended—

(1) in subparagraph (2) thereof, by striking out "and";

(2) in subparagraph (3) thereof, by inserting "and" immediately after the semicolon; and

(3) by adding at the end thereof the following new subparagraph:

"(4) notwithstanding the foregoing meanings of 'expenditure', such term does not include (A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by

any political party, political committee, or candidate, (B) nonpartisan activity designed to encourage individuals to register to vote or to vote, (C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office, (D) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (E) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary services by such individual to any candidate or political committee, (F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or (G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): *Provided,* That the cumulative value of activities by any person on behalf of any candidate under each of clauses (D) or (E) shall not exceed $500 with respect to any election;".

(e) Section 301(g) of the Federal Election Campaign Act of 1971, relating to the definition of supervisory officer, is amended to read as follows:

"(g) 'supervisory officer' means the Secretary of the Senate with respect to candidates for the Senate, and committees supporting such candidates; the Clerk of the House of Representatives with respect to candidates for Representative, Delegate, and Resident Commissioner, and committees supporting such candidates; and the Comptroller General of the United States with respect to candidates for President and Vice President, and committees supporting such candidates.".

(f) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended—

(1) by striking out and" at the end of paragraph (h);

(2) by striking out the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(j) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 203(f)(1); and

"(k) 'Board' means the Board of Supervisory Officers established by section 308(a)(1).".

BOARD OF SUPERVISORY OFFICERS

SEC. 207. (a) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by redesignating section 311 as section 314; by redesignating sections 308 and 309 as section 311 and 312, respectively; and by inserting immediately after section 307 the following new sections:

"BOARD OF SUPERVISORY OFFICERS

"SEC. 308. (a)(1) There is hereby established the Board of Supervisory Officers, which shall be composed of 7 members as follows:

"(A) the Secretary of the Senate;

"(B) the Clerk of the House of Representatives;

"(C) the Comptroller General of the United States;

"(D) two individuals appointed by the President of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(E) two individuals appointed by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House.

Of each class of two members appointed under subparagraphs (D) and (E), not more than one shall be appointed from the same political party. An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term for the member he succeeds. Any vacancy occurring in the membership of the Board shall be filled in the same manner as in the case of the original appointment. Members of the Board appointed under subparagraphs (D) and (E)—

"(i) shall be chosen from among individuals who are not officers or employees in the executive, legislative, or judicial branch of the Government of the United States (including elected and appointed officials);

"(ii) shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment;

"(iii) shall serve for terms of 4 years, except that, of the members first appointed under subparagraph (D), one shall be appointed for a term of 1 year and one shall be appointed for a term of 3 years and, of the members first appointed under subparagraph (E), one shall be appointed for a term of 2 years; and

"(iv) shall receive compensation equivalent to the compensation paid at level IV of the Federal Executive Salary Schedule (5 U.S.C. 5315), prorated on a daily basis for each day spent in the work of the Board, shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from their usual place of residence, in accordance with section 5703(b) of title 5, United States Code.

"(2) Notwithstanding any other provision of law, it shall be the duty of the Board to supervise the administration of, seek to obtain compliance with, and formulate overall policy with respect to, this title, title I of this Act, and section 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code.

"(b) Members of the Board shall alternate in serving as Chairman of the Board. The term of each Chairman shall be one year.

"(c) All decisions of the Board with respect to the exercise of its duties and powers under the provisions of this title shall be made by majority vote of the members of the Board. A member of the Board may not delegate to any person his vote or any decisionmaking authority or duty vested in the Board by the provisions of this title.

"(d) The Board shall meet at the call of any member of the Board, except that it shall meet at least once each month.

"(e) The Board shall prepare written rules for the conduct of its activities.

"(f)(1) The Board shall have a Staff Director and a General Counsel who shall be appointed by the Board. The Staff Director shall be paid at a rate not to exceed the rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315). The General Counsel shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316). With the approval of the Board, the Staff Director may appoint and fix the pay of such additional personnel as he considers desirable. Not less than 30 per centum of the additional personnel appointed by the Staff Director shall be selected as follows:

"(A) one-half from among individuals recommended by the minority leader of the Senate; and

"(B) one-half from among individuals recommended by the minority leader of the House of Representatives.

"(2) With the approval of the Board, the Staff Director may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-15 of the General Schedule (5 U.S.C. 5332).

"POWERS OF THE BOARD

"SEC. 309. (a) The Board shall have the power—

"(1) to formulate general policy and to review actions of the supervisory officers with respect to the administration of this title, title I of this Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code;

"(2) to oversee the development of prescribed forms under section 311(a)(1);

"(3) to review rules and regulations prescribed under section 104 of this Act or under this title to assure their consistency with the law and to assure that such rules and regulations are uniform, to the extent practicable;

"(4) to render advisory opinions under section 313;

"(5) to expeditiously conduct investigations and hearings, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities;

"(6) to administer oaths or affirmations;

"(7) to require by subpena, signed by the Chairman, the attendance and testimony of witnesses and the production of documentary evidence relevant to any investigation or hearing conducted by the Board under section 311(c); and

"(8) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States.

"(b) Any district court of the United States, within the jurisdiction of which any inquiry is carried on, may, upon petition by the Board, in case of refusal to obey a subpena of the Board issued under subsection (a)(7), issue an order requiring compliance with such subpena. Any failure to obey the order of such district court may be punished by such district court as a contempt thereof.

"REPORTS

"SEC. 310. The Board shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Board in carrying out its duties under this title, together with recommendations for such legislative or other action as the Board considers appropriate.".

(b)(1) Section 311(a)(9) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a)(1) of this section and by section 205(a)(1) of this Act), relating to duties of the supervisory officer, is amended by striking out "appropriate law enforcement authorities" and inserting in lieu thereof "Board, pursuant to subsection (c)(1)(B)".

(2) Section 311(c)(1) of such Act (as so redesignated by subsection (a)(1) of this section and by section 205(b)(2) of this Act), relating to duties of the supervisory officer, is amended to read as follows:

"(c)(1)(A) Any person who believes a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred may file a complaint with the Board.

"(B) Any supervisory officer who has reason to believe a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred shall refer such apparent violation to the Board.

"(C) The Board, upon receiving any complaint under subparagraph (A) or referral under subparagraph (B), or if it has reason to believe that any person has committed a violation of any such provision, shall notify the person involved of such apparent violation and shall—

"(i) report such apparent violation to the Attorney General; or

"(ii) make an investigation of such apparent violation.

"(D) Any investigation under subparagraph (C)(ii) shall be conducted expeditiously and shall include an investigation of reports and statements filed by any complainant with respect to the apparent violation involved, if such complainant is a candidate. Any notification or investigation made under subparagraph (C) shall not be made public by the Board or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

"(E) The Board shall, at the request of any person who receives notice of an apparent violation under subparagraph (C), conduct a hearing with respect to such apparent violation.

"(F) If the Board shall determine, after any investigation under subparagraph (C)(ii), that there is reason to believe that there has been an apparent violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, the Board shall endeavor to correct any such apparent violation by informal methods of conference, conciliation, and persuasion.

"(G) The Board shall refer apparent violations to the appropriate law enforcement authorities if the Board is unable to correct such apparent violations, or if the Board determines that any such referral is appropriate.

"(H) Whenever in the judgment of the Board, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.".

(3) Section 311 of such Act (as so redesignated by subsection (a)(1) of this section), relating to the duties of the supervisory officer, is amended by adding at the end thereof the following new subsection:

"(d) In any case in which the Board refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Board with respect to any action taken by the Attorney General regarding such apparent violation. Each such report shall be transmitted no later than 60 days after the date the Board refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Board may from time to time prepare and publish reports on the status of such referrals.".

(4) The heading for section 311 of such Act (as so redesignated by subsection (a)(1) of this section) is amended to read as follows:

"DUTIES OF THE SUPERVISORY OFFICER; INVESTIGATIONS BY THE BOARD"

(c) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campagn funds, is amended by adding at the end thereof the following new sections:

"JUDICIAL REVIEW

"SEC. 315. (a) The Board, the supervisory officers, the national committee of any political party, and any individual eligible to vote in any election for the office of President of the United States are authorized to institute such actions in the appropriate district court of the United States, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code. The district court immediately shall certify all questions of constitutionality of this title, title I of this Act, or section 608, 610, 611, 613 614, 615, or 616 of title 18, United States Code, to the United States court of appeals for the circuit involved, which shall hear the matter sitting en banc.

"(b) Notwithstanding any other provision of law, any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought no later than 20 days after the decision of the court of appeals.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter certified under subsection (a).

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 316. Notwithstanding any other provision of law, there are authorized to be appropriated to each of the supervisory officers and to the Board such sums as may be necessary to enable each such supervisory officer and the Board to carry out their duties under this Act.".

ADVISORY OPINIONS

SEC. 208. Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by inserting immediately after section 312 (as so redesignated by section 207(a)(1) of this Act), the following new section:

"ADVISORY OPINIONS

"SEC. 313. (a) Upon written request to the Board by any individual holding Federal office, any candidate for Federal office, or any political committee, the Board shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code.

"(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings of such advisory opinion shall be presumed to be in compliance with the provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, with respect to which such advisory opinion is rendered.

"(c) Any request made under subsection (a) shall be made public by the Board. The Board shall, before rendering an advisory opinion with respect to such request, provide any interested party with an opportunity to transmit written comments to the Board with respect to such request.".

TITLE III—GENERAL PROVISIONS

EFFECT ON STATE LAW

SEC. 301. Section 403 of the Federal Election Campaign Act of 1971, relating to effect on State law, is amended to read as follows:

"EFFECT ON STATE LAW

"SEC. 403. The provisions of this Act, and of rules prescribed under this Act, supersede and preempt any provision of State law with respect to election to Federal office.".

PERIOD OF LIMITATION; ENFORCEMENT

SEC. 302. Title IV of the Federal Election Campaign Act of 1971, relating to general provisions, is amended by redesignating section 406 as section 408 and by inserting immediately after section 405 the following new sections:

"PERIOD OF LIMITATIONS

"SEC. 406. (a) No person shall be prosecuted, tried, or punished for any violation of title I of this Act, title III of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, unless the indictment is found or the information is instituted within 3 years after the date of the violation.

"(b) Notwithstanding any other provision of law—

"(1) the period of limitation referred to in subsection (a) shall apply with respect to violations referred to in such subsection committed before, on, or after the effective date of this section; and

"(2) no person shall be prosecuted, tried, or punished for any act or omission which was a violation of any provision of title I of this Act, title III of this Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on the day before the effective date of the Federal Election Campaign Act Amendments of 1974, if such act or omission does not constitute a violation of any such provision, as amended by the Federal Election Campaign Act Amendments of 1974.

Nothing in this subsection shall affect any proceeding pending in any court of the United States on the effective date of this section.

"ENFORCEMENT

"SEC. 407. (a) In any case in which the Board of Supervisory Officers, after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, makes a finding that a person who, while a candidate for Federal office, failed to file a report required by title III of this Act, and such finding is made before the expiration of the time within which the failure to file such report may be prosecuted as a violation of such title III, such person shall be disqualified from becoming a candidate in any future election for Federal office for a period of time beginning on the date of such finding and ending one year after the expiration of the term of the Federal office for which such person was a candidate.

"(b) Any finding by the Board under subsection (a) shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

TITLE IV—AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

POLITICAL ACTIVITIES BY STATE AND LOCAL OFFICERS AND EMPLOYEES

SEC. 401. (a) Section 1502(a)(3) of title 5, United States Code (relating to influencing elections, taking part in political campaigns, prohibitions, exceptions), is amended to read as follows:

"(3) be a candidate for elective office.".

(b)(1) Section 1503 of title 5, United States Code, relating to nonpartisan political activity, is amended to read as follows:

"§ 1503. Nonpartisan candidacies permitted

"Section 1502(a)(3) of this title does not prohibit any State or local officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected.".

(2) The table of sections for chapter 15 of title 5, United States Code, is amended by striking out the item relating to section 1503 and inserting in lieu thereof the following new item:

"1503. Nonpartisan candidacies permitted.".

(c) Section 1501 of title 5, United States Code, relating to definitions, is amended—

(1) by striking out paragraph (5);

(2) in paragraph (3) thereof, by inserting "and" immediately after "Federal Reserve System;" and

(3) in paragraph (4) thereof, by striking out "; and" and inserting in lieu thereof a period.

REPEAL OF COMMUNICATIONS MEDIA EXPENDITURE LIMITATIONS

SEC. 402. (a)(1) Title I of the Federal Election Campaign Act of 1971, relating to campaign communications, is amended by striking out section 104 and by redesignating sections 105 and 106 as sections 104 and 105, respectively.

(2) Section 104 of such Act (as so redesignated by paragraph (1) of this subsection), relating to regulations, is amended by striking out ", 103(b), 104(a), and 104(b)" and inserting in lieu thereof "and 103(b)".

(b) Section 102 of the Federal Election Campaign Act of 1971, relating to definitions, is amended by striking out paragraphs (1), (2), (5), and (6), and by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively.

(c) (1) Section 315 of the Communications Act of 1934 (relating to candidates for public office, facilities, rules) is amended by striking out subsections (c), (d), and (e), and by redesignating subsections (f) and (g) as subsections (c) and (d), respectively.

(2) Section 315(c) of such Act (as so redesignated by paragraph (1) of this subsection), relating to definitions, is amended to read as follows:

"(c) For purposes of this section—

"(1) the term 'broadcasting station' includes a community antenna television system; and

"(2) the terms 'licensee' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system.".

APPROPRIATION TO CAMPAIGN FUND

SEC. 403. Section 9006(a) of the Internal Revenue Code of 1954 (relating to establishment of campaign fund) is amended—

(1) by striking out "as provided by appropriation Acts" and inserting in lieu thereof "from time to time"; and

(2) by adding at the end thereof the following new sentence: "There is appropriated to the fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to the amounts so designated during each fiscal year, which shall remain available to the fund without fiscal year limitation.".

ENTITLEMENTS OF ELIGIBLE CANDIDATES TO PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND

SEC. 404. (a) Subsection (a)(1) of section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended to read as follows:

"(1) The eligible candidates of each major party in a presidential election shall be entitled to equal payments under section 9006 in an amount which, in the aggregate, shall not exceed $20,000,000.".

(b)(1) Subsection (a)(2)(A) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(2) The first sentence of subsection (a)(3) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(c)(1) Section 9002(1) of the Internal Revenue Code of 1954 (relating to the definition of "authorized committee") is amended to read as follows:

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, the political committee designated under section 302(f)(1) of the Federal Election Campaign Act of 1971 by the candidate of a political party for President of the United States as his principal campaign committee.".

(2) Section 9002(11) of such Code (relating to the definition of "qualified campaign expense") is amended—

(A) in subparagraph (A)(iii) thereof, by striking out "an" and inserting in lieu thereof "the";

(B) in the second sentence thereof, by striking out "an" and inserting in lieu thereof "his"; and

(C) in the third sentence thereof, by striking out "an" and inserting in lieu thereof "the".

(3) Section 9003(b) of such Code (relating to major parties) is amended—

(A) by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee"; and

(B) by striking out "any of" each place it appears therein.

(4) Section 9003(c) of such Code (relating to minor and new parties) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(5) Section 9004(b) of such Code (relating to limitations) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(6) Section 9004(c) of such Code (relating to restrictions) is amended by striking out "committees' each place it appears therein and inserting in lieu thereof at each such place "committee".

(7) Section 9007(b)(2) of such Code (relating to repayments) is amended by striking out "committees" and inserting in lieu thereof "committee".

(8) Section 9007(b)(3) of such Code (relating to repayments) is amended by striking out "any" and inserting in lieu thereof "the".

(9) Subsections (a) and (b) of section 9012 of such Code (relating to excess expenses and contributions, respectively), as amended by sections 406(b) (2) and (3) of this Act, are each amended by striking out "any of his authorized committees" each place it appears and inserting in lieu thereof at each such place "his authorized committee".

CERTIFICATION FOR PAYMENT BY COMPTROLLER GENERAL

SEC. 405. (a) Section 9005(a) of the Internal Revenue Code of 1954 (relating to initial certifications for eligibility for payments) is amended to read as follows:

"(a) INITIAL CERTIFICATIONS.—Not later than 10 days after the candidates of a political party for President and Vice President of the United States have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003, the Comptroller General shall certify to the Secretary for payment to such eligible candidates under section 9006 payment in full of amounts to which such candidates are entitled under section 9004.".

(b) Section 9003(a) of such Code (relating to general conditions for eligibility for payments) is amended—

(1) by striking out "with respect to which payment is sought" in paragraph (1) and inserting in lieu thereof "of such candidates";

(2) by inserting "and" at the end of paragraph (2);

(3) by striking out ", and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(4) by striking out paragraph (4).

FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS

SEC. 406. (a) Chapter 95 of subtitle H of the Internal Revenue Code of 1954 (relating to the presidential election campaign fund) is amended by striking out section 9008 (relating to information on proposed expenses) and inserting in lieu thereof the following new section:

"SEC. 9008. PAYMENTS FOR PRESIDENTIAL NOMINATING CONVENTIONS.

"(a) ESTABLISHMENT OF ACCOUNTS.—The Secretary shall maintain in the fund, in addition to any account which he maintains under section 9006(a), a separate account for the national committee of each major party and minor party. The Secretary shall deposit in each such account an amount equal to the amount which each such committee may receive under subsection (b). Such deposits shall be drawn from amounts designated by individuals under section 6096 and shall be made before any transfer is made to any account for any eligible candidate under section 9006(a).

"(b) ENTITLEMENT TO PAYMENTS FROM THE FUND.—

"(1) MAJOR PARTIES.—Subject to the provisions of this section, the national committee of a major party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed $2,000,000.

"(2) MINOR PARTIES.—Subject to the provisions of this section, the national committee of a minor party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive under paragraph (1) as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the major parties in the preceding presidential election.

"(3) PAYMENTS.—Upon receipt of certification from the Comptroller General under subsection (g), the Secretary shall make payments from the appropriate account maintained under subsection (a) to the national committee of a major party or minor party which elects to receive its entitlement under this subsection. Such payments shall be available for use by such committee in accordance with the provisions of subsection (c).

"(4) LIMITATION.—Payments to the national committee of a major party or minor party under this subsection from the account designated for such committee shall be limited to the amounts in such account at the time of payment.

"(c) USE OF FUNDS.—No part of any payment made under subsection (b) shall be used to defray the expenses of any candidate or delegate who is participating in any presi-

dential nominating convention. Such payments shall be used only—

"(1) to defray expenses incurred with respect to a presidential nominating convention (including the payment of deposits) by or on behalf of the national committee receiving such payments; or

"(2) to repay loans the proceeds of which were used to defray such expenses, or otherwise to restore funds (other than contributions to defray such expenses received by such committee) used to defray such expenses.

"(d) LIMITATION OF EXPENDITURES.—

"(1) MAJOR PARTIES.—Except as provided by paragraph (3), the national committee of a major party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled under subsection (b)(1).

"(2) MINOR PARTIES.—Except as provided by paragraph (3), the national committee of a minor party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of the entitlement of the national committee of a major party under subsection (b)(1).

"(3) EXCEPTION.—The Presidential Election Campaign Fund Advisory Board may authorize the national committee of a major party or minor party to make expenditures which, in the aggregate, exceed the limitation established by paragraph (1) or paragraph (2) of this subsection. Such authorization shall be based upon a determination by such Board that, due to extraordinary and unforseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee.

"(e) AVAILABILITY OF PAYMENTS.—The national committee of a major party or minor party may receive payments under subsection (b)(3) beginning on July 1 of the calendar year immediately preceding the calendar year in which a presidential nominating convention of the political party involved is held.

"(f) TRANSFER TO THE FUND.—If, after the close of a presidential nominating convention and after the national committee of the political party involved has been paid the amount which it is entitled to receive under this section, there are moneys remaining in the account of such national committee, the Secretary shall transfer the moneys so remaining to the fund.

"(g) CERTIFICATION BY COMPTROLLER GENERAL.—Any major party or minor party may file a statement with the Comptroller General in such form and manner and at such times as he may require, designating the national committee of such party. Such statement shall include the information required by section 303(b) of the Federal Election Campaign Act of 1971, together with such additional information as the Comptroller General may require. Upon receipt of a statement filed under the preceding sentences, the Comptroller General promptly shall verify such statement according to such procedures and criteria as he may establish and shall certify to the Secretary for payment in full to any such committee of amounts to which such committee may be entitled under subsection (b). Such certifications shall be subject to an examination and audit which the Comptroller General shall conduct no later than December 31 of the calendar year in which the presidential nominating convention involved is held.

"(h) REPAYMENTS.—The Comptroller General shall have the same authority to require repayments from the national committee of a major party or minor party as he has with respect to repayments from any eligible candidate under section 9007(b). The provisions of section 9007(c) and section 9007(d) shall apply with respect to any repayment required by the Comptroller General under this subsection.".

(b)(1) Section 9009(a) of such Code (relating to reports) is amended by striking out "and" in paragraph (2) thereof; by striking out the period at the end of paragraph (3) thereof and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraphs:

"(4) the expenses incurred by the national committee of a major party or minor party with respect to a presidential nominating convention;

"(5) the amounts certified by him under section 9008(g) for payment to each such committee; and

"(6) the amount of payments, if any, required from such committees under section 9008(h), and the reasons for each such payment.".

(2) The heading for section 9012(a) of such Code (relating to excess campaign expenses) is amended by striking out "CAMPAIGN".

(3) Section 9012(a)(1) of such Code (relating to excess expenses) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to incur expenses with respect to a presidential nominating convention in excess of the expenditure limitation applicable with respect to such committee under section 9008(d), unless the incurring of such expenses is authorized by the Presidential Election Campaign Fund Board under section 9008(d)(3).".

(4) Section 9012(c) of such Code (relating to unlawful use of payments) is amended by redesignating paragraph (2) as paragraph (3) and by inserting immediately after paragraph (1) the following new paragraph:

"(2) It shall be unlawful for the national committee of a major party or minor party which receives any payment under section 9008(b)(3) to use, or authorize the use of, such payment for any purpose other than a purpose authorized by section 9008(c).".

(5) Section 9012(e)(1) of such Code (relating to kickback and illegal payments) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expense incurred by such committee with respect to a presidential nominating convention.".

(6) Section 9012(e)(3) of such Code (relating to kickbacks and illegal payments) is amended by inserting immediately after "their authorized committees" the following: ", or in connection with any expense incurred by the national committee of a major party or minor party with respect to a presidential nominating convention,".

(c) The table of sections for chapter 95 of subtitle H of such Code (relating to the presidential election campaign fund) is amended by striking out the item relating to section 9008 and inserting in lieu thereof the following new item:

"Sec. 9008. Payments for presidential nominating conventions.".

(d) Section 276 of such Code (relating to certain indirect contributions to political parties) is amended by striking out subsection (c) and by redesignating subsection (d) as subsection (c).

TAX RETURNS BY POLITICAL COMMITTEES

SEC. 407. Section 6012(a) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended by adding at the end thereof the following new sentence: "The Secretary or his delegate shall, by regulation, exempt from the requirement of making returns under this section any political committee (as defined in section 301(a) of the Federal Election Campaign Act of 1971) having no gross income for the taxable year.".

PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

SEC. 408. (a) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"SUBTITLE H. Financing of Presidential election campaigns.".

(b) The analysis of chapters at the beginning of subtitle H of such Code is amended by adding at the end thereof the following:

"CHAPTER 97. Presidential Primary Matching Payment, Account.".

(c) Subtitle H of such Code is amended by adding at the end thereof the following new chapter:

"CHAPTER 97—PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

"Sec. 9031. Short title.
"Sec. 9032. Definitions.
"Sec. 9033. Eligibility for payment.
"Sec. 9034. Entitlement of eligible candidates to payments.
"Sec. 9035. Qualified campaign expense limitation.
"Sec. 9036. Certification by Comptroller General.
"Sec. 9037. Payments to eligible candidates.
"Sec. 9038. Examinations and audits; repayments.
"Sec. 9039. Reports to Congress; regulations.
"Sec. 9040. Participation of Comptroller General in judicial proceedings.
"Sec. 9041. Judicial review.
"Sec. 9042. Criminal penalties.

"This chapter may be cited as the 'Presidential Primary Matching Payment Account Act'.

"Sec. 9032. DEFINITIONS.

"For purposes of this chapter—

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, the political committee designated under section 302(f)(1) of the Federal Election Campaign Act of 1971 by the candidate of a political party for President of the United States as his principal campaign committee.

"(2) The term 'candidate' means an individual who seeks nomination for election to be President of the United States. For purposes of this paragraph, an individual shall be considered to seek nomination for election if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

"(3) The term 'Comptroller General' means th Comptroller General of the United States.

"(4) Except as provided by section 9034(a), the term 'contribution'—

"(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made, for the purpose of influencing the result of a primary election,

"(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose,

"(C) means a transfer of funds between political committees, and

"(D) means the payment by any person other than a candidate, or his authorized committee, of compensation for the personal services of another person who are rendered to the candidate or committee without charge, but

"(E) does not include—

"(i) except as provided in subparagraph (D), the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering such service to or for the benefit of the candidate, or

"(ii) payments under section 9037.

"(5) The term 'matching payment account' means the Presidential Primary Matching Payment Account established under section 9037(a).

"(6) The term 'matching payment period' means the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States will be held and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for the office of President of the United States.

"(7) The term 'primary election' means an election, including a runoff election or a nominating convention or caucus held by a political party, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

"(8) The term 'political committee' means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any person for election to the office of President of the United States.

"(9) The term 'qualified campaign expense' means a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value—

"(A) incurred by a candidate, or by his authorized committee, in connection with his campaign for nomination for election, and

"(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid.

For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

"(10) The term 'State' means each State of the United States and the District of Columbia.

"Sec. 9033. Eligibility for Payments.

"(a) Conditions.—To be eligible to receive payments under section 9037, a candidate shall, in writing—

"(1) agree to obtain and furnish to the Comptroller General any evidence he may request of qualified campaign expenses,

"(2) agree to keep and furnish to the Comptroller General any records, books, and other information he may request, and

"(3) agree to an audit and examination by the Comptroller General under section 9038 and to pay any amounts required to be paid under such section.

"(b) Expense Limitation; Declaration of Intent; Minimum Contributions.—To be eligible to receive payments under section 9037, a candidate shall certify to the Comptroller General that—

"(1) the candidate and his authorized committee will not incur qualified campaign expenses in excess of the limitation on such expenses under section 9035,

"(2) the candidate is seeking nomination by a political party for election to the office of President of the United States,

"(3) the candidate has received contributions which, in the aggregate, exceed $5,000 in contributions from residents of each of at least 20 States, and

"(4) the aggregate of contributions received from any person under paragraph (3) does not exceed $250.

"Sec. 9034. Entitlement of Eligible Candidates to Payments.

"(a) In General.—Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such candidate is seeking nomination, or by his authorized committee, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person on or after the beginning of such preceding calendar year exceeds $250. For purposes of this subsection and section 9033(b), the term 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything described in subparagraph (B), (C), or (D) of section 9032(4).

"(b) Limitations.—The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed 50 percent of the expenditure limitation established by section 608(c)(1)(A) of title 18, United States Code.

"Sec. 9035. Qualified Campaign Expense Limitation.

"No candidate shall knowingly incur qualified campaign expenses in excess of the expenditure limitation esablished by section 608(c)(1)(A) of title 18, United States Code.

"Sec. 9036. Certification by Comptroller General.

"(a) Initial Certifications.—Not later than 10 days after a candidate establishes his eligibility under section 9033 to receive payments under section 9037, the Comptroller General shall certify to the Secretary for payment to such candidate under section 9037 payment in full of amounts to which such candidate is entitled under section 9034.

"(b) Finality of Determinations.—Initial certifications by the Comptroller General under subsection (a), and all determinations made by him under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit by the Comptroller General under section 9038 and judicial review under section 9041.

"Sec. 9037. Payments to Eligible Candidates.

"(a) Establishment of Account.—The Secretary shall maintain in the Presidential Election Campaign Fund established by section 9006(a), in addition to any account which he maintains under such section, a separate account to be known as the Presidential Primary Matching Payment Account. The Secretary shall deposit into the matching payment account, for use by the candidate of any political party who is eligible to receive payments under section 9033, the amount available after the Secretary determines that amounts for payments under section 9006(c) and for payments under section 9007(b)(3) are available for such payments.

"(b) Payments From the Matching Payment Account.—Upon receipt of a certification from the Comptroller General under section 9036, but not before the beginning of the matching payment period, the Secretary or his delegate shall promptly transfer the amount certified by the Comptroller General from the matching payment account to the candidate. In making such transfers to candidates of the same political party, the Secretary or his delegate shall seek to achieve an equitable distribution of funds available under subsection (a), and the Secretary or his delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received. Transfers to candidates of the same political party may not exceed an amount which is equal to 45 percent of the total amount available in the matching payment account, and transfers to any candidate may not exceed an amount which is equal to 25 percent of the total amount available in the matching payment account.

"Sec. 9038. Examinations and Audits; Repayments.

"(a) Examinations and Audits.—After each matching payment period, the Comptroller General shall conduct a thorough examination and audit of the qualified campaign expenses of every candidate and his authorized committee who received payments under section 9037.

"(b) Repayments.—

"(1) If the Comptroller General determines that any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount of payments to which such candidate was entitled under section 9034, he shall notify the candidate, and the candidate shall pay to the Secretary or his delegate an amount equal to the amount of excess payments.

"(2) If the Comptroller General determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses,

he shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(3) Amounts received by a candidate from the matching payment account may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the matching payment account.

"(c) Notification.—No notification shall be made by the Comptroller General under subsection (b) with respect to a matching payment period more than 3 years after the end of such period.

"(d) Deposit of Repayment.—All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the matching payment account.

"Sec. 9039. Reports to Congress; Regulations.

"(a) Reports.—The Comptroller General shall, as soon as practicable after each

matching payment period, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in such detail as the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees,

"(2) the amounts certified by him under section 9036 for payment to each eligible candidate, and

"(3) the amount of payments, if any, required from candidates under section 9038, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) REGULATIONS, ETC.—The Comptroller General is authorized to prescribe rules and regulations in accordance with the provisions of subsection (c), to conduct examinations and audits (in addition to the examinations and audits required by section 9038 (a)), to conduct investigations, and to require the keeping and submission of any books, records, and information, which he determines to be necessary to carry out his responsibilities under this chapter.

"(c) REVIEW OF REGULATIONS.—

"(1) The Comptroller General, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such committee does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Comptroller General may prescribe such rule or regulation. The Comptroller General may not prescribe any rule or regulation which is disapproved by either such committee under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.

"SEC. 9040. PARTICIPATION BY COMPTROLLER GENERAL IN JUDICIAL PROCEEDINGS

"(a) APPEARANCE BY COUNSEL.—The Comptroller General is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in his office or by counsel whom he may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation he may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) RECOVERY OF CERTAIN PAYMENTS.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.

"(c) INJUNCTIVE RELIEF.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for injunctive relief as is appropriate to implement any provision of this chapter.

"(d) APPEAL.—The Comptroller General is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments, or decrees entered with respect to actions in which he appears pursuant to the authority provided in this section.

"SEC. 9041. JUDICIAL REVIEW

"(a) REVIEW OF AGENCY ACTION BY THE COMPTROLLER GENERAL.—Any agency action by the Comptroller General made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Comptroller General for which review is sought.

"(b) REVIEW PROCEDURES.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Comptroller General.

"SEC. 9042. CRIMINAL PENALTIES

"(a) EXCESS CAMPAIGN EXPENSES.—Any person who violates the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(b) UNLAWFUL USE OF PAYMENTS.—

"(1) It is unlawful for any person who receives any payment under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray qualified campaign expenses, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) FALSE STATEMENTS, ETC.—

"(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Comptroller General under this chapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Comptroller General or an examination and audit by the Comptroller General under this chapter, or

"(B) to fail to furnish to the Comptroller General any records, books, or information requested by him for purposes of this chapter.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

(d) KICKBACKS AND ILLEGAL PAYMENTS.—

"(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committee, who receives payments under section 9037.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized committee shall pay to the Secretary for deposit in the matching payment account, an amount equal to 125 percent of the kickback or payment received.".

REVIEWS OF REGULATIONS

SEC. 409. (a) Section 9009 of the Internal Revenue Code of 1954 (relating to reports to Congress; regulations) is amended by adding at the end thereof the following new subsection:

"(c) REVIEWS OF REGULATIONS.—

"(1) The Comptroller General, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such committee does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Comptroller General may prescribe such rule or regulation. The Comptroller General may not prescribe any rule or regulation which is disapproved by either such committee under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.".

(b) Section 9009(b) of such Code (relating to regulations, etc.) is amended by inserting "in accordance with the provisions of subsection (c)" immediately after "regulations".

EFFECTIVE DATES

SEC. 410. (a) Except as provided by subsection (b), the foregoing provisions of this Act shall become effective 30 days after the date of the enactment of this Act.

(b) The amendments made by sections 403, 404, 405, 406, 407, 408, and 409 shall apply with respect to taxable years beginning after December 31, 1973.

The CHAIRMAN. No amendments, including any amendment in the nature of a substitute for the bill, are in order to the bill except the following:

In title 1: Germane amendments to subsection 101(a) proposing solely to change the money amounts contained in said subsection, providing they have been printed in the CONGRESSIONAL RECORD at least 1 calendar day before being offered; and the text of the amendment to be offered on page 13, following line 4, inserted in the CONGRESSIONAL RECORD of August 5, 1974, by Mr. BUTLER.

In title 2: Germane amendments to the provisions contained on page 33, line 17, through page 35, line 11, providing they have been printed in the RECORD at least 1 calendar day before being offered; and the amendment printed on page E5246 in the RECORD of August 2, 1974.

In title 4: Germane amendments which have been printed in the RECORD at least 1 calendar day before they are offered, except that sections 401, 402, 407, 409, and 410 shall not be subject to amendment; and the text of the amendment printed on page H7597 in the CONGRESSIONAL RECORD of August 2, 1974.

Amendments are in order to any portion of the bill if offered by direction of the Committee on House Administration, but said amendments shall not be subject to amendment.

Are there any Committee on House Administration amendments to title I?

COMMITTEE AMENDMENTS

Mr. THOMPSON of New Jersey. Mr. Chairman, I offer three committee amendments to title I of the bill and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments:

On page 13, beginning in line 10, strike out "(B)" and all that follows down to but not including "(C)" in line 15, and insert in lieu thereof the following: "(B) the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities."

Page 15, beginning in line 10, strike out "(D)" and all that follows down to but not including "(E)" in line 16, and insert in lieu thereof the following: "(D) the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities."

And on page 13, beginning in line 19, strike out "(D)" and all that follows down through "political committee," in line 23 and insert in lieu thereof the following: "(D) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate,".

Page 15, beginning in line 16, strike out "(E)" and all that follows down through "committee," in line 20, and insert in lieu thereof the following: "(E) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate,".

And on page 14, line 11, insert ", (C)," immediately after "(B)".

Mr. THOMPSON of New Jersey (during the reading). Mr. Chairman, these amendments being simply technical in nature and having been widely circulated among the members of the committee and unanimously agreed to, I ask unanimous consent that further reading of the amendments be dispensed with and I shall undertake to explain them.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Chairman, the amendments to title I, beginning at page 13 are technical amendments relating to exemptions of certain in-kind expenditures and contributions from the spending and contribution limits provided in the bill. The purpose, generally, of these amendments is to further limit the scope of these exceptions. These amendments were fully discussed by the members of our committee and were approved unanimously at our meeting this morning.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, these amendments were adopted in the Committee on House Administration this morning and were accepted unanimously. They relate to the loopholes to which I referred in my minority remarks in the committee report and do satisfy about 95 percent of my objections to the loopholes as they existed in the bill.

I think they really go a long way to make this bill acceptable. I would urge they be accepted and properly passed.

Mr. HAYS. Mr. Chairman, I move to strike the last word.

I do want to say that these amendments were accepted unanimously. I think now that the gentleman from Minnesota (Mr. FRENZEL) has said they satisfy 95 percent of his objections, any time we can satisfy the gentleman from Minnesota (Mr. FRENZEL) 95 percent, we ought to move forward. So I propose to take no more time and urge the adoption of the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Jersey (Mr. THOMPSON).

The committee amendments were agreed to.

The CHAIRMAN. Are there further committee amendments to title I?

AMENDMENT OFFERED BY MR. DU PONT

Mr. DU PONT. Mr. Chairman, I offer an amendment to title I.

The Clerk read as follows:

Amendment offered by Mr. DU PONT: Page 2, line 16, strike "$5,000" and insert in lieu thereof "$2,500".

(Mr. DU PONT asked and was given permission to revise and extend his remarks.)

Mr. DU PONT. Mr. Chairman, as required by the rule adopted by the House today, my amendment was published at pages E5306 and E5307 of yesterday's RECORD.

Mr. Chairman, this is a very simple amendment. It proposes to reduce from $5,000 to $2,500 the amount of money that a special interest committee can contribute to a candidate.

It is my personal opinion that special interest committees should not be allowed to contribute anything to candidates, but very plainly that is not a viable alternative. I think the very least we can do is bring the special interest group limit somewhat more in line with the other features of the bill.

The bill as reported by the committee has a $1,000 limit, per election, on contributions by any individual person, and then it goes on to set a $5,000 limit for committees. It seems to me that these two figures are substantially out of balance; that it is the individual, who wants to be encouraged, it is the individual we ought to be looking to in order to finance our political campaigns.

I think the reason we have gotten into trouble in our election process, as we have recently seen from the Watergate problem, is that we have had special interest groups—the milk lobby, various business funds, various union groups—giving large amounts of money to political candidates. I think if we get the special interest groups out of politics, we would be a lot better off.

Therefore, I am trying to prevent the evil of large amounts of money coming in, not from people—and people are the ones who should be supporting the candidates—but from special interest groups. I think that my amendment goes a long way toward ending this evil.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. DU PONT. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, for a point of clarification, does the gentleman's amendment include the respective political party committees, or is it restricted solely to outside groups?

Mr. DU PONT. I would say to the gentleman that my amendment simply changes the figure on line 16 of page 2 from $5,000 to $2,500. Therefore, it affects all committees covered by that subsection. It is my understanding that the subsection does cover political committees.

So, let me stress again the fact that what we ought to be talking about is people, and not organizations.

It is possible to raise a substantial amount of money—more, in fact, than the $75,000 limit imposed by this bill—by using people and by using a limit of $100 per person. I know that is the fact because I have done it. In my campaign in Delaware this year, we had 5,000 contributors. We set a limit of $100, and we raised $80,000.

So, I do not believe we need the special interest groups at all to finance political campaigns. I urge adoption of my amendment.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. DU PONT. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, I have not read the text of the gentleman's amendment, but would he tell me if the Republican Congressional Campaign Committee and the Democratic Congressional Campaign Committee, for example, would be included as special interest groups under the terms and language of his amendment?

Mr. DU PONT. Those are not the terms of my amendment, I would say to the gentleman from Illinois. Those are the terms of the bill. My amendment simply changes the figure in the bill; but yes, they would be included. I would very much prefer that political committees, where I do not see any particular problem, were defined differently and were left alone. But, if we have to lower the limit on political committees in order to get the special interest groups out of politics, I would be in favor of it.

Mr. MICHEL. The gentleman may very well have heard my earlier remarks in which I complained about that $5,000 limitation affecting our nationally recognized political committees, so on those grounds I think I would have to oppose the amendment.

Mr. DU PONT. I am certainly sympathetic with the gentleman's problem, and I would only say that we have to attack his problem because of the way the committee has drawn the bill, and he is an unintentioned casualty of a very good amendment.

Mr. HAYS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would start out by saying to the gentleman from Illinois (Mr. MICHEL) that this does apply to the committee of which he is chairman. There is no question about that. The gentleman from Delaware was very candid, and he said it did apply.

I am not particularly surprised—well, I am a little surprised—that of all people, the gentleman from Delaware would bring up his amendment.

The gentleman from Delaware has access to funds that most other Members in this body would not have access to, and I am not very impressed by the fact that he is limiting the amount of contributions in Delaware, because if one gets anybody by the name of Du Pont or who is related to the Du Ponts contributing $100 bucks, he can raise $1 million. Therefore, this puts a limitation on us poor boys, a pretty severe restriction.

I do not think that this amendment needs much debate. The gentleman from Illinois (Mr. MICHEL) made a pretty eloquent plea about it. He thinks $5,000 is too low for the committees, and there will be an amendment offered later which will help that situation. If he sees fit to support it, that is up to him. Personally, however, I think the committees ought to have the right to contribute whatever funds they can legitimately and honestly get their hands on because I am a great believer in the two-party system.

If we continue to offer amendments and to restrict the rule of the parties and the committees, then we may well find ourselves in the same situation that some of our friends in Europe are in.

I think it is kind of significant to note that there is not a majority government in Western Europe today. The reason many of the European countries are in the trouble they are in is because of the multiparty system and the fact that every government over there is a coalition government. When the people go to vote, they do not know whom to vote against because they do not know who really in the government makes the decisions.

That is one of the strengths of our system.

I oppose the gentleman's amendment basically on the philosophical grounds that it does weaken the two-party system, and I stand for the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Delaware (Mr. DU PONT).

The amendment was rejected.

The CHAIRMAN. Are there additional eligible amendments to title I?

AMENDMENT OFFERED BY MR. MATHIS OF GEORGIA

Mr. MATHIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MATHIS of Georgia: Page 4, line 23, strike out "$75,000" and insert in lieu thereof "$42,500".

(Mr. MATHIS of Georgia asked and was given permission to revise and extend his remarks.)

Mr. MATHIS of Georgia. Mr. Chairman, this is a very simple amendment. It reduces the amount of money that can be spent in any primary, any primary runover, or any general election from $75,000 down to $42,500.

I offered this amendment in committee. It was defeated by the members of the committee, who felt that it was a lower figure than they were willing to accept. I said at that time that I would offer it on the floor in order that all the Members of this House would have an opportunity to express themselves on what I considered to be a very vital issue.

I might point out, as the gentleman from Indiana (Mr. BRADEMAS) said earlier in his statement, that in addition to having the $75,000 spending ceiling, we allow an additional $17,000 to be spent by a candidate or his committee under the guise of fund raising, which makes a grand total of $93,000. If we multiply that by three, which is the primary, the primary runover, and the general election that we have in most States, then we are up to about $280,000 that can be spent by a candidate or his committee in any year.

As I said earlier during general debate, I think it is a farce for us to come in and talk about campaign reform and leave that kind of expenditure ceiling in this bill.

It is a matter of record that in 1972, in all congressional elections, 57 percent of all the candidates who were running—and that was 834—spent less than $42,500, which is the amount in my amendment.

The average amount spent per candidate is, as the gentleman from Pennsylvania said earlier in the debate, $47,801. We would reduce that by $5,000 by my amendment.

Mr. Chairman, I have here a list of the top big money spenders in the 1972 election. I have laid it here on the table, and if the Members want to see some gigantic, stupendous sums that were spent in attempting to win a job that pays $42,500 a year, they can walk by this table and take a look.

For example, a fellow named Brown who ran out of Arizona as a Democrat spent $274,000 in 1972; and the list goes on and on and on.

I think it is utterly ridiculous for us to talk about campaign reform and then leave an expenditure ceiling of $280,000 in this bill.

Mr. Chairman, I urge the Members to support my amendment and let us do something that will truly restore the confidence of the people in the democratic institution of this country, and particularly in this House.

Mr. HAYS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I feel duty bound to defend the committee bill, which was the consensus of a majority of the members of the committee.

I will say to the gentleman from Georgia (Mr. MATHIS) very candidly that never in the 13 times I have run for Congress have I spent $42,500 in any single primary or election. So I have some sympathy for the gentleman's point of view.

However, this matter was discussed up and down and back and forth in the committee. There were members who wanted it lower than this figure. The committee started out with a $60,000 limit. That was debated. We went back and forth and up and down the street and finally came up with the $75,000 figure. I think every Member was conscientious about it, and I have no objection obviously to every Member voting his conscience on this amendment.

Mr. Chairman, what the committee tried to do in the aggregate was to balance off the charge that the lower amount would be an incumbent's figure against an unconscionable amount of a quarter of a million dollars or $150,000, both of which I would consider unconscionable amounts of money.

So while $75,000 may not be the most ideal figure in the world, it is the one that the majority of the members of the committee supported. I feel it was the best judgment we could come up with.

Therefore, I am going to support the committee position, although, as I say, I have never spent that much money and I do not have any intention of ever spending that much money.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I thank the gentleman from Georgia for introducing this amendment. I offered it myself and it was defeated in the committee, and now another attempt is made by the gentleman to introduce it here.

I believe any reasonable person will admit that if we establish a base of spending which is equal to our total salary for 2 years, we are spending about all we should be allowed to spend. This is the only job in the whole world where we can shamelessly face the people and say we are going to spend 2½ times our gross salary to win the office.

Somewhere there must be a question in the mind of somebody: What is the attraction in that office? What is the come-on? What is the little gift that you might receive for winning an office that costs you 2½ times more than what you are going to get paid?

I know Members of this Congress—I know them intimately and personally—who actually live on the salaries that they receive in Congress. Can we imagine that, living on the salary that we receive in Congress?

Anybody can take that person on in an election under the limitations we put in here, and defeat him, because he does not have either the money in his own right, or the kind of a district that will raise that kind of money.

I know Members in this Congress who move from a district they cannot win in into a district where this type of a candidate lives, and they have won, and are sitting in this Congress today.

I do not believe that anyone can honestly say that $85,000, twice our total salary, is too little to spend for the office that we seek.

I have an amendment that I will offer at a later time, although I doubt whether it will be allowed, but in any event I would like the opportunity at that time to explain it. That amendment will not cure

everything, but I do believe that if this Congress accepts this amendment it will raise the respect that this Congress should be held in by the people of our Nation.

I have already given to the Members of this House information provided by our staff as to a sampling of the high rollers in this gamble for public office, such figures that I am sure would not be believed. One man spent $216,000, who was licked by a person who spent $215,000. One fellow spent $195,000 beating a man who spent $218,000.

We are not talking about Monte Carlo. We are talking about the House of Representatives of the Congress of the United States. And here we are, and we are not talking about what Watergate taught us; we are not talking about the evils of going out and getting contributions beyond the needs of the office. No, we are talking about increasing those expenditures.

When you talk about $187,500 in my district, you are talking about a gambling game without a limit, it is a no-limit poker game in my district when you talk about this kind of dough.

I say to the Members that you are not fooling the people, although you do in this bill, because we say to the public that there is a spending limit of $75,000 on each election, because if you will go back and check you will find that we have a nice little sweetener in there.

Do you know what that nice little sweetener is—$18,750 a year that we are going to be allowed to spend over and above the $75,000 in order to be able to raise the money to get the $75,000.

I think that on page 12 we should have another amendment to allow us 10 percent on $25,000 so we could raise $25,000 so we could raise the $75,000, because I do not know how we can raise the $18,000 if we do not have any allowance to do it with.

This means that each man and woman in this room can spend $93,750 for a primary, a special runoff, and a general election.

I do not know how you fellows raise your money or where you get it; it is none of my business, but I know one thing: That in 43 years of public life I do not believe that I have spent the total that you are allowing for your next campaign for one Member of this House, and I ran for the U.S. Senate in between times. I do not understand where this money comes from.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THOMPSON of New Jersey. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I regret having to oppose the amendment offered by my distinguished and good friend, the gentleman from Georgia (Mr. MATHIS) but I do so for two reasons:

In the course of the markup of this legislation we started with amounts as high as $125,000 for a primary, and another $125,000 for the general election. The concensus was rather overwhelming that that was indeed excessive. Nevertheless, outside groups were asking for sums infinitely greater than $75,000 which was the concensus of the committee.

Then $90,000 was tried, without success.

Finally it was agreed upon that, lower amounts having been defeated, that $75,000 would be adequate.

Mr. Chairman, I too have run a number of times. In fact, 10 times for Congress, to be exact, and only once did I find it necessary to raise and spend $72,000.

My average is considerably less than this. In my district, indeed in the State of New Jersey, we have no private television. New Jersey, being a very small State, is covered by the New York and Philadelphia stations. I do not find myself able, and never have found myself able, to buy television time. This does not apply, however, to a great many of my colleagues who must rely on the media and television, which in itself is a very expensive process.

I think that this sum is perfectly reasonable. I think that the individual candidate will make a judgment as to how much his constituency believes he should spend or how much he should not and will act accordingly. But at least here we have a real flexibility.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to my friend, the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. I thank the gentleman for yielding.

I want to say that I commend the gentleman's committee on a very fine compromise here. They had some tough choices. In this case they made a very responsible choice.

We have had really two evils that outside groups, I think, have complained about. One was the enormous amount of money that some candidates were spending in congressional elections. The other evil was the so-called insulation of incumbents through low limits that permitted a real conscientious, sincere challenge of an incumbent. Here the gentleman has struck a balance. He has ended the outrage of a half million dollars being spent in House contests. At the same time he has given challengers and incumbents the right amount to spend, an adequate amount to make their case. I think this is a good, sound, and compromising balance, and I would hate to see it upset.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. I certainly want to thank the gentleman from Arizona for not endorsing my amendment.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

(Mr. FRENZEL asked and was given permission to revise and extend his remarks.)

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Maryland.

Mr. GUDE. I thank the gentleman for yielding.

I rise in opposition to the amendment. I do feel this is an antichallenger amendment and we should vote it down. I believe that the committee has struck a good balance in providing a limitation which gives incumbents and challengers equal opportunities for success as far as campaign financing is concerned.

(Mr. GUDE asked and was given permission to revise and extend his remarks.)

Mr. FRENZEL. I thank the gentleman for his contribution.

Mr. Chairman, the committee has done its best to find a middle ground in candidate expenditures. Like the gentleman from Illinois (Mr. MICHEL) I really think there should be a greater expenditure allowed, because I found that in the very few incumbent races in 1972 where about a dozen challengers beat incumbents, the average expenditure was about $120,000. The average expenditure of all candidates for Congress in the general elections is much less, of course—between $30 and $40,000. Most of those races are perfunctory pro forma races that do not need anything. All the action is in about 40 races. Each district is different. We need the higher limits unless we are going to be guilty of the charge that we are protecting ourselves.

If we accept he amendment offered by the gentleman from Georgia, we will be guilty, in my judgment, of the very strongest kind of incumbent protection. Judged by the basis of the other democracies in the world, the United States ranks in the middle or lower third of expenditures per capita for its election processes. Its average expenses are well below those of the average parliamentary democracy.

It makes no sense to relate our expenditures to our salaries, since most of us do not contribute to our own campaigns. Anyway, under this law we are now passing, the contribution limit will be restricted to $1,000, so there will be no undue influence from any particular individual or group of individuals.

Mr. Chairman, I think it would be a dreadful mistake if we mess up the delicate balance of this bill by accepting the amendment offered by the gentleman from Georgia.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I thank the gentleman for yielding.

I wish to associate myself with the remarks of the gentleman from Minnesota and point out just a couple of other things.

The reason why some candidates spend a great deal more money than the salary involved and the reason why people are willing to put that kind of money and contributions into a race is because the Congress disposes of, not just $42,500 a year per Member, but hundreds of millions of dollars per year per Member. That is why this is an important thing to a great many people who are interested in what happens to their taxes and to the affairs of this country.

We just cannot afford to put ourselves into the position of protecting the incumbent and locking out the challenger. My campaign committee spent twice $42,500 in my first race, and if they had not, I probably would not be here. It took a large amount of media coverage just to acquaint the voters with the fact that I existed and with the issues as I saw them. I was an unknown running against a 20-year incumbent whose name was a household word.

Now that I am here, I am not going to vote to make it next to impossible for other challengers to do the same sort of thing. The possibility of effective challenge helps keep the system open and keep us on our toes.

Mr. FRENZEL. I thank the gentleman. I assure him that some of my best friends are incumbents and I would even let my daughter marry one.

Basically, while the incumbents are good people and deserve to be reelected, let us not let ourselves open to criticism by making it impossible for a challenger to unseat us.

Mr. SEIBERLING. If the gentleman will yield further, I would like to point out one other thing, and a crucial thing, which is that under this bill the amount of money that can be spent by a candidate from his own pocket and the amounts that can be given by a single contributor are limited. That will keep the spending down, and avoids putting an arbitrary ceiling on total expenditures.

Mr. FRENZEL. I thank the gentleman from Ohio.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Pennsylvania, the chairman of the subcommittee (Mr. DENT).

Mr. DENT. Mr. Chairman, all the talk I hear is of incumbents, as if spending is the answer. But our records do not show that. I invite the Members to come to my office and examine them. High spending is not the answer to elections. The key to election is the same old fundamentals, such as the character of the person running, what kind of person he is, what kind of life he lives, what kind of community spirit he exhibits. It is not the total amount of money.

Mr. FRENZEL. I thank the gentleman for his contribution. If the gentleman did support the limitation of in kind contributions I would be more sympathetic.

Mr. GAYDOS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I will not use all the time unless my good friend, the gentleman from Pennsylvania (JOHN DENT) asks me to yield, but I do want to make one point.

It has been admitted repeatedly that this is a compromise. The members of the committee compromised. What did we compromise and because of whom? We compromised because outfits such as Common Cause and, without mentioning them specifically, others pressured the committee and put forth their positions. Everybody had their input except one very vital segment of America, and that is the people of this country; the constituents of the Members and my constituents. They were not consulted.

The amendment is a reasonable amendment. The $42,500 is a good response to taxpayers who raise the question repeatedly, and this is by far the greater percentage of the criticism which has been raised. What is the outcry? Why run for a job that pays $42,500 a year?

Now, I submit for the consideration of this House that the committee has repeatedly admitted that $75,000 is a compromise. I ask the Members to use their good judgment and respond by supporting the realistic amount of $42,500 for each election.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. GAYDOS. I yield to my colleague, the gentleman from Pennsylvania.

Mr. DENT. The gentleman from Ohio said that he spent twice the $42,500, if he had not, he would not be here.

I thought the gentleman had such sterling character that he would be here if he spent one-third of that amount. If he could spend $15,000 and get elected, would the gentleman say the other fellow would have to spend $175,000 to beat him?

Mr. SEIBERLING. Mr. Chairman, if the gentleman will yield further, I would say if a man has been in office for some time, everybody knows who he is. But if they do not know his opponent, John Smith, John Smith has to spend a certain minimum to acquaint the electorate with the simple fact that he exists.

Mr. DENT. The only problem with that is that not one Member of Congress was born an incumbent. We all had to start sometime.

Mr. HAYS. Mr. Chairman, I would like to say, I am just trying to defend the committee amendment, but some of the people speaking for it are almost convincing me not to defend it any more.

Now, my dear friend, the gentleman from Ohio (Mr. SEIBERLING) said he spent that money and that is how he got here. He would have got here if he had stayed home in bed, because his incumbent opponent had ceased to serve the district, and the district knew it.

The gentleman from Ohio (Mr. SEIBERLING) had one other advantage. He had a well-known name. I remember when I was a kid in Ohio there was a sign with a little boy in pajamas holding a candle and it said, "Time to retire. Get a Seiberling."

Mr. SEIBERLING. I have to correct the gentleman. It said, "Time to retire. Get a Fisk."

Mr. HAYS. Anyway, it was a well-known name in Akron.

I might say that one time in my career I had an opponent who said he spent a quarter of a million dollars. That is the year I spent $42,000.

I am going to defend the committee amendment; but just let me say that incumbency is no sure way to stay in office, unless at the same time, unless we continue to serve the needs of our districts and if we do that, we can stay in for $3.95, and if we do not, we could not stay in for $395,000.

The CHAIRMAN. The Chair would like to state a problem, so that the Members will understand the dilemma of the Chair correctly.

The Chair is supposed to recognize Members, taking into account three factors: First, membership on the committee; second, alternation between the two sides of the issue; and, third, alternation between the two sides of the aisle.

The Chair, therefore, is going to inquire of each Member as he initially recognizes him, for what purpose does the gentleman rise, so that the Chair will be aided in being fair in presiding over the debate.

The Chair recognizes the gentleman from Pennsylvania (Mr. GAYDOS) for approximately one-half minute.

Mr. GAYDOS. I thank the Chair.

As a concluding observation for the consideration of my colleagues, since we must have a limitation, I pose the question, what is wrong with the salary pertaining to the office?

The CHAIRMAN. The time of the gentleman has expired.

Mr. KOCH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, on a number of occasions in the course of this debate Members have risen to in some way or other correlate the congressional salary of $42,500 with what they think appropriate to spend in running for office, as though there were anybody in this Chamber who believed that they should run for this office and pay all the expenses of the campaign themselves. I doubt there is a single person who has done that or would advocate it. Indeed, in our legislation we limit what any one of us can pay toward his own campaign, to prevent the rich man from buying the election.

Would anyone suggest that a Member of the other body running for office, who also gets $42,500 should spend $42,500 to run for that office, or that the President who gets $200,000 should run on a campaign budget of $200,000? That simply would make no sense.

Now, what the committee tried to do was this. It sought to make it possible for someone who has not run for office to run and not feel that that person had been shut out simply by virtue of not being able to spend the reasonable sums necessary for the media, for the mailings, for the radio, or for television in that particular district necessary to acquaint voters with his or her positions on issues.

In my own district, on each occasion that I have run, my opponent spent either one and a half, twice as much, and in one case, three times that which I spent. I am proud of the fact that I won without equaling those expenditures, but that does not affect the basic issue.

The basic issue was and is this, especially in my second and third terms: The people in my district knew me. The people in my district did not have to have the mailings and radio and television that my opponents thought were necessary for them to become known. I would feel, if I deprived my opponent of spending a reasonable sum—and I am not now talking about the sums the chairman of the subcommittee referred to when he talked about $150,000, $200,000 and more,

sums that are not in this bill. I am talking of a reasonable sum, which $75,000 is.

Again this bill permits $75,000 to be spent. Another non sequitur has been introduced that someone referred to $17,500 above the $75,000, was referred to. Do the Members know what that money is? Let me tell you: When a Member has a dinner and the cost of the meat and potatoes and stamps for mailing for that dinner comes to x number of dollars, a maximum of 25 percent of whatever the Member has raised may be deducted for expenses. Does that not make sense? I think it does.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I appreciate the gentleman yielding to me. I want to associate myself with his remarks.

As the Members know, in the committee I was the sponsor of the $75,000 amendment. I would like to point out to the members of the committee that we have 435 districts in the United States. There were many figures put forth; $100,000, $125,000, $150,000. I studied all of these figures and thought that I came out with a reasonable figure.

The size of districts are different. Some are concentrated in cities and some have 20 and 40 counties. There is nothing in this law that says a candidate must spend $75,000. If he does not need $75,000 to get elected, he may spend $50,000 or less, but let us not take this on a personal basis per district.

Each Member knows what the needs of his district are. We are trying to cover all of the districts. We are not saying that a candidate must spend $75,000, but we are trying to establish that this is not an incumbency bill, and we are saying to the people who are our opponents, that they can raise $75,000 to spend $75,000 and to run for this high office as a Member of the Congress of the United States.

So, I want to urge my colleagues to vote down the amendment and support the committee.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Chairman, I cannot match the eloquence of my Mediterranean friend from Illinois, but I am delighted to associate myself with his remarks, as well as those of the gentleman from New York (Mr. KOCH), and to oppose this amendment. I see that the gavel is about to fall, and would therefore urge defeat of the amendment.

Mr. HAYS. Mr. Chairman, I would like to make a unanimous-consent request, and would like to explain my reasons for it.

I made a commitment to the leadership that I would try to ask the committee to rise by 5:15 so that the leadership can bring up the television resolution—which may be a moot thing—but they want to bring it up in any case. I was wondering if we could finish debate by sometime around there.

Mr. Chairman, I ask unanimous consent that debate on this amendment close at 5:20.

I do not propose to use any time myself.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for three-quarters of 1 minute each.

The Chair recognizes the gentleman from New York (Mr. PIKE).

(By unanimous consent, Mrs. MINK yielded her time to Mr. PIKE.)

(Mr. PIKE asked and was given permission to revise and extend his remarks.)

Mr. PIKE. Mr. Chairman, I have heard so much about the advantages to an incumbent. I want to just tell the Members of my own personal experience. I ran for office the first time, and I spent $7,000. The district happened to be Republican 3-to-1 against me, and I lost by 40,000 votes.

I ran again, and I spent $12,000, and I was elected. It was the same district. It was still 3-to-1 Republican.

People do not vote for incumbents unless they are doing a decent job. They are just as willing to vote against incumbents if they do not think they are doing a decent job.

Nobody in my district says that he voted for Richard Nixon, but says that he voted against GEORGE MCGOVERN.

Mr. Chairman, it is very rarely that I rise in support of an amendment of the gentleman from Georgia or even agree with him philosophically, but the number $42,500 is not there just because it is the salary of a Congressman. It is there because spending $75,000 is just too much money to spend on a congressional campaign.

If I do not need to spend $75,000 in my district, if I can get elected by spending $12,000, and I have never come anywhere near $75,000 in my district, for Heaven's sake, why on Earth should anybody have to spend $75,000?

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. BURLISON).

(Mr. BURLISON of Missouri asked and was given permission to revise and extend his remarks.)

Mr. BURLISON of Missouri. Mr. Chairman, I would like to commend my able friend, the gentleman from Georgia, on his amendment, and I rise in support of it.

I think that the figure of $93,000 for a primary campaign and $93,000 for a general election campaign is an unconscionably high ceiling. I believe that with this type of ceiling, Mr. Chairman, we are opening the door to blatant impropriety and fraud in our elections.

I know that there will be a dramatic increase in campaign spending when we vote public financing, which, though not in this bill at the present time, will surely come. When we have public financing, you can be sure each candidate will utilize the full amount of the ceiling.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. JAMES V. STANTON).

Mr. JAMES V. STANTON. Mr. Chairman, I ran for Congress against a 28-year incumbent, and I spent $38,000, and I beat him. I got 65 percent of the vote in the primary.

If we want a lesson out of Watergate, the lesson ought to be: Cut down the amount of money you spend in a campaign.

I see the leading reformers of this House trying to urge the expenditure of $93,000 in a primary and $93,000 in a general election, and I think that is unconscionable. I do not think the American people want anything other than the reduction of money spent in elections.

Mr. Chairman, I support the amendment offered by the gentleman from Georgia (Mr. MATHIS).

(By unanimous consent, Mr. DENHOLM yield his time to Mr. DAVIS of South Carolina.)

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina (Mr. DAVIS).

Mr. DAVIS of South Carolina. Mr. Chairman, I rise in support of the amendment.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of South Carolina. I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. Mr. Chairman, I thank the gentleman from South Carolina, my dear friend, for yielding.

I would like to make one observation as we come to the critical moment of voting on my amendment. That is that none of my so-called liberal reform-minded friends who have risen to oppose this amendment can give me a good reason for their position. That gives me a little cause to pause and wonder about how serious they are about campaign reform.

When these Members go back to their districts and they are stumping among their people this year and they are asked what they did about campaign reform, are they going to tell their people, "I supported a bill that provided for the expenditure of $280,000 by any candidate for Congress in any election year"?

That is simply not campaign reform, I submit.

Mr. Chairman, I thank my friend, the gentleman from South Carolina, for yielding, and I again urge support for my amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. BREAUX).

Mr. BREAUX. Mr. Chairman, I rise in support of the amendment.

I wish to point out that although some Members think this is an incumbent provision, I think that the gentleman from Ohio (Mr. JAMES V. STANTON) is correct when he says that this is plenty of money, that this is enough money.

Mr. Chairman, I urge, again, support for the amendment.

(By unanimous consent, Messrs. HANRAHAN and ANNUNZIO yielded their time to Mr. MICHEL.)

The CHAIRMAN. The Chair recog-

nizes the gentleman from Illinois (Mr. MICHEL).

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. Mr. Chairman, the amendment offered by the gentleman from Georgia (Mr. MATHIS) may very well play well in Albany as it would play well in Peoria, my hometown.

However, I do not think we can take that parochial a view concerning an amendment of this kind. We must look at the affect it would have throughout the balance of the country.

Frankly, if the gentleman would couple his proposal here with one to make fully accountable and reportable every inkind contribution, then he would be making a real valuable contribution, because in four of the five special elections we held earlier this year there were over $50,000 worth of inkind unreportable, unaccountable expenditures.

A few weeks ago our friend, SAM YOUNG, who is running against our former colleague, Ab Mikva, up in the suburban district of Chicago challenged Ab to limit his campaign to $100,000. Ab turned him down. Incidentally, there was also another challenge: "Let us not take money from out of State." And Ab turned down this challenge.

The point I am making here, as my good friend, the gentleman from Illinois, has said, is this: It is different in Peoria than it is in the suburban districts of Chicago, New York, or any of the other metropolitan centers of this country.

I personally said at the outset of this debate that I was less than enthusiastic about doing anything with respect to broad, sweeping reform since it is such a difficult job to write this legislation and apply it nationally under different kinds of conditions which do exist throughout this country.

Mr. Chairman, I think the committee is to be commended for taking all of these factors into account and coming up with the figure in this bill, which I personally think is too low, even though I have never spent that much money in my own case. However, I feel I must take a national view, as I think all of us on both sides of the aisle should.

Mr. Chairman, I urge defeat of the amendment offered by the gentleman from Georgia.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. Mr. Chairman, I will say to the gentleman that inkind contributions are covered in this legislation, and the gentleman from Georgia supported those amendments in committee.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. BINGHAM).

(Mr. BINGHAM asked and was given permission to revise and extend his remarks.)

Mr. BINGHAM. Mr. Chairman, I think the point has been well made that what we are dealing with here is a national problem. Many of the Members who have spoken in favor of this amendment reflect their own personal experiences. This is natural. But there are other Members with very different personal experiences. We have to provide a ceiling that is reasonable, that allows challengers in all types of districts throughout the country to make a realistic challenge. That is why this is a national problem, and that is why the committee has proposed a higher figure than had been agreed upon by the committee when the committee considered the last campaign spending regulation bill. The figure reflects a realistic estimate under current circumstances.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. LENT).

(Mr. LENT asked and was given permission to revise and extend his remarks.)

Mr. LENT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia (Mr. MATHIAS).

In the past 2 years, we have seen how big money can corrupt our electoral process. And while some of my colleagues might feel that the spending limit proposed in this amendment is too low, I believe that strong medicine is needed to ensure that the events of the past 2 years are not repeated.

Significantly lower spending limits will have several positive effects. First, they will make candidates conduct campaigns which will put them in constant personal contact with the people. In addition, they will remove the financial barriers which currently stand in the way of the average citizen's ability to run for political office. Most importantly, they will reduce the necessity to accept or become dependent upon money from special interest groups and wealthy contributors.

The average citizen has a great deal of difficulty understanding how candidates can spend $100,000 in 3 months in quest of an office that pays a salary of $42,500 per year. Indeed, it sometimes appears that high political office is for sale, and we must prove to the American people that such is not the case. In 1972, congressional candidates on Long Island spent an average of $45,000 each. For the most part they proved that campaigns can be run on reasonable budgets, and I believe that other candidates throughout the country will find that they, too, can conduct successful campaigns given the same financial restrictions.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska (Mr. THONE).

(By unanimous consent, Mr. THONE yielded his time to Mr. FRENZEL.)

The CHAIRMAN. The Chair recognizes the gentleman from Arizona (Mr. UDALL).

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Chairman, the supporters of this amendment seem to assume that we have to spend the $75,000. I have never spent much more than $40,000, nor have my opponents, but there are 435 districts in our country, and they all vary.

We have kicked around a lot of different values, some of them indefensible, some of them far too low. I heard in the cloakroom about a colleague running for a statewide office, and he was joking. He lost, and he said that his colleague had committed an unfair campaign practice. I asked him what that was, and he said that his opponent had gone all throughout the State referring to him a "Congressman So-and-So."

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

(Mr. BRADEMAS asked and was given permission to revise and extend his remarks.)

Mr. BRADEMAS. Mr. Chairman, there are 435 different congressional districts in the United States, and as we have already observed during the debate, the circumstances under which a campaign is conducted are different in each district.

In my own district, for example, television is very important, because we have three television stations and it is used by most candidates for the House of Representatives. In Cook County, however, it is not used because the cost is prohibitive. That is just one example.

The committee has tried to come up with a reasonable and fair amount and I hope the amendment is rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

(Mr. REGULA asked and was given permission to revise and extend his remarks.)

Mr. REGULA. Mr. Chairman, I rise in support of the propositions that our Federal election laws are in need of strengthening and what is popularly called reform.

The other body acted early in this Congress on election reform passing a measure in November of last year.

Both that proposal and the proposal we are considering here on the floor recognize the need for reform but they answer that need by injecting the Treasury of the Federal Government into the breech, though in differing degrees.

I have no quarrel with laudable proposals which recognize that moderate Federal support in addition to contributions from the private sector can provide an important and healthy avenue for citizens to participate in the electoral process.

Indeed, a candidate's right to public funds ought to be measured by his ability to obtain grass root support—that includes support from small contributors.

In 1973, I polled the constituents of my district and 1 of the 10 questions I asked was "Should Federal tax dollars be used to finance election campaigns?"

The response that I received was 71.4 percent in the negative. Again, in June of this year, I asked the same question. The response again was overwhelmingly in the negative, 63.1 percent responding "No."

In August, 1973, I introduced my own version of election campaign reform leg-

islation. My bill contains many of the provisions contained in this bill we are now considering. My approach to limiting contributions is, however, designed to make it more attractive to small contributors to participate in the election process. Rather than Federal subsidies, which surely must come from the taxpayer and must be distributed by an additional layer of Federal bureaucracy with all its attendant expense, I prefer amending the tax laws to increase credit and deduction allowances for limited political contributions thereby encouraging such contributions and preserving freedom of choice in making contributions.

It seems, however, that any proposal amending the tax laws as my bill would do, is inevitably lost in the morass of tax bills piled at the door of the House Ways and Means Committee.

The intent of the 1971 Federal Elections Campaign Act—accountability—is what needs strengthening in my opinion. I shall therefore support the amendments that will be offered by my colleague, Mr. FRENZEL, to establish a more independent administration and enforcement agency. Further, I will support amendments that will be offered by my distinguished colleagues, Messrs. BROWN, BUTLER, DUPONT, MICHEL, ANDERSON, and FRENZEL that would prohibit the pooling of funds and require that contributions be identified as to original donors and that would limit the proliferation of political committees which are designed to circumvent the contribution limitations contained in the bill.

I believe it should be unlawful for any person, other than a candidate, an official national party committee or any official congressional or Senate Campaign Committee to make directly or indirectly contributions or expenditures on behalf of any candidate in any calendar year. One and only one committee should be authorized by a candidate to act for him and in his behalf and that that committee should be held accountable along with the candidate to the independent administration and enforcement agency envisioned by the supporters of the amendment that will be offered.

Because we have experienced flagrant violations of the intent and even the letter of our existing election campaign laws is no reason, to change the good, our time honored system of campaigning for grassroots support, while trying to insure adherence to reasonable standards of decency and integrity. I shall therefore oppose amendments providing for Federal subsidies to congressional candidates.

I commend to my colleagues attention the editorial view of the Christian Science Monitor contained in Tuesdays edition.

One key question to be debated is that of public financing itself. Its supporters (including Common Cause) see it as an effort to reduce the pressure of the pocketbook on candidates, with all the attendant potential for abuse. Its opponents (including a majority of the Senate Watergate committee itself) argue that, in Jefferson's words, "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical." They predict excessive Federal bureaucracy and control in conflict with the First Amendment right of free political expression.

This question deserves the fullest debate. If public financing is accepted, it should apply to all Federal candidates. But it should be recognized that public financing of itself does not necessarily mean political reform. In some European and Asian countries with public financing, there have been problems of unstable coalition governments and influence by special-interest groups representing religions or occupations, for example rather than money. With or without public financing, campaign reform must extend to party and electoral reform—as well as to that individual integrity without which any legislation must fall short.

(Mr. FRENZEL asked and was given permission to revise and extend his remarks.)

Mr. FRENZEL. Mr. Chairman, the statement that was made by the gentleman from Illinois (Mr. ANNUNZIO) really sums up my feelings on this matter. The committee looked into high numbers and looked into low numbers. We tried to accommodate the different circumstances existing in the different districts. In one district it is better to campaign through the mails; in another through television; another in other ways; some direct; some more expensive and some cheaper.

What we tried to do was pick a figure that would not provide our opponent, our challenger, with the right to criticize us for unfairly protecting ourselves.

I think we have found a reasonable figure. In fact, I would like it higher. I think it would be a terrible mistake if we accepted the amendment offered by the gentleman from Georgia (Mr. MATHIAS).

Do not confuse preventing your opponent from having an honest chance with reform. There is no reform in squashing your oppositon before he starts.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS) to close debate.

Mr. HAYS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. MATHIS).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MATHIS of Georgia. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 187, noes 223, not voting 24, as follows:

[Roll No. 459]

AYES—187

Anderson, Calif.	Bray	Clancy
Andrews, N. Dak.	Breaux	Clark
Ashbrook	Brinkley	Clausen, Don H.
Ashley	Broomfield	Clay
Badillo	Brown, Calif.	Cleveland
Baker	Burke, Fla.	Conlan
Bauman	Burlison, Mo.	Daniels, Dominick V.
Beard	Butler	Danielson
Bennett	Byron	Davis, S.C.
Bevill	Camp	Davis, Wis.
Biaggi	Carney, Ohio	Denholm
Bowen	Carter	Dent
Brademas	Chamberlain	Derwinski
Breckinridge	Chappell	Devine
Brooks	Clausen, Don H.	Dickinson
Brotzman	Clay	Dingell
Brown, Mich.	Cleveland	Dorn
Brown, Ohio	Conlan	Dulski
Broyhill, N.C.	Daniels, Dominick V.	Duncan
Broyhill, Va.	Danielson	Eckhardt
Buchanan	Davis, S.C.	Edwards, Ala.
Burgener	Davis, Wis.	Esch
Burke, Calif.	Denholm	Eshleman
Burke, Mass.	Dent	Evins, Tenn.
Burleson, Tex.	Derwinski	Fisher
Burton, John	Devine	Flowers
Burton, Phillip	Dickinson	Flynt
Casey, Tex.	Dingell	Ford
Cederberg	Dorn	Fountain
Clawson, Del	Dulski	Gaydos
Cochran	Duncan	Gettys
Cohen	Eckhardt	Gilman
Collier	Edwards, Ala.	Ginn
Collins, Ill.	Esch	Goldwater
Collins, Tex.	Eshleman	Goodling
Conable	Evins, Tenn.	Grasso
Conte	Fisher	Green, Oreg.
Conyers	Flowers	Griffiths
Corman	Flynt	Gross
Cotter	Ford	Grover
Coughlin	Fountain	Gubser
Crane	Gaydos	Guyer
Cronin	Gettys	Haley
Culver	Gilman	Hamilton
Daniel, Dan	Ginn	Hammer-schmidt
Daniel, Robert W., Jr.	Goldwater	Hanley
de la Garza	Goodling	Hanrahan
Delaney	Grasso	Harsha
Dellenback	Green, Oreg.	Hechler, W. Va.
Dellums	Griffiths	Helstoski
Dennis	Gross	Henderson
Derwinski	Grover	Hicks
Devine	Gubser	Holt
Dickinson	Guyer	Hosmer
Dingell	Haley	Huber
Dorn	Hamilton	Hungate
Dulski	Hammer-schmidt	Hunt
Duncan	Hanley	Hutchinson
Eckhardt	Hanrahan	Ichord
Edwards, Ala.	Harsha	Jarman
Esch	Hechler, W. Va.	Johnson, Colo.
Eshleman	Helstoski	Jones, Ala.
Evins, Tenn.	Henderson	Jones, N.C.
Fisher	Hicks	Jones, Tenn.
Flowers	Holt	Kastenmeier
Flynt	Hosmer	Kemp
Ford	Huber	Ketchum
Fountain	Hungate	King
Gaydos	Hunt	Latta
Gettys	Hutchinson	Leggett
Gilman	Ichord	Lent
Ginn	Jarman	Long, Md.
Goldwater	Johnson, Colo.	Lott
Goodling	Jones, Ala.	Lujan
Grasso	Jones, N.C.	McClory
Green, Oreg.	Jones, Tenn.	McEwen
Griffiths	Kastenmeier	McKay
Gross	Kemp	Macdonald
Grover	Ketchum	Madden
Gubser	King	Madigan
Guyer	Latta	Mahon
Haley	Leggett	Martin, Nebr.
Hamilton	Lent	Mathis, Ga.
Hammer-schmidt	Long, Md.	Mayne
Hanley	Lott	Melcher
Hanrahan	Lujan	Miller
Harsha	McClory	Mills
Hechler, W. Va.	McEwen	Mink
Helstoski	McKay	Mitchell, Md.
Henderson	Macdonald	Mollohan
Hicks	Madden	Montgomery
Holt	Madigan	Moorhead, Calif.
Hosmer	Mahon	Moorhead, Pa.
Huber	Martin, Nebr.	Morgan
Hungate	Mathis, Ga.	Moss
Hunt	Mayne	Murphy, Ill.
Hutchinson	Melcher	Murtha
Ichord	Miller	Myers
Jarman	Mills	Natcher
Johnson, Colo.	Mink	Nichols
Jones, Ala.	Mitchell, Md.	Nix
Jones, N.C.	Mollohan	Obey
Jones, Tenn.	Montgomery	O'Hara
Kastenmeier	Moorhead, Calif.	Pettis
Kemp	Moorhead, Pa.	Pike
Ketchum	Morgan	Poage
King	Moss	Powell, Ohio
Latta	Murphy, Ill.	Price, Tex.
Leggett	Murtha	Quie
Lent	Myers	Quillen
Long, Md.	Natcher	Randall
Lott	Nichols	Rangel
Lujan	Nix	Reuss
McClory	Obey	Roe
McEwen	O'Hara	Rogers
McKay	Pettis	Rooney, Pa.
Macdonald	Pike	Roush
Madden	Poage	Rousselot
Madigan	Powell, Ohio	Roybal
Mahon	Price, Tex.	Runnels
Martin, Nebr.	Quie	Ruth
Mathis, Ga.	Quillen	Ryan
Mayne	Randall	Sandman
Melcher	Rangel	Schneebeli
Miller	Reuss	Sebelius
Mills	Roe	Shipley
Mink	Rogers	Shoup
Mitchell, Md.	Rooney, Pa.	Shriver
Mollohan	Roush	Shuster
Montgomery	Rousselot	Skubitz
Moorhead, Calif.	Roybal	Smith, Iowa
Moorhead, Pa.	Runnels	Snyder
Morgan	Ruth	Spence
Moss	Ryan	Stanton, J. William
Murphy, Ill.	Sandman	Stanton, James V.
Murtha	Schneebeli	Steed
Myers	Sebelius	Steele
Natcher	Shipley	Steiger, Ariz.
Nichols	Shoup	Stephens
Nix	Shriver	Stubblefield
Obey	Shuster	Stuckey
O'Hara	Skubitz	Sullivan
Pettis	Smith, Iowa	Symington
Pike	Snyder	Taylor, Mo.
Poage	Spence	Taylor, N.C.
Powell, Ohio	Stanton, J. William	Thomson, Wis.
Price, Tex.	Stanton, James V.	Towell, Nev.
Quie	Steed	Traxler
Quillen	Steele	Ullman
Randall	Steiger, Ariz.	Vander Veen
Rangel	Stephens	Vanik
Reuss	Stubblefield	Vigorito
Roe	Stuckey	Walsh
Rogers	Sullivan	Wampler
Rooney, Pa.	Symington	Whitten
Roush	Taylor, Mo.	Widnall
Rousselot	Taylor, N.C.	Wilson, Bob
Roybal	Thomson, Wis.	Winn
Runnels	Towell, Nev.	Wydler
Ruth	Traxler	Yatron
Ryan	Ullman	Young, Fla.
Sandman	Vander Veen	Young, S.C.
Schneebeli	Vanik	
Sebelius	Vigorito	
Shipley	Walsh	
Shoup	Wampler	
Shriver	Whitten	
Shuster	Widnall	
Skubitz	Wilson, Bob	
Smith, Iowa	Winn	
Snyder	Wydler	
Spence	Yatron	
Stanton, J. William	Young, Fla.	
Stanton, James V.	Young, S.C.	
Steed		
Steele		
Steiger, Ariz.		
Stephens		
Stubblefield		
Stuckey		
Sullivan		
Symington		
Taylor, Mo.		
Taylor, N.C.		
Thomson, Wis.		
Towell, Nev.		
Traxler		
Ullman		
Vander Veen		
Vanik		
Vigorito		
Walsh		
Wampler		
Whitten		
Widnall		
Wilson, Bob		
Winn		
Wydler		
Yatron		
Young, Fla.		
Young, S.C.		

NOES—223

Abdnor	Cronin	Johnson, Calif.
Abzug	Culver	Johnson, Pa.
Adams	Daniel, Dan	Jones, Okla.
Addabbo	Daniel, Robert W., Jr.	Jordan
Alexander	de la Garza	Karth
Anderson, Ill.	Delaney	Kazen
Andrews, N.C.	Dellenback	Kluczynski
Annunzio	Dellums	Koch
Archer	Dennis	Kuykendall
Arends	Derwinski	Kyros
Armstrong	Devine	Lagomarsino
Aspin	Donohue	Landgrebe
Bafalis	Drinan	Lehman
Bell	du Pont	Litton
Bergland	Edwards, Calif.	Long, La.
Biester	Eilberg	Luken
Bingham	Erlenborn	McCloskey
Blackburn	Evans, Colo.	McCollister
Blatnik	Fascell	McCormack
Boggs	Findley	McDade
Boland	Fish	McFall
Bolling	Flood	McKinney
Brademas	Foley	Mallary
Breckinridge	Forsythe	Mann
Brooks	Fraser	Maraziti
Brotzman	Frelinghuysen	Martin, N.C.
Brown, Mich.	Frenzel	Mathias, Calif.
Brown, Ohio	Frey	Matsunaga
Broyhill, N.C.	Froehlich	Mazzoli
Broyhill, Va.	Fulton	Meeds
Buchanan	Fuqua	Metcalfe
Burgener	Giaimo	Mezvinsky
Burke, Calif.	Gibbons	Michel
Burke, Mass.	Gonzalez	Milford
Burleson, Tex.	Green, Pa.	Minish
Burton, John	Gude	Minshall, Ohio
Burton, Phillip	Gunter	Mitchell, N.Y.
Casey, Tex.	Hanna	Mizell
Cederberg	Harrington	Moakley
Clawson, Del	Hastings	Nedzi
Cochran	Hawkins	Nelsen
Cohen	Hays	O'Brien
Collier	Hébert	O'Neill
Collins, Ill.	Heckler, Mass.	Owens
Collins, Tex.	Heinz	Parris
Conable	Hillis	Passman
Conte	Hinshaw	Patman
Conyers	Hogan	Patten
Corman	Holtzman	Pepper
Cotter	Horton	Perkins
Coughlin	Howard	Peyser
Crane	Hudnut	Pickle

Preyer	Schroeder	Whalen
Price, Ill.	Seiberling	White
Pritchard	Sikes	Whitehurst
Railsback	Sisk	Wiggins
Rees	Smith, N.Y.	Williams
Regula	Staggers	Wilson,
Reid	Stark	Charles H.,
Riegle	Steelman	Calif.
Rinaldo	Steiger, Wis.	Wilson,
Roberts	Stratton	Charles, Tex.
Robinson, Va.	Studds	Wolff
Robison, N.Y.	Symms	Wright
Rodino	Talcott	Wyatt
Roncalio, Wyo.	Thompson, N.J.	Wylie
Roncallo, N.Y.	Thone	Wyman
Rose	Thornton	Yates
Rosenthal	Tiernan	Young, Alaska
Rostenkowski	Treen	Young, Ga.
Roy	Udall	Young, Ill.
Ruppe	Van Deerlin	Young, Tex.
St Germain	Veysey	Zablocki
Sarasin	Waggonner	Zion
Sarbanes	Waldie	Zwach
Satterfield	Ware	

NOT VOTING—24

Barrett	Hansen, Idaho	Rarick
Brasco	Hansen, Wash.	Rhodes
Carey, N.Y.	Holifield	Rooney, N.Y.
Chisholm	Landrum	Scherle
Davis, Ga.	McSpadden	Slack
Diggs	Mosher	Stokes
Downing	Murphy, N.Y.	Teague
Gray	Podell	Vander Jagt

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. HAYS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 16090) to impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks and include extraneous matter on the bill under discussion today (H.R. 16090).

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DISCHARGING COMMITTEE ON THE JUDICIARY FROM CONSIDERATION OF S. 2201 AND REFERRING SENATE BILL TO COMMITTEE ON PUBLIC WORKS

Mr. DONOHUE. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the consideration of the Senate bill (S. 2201) to provide for the settlement of damage claims arising out of certain actions by the United States in opening certain spillways to avoid flooding populated areas, and that it be rereferred to the Committee on Public Works.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TELEVISION AND RADIO BROADCAST OF PROCEEDINGS OF THE HOUSE OF REPRESENTATIVES

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 802 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 802

Whereas clause 33 of rule XI of the Rules of the House of Representatives provides for coverage by television and radio broadcast of committee hearings which are open to the public; and

Whereas there is no provision in said rules for coverage by television and radio broadcast of proceedings in the House Chamber, except that such coverage is prohibited by the ruling of previous Speakers of the House; and

Whereas it is probable that there will be brought to the floor of the House for its consideration the question of the impeachment of the President of the United States; and

Whereas the question of the impeachment of the President is of such historic and national importance as to command the keen interest of every American throughout the Nation; and

Whereas television and radio facilities are available to broadcast throughout the Nation the historic proceedings in the Chamber of the House on the question of the impeachment of the President; and

Whereas it is in the national interest that the historic debate be broadcast by radio and television facilities throughout the Nation: Now, therefore, be it

Resolved, That, notwithstanding any ruling or custom to the contrary, the proceedings in the Chamber of the House of Representatives on any resolution to impeach the President of the United States may be broadcast by radio and television facilities.

SEC. 2. The Speaker of the House of Representatives is authorized to appoint a committee of five members, including the majority and minority leaders, to provide such arrangements as may be necessary in connection with such broadcast.

With the following committee amendment:

Strike out all after the resolving clause and insert:

That, notwithstanding any rule, ruling, or custom to the contrary, the proceedings in the Chamber of the House of Representatives relating to the resolution reported from the Committee on the Judiciary, recommending the impeachment of Richard M. Nixon, President of the United States, may be broadcast by radio and television and may be open to photographic coverage, subject to the provisions of section 2 of this resolution.

SEC. 2. A special committee of four members, composed of the majority and minority leaders of the House, and the majority and minority whips of the House, is hereby authorized to arrange for the coverage made in order by this resolution and to establish such regulations as they may deem necessary and appropriate with respect to such broadcast or photographic coverage: *Provided, however*, That any such arrangements or regulations shall be subject to the final approval of the Speaker; and if the special committee or the Speaker shall determine that the actual coverage is not in conformity with such arrangements and regulations, the Speaker is authorized and directed to terminate or limit such coverage in such manner as may protect the interests of the House of Representatives.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may consume.

(Mr. MADDEN asked and was given permission to revise and extend his remarks.)

Mr. MADDEN. Mr. Speaker, House Resolution 802 provides that the proceedings in the Chamber of the House of Representatives relating to the resolution reported from the Committee on the Judiciary, recommending the impeachment of Richard Nixon, President of the United States, may be broadcast by radio and television and may be open to photographic coverage. House Resolution 802 provides for a special committee of four Members, the majority and minority leaders of the House of Representatives and the majority and minority whips of the House of Representatives, to arrange for the radio, television, and photographic coverage. Their arrangements shall be subject to the final approval of the Speaker of the House. If the special committee or the Speaker shall determine that the actual coverage is not in conformity with the promulgated arrangements and regulations, the Speaker is authorized to terminate the coverage in a manner consistent with the interests of the House of Representatives.

On July 22 the Committee on Rules recommended and the House approved, House Resolution 1107, introduced by the gentleman from Utah (Mr. OWENS) providing for a change in the Rules of the House of Representatives to allow broadcasting of committee meetings. The Committee on the Judiciary's proceedings relating to the impeachment of President Richard Nixon were broadcast and the people of the United States were given an opportunity to view the proceedings in their entirety.

It is now appropriate that under the terms of House Resolution 802 the American people be allowed to observe the House of Representatives consideration of articles of impeachment against Richard Nixon, President of the United States. The praiseworthy manner in which the Committee on the Judiciary conducted its meetings on impeachment is one of the strongest arguments that can be advanced for broadcasting the House debate on impeachment.

The American public and the Members of this body owe a debt of gratitude to the gentleman from Illinois (Mr. YATES), the author of House Resolution 802 and who for the last 6 months has shared his views on this matter of vital importance with the Members of Congress, the media, and the public. He is to be commended for perseverance, persistence, diligence, and good judgment.

Mr. Speaker, broadcasting of the House of Representatives impeachment proceedings will present to the American people the factual charges and arguments in a more complete and totally

different perspective than from the printed media. Broadcasting and photography will complement the coverage by the printed media. The electronic media are part of today's life. It must be allowed to broadcast in its entirety the most important issue of our time—the debate in the Chamber of the House of Representatives concerning the articles of impeachment against Richard Nixon, President of the United States. I respectfully urge the adoption of House Resolution 802.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

(Mr. LATTA asked and was given permission to revise and extend his remarks.)

Mr. LATTA. Mr. Speaker, I will inform my good friend, the chairman of the committee, the gentleman from Indiana (Mr. MADDEN), that I agree with every word he said about this resolution. I support it.

Just let me commend my good friend, the gentleman from Illinois, for his foresight and his good judgment and also his perseverance in seeing to it that this resolution was brought before the Committee on Rules and now before the House for its consideration.

I would just like to mention that the resolution provides for a very good committee composed of 4 members, the majority leader, the minority leader, the majority whip, and the minority whip.

The regulations shall be subject to the final approval of the Speaker, and I am sure that the Speaker will see to it that if and when these proceedings are televised, we will have gavel-to-gavel coverage.

We will have no commentary, and we will have no commercials. I think this is most important.

I, for one, from all reports that we have had on the coverage of the Committee on the Judiciary, would like to commend the networks for their coverage of those proceedings. I think we have received nothing but praise for the way they have handled the coverage.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

Is it clearly understood that the arrangements and the regulations promulgated by the special committee of four Members will deal exclusively and only with the television and radio coverage of the House proceedings?

Mr. LATTA. It also takes care of photographic coverage. There is some provision for still cameras, as I understand it, and that is the reason the language appears on page 2, lines 16 and 17: "and may be open to photographic coverage."

Mr. GROSS. Well, is it clearly understood that these arrangements and regulations will apply only to photographic coverage and to television and radio coverage and will not go to regulations governing the Members of the House of Representatives?

Mr. LATTA. Mr. Speaker, that is my understanding.

Mr. GROSS. Mr. Speaker, I thank the gentleman.

Mr. MILFORD. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Texas.

Mr. MILFORD. Mr. Speaker, I thank the gentleman for yielding.

Do I understand the gentleman to say that there will be a prohibition against commercials during the broadcasting of these proceedings?

Mr. LATTA. That is correct.

Mr. VAN DEERLIN. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I will be happy to yield to the gentleman from California.

Mr. VAN DEERLIN. Mr. Speaker, in addition to the ban on commercials, I understood the gentleman from Ohio to say that there would be a ban on commentaries?

Mr. LATTA. Mr. Speaker, let me say to the gentleman from California that they will follow the same procedure that they followed at the time the hearings in the Committee on the Judiciary were being televised.

I think that they restricted themselves very well. We have no complaints, or I at least have no complaints.

Mr. VAN DEERLIN. Mr. Speaker, if the gentleman will yield further, I agree that while the Committee on the Judiciary handled itself in a manner that has reflected credit on the full House, it seemed to me that the network coverage of those proceedings was also of the highest order. The gentleman has cited radio and television coverage of the Committee on the Judiciary as an example of what we seek to achieve. I judge then, that the gentleman would not seek to impose a gag rule against any explanatory efforts by network personnel, in the same manner as was done at the committee hearings.

Mr. LATTA. That is a matter that will be taken up by the committee, and will have the final approval of the Speaker. I am sure that whatever regulations they come up with will meet the approval of the House.

Mr. VAN DEERLIN. The gentleman from Ohio is the only one who said there was going to be a ban on commentaries.

Mr. LATTA. May I just suggest to the gentleman from California that I had reference to the time prior to the Committee on the Judiciary hearings being held. At that time we said we did not want somebody saying that this was Mr. Such-and-So, or this is Mr. So-and-So, and he going to say such and such, and that we rather interpret his remarks as such and such.

I think—and I am expressing my own personal opinion—that every Member of this House knows what he is attempting to say in the well of the House without somebody telling the American people what he is saying.

Mr. VAN DEERLIN. If the gentleman will yield still further, the gentleman, I am sure, can recognize that in radio coverage of the hearings, where there is no possibility for visual identification or for any announcement on the screen, it is necessary for a radio anchor man to indicate who is speaking when a Member's voice comes in.

The gentleman would not want to reduce that kind of coverage, would he?

Mr. LATTA. Absolutely not.

Mr. VAN DEERLIN. I just think it is important while we are taking this step, to make certain that we are not establishing, as the sense of Congress, that we wish to impose any restrictions over camera coverage, or voice coverage of these proceedings that were not present in the Judiciary Committee broadcasts.

Mr. LATTA. Let me just mention to the gentleman from California that there will be some restrictions on the camera coverage. As I understand, there will be only three cameras, and they will be focused on the tables here, on the well, and on the Chair.

Mr. VAN DEERLIN. Does the gentleman mean that this has been decided upon already?

Mr. LATTA. It was pointed out before the Committee on Rules that that was the understanding. They are not going to be panning the entire Chamber, and they will not be panning the galleries. They will be focused on these tables here, in the well, and on the Chair.

Mr. VAN DEERLIN. Will the gentleman yield still further?

Mr. LATTA. I will be happy to.

Mr. VAN DEERLIN. Mr. Speaker, I would say to the gentleman from Ohio that that is not set forth in the resolution.

Mr. LATTA. I am telling the gentleman what the understanding is.

Mr. VAN DEERLIN. It makes it a little difficult for some of the Members to know what is going on, inasmuch as we appear to be creating a new committee to determine these important details.

Mr. GROSS. Mr. Speaker, if the gentleman will yield, does the gentleman know whether we will have these floodlights on, and that we will have to live with those floodlights on for some 24 hours a day?

Mr. LATTA. The question arose at the time of the hearings before the Committee on the Judiciary being televised as to whether or not the lights would be on high for them or on dim. If you want to appear in color you will have to have the bright lights.

Mr. GROSS. I do not care to appear in living color.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, with respect to the question that was raised by the gentleman from California, I spoke to the Speaker a few moments ago, and the regulations respecting the televising will be worked out between the broadcasting companies and the committee that is to be appointed under this resolution.

The primary coverage as pointed out by the gentleman from Ohio will be in the well and on the committee table. But the Speaker has indicated that will not be the total coverage; that in order to have the same kind of coverage that we had during the Committee on the Judiciary proceedings, it left the Speaker

HOUSE FLOOR DEBATES ON H.R. 16090 AUGUST 8, 1974

ing that Congress would have an opportunity to review this matter before the new authorization expries in 1977. By then, we will have almost 3 years of experience with the new direction being charted for OPIC and can determine whether to reaffirm or alter our judgment.

The reinsurance formula adopted by the conferees is from the House bill. It provides that private insurance companies shall accept specific portions of liability "to the maximum extent possible." The Senate formula was more rigid, in that it would have required private insurers to accept annual losses equal to 50 percent of the largest amount of insurance they had outstanding in the country with the largest exposure, before OPIC could pay any reinsurance. The fact is that OPIC is now negotiating arrangements that would reduce its own involvement below hte level sought by the Senate, but which technically would not comply with the Senate formula. The conferees agreed that the flexibility in the House language was preferable.

On other significant issues, the House conferees receded from the House provision specifically directing OPIC to serve as an active broker between the development plans of eligible countries and the investment interests of U.S. investors. This is a function which OPIC has performed and which the conferees believe should be continued. They receded only on the understanding that a specific directive was redundant with the authority already contained in section 234 (d) of the Foreign Assistance Act.

Both bills provided that OPIC could seek appropriations from Congress only when its insurance reserve falls below $25 million. At present, OPIC has reserves substantially in excess of that figure, so the House conferees receded from delaying this limitation until after the appropriations for fiscal 1975.

The House bill provided for the expansion of the agricultural credit and self-help community development program. The Senate conferees objected to giving OPIC enlarged responsibilities at a time when its role will otherwise be contracting. The House conferees agreed, and it is now contemplated that the program will be shifted to AID where there will be room for the desired expansion.

The conferees accepted the House provision barring OPIC from granting coverage to "runaway" plant—those whose establishment would significantly diminish the number of U.S. jobs provided by the investor.

The conferees also resolved conflicting guidance contained in committee reports of the two bodies with respect to future OPIC operations in Indochina. It is the declared intent of the conferees that OPIC consult with the House Foreign Affairs Committee and the Senate Foreign Relations Committee when Indochina investment plans are formulated and as those plans evolve. Further, it is our expressed view that OPIC should not insure any large U.S. private investments in Indochina unless significant private insurance participation is obtained or until specific instructions are received from both Houses of Congress. These restraints are designed to permit carefully planned operations in Indochina that will not produce added political engagement by the U.S. Government in that troubled part of the world.

Mr. Speaker, I urge adoption of the conference report.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. CULVER. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I thank the gentleman for yielding.

(Mr. FRELINGHUYSEN asked and was given permission to revise and extend his remarks.)

Mr. FRELINGHUYSEN. Mr. Speaker, this conference report represents agreement on an extension of the statutory authority for the Overseas Private Investment Corporation.

I am pleased to express my strong support for this report which, in my opinion, represents a good compromise with the Senate position. I would like to emphasize that the House conferees sustained the House position on the major issues in conference.

On the single most important issue—the reinsurance formula—the Senate accepted the House position, which requires private insurance companies to accept specified portions of liability "to the maximum extent possible," rather than the Senate's more rigid formula.

The conference also accepted the House position on extension of authority, agreeing to the 3-year extension granted in the House bill rather than the 2-year period provided in the Senate bill.

This legislation will enable OPIC to move ahead with plans to phase out its responsibilities as a primary insurer of overseas investment risks, with this function being taken over by private insurance companies while OPIC serves as a reinsurer. The conferees agreed that OPIC's role as a primary insurer should end on December 31, 1979, for expropriation and convertibility risks. Its role as a primary insurer for war risks would end a year later. However, I would point out that since this legislation provides a 3-year authorization, the Congress will have an opportunity in 1977 to evaluate its decision regarding OPIC's future role.

Mr. Speaker, I am pleased that OPIC's directions for the next 3 years have been successfully resolved by the conference, and I urge approval of the conference report.

Mr. CULVER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CULVER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 16027, INTERIOR DEPARTMENT AND RELATED AGENCIES APPROPRIATIONS, 1975

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, H.R. 16027, making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Mrs. HANSEN of Washington and Messrs. YATES, MCKAY, LONG of Maryland, EVANS of Colorado, MAHON, MCDADE, WYATT, VEYSEY, and CEDERBERG.

EIGHTEENTH ANNUAL REPORT OF PRESIDENT ON TRADE AGREEMENTS PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-334)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Ways and means and ordered to be printed:

To the Congress of the United States:

In accordance with section 402(a) of the Trade Expansion Act of 1962 (TEA), I transmit herewith the Eighteenth Annual Report of the President on the Trade Agreements Program. This report covers developments in the year ending December 31, 1973.

Last year was a particularly important one for United States and world trade, as this report demonstrates in detail. Unquestionably the highlight occurred last September in Tokyo, when the ministers of 105 sovereign nations joined to declare their support for a new round of multilateral trade negotiations, the seventh since the General Agreement on Tariffs and Trade (GATT) was signed in 1947. This round represents a major initiative of the United States, along with initiatives in the international monetary field, begun in the fall of 1971. The charter for these negotiations, as embodied in the Declaration of Tokyo, is the most ambitious yet.

The purpose of these talks is no less than to modernize a world trading system which, though it has well served the world's peoples and brought about the many benefits of a four-fold expansion of trade, is no longer capable of responding to the needs and realities of a rapidly changing and increasingly interdependent world economy.

First, these talks are aimed not only at the continuing need to facilitate trade by lowering tariffs, but at reducing today's most pervasive and restrictive export inhibitors, so-called non-tariff trade barriers (NTBs). Unless these can be effectively dealt with, no major exporting nation—especially the United States—can hope to remain competitive in to-

day's and tomorrow's world markets. And loss of competitiveness abroad can threaten the viability of firms and lead to loss of markets at home.

Second, the inflationary pressure of increased costs has become a major international problem which must be dealt with multilaterally if we are to adequately deal with inflation domestically.

Third, the need to maintain access to vital raw materials, energy, and food requires negotiated assurances for such access to supplies as well as to markets.

Fourth, economic issues should be managed and negotiated in parallel with political and security issues, in order to make progress on all three fronts.

Finally, we must encourage sovereign governments to work within an acceptable international framework to deal with such problems as import safeguards and export subsidies. At the same time we must have the authority to defend our legitimate national interests and manage domestic concerns in the context of an up-to-date, responsive and responsible international system.

None of these objectives can be accomplished without the appropriate legislative authorization. This authority—carefully balanced with provisions for the most effective Congressional and public participation in our trade policy-making and negotiating since GATT was formed—is represented in the Trade Reform Act, which I submitted to the Congress in April of 1973. This legislation, which passed the House by a margin of nearly two-to-one last December and is now pending in the Senate, is still urgently needed.

Time is now of the essence with regard to the trade bill. Our trading partners have demonstrated their willingness to use and improve multilateral channels for trade negotiation. Just this spring, the European Community negotiated a fair and equitable accord compensating us for tariff changes resulting from the enlargement of the European Common Market. Through the Organization for Economic Cooperation and Development (OECD), ministers of member countries have joined with the U.S. in renouncing trade restrictive measures as balance-of-payments correctives, at least until the basic problems caused by oil price increases can be addressed through improvements in the monetary system. Developing countries, particularly our partners in Latin America, have indicated their willingness to work with us toward trade expansion and reform. As I have noted before, our new approaches to the socialist countries, especially to the USSR and the Peoples' Republic of China, hinge in large measure upon our ability to open up peaceful avenues of trade with them. Again, I have expressed my willingness to work with the Congress to find an acceptable formulation for this authority. In Geneva, the GATT Trade Negotiations Committee has announced a program of work for the fall to further prepare for the actual bargaining.

In short, the rest of the world is waiting for us at the trade negotiating table. The alternative is an indefinite period in which nations, including ours, will be forced to deal with increasingly complex and interdependent trade problems on an *ad hoc* basis. Experience has shown that this could lead to a proliferation of those problems and disputes over the best ways to resolve them. The adverse fallout from the resulting uncertainties and temptations of shortsighted unilateral actions could also seriously jeopardize gains we have made in the diplomatic and security fields.

For all these reasons, I take this occasion once again to urge prompt and final action on the Trade Reform Act. It is essential that we move ahead to revitalize the global trading system through multilateral negotiations.

RICHARD NIXON.

THE WHITE HOUSE, *August 8, 1974.*

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 461]

Andrews, N.C.	Diggs	Macdonald
Ashley	Gray	Michel
Aspin	Gubser	Mitchell, Md.
Blatnik	Gude	Murphy, N.Y.
Brasco	Guyer	Patten
Burke, Calif.	Hansen, Idaho	Rangel
Carey, N.Y.	Hansen, Wash.	Rarick
Chisholm	Hébert	Reid
Clark	Hogan	Rodino
Clay	Holifield	Rooney, N.Y.
Conyers	Jones, Okla.	Ruppe
Corman	Kuykendall	Teague
Davis, Ga.	Lehman	Vander Jagt
Dellums	Long, Md.	Wiggins
Dennis	McSpadden	Williams

The SPEAKER. On this rollcall 389 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REPORT OF FEDERAL ACTIVITIES DURING 1974 FOR NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-333)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor and ordered to be printed with illustrations:

To the Congress of the United States:

As required by Section 310(d) of the Adult Education Act of 1966, as amended (20 U.S.C. 1209(d)), I transmit herewith a report of Federal activities during fiscal year 1974 for the National Advisory Council on Adult Education.

RICHARD NIXON.

THE WHITE HOUSE, *August 8, 1974.*

RESOLUTION PROVIDING FOR CONTINUITY OF U.S. FOREIGN POLICY

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, in view of the exceptional circumstances facing the U.S. Government at the present time, I am today introducing a House resolution expressing the determination of the House that despite domestic difficulties we are united in support of a foreign policy designed to build a structure of peace in the world.

At a time when the Presidency may appear weakened and some may be tempted to take advantage of the United States, I believe it is urgent that we make totally clear to those abroad that our governmental difficulties stop at the water's edge. On the important issues of peace, war, and the fulfillment of our international obligations there should be no doubt that the Congress and the executive branch are prepared to continue to work together.

We are indeed fortunate to have such an able Secretary of State at the present time. He enjoys virtually unparalleled support in the Congress and I believe that swift passage of a resolution of this kind will strengthen his hand just at the time when some abroad may mistake the crisis of a President for the crisis of a nation.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. HAYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 16090) to impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. HAYS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 16090), with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, it was considering eligible amendments to title I of the bill, under the provisions of the rule adopted on yesterday and under the Chairman's statement of yesterday.

AMENDMENT OFFERED BY MR. BUTLER

Mr. BUTLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUTLER: Page 13, after line 5 insert the following:

(b) Section 591 (e)(1) of Title 18, United States Code, relating to the definition of a contribution, is amended by inserting after the word "business" the following ", which shall be considered a loan by each endorser, in that proportion of the unpaid balance thereof that each endorser bears to the total number of endorsers)".

And renumber the following sections accordingly.

Mr. BUTLER. Mr. Chairman, under the proposed legislation limitations are placed on the amount of contributions to political campaigns. The word, "contribution," is defined under existing law.

Under that definition a loan is considered a contribution. An exception is made for loans by banks.

The proposed amendment would make loans by banks loans by the endorsers thereof as a contribution. The amount of the endorsement is charged as a contribution, a loan or a contribution, and it would be in the proportion of the total number of the endorsers on the loan. The amount of the contribution and loan would be the unpaid balance thereof.

Mr. Chairman, I am led to believe that this has the blessing of the gentleman from Ohio (Mr. HAYS), and I will yield to him if he wishes me to.

Mr. HAYS. Mr. Chairman, if the gentleman will yield, as I understand the amendment offered by the gentleman from Virginia (Mr. BUTLER), this would be a loan for a political campaign purpose?

Mr. BUTLER. That is correct.

Mr. HAYS. And not a loan for a private business purpose, or anything like that?

Mr. BUTLER. That is correct.

Mr. HAYS. Under these circumstances, and with that understanding, the Chairman on behalf of this side is prepared to accept the amendment.

Mr. YOUNG of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. I yield to the gentleman from Illinois.

Mr. YOUNG of Illinois. Mr. Chairman, the question occurs to me, supposing a candidate takes a loan for his campaign, supposing the candidate is temporarily out of funds, and he borrows $10,000. He goes to the bank, and he signs a note and gets $10,000 and puts it into his campaign account. Then, thereafter, as the campaign progresses and more money comes into the candidate from contributions, that loan is repaid to him, and he repays the bank. Is that going to put any limitation on the fact that he cannot ask for or contribute additional moneys? In other words, I would say to the gentleman from Virginia (Mr. BUTLER) will the $10,000 bank loan that was repaid prevent the candidate from contribuing an additional $25,000? Would the loan and the repayment of the loan be counted against the $25,000? I do not believe that it should so long as he does not make over $25,000 in contributions. A loan like that, an in-and-out loan certainly should not be counted against any such limitation.

Mr. BUTLER. The gentleman from Illinois is exactly right. The unpaid balance would indicate the contribution so that at any time the contributions could not exceed the limitation.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I would state to the gentleman from Virginia (Mr. BUTLER) that this side has no objection to the amendment the gentleman has offered. I would comment that the $25,000 limitation applies to the candidate and his family and, in my judgment, the $1,000 contribution limitation might more properly apply to the candidate himself.

Mr. PARRIS. Mr. Chairman, if the gentleman will yield, pursuing the line of questioning for the purpose of the RECORD, that the gentleman from Illinois (Mr. YOUNG) pursued, am I correct in my understanding that in the case of a hypothetical $10,000 loan that there would have to be 10 or more endorsers in order to limit the individual contribution apportioned to each endorser to a sum less than the $1,000 statutory individual limitation.

Mr. BUTLER. That would be correct.

Mr. PARRIS. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. BUTLER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HANRAHAN

Mr. HANRAHAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANRAHAN: Page 11, line 10, strike out "which, in the aggre-" and all that follows down through line 13, and insert in lieu thereof "for Federal office.".

The CHAIRMAN. The Chair will have to inform the gentleman from Illinois (Mr. HANRAHAN) that the gentleman's amendment is offered to page 11, which is not open for amendment under the provisions of the rules which govern the consideration of this bill.

Mr. DENT. Mr. Chairman, I have an amendment at the desk, and I request that the Chair look into the amendment to see whether or not it is in order.

The CHAIRMAN. The Chair will examine the amendment.

Mr. DENT. I believe it is, but I will await the decision of the Chair.

The CHAIRMAN. The Chair will state to the gentleman from Pennsylvania that there are two amendments to title I offered by the gentleman from Pennsylvania.

Mr. DENT. That is correct.

The CHAIRMAN. Both of them are not in order under the rule.

Mr. DENT. Mr. Chairman, I move to strike the last word.

(Mr. DENT asked and was given permission to revise and extend his remarks.)

Mr. DENT. Mr. Chairman, I accept, of course, the decision of the Chair, although I was informed by our legal rights that it was in order.

However, it is not that important. What is important is that the record be made on this particular amendment. It is not so much whether the figures are right; it is not so much whether it is the thing that we can do today; but it is something we should be thinking about. So I offered the amendment more to get before the House the proposition that ought to be considered very seriously in the very near future.

I have taken a very long, hard look at the problems surrounding campaign financing for many, many years, locally, countywise, Statewise, and nationally. I have said here on the floor that the time has come when we must consider that we have to provide some means of providing the sufficient capital to fund a campaign, one, an amount that will not be prohibitive, that will not set aside thousands of Americans who want to run for Congress and have every right to run for Congress, but under no conditions could they raise anywhere near the amount of money that we have established as a ceiling in this particular bill and in others.

I propose that some day this Congress will have the courage, and those who monitor Congress will have the wisdom, to increase the salary of Members of Congress to a point and to a sum which will allow a reasonable, reachable limit of spending of, say, one year's salary, $42,500 a year, in an election year to be spent. That could be added to the Member's salary in a two-year period, which would give an increase of $21,250, and a Member would be allowed to deduct from his taxes, like any other business cost or promotional cost, that amount up to $21,250 that he spends for his campaign.

A challenger who has his own funds would be permitted to do the same by subtracting from his income tax an equal amount if he spends it. A challenger who has not the funds but has the capability and the desire and the right to run for office would be permitted to go out and solicit public funds. Those who contribute to that particular candidate would be able and allowed to deduct from their personal income taxes amounts up to $1,000 contributed to the limit allowed by law.

Right at this moment I know there is no climate for this. First of all, we have a group in this Congress that believes that the only essential required in a campaign in money. Character and all of the other attributes we have long held to be part of public office are no longer of consequence to many Members of this Congress.

I noted yesterday, and I will not put it in the RECORD, that the 26 top spenders in the Congress made a difference between setting a figure of $42,500 and a figure of $93,750.

I say to the Members that those who opting for high expenditures and high limits and saying that is the way to allow a challenger in are frauds because the only way to allow a challenger in is to make it possible for him to reach somewhere near the amount of money that a Congressman can reach with his

ability to go out and shake the apple tree.

I am saying to the Members that until this or some future Congress recognizes the proposition in these terms and others, I am not wedded to figures; but I am wedded to the philosophy that we must make this particular job clean, above board, or we are going to lose it—not as individuals; we are going to lose it as an institution. We are not going to be able to take many more of the situations that have occurred of recent date and still not yet ended.

I say to the Members of this Congress I will not be here when it is done, but I warn the Members that either they make it so that Members of Congress will have clean hands in an election because the job will pay enough to make it possible to campaign reasonably without going out with a cup in his hand for whatever kind of favors he has to pay for to be elected.

PARLIAMENTARY INQUIRY

Mr. HANRAHAN. Mr. Chairman, may I have an explanation as to why my amendment was out of order, because it pertains to eliminating cash contributions and that is under section 101(a).

The CHAIRMAN. If the committee will permit, the Chair will reread his statement on title I:

In title I: Germane amendments to subsection 101(a) proposing solely to change the money amounts contained in said subsection, providing they have been printed in the CONGRESSIONAL RECORD at least 1 calendar day before being offered;

That follows the general statement which says:

Under the rule, the bill is considered as having been read for amendment. No amendments, including any amendment in the nature of a substitute for the bill, are in order to the bill except the following:

The language that I read previously follows that language. Section 101(a) of the bill ends after line 10 on page 7, and the gentleman's amendment is to a later provision on page 11 which is not covered by the exception.

Mr. HANRAHAN. Mr. Chairman, but would the Chair agree that this is still under section 101(a) per se under title I?

The CHAIRMAN. No, it is to a different section, to 101(f).

Mr. HANRAHAN. I thank the Chair.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY: Page 5, line 2, strike out "; or" and insert in lieu thereof "Except that in any state in which there is an overall spending limit (enacted after the close of December 31, 1970) lower than the $75,000 limit in this section, the spending limit imposed by state law shall apply, notwithstanding any other provision of the law; or".

Mr. ARMSTRONG. Mr. Chairman, I reserve a point of order against the amendment. I will withhold my point of order pending an explanation of the amendment by the gentleman.

The CHAIRMAN. The gentleman from Colorado reserves a point of order against the amendment.

The Chair recognizes the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, I hope that when the gentleman has a chance to further review this amendment he will withdraw his reservation, for this reason. First of all, let me explain what the amendment is really trying to do. All this amendment says is that the $75,000 limitation imposed upon the House races in this bill will hold except in the case of those States which after December 30, 1970, have adopted spending limitations which are lower than the $75,000 per election placed in this bill.

The reason I think this ought to be ruled germane is this. The rule provides that only amendments which solely change the dollar amounts should be allowed, but let me point out that the only effect of this amendment, the sole effect of this amendment is merely to change the dollar amounts in this case in four States as of today—which are provided for under this bill.

Why do I think we ought to allow the States to set lower limits? Let me tell the Members about my State of Wisconsin.

Incidentally I am joined in this amendment by the gentleman from South Carolina (Mr. MANN), the gentleman from Kansas (Mr. SEBELIUS), the gentleman from Oregon (Mr. DELLENBACK), the gentleman from Oregon (Mr. WYATT), the gentleman fom Wisconsin (Mr. DAVIS), the gentleman from Minnesota (Mr. QUIE), the gentlewoman from Colorado (Mrs. SCHROEDER), the gentleman from Connecticut (Mr. MCKINNEY), the gentleman from Hawaii (Mr. MATSUNAGA), and the gentleman from California (Mr. ANDERSON).

The reason we have offered this amendment is simply this: The amount in the bill $187,000 may seem a reasonable amount to spend to get elected to Congress in some States, and I do not object to it for some States, but in the State of Wisconsin no candidate for the House of Representatives has ever spent over $80,000 in the history of the State. To us the idea that we can allow candidates to spend $75,000 in a primary and another $75,000 in the general elections plus the fund-raising exemption built into this bill is just outrageous. Our legislature has just adopted a bill which limits campaign spending to $35,000 in a primary and $50,000 in the general election.

I would like to support this bill, those of us who are from Wisconsin would, but it is very difficult for us to go home and tell our people that we support a reform bill which allows people to spend time as much as our new State law allows.

I have indicated, I want to live by the total spending limit of State law but I want every candidate in my State to live within those same limitations. I suggest that in a State like Wisconsin, which is mostly a rural State, except for the city of Milwaukee, our whole political environment is much different from metropolitan areas of the country.

I recognize that Common Cause wants spending limits of $187,000. But most of their leaders are from urban areas and do not understand the political moves of rural America. People in my area simply do not understand why candidates should spend that much to get elected and neither do I.

Mr. CLEVELAND. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. I had a similar amendment that I offered in the committee. I hope no one will object to this one on the grounds it is against the rule. It is a good amendment.

I am curious about one thing. Why do you confine this to States that enact new campaign expenditure limitations since January 1, 1971; for example in my State in 1970 they enacted a limitation that is reasonable and below what we have in the bill.

Mr. OBEY. It was tough to determine the correct date. This one was selected because it is the date the last Federal campaign law passed which preempted some items. It was necessary because some States have 50-year-old laws.

Mr. CLEVELAND. But in my case, for example, New Hampshire, they would have to reenact their law to come within the provision of your amendment.

Mr. OBEY. As I understand it, this applies at present to Iowa, Oregon, Hawaii, and Wisconsin. In the future it would apply to those States which choose to set lower limitations.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Pennsylvania.

Mr. DENT. As I understand, it would preempt all the States except that those that now have a dollar limit lower than $75,000. Is there anything in the amendment that would allow States to pass legislation under the preemption as of now?

Mr. OBEY. Yes.

Mr. WYATT. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Oregon.

Mr. WYATT. I rise in support of this amendment and I commend the gentleman for offering it, because I think we at the local level should have some right to control our own destiny and where our standards are cleaner and better, I believe, than they are in this bill, I think our standards should prevail.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Colorado insist on his point of order?

Mr. ARMSTRONG. Yes, I do, Mr. Chairman. I would like to be heard briefly on the point of order.

The CHAIRMAN. The gentleman from Colorado is recognized.

Mr. ARMSTRONG. Mr. Chairman, as I am sure the Members will recall, I opposed the rule under which we are operating. I do press the point of order for two reasons. First of all, because I disagree with the substance of the amendment on its merits.

Second, I know of no better inequitable application of a rule. I know of no better way to preclude this kind of gag rule in the future than to meticuously refer to the language.

Mr. OBEY. Mr. Chairman, if the gen-

tleman will yield, is the gentleman aware I voted with him on the rule yesterday?

Mr. ARMSTRONG. I appreciate the gentleman's explanation, but I must make a point of order against it. I think it clearly is out of order.

The CHAIRMAN. Will the gentleman specify the point of order?

Mr. ARMSTRONG. Yes, Mr. Chairman, under the language which appears on page 2 of the rule:

No amendment, including any amendment in the nature of a substitute for the bill, shall be in order to the bill except the following:

Then there are listed a number of exceptions, none of which in my judgment applies to the amendment which is proposed.

The CHAIRMAN. Does the gentleman from Wisconsin desire to be heard on the point of order?

Mr. OBEY. Yes, Mr. Chairman. I suggest the amendment is in order, because while the language of the rule specifies that amendments are in order only if they change the dollar amounts, this amendment solely changes the dollar amounts. It is just that. It contains no formula, as the committee was worried about, it contains no special formula, it contains no special arrangement. The net effect is merely to change the dollar amounts allowed to be spent under the bill.

Mr. ARMSTRONG. Mr. Chairman, it is obvious that the rule does preclude this amendment, because it offers a new regulatory scheme and gives to the States certain discretion not contemplated by the original bill. The drafters of the bill went to considerable trouble to preempt the States, and this does not simply change the dollar amount.

The CHAIRMAN. The Chair is prepared to rule.

The Chair is familiar with the rule, and has also examined the amendment. He finds that the effect of the amendment is, in fact, only to limit the amounts. There is no additional discretionary authority affirmatively conferred on the States by the terms of the amendment.

Therefore, it is not subject to the point of order last discussed by the gentleman from Colorado.

Therefore, the Chair overrules the point of order.

Mr. HAYS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have discussed the amendment at some length with the gentleman from Wisconsin, and I am reluctant to oppose it, but I think if we are going to preempt State laws—and if there was any one thing that nearly every Member of this body asked us to do, that was to preempt State laws so that all candidates would know where they stood, and live under one set of reguulations and have one set of laws to go by.

I can understand the gentleman's desire to get away from preemption on this particular thing, but I am sure that if a Member offered an amendment saying that if a certain State had a higher limit than $75,000, then we would have a number of people who would be against that because that would be saying that we could buy elections, and they would be right.

So, on the subject of preemption, it seems to me that it is a little bit like pregnancy—you either are or you are not; you cannot be part way. I just think that if we are going to preempt State laws—and I think it is vital that we do, so that we have some orderly kind of procedure—that we have one set of standards for all the States all the way through for Federal elections.

What is to prevent some State legislature hereafter which wants to be mischievous about it, coming in and saying that one cannot spend more than $10,000 or $5,000 or $2,000 in a congressional election? I think we have got to have one set of standards for all 50 States.

On that basis, I am constrained to oppose the amendment of the gentleman from Wisconsin. There is always the possibility that if a State has lower limits, that the candidates themselves can agree to abide by them. Certainly, if I were in a State that had lower limits, I would endeavor to get my opponent to abide by them. That can be a voluntary thing.

However, my feeling is that when we start to trifle with preemption, we open the door wider than what we have now, 51 different laws—on Federal and 50 different State laws. Therefore, that is why I oppose the amendment.

Mr. CLEVELAND. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am delighted with the Chairmans ruling; in fact, I am not only delighted with his ruling, I am pleasantly surprised by his ruling. I had a similar amendment which was printed in the RECORD. My amendment took a slightly different approach from the amendment offered by the gentleman from Wisconsin, but it was drafted to accomplish precisely the same result.

After reading the complicated rule, I took a copy of my amendment and gave it to the counsel for the minority, and who also gave it to the counsel for the majority, and I was advised that it would probably not be germane under the complicated rule.

They checked with the Parliamentarian, and my amendment did not meet his approval. So I am delighted that the amendment offered by the gentleman from Wisconsin has been ruled in order by the distinguished gentleman from Missouri (Mr. BOLLING). I commend him for his ruling and for his fairness.

Mr. Chairman, why do I rise in support of this amendment? Mr. Chairman, for those of us who sat through many of the almost endless hearings of the subcommittee and again the open markup sessions conducted by the gentleman from Ohio (Mr. HAYS) of the full Committee on House Administration, there is absolutely no question that it is the sheerest folly for the U.S. Congress to attempt to set a national standard for the amount that can be spent in a congressional district.

My own State, for example, New Hampshire, has a limit of $32,500 for the primary and again the same amount for the general election, a total of $65,000. This has never been exceeded, and there has never been any need to exceed it. I have had strong opposition and well-financed opposition.

I think it is unfair to place a Congressman from a State such as New Hampshire in a position of legislating at a level of $42,500 or $60,000 or $90,000 or more as a limit.

There is an answer to this problem, and the answer to this problem is to let lower limits be set by those States that want to have the lower limits.

The chairman of the committee (Mr. HAYS) has echoed the old refrain that someone in the State capital will get mischievous and pass a much lower limit, a ridiculous one. This could happen, but there is no evidence that it will happen.

I find it very strange that reform organizations such as Common Cause and the League of Women Voters turn their backs on this type of approach. They will not even listen to us when we make this kind of proposal. They applaud campaign reform efforts by California but they come to Washington and by insisting on total Federal preemption for congressional elections, prove themselves hypocrits. How many more mistakes must we make, before the lesson is learned, that the return of some power and decisionmaking to the States is an imperative; if we are to survive as a Nation.

I find it specially strange because they keep preaching to me the importance of home rule, which is near and dear to their heart, for the District and to save a community from something like a refinery.

Why cannot the people of New Hampshire set, if they want, a limit of $32,500? Why cannot the people of Wisconsin set a lower limit than that which we could create here in Washington?

The whole question about whether it is $90,000, $60,000, or $40,000 or what some people say should be no national limit, that whole area of strife and argument reflects the impossibility of our legislating here in Washington one intelligent standard for all of the several States.

We have 50 separate States, and these 50 separate States have different requirements and different geographies. There are different types of elections which are permitted.

I submit that if we set different standards for expenditure, we may run into this problem of having amounts set such as $75,000, which is in the bill now, which some people tell me is not enough for the city, but I tell the Members that it is appalling for its size for a State like New Hampshire.

Therefore, Mr. Chairman, I rise in support of the gentleman's amendment. I thank the Chair for his ruling.

I urge that this gentleman's amendment pass.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, after the surprising ruling which made this amendment, despite its language, in order, I have to support the chairman of the committee in

stating that the amendment does not fit the spirit of the bill. It comes to us in the guise of a States' rights amendment, but it is a one-way street for the States.

A State, for instance, cannot raise the amount that a person can spend, that a candidate can spend.

When the committee sat down and worked out the preemption of State law, it was considering the most important single matter that the greatest number of Members of Congress brought to our attention.

They said: "For heaven's sake, get us out of this mess of 51 laws. Get us out of all these reports that sometimes conflict with one another. Please preempt State laws."

We did that. We responded to the requests of Members of Congress in this respect. We put in a preemption section and now comes an amendment which says, "We want to have our cake and eat it too."

In effect the amendment is saying this:

"We want you to preempt all the laws a certain way, but change it only one way to satisfy my State or my condition. Do not let my State put any extra reporting requirements on me, and do not let my State allow me to spend any more money, but let my State lower my spending allowance."

Mr. Chairman, we have not decided whether we want preemption, whether the Federal Government is in charge of Federal elections or whether the States are. If we want preemption of reports, we certainly ought to have the preemption of the whole election process.

There is nothing in this bill, I can assure the maker of this amendment, that forces him to spend one dime for election. He can spend as little as he wants or, under the terms of the bill, unless it is amended, up to $75,000.

The amendment, Mr. Chairman, should be defeated.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I would like to associate myself with these remarks. I do so with some regret.

The fact is that implicit in this amendment is potential disaster. For instance, we may have a legislature controlled by one party, with a majority of its delegation in the House of Representatives belonging to the other party. There may be all sorts of possibilities.

The preemption provision, as the gentleman says, is probably the most desired section of this bill, as far as our colleague is concerned.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for his contribution. I hope the amendment will be defeated.

Mr. BADILLO. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment, and I ask my colleagues from New York and from the urban centers not only to support this amendment but to work to see to it that the limitations are lowered in every State throughout the Union if the amendment is approved.

I know that many of my colleagues voted against lowering the amounts to be spent for House races because of the support of such a position by Common Cause and the League of Women Voters and other campaign reform groups. But the fact is that we must keep in mind that the way in which people begin to run for office generally is as political unknowns and even in the urban centers those who are unknown are not able to get the kind of money that is necessary to put up a decent campaign.

I remember in my own case 13 years ago when I began in politics, I was running against then Congressman Santangelo and I could not raise $2,000 to run. I can raise money now, but that is because I have become known since that time. I remember campaigning with my colleague who spoke yesterday, the gentleman from New York (Mr. KOCH), years ago in Chelsea, when he was running for the city council, and he could not in those days raise the funds which he can raise now.

Mr. Chairman, perhaps the most dramatic example of what I mean involves what is happening today and what happened in 1972 in the 14th Congressional District of Brooklyn, the seat that is now held by the gentleman from New York (Mr. ROCNEY). When the gentleman from New York, Mr. Lowenstein, ran against the gentleman from New York (Mr. ROONEY) 2 years ago, he was able to raise $306,000, which was more than any other Congressman or congressional candidate in the country was able to raise. Maybe the people from Common Cause and the League of Women Voters have the example of Mr. Lowenstein in mind.

But the example I have in mind is what is happening today in that same district, where Cesar Perales is running and he cannot raise $4,000 to run for that office, and that is a district where the district court has said that a Puerto Rican should be running for office.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I would be glad to yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I am listening to the gentleman's every word with great interest, because I just wish the gentleman had been around making this speech when Common Cause was assailing me and beating me over the head and when the editors of the New York Times, the Washington Post, and the Cleveland Plain Dealer were assailing me because I wanted lower limits. They said all I wanted to do was to freeze out everybody from running and protect the incumbent.

I was making the same argument then that the gentleman is making now, but it was a damned lonely post I was on, because nobody was saying anything to the contrary then.

I oppose it now on the preemption item alone, but I would say the gentleman had the chance yesterday. I had to defend the bill which came out of the committee. The gentleman had a chance to lower the amount.

All I am saying to the gentleman is if you are going to lower it, it should be done nationally and not piecemeal.

Mr. BADILLO. I will say to the gentleman from Ohio that I was around before, and I will be around any time that the gentleman wants me to testify before Common Cause or any other group, because we have to speak about the realities of what goes on, and on how people begin to get into political office. And this is especially true in the urban centers, which are now beginning to be centers of poverty. Those who are in a position to represent the people should get a chance to represent them, and they can only do so if the spending limits are lowered so that they can compete against incumbents and against strong political organizations.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I appreciate the gentleman yielding.

I would ask the gentleman if the gentleman is aware that the Senate bill has a $90,000 limitation in it, and the House bill lowered the limitation from $90,000 to $75,000?

There was a time in the committee when we were discussing and considering a $60,000 limitation, and many members of the committee were unhappy, as I pointed out yesterday, it was our feeling that we reached a reasonable figure, and the committee feels that the $75,000 limitation is a reasonable figure.

Mr. BADILLO. I am aware and grateful that the figure has been lowered in the House bill to $75,000. I would just like to see it lowered further. I think if we can get some States to lower it, it should be done in order that people who want to get a chance to begin as unknowns in politics may be able to do so.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I think the position taken by the gentleman from New York (Mr. BADILLO) is a logical one, and I think it is in the interest of bringing more people into the body politic. I believe that the argument the gentleman has presented makes eminently good sense, and I will support the amendment.

Mr. DELLENBACK. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

(Mr. DELLENBACK asked and was given permission to revise and extend his remarks.)

Mr. DELLENBACK. Mr. Chairman, I listened with great interest to all of the arguments which have been made on both sides of this question, and most particularly the point made by the chairman of the subcommittee, the gentleman from Ohio (Mr. HAYS) and my distinguished colleague and good friend, the gentleman from Minnesota (Mr.

FRENZEL) who talked in terms of preemption.

I think by and large there should be preemption in this Federal legislation, and the bulk of what it is that is involved in this particular area of campaign spending. I think there is nothing, however, inconsistent between saying to the Members that the bulk of the features of the bill should be standard throughout the United States, and we should preempt on those features, we set an overall limit for spending, and at the same time saying that if a given State, knowing its situation to be unique and different from other parts of the United States, feels that an additional restriction and total spending limitation should be placed on this kind of spending, that that individual State should be free to do this. That is essentially what this amendment does.

A very low limitation could treat unfairly a State in the east where the dollars that would be necessary to get a fair presentation of an issue or of a candidate would be higher than it would be in a State like mine, in Oregon.

I do not seek to move against a total spending limitation, but I think we have got to be realistic.

When we talk in terms of $75,000 as a limitation in this bill, in effect it is a $150,000 limitation on an election contest, particularly where the time between the primary and the general election is very short.

In a State like Oregon, our State legislature has said they think that is too high a figure to be permissible for this kind of spending.

All we are asking for is a declaration by the Congress today, that in a State like Oregon or Hawaii, or Iowa or Wisconsin, or Maine, and perhaps other States in the future, where there is a feeling by the local decisionmakers and State legislators, that the figure should be lower, that that should be a permissible action within that particular State.

We are not seeking to lower the figure for any other State which feels that a higher figure is necessary, but in the interest of local decisionmaking we urge that this amendment be adopted, and that States which feel there should be a lower limitation have the right to set that lower limitation.

Mr. SEBELIUS. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from Kansas.

Mr. SEBELIUS. I thank the gentleman for yielding.

Mr. Chairman, I should like to associate myself with the gentleman's remarks. I know that every State is different. We have different attitudes toward money and spending. In the State of Kansas for one contested primary and three general elections I still have not spent the limit such as in the bill. I think the State of Kansas, like the State of Oregon, should be entitled to preempt the amount of money because our rural situation is far different than that of the larger cities.

Mr. DELLENBACK. I thank the gentleman.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentleman for yielding.

I rise in support of the amendment and congratulate the gentleman on his comments, and also my colleague, the gentleman from New York, but especially the lonely voice that articulated these very sentiments by the chairman of the committee today.

I voted for the reduction in the amendment yesterday except for the preemption aspect of it. The amendment is an excellent one. I do not think the Federal Government, nor the Congress, relinquishes any prerogatives by passing this amendment.

The sum total of the bill as it now exists is to preclude those from the less affluent areas in our economy, and it makes elective office once again the plaything of the wealthy.

(Mr. BIAGGI asked and was given permission to revise and extend his remarks.)

Mr. BIAGGI. Mr. Chairman, this amendment would permit a State to set a spending figure at a more realistic level, one which could increase the opportunities for all Americans regardless of economic situation to seek public office.

While it is true that only five States have imposed lower spending limits since 1971, this amendment would encourage more States to join these five thus again restricting the ability of a candidate to buy his way into public office.

One of the major issues to face us in deliberations over this bill is the question of public financing. The matter has been raised because of the high costs of campaigns. I strongly oppose using tax dollars for financing of campaigns. No American should be forced to see his tax dollars go to support candidates he does not favor. A voluntary system of contributions may be acceptable, but the best method of giving every American the opportunity to run for office is to limit the amounts spent to get elected to that office—not to provide tax funds to permit him to spend, spend, spend.

There is a great need for reform in our present system of financing political campaigns. In recent years we have seen candidates for public office spend unprecedented amounts of money, through legal and illegal methods, amassing huge war chests with which to destroy the hopes of their poorer opponents.

As an individual who was born and raised in poverty, I have always considered it one of my greatest personal honors to have had the opportunity to run and be elected to the House of Representatives. Yet under today's discriminatory campaign financing practices, it would be virtually impossible for a person from poor or limited means to run for public office without incurring irrevocable financial disaster. This was not the way that our democracy was established.

Every person regardless of race, color, or economic condition has the right to the pursuit of happiness. For many, running and serving the public as an elected official represents this epitome of happiness. Let us take this opportunity to reaffirm this fundamental principle, let us again show to the American people that events such as Watergate cannot and will not happen in the future. It is in this hope that I offer my support to this amendment.

Mr. DELLENBACK. Mr. Chairman, I yield back the balance of my time.

Mr. THOMPSON of New Jersey. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

(Mr. THOMPSON of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON of New Jersey. Mr. Chairman, I shall be brief. I want to reemphasize what I consider to be of the utmost importance, the retention of preemption in its entirety. The possibilities are virtually infinite were this amendment to be adopted in that States' laws would vary tremendously. There would be a continual, uncomfortable and unnecessary duplication of reports to State Governments and to the Federal Government, which are already confusing enough under existing law. Our efforts have been designed to set a reasonable figure. We have agreed upon that reasonable figure, which to some is too high and others too low. It is, nevertheless, reasonable and should be uniform throughout the States.

I simply fail to understand, with all due respect to them, the logic of my friends who urge that those from urban areas support this legislation. It is as difficult in a rural area involving many, many counties for a person to become known as it is in a highly urban area.

I happen to live in the most urban State in the Union. I suspect that with the size of my district it is easier to identify than it is for a Member from the Southwest, for instance, with 56 or 60 counties in which to be known.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New York.

Mr. BINGHAM. I thank the gentleman for yielding.

I would like to support the committee in its position, and I do so with reluctance because I have the highest regard for the sponsors of this amendment.

I do not think it is possible to reconcile any kind of reasonable limitation on compaign spending with the capability for spending of poor candidates. We are simply not talking in terms of opportunities here; we are talking in terms of ceilings. As I said yesterday, I think the ceiling has to be a national one, taking into account the variations in districts. Moreover, it seems to me simply inappropriate for States to legislate with regard to an election to a Federal office such as the Congress.

I thank the gentleman.

Mr. THOMPSON of New Jersey. I thank the gentleman.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Ohio.

Mr. HAYS. I thank the gentleman for yielding.

Mr. Chairman, I would like to see whether we can get some reasonable unanimous-consent agreement about debate on this amendment. Many Members have spoken to me about having reservations and needing to leave at a reasonable hour this afternoon. While I do not want to preclude anybody from speaking or conducting a lot of debate, I was wondering if 10 minutes from now would be a reasonable time to conclude debate on this.

If nobody feels strongly, I would ask unanimous consent that all debate on this amendment cease at 1:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Chair recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Chairman, I rise in support of this amendment which would permit a State to impose lower spending limits than those proposed in the bill.

Under the bill, no candidate for Congress can spend more than $60,000 toward that election, and no candidate for the Senate can spend more than 5 cents per person or $75,000 which ever is greater.

Of course, in some States this limitation is adequate. But, in others, that limitation is too high, and the State legislators have acted to impose lower spending ceilings.

For example, five States—Hawaii, Iowa, Oregon, Wisconsin, and Maine—have campaign expenditure limitations which are lower than those proposed in this bill, and I do not believe that the Federal law should preempt the State law which is more restrictive, and better suited to the situation in that particular State.

I think it is particularly unfair to require Members of Congress from those five States to vote either against their State law or against this bill.

I support this amendment, and urge my colleagues to join me in allowing a State to establish more restrictive standards than those proposed by the Federal Government.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. BROWN).

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, I merely wanted to say a word about the concept of preemption. I think Federal preemption of State law have some merit in certain kinds of legislation, but not in this particular situation. We are dealing with the establishment of minimum standards of campaign practices in the conduct of Federal elections, and from that standpoint I think it is perfectly proper to allow the States, if they desire to do so, to go further than the Federal law in achieving the most desireable campaign practices. I can give positive examples of this. In my State candidates in some circumstances, are permitted to enclose biographical and related information with the sample ballot mailed at public expense to every registered voter. We would not want Federal legislation to proclude this, even though its practical effect is to provide the equivalent of several thousand dollars in free postage to the candidates. Nor would we wish to proclude State laws requiring that public agencies which own and operate television or radio stations offer free time to candidates. If State law provides methods for achieving an informed electorate without the need for massive private campaign expenditures, it should be encouraged, not prohibited. If the States wish to finance from public funds, all, or part, of campaign costs, it should be permitted, not prohibited. Our purpose should not be the preemption of State laws that improve campaign practices, but instead to provide a solid foundation on which the States can build. For this reason I support the Obey amendment, and urge its adoption.

(By unanimous consent, Messrs. STUDDS and BOLAND yielded their time to Mr. GIAIMO).

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, I rise neither in support nor in opposition to the amendment, but I am terribly concerned about it and I would like to ask some questions of the gentleman from Wisconsin, one of the principle authors.

I have no objection to having a State reduce the amount, but I come from a State, Connecticut, where we have had a difficult time because our State laws for years have disagreed with the Federal laws. One of the key things I like about this bill is that it preempts State law. Yet here I begin to see the first incursion or violation of that concept in the doctrine of preemption and it bothers me because unless we can all be treated alike and fairly under a uniform Federal code I can see where we are going to be right back where we have been for years, where one State was totally different from another, leading to chaos.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, let me assure the gentleman if this bill is passed the States will be preempted on absolutely everything except overall spending limits.

Mr. GIAIMO. But it is the exception.

Mr. OBEY. Let me point out to the gentleman right now there is very little preemption. This bill if it is passed with my amendment will greatly broaden the preemption which exists right now. I am in the same situation the gentleman is in with regard to my several unrealistic requirements of State law. One section of the my State law contains filing requirements so complicated the gentleman would not believe them.

It makes the bill we passed here 2 years ago look simple by comparison. Let me assure the gentleman that the only item for which an exception is made to preemption is the item of total overall spending limits. In that respect States are limited only to actions which they may take to lower the total spending amounts. That is the only exception.

Mr. GIAIMO. This an exception to the reduction in amount. I would like to make it clear and hope it is the intention here that we are not going to encourage the States to make other exceptions.

Mr. OBEY. I could not agree more with the gentleman.

The CHAIRMAN. The Chairman recognizes the gentleman from Washington (Mr. MCCORMACK).

(Mr. McCORMACK asked and was given permission to revise and extend his remarks.)

Mr. McCORMACK. Mr. Chairman, I rise to oppose the amendment. I think one of the most important facets of this bill is the preemption section. I do not think we should be tampering with it, and taking a chance with future court decisions which may go against us if we amend it as is proposed. While preempting State law, we are now asked to resubject ourselves to the possibility of unnecessary State reporting regulations, which is one of the things we are trying to correct. I think the goal of this amendment can be achieved voluntarily by any candidate.

I think this is an invitation to malicious mischief that may occur in some State legislatures. We have seen this happen before, and I don't think we want to take a chance on having such things happen again.

I suggest that we defeat the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. KOCH).

(Mr. KOCH asked and was given permission to revise and extend his remarks.)

Mr. KOCH. Mr. Chairman, I, too, am opposed to the amendment on the ground that preemption is essential. We are all national legislators. We get the same salary. We have the same number of people on our staff. We have the same duties and obligations and the legislation we are passing today should apply equally to everyone. To do otherwise will put this legislation and the fight for reform back into the hands of 50 different State legislatures. I urge defeat of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. KASTENMEIER).

(Mr. KASTENMEIER asked and was given permission to revise and extend his remarks.)

Mr. KASTENMEIER. Mr. Chairman, this measure becomes an anti-reform bill for those who are affected, such as those of us from Wisconsin. What it does, in effect, is to raise the spending limitations set at $85,000 in Wisconsin to $187,500, including fundraising. This, therefore, becomes antireform.

If we talk to the man in the street and we ask him, "Do you think in Wisconsin or elsewhere in this country, do you think that candidates for Congress ought to be spending more in elections for that office?" The answer will be a resounding "No!" I ask a yes vote on this amendment.

The CHAIRMAN. The Chair recog-

nizes the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, let me make one point in closing. The only item this amendment touches is the dollar limit. The gentleman from Washington said this would open us up to different reporting requirements in different States. That is absolutely not true.

The only thing which this deals with is total spending amounts. All it does is allow States to lower the total spending amount. That is all it does.

I agree with the gentleman from Wisconsin. I will debate Common Cause in any city in my district about whether the public wants more spending or less spending in congressional campaigns. This will help us spend less in those States that chose to spend less. I urge its adoption.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. MATHIS).

(Mr. MATHIS of Georgia asked and was given permission to revise and extend his remarks.)

[Mr. MATHIS of Georgia addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

(Mr. BRADEMAS asked and was given permission to revise and extend his remarks.)

Mr. BRADEMAS. Mr. Chairman, I rise in opposition to the amendment. It seems to me that it is an invitation to a crazy quilt of State laws. One can see very quickly how under this amendment, spending limits could change from one year to another year in 50 different States, depending upon the changes of political composition of the State legislatures. If one were to be fair, one would have to say, why not allow a State to assign a higher limit than the spending limit in Federal law?

But the gentleman's amendment does not do this. It runs in only one direction.

This is the opening wedge against preemption, and I hope the amendment is rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I think we should be aware that the Senate bill does not have a preemption section. If we are to go with this opening wedge in preemption, where then can we compromise with the Senate? Do we then compromise by giving the States the right to control reporting again?

That is why we put in preemption. Do not push us out of that position. Vote down this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Chairman, I rise in opposition to the amendment. I do not believe that at this time we should open the door.

I also want to try to correct an erroneous impression. I hear $187,000; I hear $250,000. All this bill provides is $75,000 limitation in a primary. If the candidate does not spend the $75,000 and he carries it over to the general election, all he can spend in the general election is $75,000.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS) to close debate on this amendment.

Mr. HAYS. Mr. Chairman, all I want to say is that this debate has been very revealing. If Common Cause has anybody in the gallery, I think they ought to know how far their argument got that I was trying to break off by a low limit of $60,000, which is what I started with, any opposition to anyone who is already an incumbent.

Someone, someplace, has not been listening to Common Cause.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 169, noes 250, not voting 15, as follows:

[Roll No. 462]

AYES—169

Abdnor	Goodling	Rangel
Abzug	Grasso	Reuss
Anderson, Calif.	Green, Oreg.	Roberts
Andrews, N.C.	Griffiths	Rogers
Andrews, N. Dak.	Gross	Roncalio, Wyo.
Ashbrook	Haley	Rose
Ashley	Hamilton	Roush
Aspin	Hanley	Rousselot
Badillo	Hanna	Runnels
Bafalis	Hanrahan	Ruth
Baker	Harsha	Sarasin
Bauman	Hébert	Sarbanes
Bennett	Hechler, W. Va.	Satterfield
Biaggi	Henderson	Scherle
Biester	Hogan	Schneebeli
Bowen	Holt	Schroeder
Bray	Hosmer	Sebelius
Breaux	Huber	Shoup
Breckinridge	Hungate	Shuster
Brown, Calif.	Ichord	Skubitz
Brown, Mich.	Jones, N.C.	Smith, N.Y.
Buchanan	Jones, Okla.	Snyder
Burgener	Kastenmeier	Spence
Burke, Fla.	Landgrebe	Stark
Burleson, Tex.	Leggett	Steed
Burlison, Mo.	Lott	Steele
Byron	Lujan	Steiger, Wis.
Carter	Luken	Stubblefield
Clancy	McKay	Stuckey
Clark	McKinney	Symington
Cleveland	Mallary	Symms
Cochran	Mann	Talcott
Cohen	Martin, Nebr.	Taylor, Mo.
Conyers	Mathis, Ga.	Taylor, N.C.
Crane	Matsunaga	Thomson, Wis.
Daniel, Dan	Mazzoli	Thone
Davis, S.C.	Meeds	Towell, Nev.
Davis, Wis.	Melcher	Traxler
Dellenback	Miller	Treen
Dent	Mink	Ullman
Derwinski	Mitchell, Md.	Van Deerlin
Devine	Mollohan	Vigorito
Downing	Montgomery	Waggonner
Duncan	Moorhead, Calif.	Waldie
Edwards, Calif.	Moorhead, Pa.	Ware
Esch	Morgan	Whitten
Eshleman	Murtha	Wilson, Bob
Fish	Natcher	Wilson, Charles, Tex.
Fisher	Obey	Wright
Flowers	O'Brien	Wyatt
Flynt	O'Hara	Wydler
Foley	Patman	Yatron
Fountain	Poage	Young, Fla.
Fraser	Powell, Ohio	Young, Ga.
Gaydos	Preyer	Zablocki
Ginn	Randall	Zion

NOES—250

Adams	Fuqua	Nix
Addabbo	Gettys	O'Neill
Alexander	Giaimo	Owens
Anderson, Ill.	Gibbons	Parris
Annunzio	Gilman	Passman
Archer	Goldwater	Patten
Arends	Gonzalez	Pepper
Armstrong	Green, Pa.	Perkins
Barrett	Grover	Pettis
Beard	Gubser	Peyser
Bell	Gude	Pickle
Bergland	Gunter	Pike
Bevill	Guyer	Podell
Bingham	Hammer-schmidt	Price, Ill.
Blackburn	Harrington	Price, Tex.
Boggs	Hastings	Pritchard
Boland	Hawkins	Quie
Bolling	Hays	Quillen
Brademas	Heckler, Mass.	Railsback
Brinkley	Heinz	Rees
Brooks	Helstoski	Regula
Broomfield	Hicks	Reid
Brotzman	Hillis	Rhodes
Brown, Ohio	Hinshaw	Riegle
Broyhill, N.C.	Holtzman	Rinaldo
Broyhill, Va.	Horton	Robinson, Va.
Burke, Calif.	Howard	Robison, N.Y.
Burke, Mass.	Hudnut	Rodino
Burton, John	Hunt	Roe
Burton, Phillip	Hutchinson	Roncallo, N.Y.
Butler	Jarman	Rooney, Pa.
Camp	Johnson, Calif.	Rosenthal
Carney, Ohio	Johnson, Colo.	Rostenkowski
Casey, Tex.	Johnson, Pa.	Roy
Cederberg	Jones, Ala.	Roybal
Chamberlain	Jones, Tenn.	Ruppe
Chappell	Jordan	Ryan
Clausen, Don H.	Karth	St Germain
Clawson, Del	Kazen	Sandman
Clay	Kemp	Seiberling
Collier	Ketchum	Shipley
Collins, Ill.	King	Shriver
Collins, Tex.	Kluczynski	Sikes
Conable	Koch	Sisk
Conlan	Kuykendall	Slack
Conte	Kyros	Smith, Iowa
Corman	Latta	Staggers
Cotter	Lehman	Stanton, J. William
Coughlin	Lent	Stanton, James V.
Cronin	Litton	Steelman
Culver	Long, La.	Steiger, Ariz.
Daniel, Robert W., Jr.	Long, Md.	Stephens
Daniels, Dominick V.	McCloskey	Stokes
Danielson	McCollister	Stratton
de la Garza	McCormack	Studds
Delaney	McDade	Sullivan
Dellums	McEwen	Thompson, N.J.
Denholm	McFall	Thornton
Dennis	Macdonald	Tiernan
Dickinson	Madden	Udall
Diggs	Madigan	Vander Jagt
Dingell	Mahon	Vander Veen
Donohue	Maraziti	Vanik
Dorn	Martin, N.C.	Veysey
Drinan	Mathias, Calif.	Walsh
Dulski	Mayne	Wampler
du Pont	Metcalfe	Whalen
Eckhardt	Mezvinsky	White
Edwards, Ala.	Michel	Whitehurst
Eilberg	Milford	Widnall
Erlenborn	Mills	Wiggins
Evans, Colo.	Minish	Wilson, Charles H., Calif.
Evins, Tenn.	Minshall, Ohio	Winn
Fascell	Mitchell, N.Y.	Wolff
Findley	Moakley	Wylie
Flood	Mosher	Wyman
Ford	Moss	Yates
Forsythe	Murphy, Ill.	Young, Alaska
Frelinghuysen	Murphy, N.Y.	Young, Ill.
Frenzel	Myers	Young, S.C.
Frey	Nedzi	Young, Tex.
Froehlich	Nelsen	Zwach
Fulton	Nichols	

NOT VOTING—15

Biaznik	Gray	McSpadden
Brasco	Hansen, Idaho	Rarick
Carey, N.Y.	Hansen, Wash.	Rooney, N.Y.
Chisholm	Holifield	Teague
Davis, Ga.	Landrum	Williams

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further eligible amendments to title I?

Mr. BROYHILL of Virginia. Mr.

Chairman, I move to strike the last word, and I rise in support of the legislation.

(Mr. BROYHILL of Virginia asked and was given permission to revise and extend his remarks.)

Mr. BROYHILL of Virginia. Mr. Chairman, because of my deep concern over the obvious need for corrective legislation with regard to our Federal election laws, I introduced what I consider to be a strong bill to amend the Federal Election Campaign Act of 1971. I am pleased that the House Administration Committee, during their deliberations and drafting of the bill before us today, H.R. 16090, included some of the same provisions contained in the legislation I introduced on this subject. I intend, Mr. Chairman, to support this committee bill.

However, in reviewing H.R. 16090, I notice several omissions which I believe are absolutely essential to strong reform in this area. First, I find no mention that organizations with tax exempt status, such as Common Cause and many others, be denied this status if political candidates are endorsed or opposed, publicly or with open or covert campaign contributions. Second, I find no provision which will make mandatory the audit of income tax returns each year for all federally elected officials. I have held strong views on these two points, and thus I have offered these specific proposals as amendments to the tax reform package before the Ways and Means Committee and they have been accepted.

Further, I am unalterably opposed to the provisions in H.R. 16090 for financing political campaigns with public money. It is the old story of trying to cure everything with public funds when the track record is long and obvious that we cure nothing by rushing to the public till at every crisis. The cure for "Fat-cat" contributions, as they are called, is not by discouraging more contributors to political campaigns, but inviting more in, by giving them an incentive to participate.

The legislation I offered does so, and in doing so, eliminates the vacuum in the process that is always willingly filled by business, labor, or organizations which have no mandate from their members to pick and choose political candidates endorsed by their leadership. To that end the legislation I proposed would limit individual campaign contributions in Federal elections to $1,000 to any individual candidate for Federal public office. However, a political action committee would be allowed to make a contribution to a specified candidate not in excess of $6,000. I sought to encourage individuals to contribute to specified candidates by allowing for an increase in deductions for political contributions from gross income from $50 to $100 on individual Federal income tax returns and from $100 to $200 on joint returns. I also foresaw the need for a firm formula of realistic expenditures, based on the voting population in a State or political district. The formula would cover both primary and general elections and if it proves inadequate after a thorough test, it can be altered.

I was encouraged to note that the provisions in my bill which retain the establishment of a seven-member Federal Election Commission to receive reports, oversee and fully investigate violations of Federal elections was also contained in H.R. 16090. I was pleased to note the committee agreed with my proposal that the Commission was not set up as a separate prosecutor to try offenders but instead the Commission is directed to present its case to the Justice Department for trial and in doing so, should the Justice Department fail to try the case, the reason for not trying violators must be reported and can be made public by the Commission.

While limiting big contributions, H.R. 16090 does not curb big labor contributions. This is accomplished in my bill by curbing the practice of contributions in kind. Mass mailings and phone banks set up by political action committees must be reported as are any other contributions and cannot exceed $1,000 to any individual candidate for Federal public office. This in no way prohibits the individual member of a labor group from making his or her individual effort or contribution to a specific candidate of his or her choice.

There are those, Mr. Chairman, who have accused us of walking away from Federal Election Campaign Reform. I submit that these allegations are the usual campaign rousting directed at seated Members, heightened by recent disclosures of abuses. Far from walking away from the issue, Mr. Chairman, I introduced an extensive campaign reform measure several months ago and I have followed the legislation introduced in the Senate and House. While I quarrel with some aspects of both measures, and do not agree with the modified closed rule limiting amendments which could strengthen this bill, I fully support what I believe is a giant step in restoring the confidence of our people in the campaign process.

I am proud that I have been at the forefront of the effort and I shall continue, Mr. Chairman, to pay particular attention to the workability of any legislation in this area which becomes law, and shall continue from time to time to make suggestions to improve the controls required, if the need arises.

Mr. ARMSTRONG. Mr. Chairman, I move to strike the last word.

(Mr. ARMSTRONG asked and was given permission to revise and extend his remarks.)

Mr. ARMSTRONG. Mr. Chairman, this bill has been brought to us under the theory that "if we keep them panting long enough, for reform, they will take anything that is called reform." But this is not a reform bill.

In the very first instance, it comes to us under a gag rule, under a rule that is a throwback to the worst traditions of the House, a rule that does not permit consideration of needed amendments, a rule which does not permit the Members of this body to really legislate but only to decide within a very narrow range among choices of predigested amendments, a rule which I feel deeply is violative of the basic rights of the Members of this House and of our constituents.

But, more important than the rule, is the substance of the bill itself. And this bill does not fulfill the longing of the American people for reform. Under the guise of reform this bill reintroduces into law antifree-speech provisions, provisions which give candidates for public office veto power over other persons' rights of free speech and publication, a matter which was discussed at some length in yesterday's RECORD at pages H7799 and H7815.

Moreover, the provisions of this bill, particularly those on page 6, are vague and are going to be subject to endless litigation.

Further, this bill introduces new loopholes. It is not enough that it fails to come to grips with existing loopholes in the law; this bill creates new loopholes.

This bill ignores serious abuses which have been discovered during the Watergate investigation. It does not do anything about the Watergate type of abuses, espionage and so-called dirty tricks.

Mr. Chairman, this bill purports to cut back on contributions, but it only limits and calls for the reporting of one kind of contribution, dollar contribution. The often more important, usually decisive, contributions in kind—the donation of storefronts, of goods and services, of personnel coming in from out of State, are not curtailed in this bill.

This legislation introduces public financing of nominating conventions, a procedure which is no reform but is nothing more nor less than a raid on the public treasury.

Finally, we all know—and I think most of us know in our hearts—this is a sweetheart incumbent bill. This is a bill which is going to make it harder than ever to defeat an incumbent of either party. It sets the kind of limits that makes it almost impossible for an unknown to become known and thereby heightens existing advantages which incumbents enjoy.

In view of the overall poor record of the Congress of the United States, it seems to me the last thing we need to do is to give further advantages to the incumbent Members of Congress. Let us defeat this bill and get on to some true reform which is so badly needed.

Mr. TREEN. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I shall be pleased to yield to the gentleman from Louisiana.

Mr. TREEN. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman in the well and associate myself with his remarks, particularly his position that this bill, with the $75,000 spending limit, is an incumbent-protection bill. There has been a lot of talk on the floor today, and there was yesterday, about a Member's record and that one can win or lose on his record; but I know that in districts in Louisiana and elsewhere in this country, if one is going to defeat an incumbent, he has got to expose the incumbent's record.

That means we have got to go to massive newspaper, radio, and television cov-

erage to talk about that record. He cannot do that on the spending limits we have in this bill. So I join with the gentleman. I am going to vote against this bill, not because I do not think we need reform—we certainly do—but this bill with its $75,000 limit is definitely a bill that is going to protect the incumbents, and I think that is wrong.

Mr. ARMSTRONG. I thank the gentleman for his contribution.

(Mr. ARMSTRONG asked and was given permission to revise and extend his remarks.)

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there are two things we can do about a speech like we just heard, which is about 90 percent baloney. We can ignore it or we can set the RECORD straight. I do not want to take too much of the time of the committee but I think it might be well to set the RECORD straight, and if the gentleman wants to vote against this and go home and try to tell his constituents that he voted against it because it is not reform and he can sell that bill of goods, that is all right, but I do not think he can. From the reports I get from his district, I think he is going to be lucky if he can sell them anything. However, that is neither here nor there.

The gentlemen on the other side are a little bit sensitive over there. I do not know if it is the events of the last 3 or 4 days which make those Members that way or what is wrong, but I can tell the Members this.

The gentleman made a big harangue—and the Members on the other side are asking for it so I am going to give it to them. The gentleman made a big harangue about this bill did not do anything about dirty tricks. I do not want to read the rollcall to the Members, nor do they want me to, of all the people who are either in jail or who have pleaded guilty or who have been sentenced to jail or who are on the way to jail or who have served their time and are on their way out for the dirty tricks and associated events.

Mr. ARMSTRONG. Mr. Chairman, will the gentleman yield?

Mr. HAYS. Not right now. The gentleman had his time and I did not ask him to yield, but just sit down and get a little castor oil, it will be good for the gentleman.

I just want to tell the gentleman this is already in the law. These fellows did not go to jail—Segretti, for example—because somebody did not like the color of their hair. Segretti went to jail because he violated a law and he pleaded guilty to it.

It would be a little redundant it seems to me to put in a bill a great deal of language which is already in the law. These things are against the law. These things were perpetrated on the American people and the perpetrators have either paid or are in the process of paying or will pay the penalty.

I just want to tell the Members who get so up tight about this, that this has been no easy task for this committee to write this bill. I do not claim this bill is perfect. I am the last one to do that. I just say it is better than what we have now. The Members have had chances to raise the limit, to lower the limit, and we have had rollcalls and votes on it. We are going to have a chance to have the gentleman from Illinois (Mr. ANDERSON) or the gentleman from Arizona (Mr. UDALL) present their plan for public financing for Members of the House and the Senate, and we are going to have a rollcall on that, and they are going to get defeated on it.

We do have in here a test run for public financing for the Presidents. If the Members do not like that, they can offer an amendment to take it out. That is perfectly in order.

But the gentleman can stand up and talk about a gag rule until he is blue in the face and the only person who ultimately is going to gag is the gentleman because this is not a gag rule.

(Mr. FREY asked and was given permission to revise and extend his remarks.)

Mr. FREY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, certainly when the gentleman from Ohio speaks about baloney, I know of no one in the House who is more qualified to address himself to that.

I compliment the gentleman from Colorado (Mr. ARMSTRONG) on his remarks and his sincere desire to address himself to a problem that we all are worried about. He is an outstanding Member of Congress and has been a prime mover in election reform.

I do not think, frankly, we are going to get anywhere by charges and countercharges. I think the previous remarks are a cheap shot. I do not think it is going to help this House or this country at this time to indulge in this type of debate—It is a time to heal, not divide.

This is a tough issue and there are two sides to it. Like most issues, there are honest differences of opinion. I just hope we can carry out the rest of the debate without this kind of nonsense.

The CHAIRMAN. The Chair recognizes the gentleman from New Hampshire (Mr. CLEVELAND).

AMENDMENT OFFERED BY MR. CLEVELAND

Mr. CLEVELAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLEVELAND: Page 4, line 23, strike out "$75,000" and insert in lieu thereof "$60,000".

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FRENZEL. Mr. Chairman, has the amendment which was read been published in the RECORD, as required by our rule?

The CHAIRMAN. The Chair will state that it has, yes.

Mr. FRENZEL. Has it been published in the form in which it is presented, Mr. Chairman?

The CHAIRMAN. Yes. My understanding is that it is so presented.

Mr. CLEVELAND. Mr. Chairman, this amendment did appear in the CONGRESSIONAL RECORD 2 days ago in the form it has been presented. It is a very simple amendment. I am not sure it even requires 5 minutes of discussion.

My amendment reduces the expenditure level from $75,000 to $60,000. Yesterday, as we all know, we had a vote on cutting down the limit from $75,000 to $42,500. The vote was reasonably close. There was a long debate.

I think most of the arguments that were offered in support of the amendment to reduce the expenditure level to $42,500 would be relative to this amendment, which would put the amount to $60,000.

I might say that in the committee the original draft of this bill with which we are confronted arrived at $60,000 as a fair consensus. Later on there was an amendment that raised it to $75,000. I personally think $60,000 is the best mean figure, for all the States.

I strongly supported the amendment of the gentleman from Wisconsin (Mr. OBEY) which would have given States the right to establish a lower limit and this would have removed the urgency for cutting down the expenditure to the $60,000 figure.

I keep saying $60,000, but it is $60,000 for a primary and $60,000 for a general election. That is $120,000.

Then under the other provisions of this bill there is a percentage, 25 percent I believe, that we are allowed for money-raising functions. So we are not speaking about just the $60,000. We are speaking about what in reality would be a good deal closer to $150,000.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. CLEVELAND. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Chairman, like the gentleman in the well, I supported the amendment of the gentleman from Georgia (Mr. MATHIS) and the amendment of the gentleman from Wisconsin (Mr. OBEY).

I would like to ask a clarifying question. I hear about the $75,000 limit in this bill. It is my understanding it would be possible under this legislation, if there were a runoff election, for a person to legally spend up to $250,000 or $275,000 in 1 election year: $75,000 for the primary, $75,000 for the general election and if there is a runoff another $75,000; that would raise it to $225,000 in an election year.

Then there is another provision, as I understand it, which allows one to spend one-fourth of the total to raise the funds of each of three possible elections; so we are talking about $225,000, plus 25 percent of a possible $225,000 so that in 1 year's time either an incumbent or a challenger, could spend up to $275,000 legally under this legislation. Is that the understanding of the gentleman?

Mr. CLEVELAND. I am not sure if the gentlewoman has her figures exactly correct. There is a possibility besides the primary and general and for the runoff, there is also a figure—I forget what that is.

Mr. HAYS. Mr. Chairman, if the gentleman will yield, it is 25 percent of the limit.

Mr. CLEVELAND. Twenty-five percent of the limit for raising money.

Mrs. GREEN of Oregon. It could be 25 percent of the $225,000?

Mr. HAYS. Mr. Chairman, will the gentleman yield to me?

Mr. CLEVELAND. I yield to the gentleman from Ohio.

Mr. HAYS. The figure, I would say to the gentlewoman, would apply to each election, 25 percent of $75,000, or, if the gentleman's amendment prevailed, 25 percent of $60,000.

Mrs. GREEN of Oregon. Or 25 percent of $225,000.

Mr. HAYS. Well, the chances of a runoff are extremely remote. It might happen in one of 400 elections, but the possibility is there in those States that have a runoff.

Mrs. GREEN of Oregon. Mr. Chairman, I thank the gentleman for yielding to me. A ceiling of $275,000 in an election year for one candidate does not seem to me much of a campaign reform. Let us, at a minimum, approve the amendment offered by the gentleman from New Hampshire and impose a ceiling on each primary—each general—each run-off election to $60,000. That still allows $225,000 in a single election year.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. CLEVELAND. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding and rise in support of the amendment. Mr. Chairman, if I understand the gentleman's amendment correctly, it is $60,000 per election; that is, $60,000 for the primary election and $60,000 for the general election. The gentleman is also pointing out that there would be additional amounts available to be raised as it relates to section 591 on page 16 of the bill before us, which allows for certain costs of fund raising. The total amount would be $150,000 or even possibly more of the total. Is that correct?

Mr. CLEVELAND. Under my amendment, $60,000; $60,000 plus $60,000, would be $120,000.

Mr. ROUSSELOT. But with a 25-percent clause on page 16, additional amounts of funding would be available to be added to the ceiling. Is that not correct?

Mr. CLEVELAND. Right. That would have to be expended to raise the money.

Mr. HAYS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the statement of the gentleman from New Hampshire, a member of the committee, was eminently fair and correct. He stated the position of the committee as accurately as possible, as I remember.

The question before us is very simple, and I hope not to take more than a minute or two. I am standing behind the committee bill because, as chairman of the committee, I have that obligation. We did, as I said yesterday, go up and down the road on the amounts, and we can have a lot more amendments. Some Member can offer an amendment for $30,000 or $40,000 or $41,200; any figure he picks, so long as it has not been offered before.

I thought we settled this yesterday on the basis that the committee had rejected one for consideration of $90,000, rejected another for $100,000, rejected what I started out with, $60,000, and had settled on $75,000.

We can go here all day today and all day tomorrow if we want to about what the proper figure is, and I do not know that we will ever have a meeting of the minds. So, I would just ask for an up or down vote on this.

I do support the compromise, which is $75,000.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Chairman, I thank the chairman for yielding to me. I simply want to associate myself with his position on this matter and reiterate that there are 435 congressional districts in the United States. It is enormously difficult to develop a figure that is fair clear across the board.

The committee labored long on this matter, and the figure of $75,000, to which can be added 25 percent in order to provide for the cost of raising funds, was arrived at.

With a dinner—for example, the food—it seems to me to be the fairest position we can develop, and I hope the gentleman's amendment is rejected.

Mr. HAYS. Mr. Chairman, let me just say about that 25 percent which seems to get everybody excited, that it never occurred to anyone, I think, that if I gave a dinner for which I sold tickets at $10, which some people do—in my district it is common—and I paid the PTA $5 and wound up with a $3,000 profit, that I had to list the $300 I paid for the dinner as a campaign expenditure because I did not get any money to spend and it did not go for anything except the food which the people ate that night. So the Board ruled that was an expenditure.

So, it did not occur to us that it was an expenditure, and this is simply an attempt to bring a little bit of sense into it. Whatever the limitation is, it ought to be a limit for campaign expenditures.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, as a matter of fact, on the forms we have been using the money would appear both as an increase in campaign contribution and as a campaign expenditure, and therefore it has been very misleading. It is just like the way loans have been handled. It misleads the voters into thinking that a person got more money than he did and spent more.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from California.

Mr. ROUSSELOT. The point is that under present law we still have to list that as part of the contribution. I am glad to see the 25 percent amendment in there regardless of how we finally come out on the ceiling.

We should understand that when we talk about absolute ceiling under the Cleveland amendment, it is higher than $120,000.

Mr. HAYS. That is correct.

Mr. MATHIS of Georgia. Mr. Chairman, I rise in support of the amendment.

I shall not take 5 minutes, but I would like, in addition to the statement made by my distinguished chairman, to point out to the Members of the House that not only can this 25 percent be applied to meat and potatoes, as we have referred to it, but it can also be applied to such campaign efforts as direct mail. Furthermore, there is nothing in this bill that prohibits erecting a billboard and at the bottom of that billboard asking for campaign contributions, even if it is one line which says at the bottom of the billboard, "Send a buck to MATHIAS," or whatever it might say.

The amendment that the gentleman from New Hampshire (Mr. CLEVELAND) has offered would, in fact, make $75,000 a real figure. For that reason, I support it. I do not think there is any need for us to carry debate out as far as we did yesterday.

I think most people's minds are set, but I do urge support of the amendment.

Mr. OBEY. Mr. Chairman will the gentleman yield?

Mr. MATHIS of Georgia. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would like to express agreement with the gentleman from Georgia. I do not know about other people, but I would prefer we keep things in this country so that we run for office, not buy the office.

The gentleman from Indiana indicated that there are 435 districts across this country, and they are all different.

I wish the gentleman had recognized that on the vote on the amendment I just offered.

There are 435 districts in the country, but in only 26 of them last year did candidates spend over $150,000. We should not make the abnormal the rule.

I think this amendment is eminently sensible. I think we ought to support it.

Some people have told me, "I could not have gotten here if I could not have spent more than what is allowed in the bill."

I am sorry. I have great respect for every Member of this House, but I do not think any man or woman here is worth $180,000 in campaign spending.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire (Mr. CLEVELAND).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CLEVELAND. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 240, noes 175, not voting 19, as follows:

[Roll No. 463]

AYES—240

Abzug	Grover	Railsback
Anderson, Calif.	Guyer	Randall
Andrews, N. Dak.	Haley	Rangel
Ashbrook	Hamilton	Regula
Ashley	Hammer-schmidt	Reuss
Badillo	Hanley	Robinson, Va.
Baker	Hanrahan	Roe
Bauman	Harsha	Rogers
Beard	Hechler, W. Va.	Roncalio, Wyo.
Bennett	Helstoski	Roncallo, N.Y.
Bevill	Henderson	Rooney, Pa.
Biaggi	Hicks	Rosenthal
Bingham	Hinshaw	Rostenkowski
Bowen	Holt	Roush
Bray	Hosmer	Rousselot
Breaux	Hungate	Roy
Brinkley	Hunt	Runnels
Broomfield	Hutchinson	Ruth
Brown, Calif.	Ichord	Ryan
Burgener	Jarman	Sandman
Burke, Fla.	Johnson, Colo.	Scherle
Burleson, Tex.	Johnson, Pa.	Schneebeli
Burlison, Mo.	Jones, N.C.	Schroeder
Butler	Jones, Okla.	Sebelius
Byron	Jones, Tenn.	Shipley
Camp	Kastenmeier	Shoup
Carney, Ohio	Kazen	Shriver
Carter	Kemp	Shuster
Cederberg	Ketchum	Skubitz
Chamberlain	Landgrebe	Smith, Iowa
Chappell	Landrum	Snyder
Clancy	Latta	Spence
Clark	Leggett	Stanton, J. William
Clausen, Don H.	Lent	Stanton, James V.
Clay	Long, Md.	Steele
Cleveland	Lott	Steiger, Ariz.
Collier	Lujan	Stephens
Conlan	Luken	Stokes
Conyers	McClory	Stratton
Coughlin	McCloskey	Stubblefield
Daniel, Robert W., Jr.	McCollister	Stuckey
Daniels, Dominick V.	McCormack	Sullivan
Danielson	McEwen	Symington
Davis, S.C.	McKay	Talcott
Davis, Wis.	Madigan	Taylor, Mo.
de la Garza	Mahon	Taylor, N.C.
Denholm	Maraziti	Thomson, Wis.
Dent	Martin, Nebr.	Thornton
Devine	Mathias, Calif.	Towell, Nev.
Dickinson	Mathis, Ga.	Traxler
Dingell	Matsunaga	Ullman
Dorn	Mayne	Van Deerlin
Downing	Melcher	Vander Veen
Dulski	Milford	Vanik
Duncan	Miller	Veysey
Eckhardt	Mills	Vigorito
Edwards, Ala.	Minish	Waggonner
Esch	Mink	Waldie
Eshleman	Minshall, Ohio	Walsh
Evans, Colo.	Mollohan	Wampler
Evins, Tenn.	Montgomery	Ware
Fish	Moorhead, Calif.	White
Fisher	Moorhead, Pa.	Whitehurst
Flowers	Morgan	Whitten
Flynt	Mosher	Widnall
Ford	Moss	Wilson, Bob
Fountain	Murphy, Ill.	Wilson, Charles H., Calif.
Frey	Murtha	Wilson, Charles, Tex.
Fulton	Myers	Winn
Gaydos	Natcher	Wright
Gettys	Nichols	Wyatt
Gilman	Obey	Wydler
Ginn	O'Hara	Wyman
Goldwater	Passman	Yates
Goodling	Pettis	Yatron
Grasso	Peyser	Young, Fla.
Green, Oreg.	Pike	Young, S.C.
Griffiths	Podell	Zablocki
Gross	Powell, Ohio	Zion
	Price, Tex.	
	Quie	
	Quillen	

NOES—175

Adams	Boggs	Casey, Tex.
Addabbo	Boland	Clawson, Del
Alexander	Bolling	Cochran
Anderson, Ill.	Brademas	Cohen
Andrews, N.C.	Breckinridge	Collins, Ill.
Annunzio	Brooks	Collins, Tex.
Archer	Brotzman	Conable
Arends	Brown, Mich.	Conte
Armstrong	Brown, Ohio	Corman
Aspin	Broyhill, N.C.	Cotter
Bafalis	Broyhill, Va.	Crane
Barrett	Buchanan	Cronin
Bell	Burke, Calif.	Culver
Bergland	Burke, Mass.	Daniel, Dan
Biester	Burton, John	Delaney
Blackburn	Burton, Phillip	Dellenback
Dellums	King	Reid
Dennis	Kluczynski	Rhodes
Derwinski	Koch	Riegle
Donohue	Kuykendall	Rinaldo
Drinan	Kyros	Roberts
du Pont	Lehman	Robison, N.Y.
Edwards, Calif.	Litton	Rodino
Eilberg	Long, La.	Rose
Erlenborn	McDade	Roybal
Fascell	McFall	Ruppe
Findley	McKinney	St Germain
Flood	Macdonald	Sarasin
Foley	Madden	Sarbanes
Forsythe	Mallary	Satterfield
Fraser	Mann	Seiberling
Frelinghuysen	Martin, N.C.	Sikes
Frenzel	Mazzoli	Sisk
Froehlich	Meeds	Slack
Fuqua	Metcalfe	Smith, N.Y.
Giaimo	Mezvinsky	Staggers
Gibbons	Michel	Stark
Gonzalez	Mitchell, Md.	Steed
Green, Pa.	Mitchell, N.Y.	Steelman
Gubser	Mizell	Steiger, Wis.
Gude	Moakley	Studds
Gunter	Murphy, N.Y.	Symms
Harrington	Nedzi	Thompson, N.J.
Hastings	Nelsen	Thone
Hays	Nix	Tiernan
Hébert	O'Brien	Treen
Heckler, Mass.	O'Neill	Udall
Heinz	Owens	Vander Jagt
Hillis	Parris	Whalen
Hogan	Patman	Wiggins
Holtzman	Patten	Wolff
Horton	Pepper	Wylie
Howard	Perkins	Young, Alaska
Huber	Pickle	Young, Ga.
Hudnut	Poage	Young, Ill.
Johnson, Calif.	Preyer	Young, Tex.
Jones, Ala.	Price, Ill.	Zwach
Jordan	Pritchard	
Karth	Rees	

NOT VOTING—19

Abdnor	Gray	McSpadden
Blatnik	Hanna	Rarick
Brasco	Hansen, Idaho	Rooney, N.Y.
Carey, N.Y.	Hansen, Wash.	Teague
Chisholm	Hawkins	Williams
Davis, Ga.	Holifield	
Diggs	Lagomarsino	

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there additional amendments to title I?

AMENDMENT OFFERED BY MS. HOLTZMAN

Ms. HOLTZMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLTZMAN: Page 2, line 12, strike out "$1,000" and insert in lieu thereof "$2,500."

Mr. FRENZEL. Mr. Chairman, I ask unanimous consent to have the amendment reread.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk reread the amendment, as follows:

Amendment offered by Ms. HOLTZMAN: Page 2, line 12, strike out "$1,000" and insert in lieu thereof "$2,500".

(Ms. HOLTZMAN asked and was given permission to revise and extend her remarks.)

Ms. HOLTZMAN. Mr. Chairman, the purpose of this campaign reform bill, as I understand it, is to prevent candidates from being beholden to special interests and to allow the election of persons to the Congress and to the Presidency who will be able to represent the voters and not the special interests. I think this bill does a great deal toward cleaning up the election process and I will support it, but I am very concerned about the effect it is going to have on permitting new people—and especially ones who are not wedded to special interests—to hold Federal office.

This bill permits special interest groups to make substantial contributions of $5,000 to a candidate and allows the wealthy candidate to use $25,000 from his personal funds to finance his campaign. But what about the person who does not have $25,000 and who is either too new or too independent—or too honest—to get $5,000 from special interest groups? And what about the nonincumbent who has the foregoing disabilities and, in addition, is not sufficiently well known to pick up a significant number of small contributions.

I believe that the clear effect of these provisions in the bill is to give an unfair advantage to candidates who have an "in" with the special interest groups or the political machines, who are wealthy, or who are incumbents. In other words, I am concerned that this bill may preclude the independent newcomer from competing successfully for political office.

For that reason I suggest that increasing the individual contribution limits will go a long way toward enabling newcomers who cannot get $5,000 from political committees and who cannot make the $25,000 personal contribution to get a foothold in the electoral process.

What my amendment would do is to raise from $1,000 to $2,500 the amount an individual can contribute to a candidate. The amendment does not increase the overall limit a candidate can spend, but it does allow, it seems to me, an independent newcomer to get the "seed" money that is necessary to communicate with an electorate to whom he is unknown and to wage a serious campaign for Federal office.

I had planned to introduce an amendment that would have limited increased contributions to nonincumbents because I think they are the ones we ought to be concerned about in this respect. Since the chairman of the committee, however, advised me he was going to raise a point of order against the amendment, I did not introduce it. Instead, I would seriously urge my colleagues to consider my amendment favorably if they want to allow nonwealthy independent newcomers, to enter the political process.

It is one thing to try to clean up politics. It is another thing to freeze out people who can breathe fresh life into this Government.

I urge adoption of this amendment.

Mr. HAYS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think the gentlewoman's amendment would do just the opposite of what she thinks it would do. The argument has been made, and I have been editorialized against for a year and a half, that we are trying to keep new people from coming in by putting on low limits that incumbents can raise and nonincumbents cannot. One of the things we tried to do in the bill was to lower the amount that people could give so that the nonincumbent would have an opportunity to get to people who give smaller amounts, whereas the incumbent might have, because of his incum-

bency, made friends with people who could give larger sums of money.

What this boils down to is: Do the Members want the limit that people can contribute to a campaign to be $1,000 or $2,500? That is all there is to it. There is nothing earth shaking about it. It is a decision for the House.

Let my say this. The committee started on the previous amendment with $60,000. As I said several times before, we walked up and down the road.

I just want to tell the Members that when we go to conference with the Senate that I do not intend to try to compromise the $60,000 figure. I voted for the $75,000. I am on record, that the House spoke rather decisively about what they wanted in the way of limitations and I intend to support the position of the House, because I am a great believer in majority rule. I do not think the other body ought to be pushing us around on a matter that was settled by a democratic vote and by a majority of 65 votes.

I did not feel any personal pain about that amendment passing. I did defend the bill. I did think the other figure was perhaps a better figure, but the House has spoken.

I will be willing to submit this amendment to the judgment of the House. The only thing I want us all to know is that there has been an awful lot of criticism in the country about rich people pouring their money into favored candidates. I do not have a single contributor in my district who has ever given me $1,000, so whether it is $1,000 or $2,500 is not going to affect me that much; but I think we ought to stick with the limit in the bill. I think it is a reasonable limit. Since the amount has been lowered to $60,000 for everybody, if that in unfair to nonincumbents, I cannot help that; but certainly if the argument is that a nonincumbent needs more money, he ought to be able to raise $60,000 easier than he would some other figure.

Mr. STEELE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

(Mr. STEELE asked and was given permission to revise and extend his remarks.)

Mr. STEELE. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentlewoman from new York, which would increase the amount an individual could contribute to a candidate for Federal office.

I oppose the amendment because I believe that the key to driving big money and special interests out of politics is to limit the amount of money an individual or organization can contribute to a candidate to the lowest practical amount.

This is precisely what I am trying to do in my own campaign for Governor in Connecticut, and I believe I am demonstrating that a political candidate can run an effective campaign and raise adequate campaign funds even on a statewide level without accepting big contributions.

Specifically, I am not accepting any contribution from any person or organization in excess of $100; I am publicly reporting and filing with the secretary of the State the names of all my contributors and the amounts of their contributions every 30 days; and I am channeling all campaign contributions through a single campaign committee.

My small-contributor fundraising drive has already topped the $80,000 mark and attracted almost 3,000 individual contributors, a large number of whom have never contributed to a political campaign before.

In essence, we are showing in Connecticut that it is possible to eliminate big money from politics and still wage an effective campaign; that large numbers of people will respond to an honest effort to drive big money and special interests out of the political system; and that it is possible to attract new workers and contributors to participate in a political campaign despite the great cynicism toward politics which exists in this Watergate year.

With the $100 limit working so well in Connecticut, there is simply no way I can accept the gentlewoman's argument that the $1,000 contribution limit contained in the committee bill is too low. If anything, it is much too high and should be reduced. Since it is clear, however, that this body is not prepared to lower the limit at this time, let us at least not weaken he bill further by increasing the limit to $2,500. Such an increase would simply allow big contributors and special interests to play that much larger a role in financing campaigns across the country. Indeed, under the amendment, a mere 24 large contributors could finance an entire Congrssional campaign. Our goal should be to increase the number of small contributors to a political campaign, not to reduce the number, as the amendment would serve to do.

In sum, the amendment would significantly weaken the basic reform we are trying to accomplish here today, and I urge the House to reject it.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

(Mr. FRENZEL asked and was given permission to revise and extend his remarks.)

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentlewoman has raised a very good question. What she seeks to obtain is equity between individuals and special interest groups, and that effort is, indeed, laudable.

The problem is that, with the limitation we have now set, the gentlewoman's amendment would permit 24 people to finance a total election for any one candidate. That is just too few to be allowed to get into our law.

What drives her into that problem is that individuals are allowed to contribute much less than special interest groups. A better attack on the problem would be to reduce what the special interest groups can give. But, because the committee errored in combining political parties with special interest groups, we felt compelled to hold the level at $5,000.

The whole thing tells us we would have been better off with an open rule to give the Members better flexibility on this serious problem.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN).

The amendment was rejected.

The CHAIRMAN. Are there additional amendments to title I? The Chair hears none.

Are there eligible amendments to title II?

COMMITTEE AMENDMENTS OFFERED BY MR. THOMPSON OF NEW JERSEY

Mr. THOMPSON of New Jersey. Mr. Chairman, I offer three committee amendments.

The Clerk read as follows:

Committee amendments offered by Mr. THOMPSON of New Jersey: Page 29, beginning in line 7, strike out "(B)" and all that follows down to but not including "(C)" in line 12, and insert in lieu thereof the following:

"(B) the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities.".

Page 31, beginning in line 7, strike out "(D)" and all that follows down to but not including "(E)" in line 12, and insert in lieu thereof the following:

"(D) the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities,".

Page 30, line 8, insert ", (C)," immediately after "(B)".

Mr. THOMPSON of New Jersey (during the reading). Mr. Chairman, these committee amendments are simply technical and conforming in nature. I ask unanimous consent that they be considered en bloc and be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Chairman, I refer the Members to page H7844 of the RECORD of yesterday, where the committee adopted the technical committee amendments. These amendments are simply to have in title II the identical changes as appear and were accepted in title I.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, these are the committee amendments which yesterday we approved for the expenditure and contribution limitations. They are identical today, and we are applying them to the disclosure section of the law.

They were adopted unanimously in the committee. They tighten loopholes which previously existed, and I hope they are agreed to.

The CHAIRMAN. The question is on the committee amendments offered by the gentleman from New Jersey (Mr. THOMPSON).

The committee amendments were agree to.

COMMITTEE AMENDMENT OFFERED BY MR. BRADEMAS

Mr. BRADEMAS. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. BRADEMAS: Page 25, strike out line 14 and all that follows down through page 27, line 24, and insert in lieu thereof the following:

(b)(1) Section 308(a)(10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the prescription of rules and regulations, is amended by inserting before the period at the end thereof the following: ", in accordance with the provisions of subsection (b) and (c)"

(2) Section 308 of such Act, relating to duties of the supervisory officer, is amended—

(A) by striking out subsection (b) and (c); and

(B) by inserting immediately after subsection (a) the following new subsection (b) and (c)

"(b)(1) The supervisory officer, before prescribing any rule or regulation under this section, shall transmit a statement with respect to such rule or regulation to the Senate or the House of Representatives, as the case may be, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If the appropriate body of the Congress which receives a statement from the supervisory officer under this subsection does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the supervisory officer may prescribe such rule or regulation. In the case of any rule or regulation proposed to deal with reports or statements required to be filed under this title by a candidate for the office of President, and by political committees supporting such a candidate both the Senate and the House of Representatives shall have the power to disapprove such proposed rule or regulation. The supervisory officer may not prescribe any rule or regulation which is disapproved under this paragraph.

"(3) If the supervisory officer proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Senator and by political committees supporting such candidate he shall transmit such statement to the Senate. If the supervisory officer proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Representative or by political committees supporting such candidate, he shall transmit such statement to the House of Representatives. If the supervisory officer proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of President and by political committees supporting such candidate he shall transmit such statement to the House of Representatives and the Senate.

"(4) For the purposes of this subsection, the term 'legislative days' does not include, with respect to statements transmitted to the Senate, any calendar day on which the Senate is not in session, and with respect to statements transmitted to the House of Representatives, any calendar day on which the House of Representatives is not in session and with respect to statements transmitted to both such bodies any calendar day on which both Houses of the Congress are not in session.".

(c)(1) The supervisory officer shall prescribe suitable rules and regulations to carry out the provisions of this title, including such rules and regulations as may be necessary to require that—

"(A) reports and statements required to be filed under this title by a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, and by political committees supporting such candidate, shall be received by the Clerk of the House of Representatives as custodian for the Board;

"(B) reports and statements required to be filed under this title by a candidate for the Office of Senator, and by political committees supporting such candidate, shall be received by the Secretary of the Senate as custodian for the Board; and

"(C) the Clerk of the House of Representatives and the Secretary of the Senate, as custodians for the Board, each shall make the reports and statements received by him available for public inspection and copying in accordance with paragraph (4) of Subsection a, and preserve such reports and statements in accordance with paragraph (5) of Subsection a.".

(2) It shall be the duty of the Clerk of the House of Representatives and the Secretary of the Senate to cooperate with the Board of Supervisory Officers in carrying out its duties under the Federal Election Campaign Act of 1971 and to furnish such services and facilities as may be required in accordance with this section.

Page 32, strike out lines 13 through 21, and insert in lieu thereof the following:

"(g) 'supervisory officer' means the Board of Supervisory Officers established by section 308(a)(1).".

Page 33, strike out lines 20 through 23 and insert in lieu thereof the following:

The clerk of the House and the Secretary of the Senate who shall serve without the right to vote and 4 members as follows:

Page 33, line 24, strike out "(D)" and insert in lieu thereof "(A)".

Page 34, line 3, strike out "(E)" and insert in lieu thereof "(B)".

Page 34, line 8, strike out "(D) and (E)" and insert in lieu thereof "(A) and (B)".

Page 34 line 15, strike out "(D) and (E)" and insert in lieu thereof "(A) and (B)".

Page 34, line 24, strike out "(D" and insert in lieu thereof "(A)".

Page 35, line 2, strike out "(E)" and insert in lieu thereof "(B)".

Page 35, beginning in line 6, strike out", prorated on a daily basis" and all that follows down through line 11 and insert in lieu thereof a period.

Page 37, beginning in line 9, strike out "and to review actions of the supervisory officers".

Page 38, strike out line 25 and all that follows down through page 39, line 6.

Page 39, line 7, strike out "(2)" and insert in lieu thereof "(b)(1)", and renumber the following paragraphs accordingly.

Page 39, line 15, strike out "Any supervisory officer" and insert in lieu thereof the following:

The Clerk of the House of Representatives, the Secretary of the Senate, or any other person receiving reports and statements as custodian for the Board.

Page 43, beginning in line 16, strike out "each of the" and all that follows down through line 19, and insert in lieu thereof the following: the Board such sums as may be necessary to enable it to carry out its duties under this Act.".

Mr. BRADEMAS (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the committee amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

(Mr. BRADEMAS asked and was given permission to revise and extend his remarks.)

Mr. BRADEMAS. Mr. Chairman, the amendment I am here offering is a committee amendment. It was unanimously accepted in the committee. It is an amendment concerning the Board of Supervisory Officers, and I shall explain the amendment very briefly.

The amendment would provide for a six member Board composed of four public members who will be appointed, two by the Speaker of the House and two by the President of the Senate—that is to say, the Vice President—on a bipartisan basis. There will also be sitting on the Board, but on a nonvoting basis, the Clerk of the House and the Secretary of the Senate.

The amendment also modifies the "review of regulations" section in the committee bill to provide that all rules and regulations be submitted, not to the House Administration Committee and not to the Senate Rules and Administration Committee, but rather to the Senate and the House for review. Regulations regarding House elections would be submitted to the House, and regulations regarding Senate elections to the Senate, and regulations regarding presidential elections to both the Senate and the House. The appropriate body of Congress would have 30 days within which to disapprove the proposed rule or regulation. If the regulations are submitted to both Houses, as in the case of the presidential election, either would have the power to disapprove.

In addition, the amendment would vest all supervisory responsibilities of the Comptroller General in the Board of Supervisory Officers. Most of the supervisory responsibilities of the Clerk of the House and Secretary of the Senate would be vested in the Board except that the Secretary and Clerk would act as custodians for the Board with respect to reports filed by candidates to the House and Senate, and the Board would be required to make such reports and statements available for public inspection and copying.

Mr. Chairman, I would make these observations in conclusion: We have tried in this committee amendment to respond to criticism of the language in the committee bill wherein Congressional employees were seated on the Board. Moreover, the committee earlier removed a provision whereby Members of the House and Senate were sitting on the Board.

Second, under this committee amendment, the chief responsibility for supervision and enforcement of the campaign laws is placed in a Board that is clearly independent.

Finally, as I have already indicated, the amendment removes the veto power from congressional committees.

To reiterate, the amendment was agreed to unanimously.

Mr. FRENZEL. Mr. Chairman, would the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, this is the amendment

that, at one point, the gentleman from Florida and I served notice to the House that we would put in the RECORD.

This is a variation of the original Fascell-Frenzel amendment which the committee has accepted and which now appears before us in the form of this committee amendment.

It does represent a significant compromise. It makes the Clerk and the Secretary nonvoting members of the Supervisory Board and gives the Board, in my opinion, sufficient independence and authority so that we can expect uniform fair enforcement of our election law.

We do not touch the duties or the powers of the Board of Supervisory Officers at all. Instead of a veto of regulations by the committees of the House and Senate, that veto is reserved for the whole bodies of either House.

Mr. Chairman, in my judgment, this is a fine compromise. I congratulate the Chairman for having engineered that compromise, and the gentleman from Indiana as well. Most of all I applaud the gentleman from Florida (Mr. FASCELL).

I think the bill is in a good form to provide reasonable independent supervision, and yet to keep control of the regulations so that no supervisory agent can run roughshod over the Congress.

I do intend to ask for a vote on this amendment because I think some Members of the House may be concerned that we would concede some extra powers to the Senate, and I would not want anyone to feel that way about it.

Mr. HAYS. Mr. Chairman, will the gentleman yield,

Mr. BRADEMAS. I will be glad to yield to the chairman, the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, does the gentleman say that he is going to ask for a recorded vote because he thinks we are conceding some powers to the Senate?

Mr. FRENZEL. I say that because the Senate bill has more authority for its independent commission, I felt it wise that this body go on record indicating that these are the total powers we would like the Board to have.

Mr. BRADEMAS. Mr. Chairman, I would like to express my appreciation to the gentleman from Minnesota (Mr. FRENZEL) and to the gentleman from Florida (Mr. FASCELL) for their cooperation in working this out.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I thank the gentleman for yielding.

I intend to take a little bit of time in order to express my feelings on this subject.

I thank the gentleman from Indiana for his help and effort, and I would like to express particular thanks to the chairman of the full committee, the gentleman from Ohio, Mr. Hays.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

When the gentleman from Minnesota and I started working on this amendment, there was a very wide gap between our views and the committee bill as it first came out of the committee. However, with his leadership on the minority side—and I pay tribute to the gentleman from Minnesota (Mr. FRENZEL) for his perseverance and dedication on this matter—it became necessary for us to discuss the matter with the chairman of the full committee and with other Members.

I must say that in the best spirit of reaching a compromise which seems to meet all or most of the objections, I found the gentleman from Ohio, the chairman of the full committee (Mr. HAYS) to be, as he is known to be, tough and articulate, but not unresponsive. He has cooperated to the extent that now the gentleman from Minnesota and I and the committee have reached a position that the committee has accepted this as a committee amendment. I am grateful for that. I think that is the spirit and the way legislation should be arrived at here in this House.

All I want to say is that despite our feelings on the subject, the gentleman from Ohio (Mr. HAYS) has been responsive to a large group of people in this House, some 60 or more, who felt that this issue was a very vital issue. He was willing to work with us in order to achieve the compromise which is before us here today as a committee amendment.

Let me also say that it has been a pleasure to work with the gentleman from Minnesota (Mr. FRENZEL) on this matter on behalf of the some 60 or so cosponsors who believed the amendment of the committee was absolutely essential. This amendment gives the primary responsibility for supervision and enforcement to this of our campaign reform laws to this independent enforcement commission.

Furthermore, Mr. Chairman, under section 315 and other sections of this bill, the elections commission besides having the primary supervisory and enforcement authority, is given full independent authority to seek enforcement through civil action in court by way of injunction or other appropriate relief, without the necessity of submitting the matter to the Attorney General first. This independent enforcement capability is the heart and crux of campaign reform.

So, Mr. Chairman, I rise in support of the Federal Election Campaign Act Amendments of 1974 and certain amendments. This is one of the most important pieces of legislation to be considered by the House of Representatives during this Congress. The credibility of the Congress is at stake, and it is essential that we in the House of Representatives go on record in resounding support of the strongest measure possible.

The escalating cost of Federal election campaigns in recent years, and the growing reliance by candidates on large contributions from a few sources, have made it imperative that reasonable restrictions be enacted on total expenditures by candidates and on individual contributions.

Under the present law, there is no limitation on individual contributions to candidates for Federal office. As a result, as costs for Federal election campaigns have risen unchecked from an estimated $90 million in 1952 to an estimated $400 million in 1972, the need and the inclination to solicit and accept increasingly large contributions from individual contributors has grown proportionately.

Understandably, speculation and charges of undue influence and of "buying" candidates have gone hand in hand with the growing size of individual contributions. It is indeed difficult to make a convincing case that the contributor who gave $50,000 or $100,000 or even $1 million has not or cannot wield undue influence at some point with an elected official.

And the Watergate related scandals—the milk fund contributions, sizable corporate cash contributions, the laundering of cash contributions—have substantiated the charges and convinced the American people that their suspicions were warranted.

To restore public confidence in our elected officials and in the Federal election process, and to make absolutely sure that the massive campaign financing abuses we have recently witnessed do not recur, we must enact realistic limits on total campaign expenditures, on individual contributions, on cash contributions, and on committee contributions; and we must insure that these restrictions are vigorously enforced by an independent body.

Unless we make adequate provision for the independent and vigorous enforcement of the limitations we enact, we will remain open to charges of conflict of interest and public distrust will continue. I have intended, therefore, to offer an amendment with our colleague, Congressman BILL FRENZEL, and a strong bipartisan group of more than 60 Members of the House to make changes in the composition of the Board of Supervisory Officers and to eliminate congressional committee veto of the Board's regulations so that its independence is assured. Those joining in sponsoring the amendment include:

Bella Abzug, Brock Adams, John A. Anderson, LaMar Baker, Lindy Boggs, Clarence Brown, George Brown, Jr., Jim Broyhill, Clair Burgener, M. Caldwell Butler, Thad Cochran.

Barber Conable, Silvio Conte, John Conyers, Lawrence Coughlin, John Culver, John Dellenback, Robert Drinan, Thaddeus Dulski, John Erlenborn, Marvin Esch, Frank Evans, Thomas Foley, Donald Fraser, Lou Frey, Harold Froehlich.

Gilbert Gude, Tennyson Guyer, Lee Hamilton, Jim Hastings, John Heinz, Frank Horton, Jack Kemp, William Lehman, Gillis Long, Trent Lott, Richard Mallary, Wiley Mayne.

Edward Mezvinsky, Bob Michel, Donald Mitchell, Wayne Owens, Claude Pepper, Jerry Pettis, Richardson Preyer, Albert Quie, John Rhodes, Matthew Rinaldo, J. Kenneth Robinson, Howard Robison, Charles Rose, William R. Roy.

William Sarasin, Patricia Schroeder, Dick Shoup, Pete Stark, Gerry Studds, Roy Taylor, Morris Udall, William Walsh, Lester Wolff, Antonio Won Pat, Sidney Yates, Andrew Young.

I was pleased to note that in its editorial on Monday, August 5, the Wash-

ington Post commented on our amendment stating:

If any single amendment deserves to be adopted by the House, it is this one, for there could be no more constructive change in Federal campaign practices than to have the regulatory laws—whatever they may be—aggressively and consistently policed by an agency with enough authority to do the job.

I urge our colleagues to give their support to this amendment as it is now offered as a committee amendment.

Mr. Chairman, the American public is looking to the Congress for positive action to restore confidence in our system of government which has been so badly shaken in recent months. Passage of meaningful reforms in campaign financing laws would serve notice that we are cleaning house, and we will assure acsure accountability and eliminate any possibility of financial influence peddling.

Mr. MATHIS of Georgia. Mr. Chairman, I move to strike the requisite number of words.

(Mr. MATHIS of Georgia asked and was given permission to revise and extend his remarks.)

Mr. MATHIS of Georgia. Mr. Chairman, I do not take this time to ask for a vote, as the gentleman from Minnesota (Mr. FRENZEL) has indicated he is going to, on this amendment.

The committee did agree to this as a compromise. I think I have somewhat of an obligation to the Members of the House to ask the hypothetical question—it may well be the real question—and that is this: Where does this amendment come from? And why do we need it?

I think the obivous truth is that it came from Common Cause.

Mr. Chairman, I have not had one constituent in my district, except a few members of Common Cause, contact me about an independent election commission. In the time I have been in Congress I have not had one constituent write me and complain about the method by which the Clerk of the House and the Secretary of the Senate have conducted themselves in enforcing this law.

The record, I think, speaks more eloquently than I can to this point. There have ben over 5,000 violations of the 1971 act referred to the Department of Justice for prosecution, and I am informed that there have been three which have been followed through on.

So where is the demand for this amendment coming from? Why are we doing this to ourselves?

In accepting this amendment, we are taking away whatever power we might have vested in the Clerk of the House and in the Secretary of the Senate to insure that they would regulate and they would police and they would monitor the activities of this House.

I think what we are going to do when we adopt this amendment—and I think it will be adopted—to create an independent election commission is this: We going to set up a bunch of headhunters down here who are going to spend their full time trying to make a name for themselves persecuting and prosecuting Members of Congress.

I will say to the Members of the House that I think if we adopt this amendment—and I think we are going to do that—each and every one of us is going to rue the day we did.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MATHIS of Georgia. I yield to gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, is the gentleman from Georgia saying that with this amendment we are setting the stage for making it impossible for an incumbent to get a fair shake before this group.

Mr. MATHIS of Georgia. Mr. Chairman, I think my friend, the gentleman from Missouri, may very well be eminently correct. I think there will be a tendency in that direction.

Of course, we do not know who is going to be on this commission; we have no idea. It might have been 2 years ago the members might have been Erlichman, Mitchell, Haldeman, and Dean.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. MATHIS of Georgia. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, as the gentleman knows, I have had sympathy for his position. I opposed as vigorously as I knew how the idea of the Presidential commission.

Somebody came in with the proposal during hearings that we have a five-member commission consisting of the President and four persons appointed by him, and I resisted that. The gentleman is eminently right. It might have been those persons the gentleman named, given the situation 2 years ago or 3 years ago.

Mr. Chairman, this commission will be appointed by the Speaker and the Vice President, two by each. Of the two they appoint, one has to be of a different political party.

I think it is unlikely that the Speaker of the House and the present Vice President, who, incidentally, will obviously not be doing the appointing—some new Vice President will—are going to appoint people of the caliber the gentleman mentioned. There is this danger, I would say to the gentleman, that these people will find themselves unoccupied or not occupied enough and will try to become headhunters.

However, in Ohio, for example, we have the entire power vested in the Secretary of State, and he is of one political party. He does not have much else to do, and I am happy to say that our present Secretary of State has found other fields of recreation. He spends most of his time drinking, so, therefore, he does not bother to hunt anybody's head.

So, therefore, this town being what it is, we may find that the commission will wind up in some other recreation, like out at Burning Tree or something like that. But the House and the Senate will have oversight on this, and as long as I am chairman, I will exercise some authority.

Mr. MATHIS of Georgia. Mr. Chairman, I appreciate the remarks made by my distinguished chairman. I know how hard he really worked to arrive at some compromise with which we can live in this body.

But my chairman knows that there is no vote reserved for any employee or Member of the House if it were taken away from the Clerk of the House.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. MATHIS of Georgia. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I am in support of the amendment, and certainly agree with the gentleman that the Clerk of the House of Representatives and the representative of the Senate should have a vote if they are to be on the Commission, otherwise I see no useful purpose in it.

The CHAIRMAN. The time of the gentleman has expired.

(On the request of Mr. THOMPSON of New Jersey, and by unanimous consent, Mr. MATHIS of Georgia was allowed to proceed for 2 additional minutes.)

Mr. MATHIS of Georgia. Mr. Chairman, I agree with the gentleman.

Mr. THOMPSON of New Jersey. I simply wanted to say that this is infinitely better than the Senate version, which has them appointed by the President.

Mr. MATHIS of Georgia. I agree fully with my friend, the gentleman from New Jersey, that it is in fact a better provision than exists in the Senate bill. I would certainly hold out no hope we could defeat this amendment, and I have no intention to do so. I have simply taken this time to point out to the Members of the House the dangers I see to us as sitting Members of this body, and would say that the Members had better watch their heads once the Commission is established.

Mr. HAYS. Mr. Chairman, if the gentleman will yield, I would just say to the Members of the House that the gentleman from Florida (Mr. FASCELL) has been very kind in praising me for the ability to compromise, and I think I do have that ability. But when we go to conference this will be the board or there "ain't" going to be any bill, and I will not give in to the Senate version on this one, and I know the other conferees will not, either.

Mr. MATHIS of Georgia. I appreciate the statement and the assurances of my chairman.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Indiana (Mr. BRADEMAS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 391, noes 25, not voting 18, as follows:

[Roll No. 464]

AYES—391

Abdnor	Donohue	Lott
Abzug	Dorn	Lujan
Adams	Downing	Luken
Addabbo	Drinan	McClory
Alexander	Dulski	McCloskey
Anderson, Calif.	Duncan	McCollister
	du Pont	McCormack
Anderson, Ill.	Eckhardt	McDade
Andrews, N.C.	Edwards, Ala.	McEwen
Andrews, N. Dak.	Edwards, Calif.	McFall
	Eilberg	McKay
Annunzio	Erlenborn	McKinney
Archer	Esch	Macdonald
Arends	Eshleman	Madden
Armstrong	Evans, Colo.	Madigan
Ashbrook	Fascell	Mahon
Ashley	Findley	Mallary
Aspin	Fish	Mann
Badillo	Flood	Maraziti
Bafalis	Flowers	Martin, Nebr.
Baker	Foley	Martin, N.C.
Barrett	Ford	Mathias, Calif.
Bauman	Forsythe	Matsunaga
Beard	Fountain	Mazzoli
Bell	Fraser	Meeds
Bennett	Frelinghuysen	Melcher
Bergland	Frenzel	Metcalfe
Bevill	Frey	Mezvinsky
Biaggi	Froehlich	Michel
Biester	Fulton	Milford
Bingham	Fuqua	Miller
Blackburn	Gaydos	Minish
Blatnik	Giaimo	Mink
Boggs	Gibbons	Minshall, Ohio
Boland	Gilman	Mitchell, Md.
Bolling	Ginn	Mitchell, N.Y.
Bowen	Goldwater	Mizell
Brademas	Gonzalez	Moakley
Bray	Goodling	Mollohan
Breaux	Grasso	Moorhead, Calif.
Breckinridge	Green, Oreg.	
Brinkley	Green, Pa.	Moorhead, Pa.
Brooks	Griffiths	Morgan
Broomfield	Grover	Mosher
Brotzman	Gubser	Murphy, Ill.
Brown, Calif.	Gude	Murphy, N.Y.
Brown, Mich.	Gunter	Murtha
Brown, Ohio	Guyer	Myers
Broyhill, N.C.	Haley	Natcher
Broyhill, Va.	Hamilton	Nedzi
Buchanan	Hammer-schmidt	Nelsen
Burgener		Nichols
Burke, Calif.	Hanley	Nix
Burke, Fla.	Hanna	Obey
Burke, Mass.	Hanrahan	O'Brien
Burton, John	Harrington	O'Hara
Burton, Phillip	Harsha	O'Neill
Butler	Hastings	Owens
Byron	Hawkins	Parris
Camp	Hays	Passman
Carney, Ohio	Hechler, W. Va.	Patman
Carter	Heckler, Mass.	Patten
Casey, Tex.	Heinz	Pepper
Cederberg	Helstoski	Perkins
Chamberlain	Henderson	Pettis
Clancy	Hicks	Peyser
Clark	Hillis	Pickle
Clausen, Don H.	Hinshaw	Pike
	Hogan	Poage
Clawson, Del	Holt	Podell
Clay	Holtzman	Preyer
Cleveland	Horton	Price, Ill.
Cochran	Hosmer	Price, Tex.
Cohen	Howard	Pritchard
Collier	Huber	Quie
Collins, Ill.	Hudnut	Quillen
Collins, Tex.	Hungate	Railsback
Conable	Hunt	Randall
Conlan	Hutchinson	Rangel
Conte	Ichord	Rees
Conyers	Jarman	Regula
Corman	Johnson, Calif.	Reid
Cotter	Johnson, Colo.	Reuss
Coughlin	Johnson, Pa.	Rhodes
Crane	Jones, N.C.	Riegle
Cronin	Jones, Okla.	Rinaldo
Culver	Jordan	Roberts
Daniel, Dan	Karth	Robinson, Va.
Daniel, Robert W., Jr.	Kastenmeier	Robison, N.Y.
	Kazen	Rodino
Daniels, Dominick V.	Kemp	Roe
	Ketchum	Rogers
Davis, Wis.	King	Roncalio, Wyo.
de la Garza	Kluczynski	Roncallo, N.Y.
Delaney	Koch	Rooney, Pa.
Dellenback	Kuykendall	Rose
Dellums	Kyros	Rosenthal
Denholm	Lagomarsino	Rostenkowski
Dennis	Latta	Roush
Derwinski	Lehman	Roy
Devine	Lent	Roybal
Dickinson	Litton	Runnels
Dingell	Long, La.	Ruppe
Ruth	Steiger, Ariz.	Ware
Ryan	Steiger, Wis.	Whalen
St Germain	Stephens	White
Sandman	Stokes	Whitehurst
Sarasin	Stratton	Widnall
Sarbanes	Stubblefield	Wiggins
Satterfield	Stuckey	Wilson, Bob
Scherle	Studds	Wilson, Charles H., Calif.
Schneebeli	Sullivan	
Schroeder	Symington	
Sebelius	Talcott	Wilson, Charles, Tex.
Seiberling	Taylor, Mo.	
Shipley	Taylor, N.C.	Winn
Shoup	Thompson, N.J.	Wolff
Shriver	Thomson, Wis.	Wright
Shuster	Thone	Wyatt
Sisk	Thornton	Wydler
Skubitz	Tiernan	Wylie
Slack	Towell, Nev.	Wyman
Smith, Iowa	Trader	Yates
Smith, N.Y.	Treen	Yatron
Snyder	Udall	Young, Alaska
Spence	Ullman	Young, Fla.
Staggers	Van Deerlin	Young, Ga.
Stanton, J. William	Vander Jagt	Young, Ill.
	Vander Veen	Young, S.C.
Stanton, James V.	Vanik	Young, Tex.
	Veysey	Zablocki
Stark	Vigorito	Zion
Steed	Waldie	Zwach
Steele	Walsh	
Steelman	Wampler	

NOES—25

Burleson, Tex.	Gettys	Montgomery
Burlison, Mo.	Gross	Moss
Chappell	Jones, Tenn.	Rousselot
Danielson	Landgrebe	Sikes
Davis, S.C.	Landrum	Symms
Dent	Leggett	Waggonner
Evins, Tenn.	Long, Md.	Whitten
Fisher	Mathis, Ga.	
Flynt	Mills	

NOT VOTING—18

Brasco	Hansen, Idaho	Mayne
Carey, N.Y.	Hansen, Wash.	Powell, Ohio
Chisholm	Hébert	Rarick
Davis, Ga.	Holifield	Rooney, N.Y.
Diggs	Jones, Ala.	Teague
Gray	McSpadden	Williams

So the committee amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. BINGHAM. Mr. Chairman, I move to strike the last word.

(Mr. BINGHAM asked and was given permission to revise and extend his remarks.)

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first I would like to compliment the chairmen and the committee on the fine job they have done on this difficult legislation.

I take this time to ask the chairman of the committee to clarify a matter that has to do with possible conflict between two sections of the bill. On page 7 of the bill there is a provision that limits a candidate and members of his immediate family to an expenditure of $25,000, and immediate family is defined in the law to include spouse, brother, sister, child, parent, and so forth; however, in the section we have been talking about earlier, on page 2 of the bill we have a limit on contributions to $1,000.

Is it the chairman's intention that the limit on the candidate's family expenditure of $25,000 is the controlling section as far as members of a candidate's immediate family are concerned?

Mr. HAYS. That is the intent. That is the controlling section, and if the members of the immediate family pool their resources to give $25,000, that is it. But, it does not say that any one of them can give, if there were five in a family, one can give $21,000 and the others are limited to $1,000 apiece. It is a pooling affair.

Mr. BINGHAM. I thank the chairman.

The CHAIRMAN. Are there additional eligible amendments to title II? Are there committee amendments to title III?

Are there eligible amendments to title IV?

COMMITTEE AMENDMENT OFFERED BY MR. HAYS

Mr. HAYS Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. HAYS: Page 79, line 14, insert "(1)" immediately after "(b)".

Page 79, line 15, strike out "407,".

Page 79, immediately after line 16, insert the following:

(2) The amendment made by section 407 shall apply with respect to taxable years beginning after December 31, 1971.

Mr. HAYS. Mr. Chairman, this is a clarifying amendment to an amendment we had in the bill on the tax return, where there is no income. All this does is make it apply to any taxable year after the calendar year 1971, which is this taxable year.

Therefore, it is just to wipe out the slate totally which we intended to wipe out.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Ohio (Mr. HAYS).

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: Page 58, strike line 17 and all that follows down through page 61, line 4.

Page 61, line 6, strike out "407" and insert in lieu thereof "406".

Page 61, line 15, strike out "408" and insert in lieu thereof "407".

Page 78, line 5, strike out "409" and insert in lieu thereof "408".

Page 79, line 11, strike out "410" and insert in lieu thereof "409".

Page 79, line 15, strike out "408, and 409" and insert in lieu thereof "and 408".

Mr. FRENZEL (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRENZEL. Mr. Chairman, this amendment is very simple in intent. It strikes from the bill the provision that provides for Federal financing of national party nominating conventions. The bill, as it is before us, provides that the party conventions will be financed out of the public Treasury in the amount of $2 million for each of the major parties. In addition, it provides that either party may spend in excess of the $2 million which they receive from the taxpayers' funds.

Mr. Chairman, it is my strongly held belief that the Federal Government has no business controlling national party nominating conventions; that it should neither tell the parties of this country how much they can spend, nor should it give them any amount of money to

spend. Financing can only lead to control, and we do not need Government control of either of our two fine parties.

Mr. Chairman, this is a fundamental philosophical point. The parties belong to the people. The parties have been free of the Government. Here, unless we adopt my amendment, we are now attaching them to the bureaucracy. We would be making them a part of the official Government establishment.

We would be, in fact, nationalizing the political parties of this great country. Therefore, I believe that it is absolutely essential that this portion be stricken from the bill.

I hope the Committee will support my amendment, Mr. Chairman.

Mr. BRADEMAS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we all now know that Presidential nominating conventions, even as our Presidential primary elections, are an essential part of the process of electing an American President, as important in their own way as is the general election in the fall.

I would point out, in urging rejection of this amendment, that we already have public financing of national Presidential nominating conventions in this country because most of the money that finances these conventions comes from tax deductions for advertising, deductions that are taken by various business and labor groups for advertisements published in the convention programs that are distributed at the convention. So the present system is one whereby all of the taxpayers in the country involuntarily pay, through the tax deduction route, for the holding of conventions.

However, under the language in the committee bill, only those taxpayers who voluntarily participate in the dollar check-off participate in supporting the public financing of our two national nominating conventions.

A second point I would like to make, Mr. Chairman, is that the provision in the committee bill for the public financing of Presidential nominating conventions is the recommendation of the Bipartisan Commission on Convention Financing. This is not a partisan matter.

The third point I would like to make, Mr. Chairman, is that utilization of public financing is voluntary on the part of the political parties. A political party is not mandated to receive public funds from the dollar check-off system, and if it does not wish to do so, it can use up to $2 million in private funds to finance its convention.

Mr. Chairman, it seems to me that if we retain the language in the committee bill, both with respect to Presidential nominating conventions and Presidential primaries, we shall be filling out the initiative that Congress undertook in 1972 in providing that, beginning in 1976, we shall have public financing of Presidential general elections.

Surely, the events which are plaguing and afflicting all of the people of the United States now, Democrats and Republicans and Independents, in respect of the events associated with the 1972 election ought not to return to plague and afflict us once more.

Let us vote down this amendment.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I want to associate myself with the remarks of the gentleman from Indiana and to compliment him for the work and time and effort that he was devoted in committee on this particular public financing section of the bill.

Public financing—and we all are acquainted with the term—is an idea whose time has come. We must recognize it.

We are not spending money out of the public treasuries. As I pointed out yesterday, over $60 millions will be checked off by the American taxpayers. They are saying to the Members of the Congress, "We are checking this money off because we want you to spend this money so that we can have the type of election and the type of conventions in America that will reduce the pressure of the big-money interests in this country."

Mr. Chairman, I therefore urge the defeat of the amendment of the gentleman from Minnesota, because the American people have said to us, in giving us this responsibility: "Give us public financing and give us the type of public financing that will insure elections in a free and in a democratic system."

Mr. BRADEMAS. Mr. Chairman, I thank the gentleman from Illinois for his contribution.

I will conclude by saying that, as we all know, Mr. Chairman, we are in the midst of a week which is probably historic for the future of our country in respect of the Presidency of the United States. Let us take advantage of that historic situation and make a change for the better in the financing of our Presidential elections.

Mr. Chairman, I hope the amendment is rejected.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Minnesota (Mr. FRENZEL).

I wish to make this brief statement: The reason I feel this amendment is most appropriate is because national political conventions have been in the past clearly outside the realm of government and should be. To believe for one moment that by this kind of public financing out of the U.S. Treasury that we are being fair to the small political party or the so-called potential poor-boy Presidential candidate, I think, is a joke. My belief is that because this is a highly discriminatory portion of the present bill H.R. 16090 in favor of the major parties of this country, this approach is wholly unfair to small minority parties. To use public funds to give total advantage to the two major parties to have convention extravaganzas is, I think, a major disgrace to the concept of civil rights.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague, the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

I wish to point out, in response to a previous speaker who indicated that this money was somehow blessed because it was checked off on an income tax form, that there is no money that anyone has given because of the checkoff.

The checkoff simply means that that particular person thinks that we should spend money on public financing. That person does not give $1 extra of his own money, and that person is out numbered by those people who did not check off.

There is no fund. There is simply a paper amount of money. We have not reserved anything; we have drawn funds directly from the Federal Treasury.

In effect, what someone who is participating in the checkoff is saying is: "I want to use somebody else's money to finance political conventions."

Mr. Chairman, I think the gentleman for yielding.

Mr. ROUSSELOT. Mr. Chairman, I thank the gentleman for his comments, and I hope my colleagues will be persuaded that this is a highly discriminatory provision in the bill. It should be stricken, as the gentleman from Minnesota is trying to do, I think, very persuasively. I urge a vote for the Frenzel amendment.

Mr. HUDNUT. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I would be glad to yield to my colleague, the gentleman from Indiana.

Mr. HUDNUT. Mr. Chairman, I wish to associate myself with the comments of the gentleman from California.

Mr. Chairman, In connection with this debate on the wisdom of deleting section 9008 of H.R. 16090—page 53—regarding payments for Presidential nominating conventions, I am pleased to rise in support of the amendment offered by my distinguished colleague from Minnesota, and would like, in this connection, to share with my colleagues the remarks of Indiana's Republican National Committeeman, the Honorable L. Keith Bulan, made before the Republican National Committee on April 26, 1974. They are as follows:

REMARKS BY L. KEITH BULEN

If there ever was a critical time in the history of our party when the responsibilities of our party stewardship should weigh heavily upon our conscience and our deliberations, it should be here and now April 26, 1974.

For the highest elected national leadership of a party that advocates decentralization of the Federal Government, the free enterprise system, self reliance, and individual citizen responsibility; to consider turning their party conventions over to the Federal Government to finance and direct seems to me incredible.

The seriousness of the present circumstances has compelled me to say that which I should have said long ago and that which I know to be right.

In spite of the affection and high regard in which I hold each and every one of you, particularly our national chairman, George Bush, and his three predecessors under whom I have been privileged to serve. The past six years of my personal participation on the

R.N.C. and the executive committee has been, in many ways, the most frustrating and depressing years of my adult life.

When I say I feel compelled to speak, I mean it in the literal sense. My self respect and individual sense of worth have been sorely tested all too long, and I need and solicit your indulgence for my own self therapy if for no mutual benefit.

I came to this committee in 1968 full of enthusiasm and energies for the task of assisting in building a strong Republican National party organization the only way I knew, precinct by precinct, ward by ward, township by township, county by county, district by district, and State by State. I felt a strong commitment to serve meaningfully in accomplishing what I prayfully hoped was our Nation's destiny which required, in my heart and mind, a strong, effective, and ongoing Republican National party in fact, rather than one of paper or fiction.

One, encompassing and embracing hundreds of thousands of selfless, well motivated Americans from all walks of life sharing the toil and unheralded self satisfaction that comes from providing good responsive Government for all citizens and to know that you have done your part in achieving such a lofty pursuit. My zeal was almost evangelic, as I had always felt that politics was the highest of callings and the vehicle by which I might be of the most service to my fellow man.

Unfortunately, my service on the committee has not fulfilled my desire to serve, and has in fact caused me considerable remorse by reason of what, in my opinion, has been a lack of effectiveness that almost approaches failure and in contravention of the trust and confidence that I felt had been reposed in me by my constituents in Indiana who deserve better treatment.

Not only have I failed by inaction and silence to be a force to strengthen my party nationally, but I despair that I have unwittingly, by such nonfeasance, been responsible for not meeting the challenge that was ours. In candor, I am uncertain but that our party is now worse off than it was, and that I will not have left it better for my endeavors, which is a self-imposed requirement necessary to justify my very existence.

At this particular juncture, which in many ways seems almost as a dream that is fastly becoming a nightmare, I now find myself participating in deliberations which can certainly be the death knell for the two party system in this country. Such an aberation is abhorrent to me.

To turn my party and its primary function over to a Democrat Congress or to any Congress for that matter is unthinkable. I know of no single issue in my political recollection about which I feel so strongly. Federal campaign financing is indeed repugnant to my sense of a free and independent elective process, but for the R.N.C. to now seriously consider Federal financing of our primary party obligation, knowing the inevitability of restrictions and directives that invariably flow therefrom, is, in my judgment, a complete repudiation of our elected responsibilities to preserve and strengthen the national party.

Certainly my State of Indiana has no stomach for such abdication of party responsibility and has unanimously, as a State central committee, adopted a resolution in complete opposition to such a fatal course of action. Indiana, as an alternative, suggests a more austere convention format that we can afford, and/or we urge a further exploration of the possibility of private foundation grants, and/or individual or business tax credit or deduction consideration for convention contributors, and/or media related facilities or expenses be borne by the media, and/or sale of reserved seating, boxes, and in any event, Indiana offers to bear its share of any convention assessment, but respectfully demands the integrity of the nomination processes of our party convention be preserved and strengthened, not diluted or obviated.

We wish no part of selling our birthright or party heritage. Our Hoosier Republican workers often virtually risk their very lives in an effort to have honest elections in some areas of our State. We members of the R.N.C. from Indiana could not return to face those brave ladies and gentlemen after having participated in demeaning their commitment to persevere in face of adversity.

This is not the time, regardless of our difficulties or embarrassment, when we should collectively seek only the more comfortable or convenient option. The ultimate stakes are too important. As a matter of fact, this is indeed precisely the time to take off our coats, roll up our sleeves, lift up our eyes, keep our cool, and proceed realistically to do the nitty gritty job of permanent party building that has too long been delayed by the R.N.C.'s preccupation with congressional, senatorial, and presidential campaigns, which at the most, have provided only incidental side benefits to actual party building and, on occasion, have done grave party harm.

It is no philosophical bent that causes me to make my remarks but from the experiences accumulated over some thirty-five years of running campaigns and from an immeasurable investment in and commitment to a free and unfettered strong two party system as the only workable underpinning for our form of Government.

(Messrs. ROUSSELOT and HUDNUT asked and were given permission to revise and extend their remarks.)

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRENZEL).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROUSSELOT. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 223, noes 193, not voting 18, as follows:

[Roll No. 465]

AYES—223

Abdnor	Clausen,	Fisher
Anderson, Ill.	Don H.	Flynt
Andrews,	Clawson, Del	Forsythe
N. Dak.	Cleveland	Fountain
Archer	Cochran	Frelinghuysen
Arends	Cohen	Frenzel
Armstrong	Collier	Frey
Ashbrook	Collins, Tex.	Froehlich
Bafalis	Conable	Gilman
Baker	Conlan	Ginn
Bauman	Conte	Goldwater
Beard	Crane	Goodling
Bennett	Cronin	Green, Oreg.
Blackburn	Daniel, Dan	Gross
Bray	Daniel, Robert	Grover
Breckinridge	W., Jr.	Gubser
Brinkley	Davis, Wis.	Guyer
Broomfield	de la Garza	Haley
Brotzman	Delaney	Hammer-
Brown, Mich.	Dellenback	schmidt
Brown, Ohio	Dennis	Hanrahan
Broyhill, N.C.	Derwinski	Harsha
Broyhill, Va.	Devine	Hastings
Buchanan	Dickinson	Hébert
Burgener	Dorn	Hechler, W. Va.
Burke, Fla.	Downing	Heinz
Burleson, Tex.	Dulski	Hillis
Butler	Duncan	Hinshaw
Byron	du Pont	Hogan
Camp	Edwards, Ala.	Holt
Carter	Erlenborn	Horton
Cederberg	Esch	Hosmer
Chamberlain	Eshleman	Huber
Chappell	Findley	Hudnut
Clancy	Fish	Hunt
Hutchinson	Nelsen	Spence
Carman	Nichols	Stanton,
Johnson, Colo.	O'Brien	J. William
Johnson, Pa.	Parris	Steed
Jones, N.C.	Passman	Steele
Jones, Okla.	Pepper	Steelman
Kemp	Perkins	Steiger, Ariz.
Ketchum	Pettis	Steiger, Wis.
King	Poage	Stephens
Kuykendall	Powell, Ohio	Stuckey
Lagomarsino	Price, Tex.	Symington
Landgrebe	Pritchard	Symms
Landrum	Quie	Talcott
Latta	Quillen	Taylor, Mo.
Lent	Railsback	Thomson, Wis.
Lott	Randall	Thone
McClory	Rees	Towell, Nev.
McCloskey	Regula	Treen
McCollister	Rhodes	Vander Jagt
McDade	Rinaldo	Veysey
McEwen	Roberts	Waggonner
McKinney	Robinson, Va.	Walsh
Madigan	Robison, N.Y.	Wampler
Mahon	Rogers	Ware
Mallary	Roncallo, N.Y.	Whitehurst
Mann	Rousselot	Whitten
Maraziti	Runnels	Widnall
Martin, Nebr.	Ruppe	Wiggins
Martin, N.C.	Ruth	Wilson, Bob
Mathias, Calif.	Sandman	Winn
Mayne	Sarasin	Wyatt
Michel	Satterfield	Wydler
Milford	Scherle	Wylie
Miller	Schneebeli	Wyman
Minshall, Ohio	Sebelius	Young, Alaska
Mitchell, N.Y.	Shoup	Young, Fla.
Mizell	Shriver	Young, Ill.
Moorhead,	Shuster	Young, S.C.
Calif.	Sikes	Zion
Mosher	Skubitz	Zwach
Myers	Smith, N.Y.	
Natcher	Snyder	

NOES—193

Abzug	Fulton	Mollohan
Adams	Fuqua	Montgomery
Addabbo	Gaydos	Moorhead, Pa.
Alexander	Gettys	Morgan
Anderson,	Giaimo	Moss
Calif.	Gibbons	Murphy, Ill.
Andrews, N.C.	Gonzalez	Murphy, N.Y.
Annunzio	Grasso	Murtha
Ashley	Green, Pa.	Nedzi
Aspin	Griffiths	Nix
Badillo	Gude	Obey
Barrett	Gunter	O'Hara
Bell	Hamilton	O'Neill
Bergland	Hanley	Owens
Bevill	Hanna	Patman
Biaggi	Harrington	Patten
Biester	Hawkins	Peyser
Bingham	Hays	Pickle
Boggs	Heckler, Mass.	Pike
Boland	Helstoski	Podell
Bolling	Henderson	Preyer
Bowen	Hicks	Price, Ill.
Brademas	Holtzman	Rangel
Breaux	Howard	Reid
Brooks	Hungate	Reuss
Brown, Calif.	Ichord	Riegle
Burke, Calif.	Johnson, Calif.	Rodino
Burke, Mass.	Jones, Ala.	Roe
Burlison, Mo.	Jones, Tenn.	Roncalio, Wyo.
Burton, John	Jordan	Rooney, Pa.
Burton, Phillip	Karth	Rose
Carney, Ohio	Kastenmeier	Rosenthal
Casey, Tex.	Kazen	Rostenkowski
Clark	Kluczynski	Roush
Clay	Koch	Roy
Collins, Ill.	Kyros	Roybal
Conyers	Leggett	Ryan
Corman	Lehman	St Germain
Cotter	Litton	Sarbanes
Daniels,	Long, La.	Schroeder
Dominick V.	Long, Md.	Seiberling
Danielson	Lujan	Shipley
Davis, S.C.	Luken	Sisk
Delums	McCormack	Slack
Denholm	McFall	Smith, Iowa
Dent	McKay	Staggers
Dingell	Macdonald	Stark
Donohue	Madden	Stokes
Drinan	Mathis, Ga.	Stratton
Eckhardt	Matsunaga	Stubblefield
Edwards, Calif.	Mazzoli	Studds
Ellberg	Meeds	Sullivan
Evans, Colo.	Melcher	Taylor, N.C.
Evins, Tenn.	Metcalfe	Thompson, N.J.
Fascell	Mezvinsky	Thornton
Flood	Mills	Tiernan
Flowers	Minish	Traxler
Foley	Mink	Udall
Ford	Mitchell, Md.	Ullman
Fraser	Moakley	Van Deerlin

Vander Veen	Wilson,	Wright
Vanik	Charles H.,	Yates
Vigorito	Calif.	Yatron
Waldie	Wilson,	Young, Ga.
Whalen	Charles, Tex.	Young, Tex.
White	Wolff	Zablocki

NOT VOTING—18

Blatnik	Diggs	Rooney, N.Y.
Brasco	Gray	Stanton,
Carey, N.Y.	Hansen, Idaho	James V.
Chisholm	Hansen, Wash.	Teague
Coughlin	Holifield	Williams
Culver	McSpadden	
Davis, Ga.	Rarick	

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: Page 61, strike line 14 and all that follows down through page 78, line 3.

Page 78, line 5, strike "409" and insert in lieu thereof "408".

Page 79, line 11, strike "410" and insert in lieu thereof "409".

Page 79, line 15, strike out "408, and 409" and insert in lieu thereof "and 408".

Mr. FRENZEL. Mr. Chairman, by the adoption of the last amendment this House has saved the taxpayers $4 million.

This amendment which I am now proposing will enable us to save many times that sum. This amendment strikes from the bill the provisions that provide for matching public funds for Presidential primaries. That is all it does.

I think all of us know the arguments for and against public financing. I am prepared to make them more so perhaps than the rest of the Members, but I would rather concentrate on one particular aspect of this amendment.

The primaries, I believe, should be open to any candidate who wishes to become the President of the United States; but they have become, because of the concentration of media attention, the exclusive province of Members of the other body of this Congress. So every 4 years we witness the quadrennial ritual of Senators absenting themselves from their duties to campaign for 6 months for the Presidency while the Congress is in session. If we supply public funds to encourage this kind of activity, we are simply giving the Senators a paid vacation, instead of one which they have to pay for themselves.

Now, in addition to doing this for the other body, if we agree to the Presidential public financing, we are contributing to the destruction of the political parties, for with public money, who needs party money, who needs party discipline and who needs public alliance?

We will have more candidates for more dollar spending for elections, and the party system will deteriorate. At the same time, we will discourage third parties because there is a very high entry threshold. Candidates must raise a great deal of money before they can qualify for the matching fund. Therefore, a new party, or third party, is beat before it starts, and we are again left with the usual line up of candidates and who are they? Members of the other body, of course.

More than this, however, as I pointed out when the House wisely adopted the last amendment, by adopting this amendment we can bring back to the people some control over their election processes.

Every ounce of Federal financing means another step forward toward giving control of elections to the bureaucracy. Every bit of Federal financing takes the elections a little farther from the people and a little more tightly under the control of the bureaucracy.

Mr. Chairman, I do not want to belabor this point. I only want to thank the Members for their enlightened vote on the last amendment and urge a vote for this amendment, which will eliminate the matching Presidential primary raid on the public purse to support the candidacy of people seeking our Presidency in future years.

Mr. BRADEMAS. Mr. Chairman, I rise in opposition to the amendment.

(Mr. BRADEMAS asked and was given permission to revise and extend his remarks.)

Mr. BRADEMAS. Mr. Chairman, let us consider where we are this afternoon.

We are on the floor of the House of Representatives, waiting to go to our television sets a little later tonight for an event that is rumored to be one that will have great significance for the people of this country and indeed, all of the people of the world.

We are all anticipating the probable resignation of the President of the United States. And why? Because we have witnessed over the last several months, month after month, revelations of the most spectacular lawlessness and corruption in the 200 years of the history of this country.

And what have we just witnessed in respect of the second stage of an effort begun by Congress in 1972 with the adoption of legislation providing for the public financing of Presidential general elections?

What have we just witnessed in respect of an opportunity that this Congress now has to clean up the kind of Presidential election revelations about which have brought the downfall of a man who was elected overwhelmingly 2 years ago?

Mr. Chairman, I will tell you. We have just witnessed the spectacle of his party voting by 177 to 7 to keep the same old system by which we have been financing Presidential elections in this country.

Mr. Chairman, it seems to me that upon that party—and its Representatives in Congress—there should now be some sense of public responsibility to join with those on this side, even as some of you on that side have already joined, to help clean up Federal elections in this country.

So, Mr. Chairman, I hope that we will reject this effort to strike from the bill the provision for public financing of Presidential primary elections.

This provision does not raid the Treasury of the United States. The moneys come from the funds freely, voluntarily designated by the taxpayer to go into the dollar checkoff fund.

So, Mr. Chairman, I would suggest, in the most direct way possible, to my friends on the minority side of the aisle that if they vote on this amendment as they did on the last amendment, the American people will reject them at the polls in November even as the American people are rejecting the present President of the United States.

The time has come to reduce the influence of big money in our Presidential elections—and this means primaries and national conventions as well as the general elections.

I urge the defeat of the amendment of the gentleman from Minnesota.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rather thoroughly agree with the gentleman's remarks. I might remind those who think that the taxpayer is being saved money by the passage of the last amendment are wrong. The conventions in the future, as in the past, will be financed by advertisements which are deductible, which are the people's money, in order to finance them.

I really am bitterly disappointed, and certainly hope that the current amendment will be defeated.

Mr. BRADEMAS. Mr. Chairman, I thank my colleague from New Jersey for his contribution. I hope my friends on the minority side will seize upon this amendment as an opportunity to redeem themselves from their vote on the previous amendment.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

(Mr. ANDERSON of Illinois asked and was given permission to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Chairman, I yield first to the gentleman from New York (Mr. FISH).

Mr. FISH. Mr. Chairman, I thank the gentleman for yielding.

I do resent the remarks of the previous speaker in the well with reference to ITT, and I think I have the standing in this House to do so.

Both our national parties will be holding conventions in 1976 and I do not expect the the Democratic Party, the gentleman's party, will be involved in any ITT business in that next general election.

I think another answer might be that we all might well consider the frivolousness, in many cases, and the large expenditures that go into national party conventions. Perhaps there is a better way of choosing our national candidates in the future.

Mr. ANDERSON of Illinois. Mr. Chairman, and members of the committee, I, too, join my friend, the gentleman from New York, in deeply regretting the kind of admonitory remarks the gentleman from Indiana, the distinguished deputy majority whip, has seen fit moments ago to deliver from the well of this House.

This is a sad day in the history of our country, assuming, as we all do, the events that will take place later this evening.

There is not anyone in this House, on either side of the aisle, who does not

deeply deplore and regret the events that took place in the last Presidential campaign that in some respects are responsible for what we contemplate today.

However, I am not going to stand before this House and before the American people and apologize for the vote that I just made in defeating the effort to finance conventions through the checkoff, without any matching requirement.

I think that the gentleman from Indiana and many on this side of the aisle know that I have labored ceaselessly for many months now to inject a certain measure of public financing into the political process. I sought to do that along with the gentleman from Arizona (Mr. UDALL), the gentleman from Washington (Mr. FOLEY), the gentleman from New York (Mr. CONABLE) and many others, 40 in all, who have cosponsored an amendment that we hope yet to offer this afternoon that would provide, with respect to small contributions of $50 or less, that there could be a matching payment out of the Federal Treasury, out of the checkoff fund, not directly out of general funds, but out of the checkoff funds that have previously been established.

To suggest, however, that there is some shame that should be associated with our vote in saying that we did not want to inject total public financing into the financing of national conventions is to confuse the issue entirely.

I talked to the distinguished national chairman of my party, a former colleague of ours, a man of whom we are all proud, Mr. George Bush. His objection to total public financing of these national conventions was simply on the ground that he felt that it might lead to Federal regulations; if they were totally financed from Federal funds, it might lead to regulation that would extend even to the matter of delegate apportionment.

We now, of course, have a very important case that is pending in the Federal courts where we seek to adjudicate that issue. Therefore, I want to make it clear that there are some of us on my side of the aisle who in a very few minutes are going to support a matching amendment. We are all for encouraging small contributions of under $50 to eliminate big money and special-interest money from the financing of Congressional and Senatorial campaigns.

I hope the gentleman from Indiana will join me in supporting that amendment. I hope a majority of those on his side of the aisle will join us in supporting that amendment. But please do not leave the record in the shape in which it stands now, that somehow by voting against the amendment or voting for the amendment of the gentleman from Minnesota (Mr. FRENZEL), we have subscribed to the abuses that did mar the 1972 campaign.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. Since I have mentioned the gentleman's name, I will yield to him.

Mr. BRADEMAS. Mr. Chairman, I thank the gentleman. The gentleman knows the high respect I have for him. Earlier in the debate I referred to his outstanding contributions to shaping the climate for a worthwhile campaign reform bill.

Mr. ANDERSON of Illinois. Mr. Chairman, I thank the gentleman.

Mr. BRADEMAS. But I want to say to my friend, the gentleman from Illinois, that I have here a letter which I did not mention in the debate on the last amendment. I do now think it appropriate, however, to mention the letter, in view of the citation by the gentleman from Illinois of the views of the distinguished Republican National Chairman, a former colleague of ours in this body, who said, in a letter of January 29, 1974:

> Bob Strauss and I appointed a bipartisan committee to look into new ways of financing the national conventions.
>
> One of the thoughts that came out of the first meeting was that the checkoff for political contributions should be amended so that the first $2 million go to the financing of the conventions.

Mr. Bush goes on:

> Frankly, it has an awful lot of merit to me. Much of the cost of the conventions has been financed through selling convention ads to corporations . . .

The CHAIRMAN. The time of the gentleman from Illinois (Mr. ANDERSON) has expired.

Mr. ANDERSON of Illinois. Mr. Chairman, I ask unanimous consent that I be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. HAYS. Mr. Chairman, reserving the right to object—and I do not intend to object—there are a lot of Members who have made commitments for this evening, and I am going to object to any further extension of time after this in the interest of trying to get this finished.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. Mr. Chairman, before I yield, I would appreciate it if the gentleman would then leave me 1 minute, because I have something in addition to cover.

Mr. BRADEMAS. Of course.

Mr. ANDERSON of Illinois. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Chairman, I simply want to say this—and I will spell this out further in the revision of my remarks—Chairman Bush endorsed this idea earlier. I was advised of that endorsement when I supported the amendment in good faith. I must say that for him to be turning around on a dime now and in effect leave us divided in such a partisan fashion on this campaign reform bill is not fair.

Mr. ANDERSON of Illinois. Mr. Chairman, let me reply to the gentleman's statement.

I do not challenge his good faith in offering the amendment, but let me make it clear that in the conversation I had with the distinguished national chairman of my party as recently as a week ago he explained to me at the time this proposition was originally offered he did not take into consideration the impact that the adoption of such an amendment might have on the court case that is now pending with respect to the apportionment of delegates during the 1976 conventions. He does not want to jeopardize the decision in that case and inject a possible Federal control of our national conventions.

That ought to be of as much concern on this side of the aisle as it is on my side of the aisle. That is the reason why we took the position we did on the Frenzel amendment, not because we were subscribing to anything in the way of illicit or unsavory practices with respect to the financing of national conventions or campaigns.

Mr. DENNIS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we always play politics kind of rough in the State of Indiana, and I suppose it is about par for the course that my colleague, the gentleman from Indiana (Mr. BRADEMAS), succeeded in bringing this debate down from the high levels of alleged statesmanship in which it has been wandering to the ordinary partisan level which one might normally expect from the other side of the aisle.

But since he has done so, and hoping to retreat to a slightly more statesmanlike stance, let me point out a couple of things which, in my sincere opinion, are the real problems here, problems which we have not bothered to face and which, I may say to the gentlemen on the other side of the aisle, they have not had the guts to face and have not had any intention to face.

We are taking into consideration a reform bill here, as I had occasion to note yesterday, as did some other Members, under a lousy gag rule where one cannot even put in an amendment to the bill.

What amendments can we not put in? Well, we cannot put in an amendment which will reach the fact, for instance, that about half the Members over there are here thanks to involuntary union dues collected from people who have to pay them in order to work; and then they channel them into political action committees and use them to elect Members of Congress.

Where do we get around to the point in this bill of offering an amendment on that subject, I would like to ask the Members?

Mr. BRADEMAS. Mr. Chairman, will my friend, the gentleman from Indiana, yield?

Mr. DENNIS. No, Mr. Chairman, I will not yield right now. I have something else I want to say.

The trouble with this country and the reason we have special interest money running it, both from business—and we do—and from milk funds, as well as from labor and from everybody else, is that we have made the Government too big and too powerful, and every single person in this country who has two nickels, or a business, or a farm, has to come down here and beg for permission to live. And

naturally they try to pay the bureaucrats and the politicians off.

Who did that? The party on the other side of the aisle, for the last 30 years, did that.

Now, the President of our party who, unfortunately, perhaps—learned your lessons too well, is about to pay for your sins. And you get up here and make fun and gloat about it in this sad hour of the Union. I am sorry to see it done.

I yield back the balance of my time.

Mr. HAYS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am delighted that the gentleman from Indiana (Mr. DENNIS) is able to get this debate on such a high plane, and I want to stay right on that high plane with the gentleman.

I noticed he used the word "retreat," and I would say that he has had some good experience in retreating lately. I am only sorry that he did not get to retreat on TV, like he made his defense on TV.

But, Mr. Chairman, somehow or other I have been getting the impression all day—and maybe we got a preview of it here from the gentleman from Indiana—I have been getting the impression that we are going to hear a speech at 9 o'clock tonight which is somehow or other going to be blamed on the Democrats for the predicament the President is in. And that is what the gentleman from Indiana said.

I have personally felt very sorry for Mr. Nixon, and I still do. I would not be any party to any hounding him after he retires or resigns from office. But I just hope that those folks over there do not think for one minute that we are going to let you get away with blaming us somehow for all of the people that are in the penitentiary and who are going to the penitentiary, and who will go to the penitentiary.

I have counseled with candidates for Congress on our side not to talk about Watergate because there are plenty of other issues. But if the gentleman from Indiana wants to make that the issue, well, I suppose we can rise to that high plane the gentleman is talking about and debate it with him. I would just as soon that we did not. I do not really think it has any place here.

We are going to decide whether or not we have public financing for primaries. We are going to decide whether we have public financing for the Presidential race. And the gentleman from Illinois (Mr. ANDERSON) who is against it on the one hand, is for it on the other, and we will have an amendment from him and the gentleman from Arizona (Mr. UDALL) to extend it to Members of the House and Senate. And I am going to fight them as hard as I know how.

I have abided by the will of the House, and I will stand by the will of the House in the conference.

The House decided it wanted a $60,000 limitation, and I am going to stand by that. The House decided it did not want the conventions financed, which I think was a mistake. My God, if you took a look at either one of them in November you might wish the Federal Government did regulate them. I guess the reason most people on our side voted against it was they were afraid that the same kind of people who took over the Miami convention would do it again, and they did not want to have any of their money in it. I guess that was the general motivating factor. But let us decide it, and vote our conscience, and abide by it.

I do not really mind a little rough debate now and then. And as I go back and read the debates in the time of Andrew Jackson and in the time of Thomas Jefferson, and in the time of the Adamses and then look at the statement now, I can see the difference.

If you say something if you think someone in this House is an idiot, you cannot say you think that because that is not gentlemanly conduct. They used to say a lot worse things than that about people in the old days, and the Republic has survived. I am not saying I think there is anyone who is that in the House, but there would be a way to get around it if one wanted to.

But what I am saying and what I finally want to say is, let us leave the partisanship out of it, and let us vote on the merits.

As chairman of the committee and as one of the conferees, I am going to try to uphold whatever the majority of this House wants. I hope that this experiment—and it is an experiment—in public financing and a voluntary checkoff, which is a referendum on the primary and on the Presidential election, will stand. I am not willing to go any further than that until we see how it works out in that instance.

Mr. CONLAN. Mr. Chairman, I move to strike the requisite number of words.

(Mr. CONLAN asked and was given permission to revise and extend his remarks.)

Mr. CONLAN. Mr. Chairman, I do not often speak on the floor here, but I have been listening to the comments on both sides these last few minutes and am moved to speak. I cannot help but think as a newcomer to this body that maybe the happenings of the last weeks and the last days might bring some sober reappraisal to all of us. Some of you who have been here for years know the tremendous accumulation of power that has been created in the Central Government here in Washington.

The gentleman from Indiana spoke of the special interests and the favoritism that seeks to come into campaign financing; but the other gentleman from Indiana put it very aptly when he said, "Why does that money come in?" It comes in because this Congress has created within its will and its authority, a bureaucracy that has the power to give special favors and the power to remove bureaucratic heavyhandedness, so that private individuals can have fair treatment from that bureaucracy.

I have listened to some of the older Members who have been here for years and some of you middle-aged Members, who say, "10 years ago we had time for reflection on major issues. We had time to think through issues. We could sit down, and we could read a book, and we could think about world affairs. We could have real input into decisionmaking. We could think about the foreign policy and the domestic directions of this country." But now they say in private conversations, "We have become ombudsmen; we have become paper shufflers; we are on a treadmill." You spend so much time answering your mail and seeking Federal handouts for your constituents because of the tremendous increase in power that the Federal Government has obtained over so many people's lives. People can hardly go to the toilet today without getting a Federal permit.

And so the public comes to you to interface and intercede between the bureaucracy and them. Does one wonder why the unethical money is coming in? Does one wonder why people try to buy in? Does one wonder why Congressmen are tempted and have to say no? Sometimes the temptations take hold, history has shown.

I think it is time for this body to begin thinking that maybe it has created over the years, as the gentleman from Indiana (Mr. DENNIS), has said, a situation which invites the corruption that we have seen too much of. And maybe the time is here to redress and correct that problem by redirecting power down to the States and the communities where the people can interface with a local bureaucracy, with their own resources, rather than having so much of it drained off here in Washington where the money is being dissipated through a tremendous overhead, and where the citizens get only 60 cents on the dollar back. Then to get out from under control of Federal controls and then to get a fair break, they have to try to buy in somewhere to get a fair shuffle.

That type of situation, Mr. Chairman, makes us need to rethink. I believe if the happenings of the last 18 months have brought us a better awareness of what has caused corruption and dishonesty, then we can rise above the pedestrian problems we are getting into, and be a Congress that can think through the critical areas of national concern . . . and leave some of the regulation and financing of government at the local level.

Then the public will have more respect for their institutions; they will have more respect for the Congress; the temptations here will be less for you, and the level of nobility and morality of this country might rise once again to the high level the public expects of it, and where it should be.

Mr. WRIGHT. Mr. Chairman, I rise in opposition to the amendment. I am as sorry as the gentleman from Indiana (Mr. BRADEMAS) that we adopted the most recent amendment offered by the gentleman from Minnesota. The committee had attempted in good faith to reduce the rather shameful reliance that both parties—both parties—have had upon a little handful of big contributors to the national campaigns, to the national conventions and to the maintenance of the national parties.

In 1967 I wrote an article for Harpers magazine, in the research for which I did a study of the financing of the national conventions of both parties in the preceding election, in the year 1964. A substantial part of the money raised for those national conventions in that year

came from the publication of fancy brochures with ads selling for $10,000 to $15,000 a page. The Democrats entitled their book "Toward an Age of Greatness" and the Republicans called theirs "Congress, the Heart Beat of Government."

But now let us look at who bought those ads. Were these average citizens, were they plain-vanilla people trying to establish their rights of citizenship and have some voice in the selection of the two candidates who would be presented to the voters? No. They really were not.

Eleven of the top twenty-five contractors in the Nation purchased those ads in the books and, and they are some of the same people who were called upon as recently as 1972 to contribute money to the enormously costly job of trying to run a Presidential campaign. Many of them were corporations legally prohibited from contributing to campaigns, but they were able to buy ads in these books whose proceeds went to the same general purpose, and they deducted the payments as business expense.

Six airlines bought ads. Some were the same as have recently been found guilty of contributing illegally in the 1972 campaign. Three railroads bought ads. The Tennessee Gas Transmission Co. bought ads. Many other corporations and businesses regulated by the Government put up the money for the two parties, both of them, to conduct our national conventions through which we made our national choice of the two candidates between whom the American public would have a choice.

Now it is easy enough for the average American to say politics is corrupt and filthy and that he does not want to be partisan or be a party to it. He may even pride himself that he chooses not the party but the man. But let us look at the situation. That citizen is confronted with the choice already made for him. He just chooses between two preselected men.

And how does a candidate quality to be seriously considered by the convention? By raising enough money—much of it from huge individual contributors—to finance a series of terribly costly primary campaigns. It has become a rich man's game.

This provision in the bill is designed to encourage widespread public activity in supporting the candidates of one's own choice in the primaries. In order to qualify for this matching money from the funds created by the $1 individual checkoffs, a candidate in a Presidential primary first would have had to raise $100,000, $20,000 in each of five States, and the bill encourages relatively smaller contributions because it matches moneys contributed in individual donations of $250 and less. It is a good experiment.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Of course I yield to the distinguished chairman.

Mr. HAYS. It is $5,000 in 20 States.

Mr. WRIGHT. Mr. Chairman, I am sorry I misstated it and I stand corrected. The elucidation made by the gentleman from Ohio improves the point I was trying to make.

All I am trying to say is that, gee, if we are serious about reducing the reliance upon these big contributors who more and more hold the keys to the gates of political opportunity, if we are serious in saying that a candidate for President should not have to be wealthy or a willing ward of the wealthy, then I think we ought to give a fair trial to this provision which the committee has devised.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas.

(Mr. PICKLE asked and was given permission to revise and extend his remarks.)

Mr. PICKLE. Mr. Chairman, I join the gentleman in opposing the amendment of the gentleman from Minnesota (Mr. FRENZEL). I think the time has come for us to see if we can finance Presidential elections by the public finance method.

I think we ought to give it a try and see how it works.

Now, in supporting this provision, that is, Presidential election financing, I do not oppose the amendment, but I think it is important we ought to give this a try.

I rise in opposition to the motion to strike the portions of title IV mandating a program of public financing for Presidential elections.

I realize that this is one of the more controversial sections of this long and intricate bill. I realize that public financing of elections is still a novel idea, even though it was first proposed back in 1907 by a Republican President, Theodore Roosevelt. I realize that we will be plowing new ground here, that we will be testing a new concept.

I do not favor extending public financing to congressional elections at this time. I think we need to float the boat and test the waters a bit before we involve the many hundreds of congressional races in such a new process.

Yet I think we should not be afraid now to make the first step. And I think that the Presidential election process is the place to make it. It is in the Presidenial election that millions and millions of dollars are required. It is in the Presidential election that the role of the little man is struggling the hardest, and has come under the most uncertainty.

We need to restore the role of the common man in our Presidential election process by removing the need of the candidates for this great high office to rely on huge contributions from wealthy interests of every sort. Through its reliance on the dollar-check-off and through its matching formula in the crucial primary elections, the provision for public financing for Presidential elections in this bill does right the balance again. This section clearly restores the individual to his proper role in helping to elect the person to fill the highest office in our land. At least let us try public financing for Presidential elections. Let us see how it can work.

I urge again, therefore, that the motion to strike be defeated.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, if the gentlemen from Texas are serious about trying to experiment, that is a good idea; but under the rule we are forfeited. We do not have the opportunity to limit it to say 5 years or 10 years and just try it out, because the closed rule has prevented us from doing that.

Mr. WRIGHT. Mr. Chairman, I would say to the gentleman that Congress could repeal this law if it did not work out as we intend, at any time in the future.

Mr. ROUSSELOT. I have heard that before and the bad laws go on and on. If the gentlemen from Texas are serious about having an experiment, we should have a limitation that it automatically expires at the end of 8 years or something like that.

Mr. WRIGHT. The gentleman would be free to offer such an amendment. But first we certainly should vote down the pending amendment and give this plan a chance.

Mr. ANNUNZIO. Mr. Chairman, I move to strike the requisite number of words.

(Mr. ANNUNZIO asked and was given permission to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment of the gentleman from Minnesota.

I want to join the gentlemen from Texas. When we talk about limitations, we all know the answer is fundamental, we do have an election for the President every 4 years. We are not talking about money from the general revenue fund. We are talking about voluntary contributions, the checkoff system.

The gentleman from Illinois (Mr. ANDERSON) made a statement that he favors matching funds. What we are talking about in this particular section of the bill is matching funds for Presidential primary elections.

It has been amply stated that the minimum requirements are $250 contributions, $5,000, 20 States, $100,000, in order to be eligible to participate in this fund on a matching basis.

To my good friend, the gentleman from California, who serves on Banking and Currency Committee, I have the highest regard for him. I want to point out to him that in this particular section of the bill, that if the money is in the fund it can be used; but if there is no money in the fund, then we are not able to spend any money. The chairman is correct, we are placing public financing on a trial basis.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ANNUNZIO. Yes. I am happy to yield to the gentleman from Ohio.

Mr. HAYS. I am for the trial run and against the amendment. Maybe I should not say any more. I do not want to influence any votes against it; but I think we ought to know if the amendment stays in the bill and my dear friend, the gentleman from Arizona (Mr. UDALL) is a candidate for President, and I understand he has announced that, that I also will be a candidate, because I think the Democrats deserve a choice between the

Postal System we have now and the one I would go back to, which was the old-fashioned Pony Express. It got the mail there faster.

Further than that, I think I can raise my money in 20 States quicker than the gentleman from Arizona (Mr. UDALL) can and I will contest him on that.

So I want all of us to know if they support this amendment and the gentleman from Arizona (Mr. UDALL) is a candidate, the country is getting me, too.

Mr. ANNUNZIO. Mr. Chairman, I urge my colleagues in the House to reject the amendment of the gentleman from Minnesota and to support the committee position. It is an idea again, I emphasize, whose time has come.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRENZEL).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROUSSELOT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 163, noes 253, not voting 18, as follows:

[Roll No. 466]

AYES—163

Abdnor	Fountain	Poage
Archer	Frelinghuysen	Powell, Ohio
Arends	Frenzel	Price, Tex.
Armstrong	Frey	Quie
Ashbrook	Froehlich	Quillen
Bafalis	Gettys	Randall
Baker	Goldwater	Regula
Bauman	Goodling	Rhodes
Beard	Gross	Robinson, Va.
Bevill	Grover	Robison, N.Y.
Biaggi	Gubser	Rousselot
Bray	Guyer	Roy
Brinkley	Haley	Runnels
Brown, Mich.	Hammer-schmidt	Ruppe
Brown, Ohio	Hébert	Ruth
Broyhill, N.C.	Hinshaw	Sandman
Broyhill, Va.	Holt	Satterfield
Burgener	Hosmer	Scherle
Burke, Fla.	Huber	Schneebeli
Burleson, Tex.	Hudnut	Sebelius
Butler	Hunt	Shoup
Byron	Hutchinson	Shuster
Camp	Ichord	Skubitz
Carter	Jarman	Smith, N.Y.
Cederberg	Johnson, Pa.	Snyder
Chamberlain	Jones, N.C.	Spence
Chappell	Kemp	Steed
Clancy	Ketchum	Steiger, Ariz.
Clausen, Don H.	King	Steiger, Wis.
Clawson, Del	Kuykendall	Stephens
Cochran	Lagomarsino	Stuckey
Collins, Tex.	Landgrebe	Symms
Conlan	Landrum	Talcott
Crane	Latta	Taylor, Mo.
Daniel, Dan	Lent	Thomson, Wis.
Daniel, Robert W., Jr.	Lott	Thone
Davis, Wis.	Lujan	Towell, Nev.
de la Garza	McClory	Treen
Delaney	McCollister	Vander Jagt
Denholm	McEwen	Veysey
Dennis	Madigan	Waggonner
Derwinski	Mann	Wampler
Devine	Martin, Nebr.	White
Dickinson	Martin, N.C.	Whitehurst
Dorn	Michel	Whitten
Downing	Miller	Wiggins
Duncan	Minshall, Ohio	Wilson, Bob
Edwards, Ala.	Mizell	Wyatt
Erlenborn	Montgomery	Wylie
Eshleman	Moorhead, Calif.	Wyman
Findley	Mosher	Young, Alaska
Fisher	Myers	Young, Fla.
Flynt	Nelsen	Young, S.C.
Forsythe	Passman	Zion
		Zwach

NOES—253

Abzug	Green, Oreg.	Patten
Adams	Green, Pa.	Pepper
Addabbo	Griffiths	Perkins
Alexander	Gude	Pettis
Anderson, Calif.	Gunter	Peyser
Anderson, Ill.	Hamilton	Pickle
Andrews, N.C.	Hanley	Pike
Andrews, N. Dak.	Hanna	Podell
Annunzio	Hanrahan	Preyer
Ashley	Harrington	Price, Ill.
Aspin	Harsha	Pritchard
Badillo	Hastings	Railsback
Barrett	Hawkins	Rangel
Bell	Hays	Rees
Bennett	Hechler, W. Va.	Reid
Bergland	Heckler, Mass.	Reuss
Biester	Heinz	Riegle
Bingham	Helstoski	Rinaldo
Boggs	Henderson	Roberts
Boland	Hicks	Rodino
Bolling	Hillis	Roe
Bowen	Hogan	Rogers
Brademas	Holtzman	Roncalio, Wyo.
Breaux	Horton	Roncallo, N.Y.
Breckinridge	Howard	Rooney, Pa.
Brooks	Hungate	Rose
Broomfield	Johnson, Calif.	Rosenthal
Brotzman	Johnson, Colo.	Rostenkowski
Brown, Calif.	Jones, Ala.	Roush
Buchanan	Jones, Okla.	Roybal
Burke, Calif.	Jones, Tenn.	Ryan
Burke, Mass.	Jordan	St Germain
Burlison, Mo.	Karth	Sarasin
Burton, John	Kastenmeier	Sarbanes
Burton, Phillip	Kazen	Schroeder
Carney, Ohio	Kluczynski	Seiberling
Casey, Tex.	Koch	Shipley
Clark	Kyros	Shriver
Clay	Leggett	Sikes
Cleveland	Lehman	Sisk
Cohen	Litton	Slack
Collier	Long, La.	Smith, Iowa
Collins, Ill.	Long, Md.	Staggers
Conable	Luken	Stanton, J. William
Conte	McCloskey	Stanton, James V.
Conyers	McCormack	Stark
Corman	McDade	Steele
Cotter	McFall	Steelman
Coughlin	McKay	Stokes
Cronin	McKinney	Stratton
Culver	Macdonald	Stubblefield
Daniels, Dominick V.	Madden	Studds
Danielson	Mahon	Sullivan
Davis, S.C.	Mallary	Symington
Dellenback	Maraziti	Taylor, N.C.
Dellums	Mathias, Calif.	Thompson, N.J.
Dent	Matsunaga	Thornton
Dingell	Mayne	Tiernan
Donohue	Mazzoli	Traxler
Drinan	Meeds	Udall
Dulski	Melcher	Ullman
du Pont	Metcalfe	Van Deerlin
Eckhardt	Mezvinsky	Vander Veen
Edwards, Calif.	Mills	Vanik
Eilberg	Minish	Vigorito
Esch	Mink	Waldie
Evans, Colo.	Mitchell, Md.	Walsh
Evins, Tenn.	Mitchell, N.Y.	Ware
Fascell	Moakley	Whalen
Fish	Mollohan	Widnall
Flood	Moorhead, Pa.	Wilson, Charles H., Calif.
Flowers	Morgan	Wilson, Charles, Tex.
Foley	Moss	Winn
Ford	Murphy, Ill.	Wolff
Fraser	Murphy, N.Y.	Wright
Fulton	Murtha	Wydler
Fuqua	Natcher	Yates
Gaydos	Nedzi	Yatron
Giaimo	Nichols	Young, Ga.
Gibbons	Nix	Young, Ill.
Gilman	Obey	Young, Tex.
Ginn	O'Brien	Zablocki
Gonzalez	O'Hara	
Grasso	O'Neill	
	Owens	
	Patman	

NOT VOTING—18

Blackburn	Diggs	Milford
Blatnik	Gray	Parris
Brasco	Hansen, Idaho	Rarick
Carey, N.Y.	Hansen, Wash.	Rooney, N.Y.
Chisholm	Holifield	Teague
Davis, Ga.	McSpadden	Williams

So the amendment was rejected.

The result of the votes was announced as above recorded.

AMENDMENT OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONYERS: Page 51, immediately after line 7, insert the following:

(2) Section 9002(7) (relating to the definition of "minority party") is amended by striking out "5 percent or more but".

And redesignate the following paragraphs accordingly.

Page 51, immediately after line 26, insert the following:

(6) Section 9004(a)(3) (relating to eligibility of candidates of a minor party or a new party) is amended by striking out "5 percent or more of the total" and inserting in lieu thereof "any".

And renumber the following paragraphs accordingly.

Page 54, strike out lines 18 and 19 and insert in lieu thereof the following:

"(2) Minor parties and new parties.—Subject to the provisions of this section the national committee of a minor party and the national committee of a new party

Page 55, line 3, immediately after "election" insert the following:

, or as the number of popular votes received by the candidate for President of the new party received in the current Presidential election,

Page 55, line 10, strike out "or minor party" and insert in lieu thereof ", minor party, or new party".

Page 55, line 16, strike out "or minor party" and insert in lieu thereof ", minor party, or new party".

Page 56, strike out lines 16 and 17 and insert in lieu thereof the following:

"(2) Minor parties and new parties.—Except as provided by paragraph (3), the national committee of a minor party or a new party

Page 56, line 24, strike out "or minor party" and insert in lieu thereof ", minor party, or new party".

Page 57, line 21, strike out "or minor party" and insert in lieu thereof ", minor party, or new party".

Page 58, line 15, strike out "or minor party" and insert in lieu thereof ", minor party, or new party".

Page 59, line 2, strike out "or minor party" and insert in lieu thereof ", minor party, or new party".

Page 59, line 15, strike out "or minor party" and insert in lieu thereof ", minor party, or new party".

Page 60, line 2, strike out "or minor party" and insert in lieu thereof ", minor party, or new party".

Page 60, beginning in line 9, strike out "or minor party" and insert in lieu thereof ", minor party, or new party".

Page 60, line 18, strike out "or minor party" and insert in lieu thereof ", minor party, or new party".

Mr. CONYERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONYERS. Mr. Chairman and my colleagues, this is a conforming amendment which would eliminate the provision whereby minor or new political parties must receive at least 5 percent of

the national or popular vote to be eligible for public funds.

What this amendment does is to go through all of the places in 15 parts of this bill, which I support, and eliminates the 5 percent requirement.

I would like to explain why I think it is eminently logical and desirable that this body go on record in correcting what perhaps might have been a poor mistake, or an issue not clearly considered by the committee.

First of all, I think we must realize that although we now have a two-party system, we should not presume that all the parties there are ever going to be here for all time.

There is a very important and I think dramatic political history of this Nation in which parties have emerged and, like people, have lived, matured and passed on.

I think that at a time when politics enjoys such little public confidence we must not be put in a position of discouraging the growth and the healthy competition that would accrue from this conforming amendment.

May I point out, under the provisions of my amendment, that all the six new or minor political parties in the 1972 election totaled only four-tenths of 1 percent of the total votes cast for the Presidency of the United States and there would have been only $70,000 expended between some six parties because minor or new parties only receive that portion of $20 million equal to their proportion of the total Presidential vote.

So it seems to me eminently sound, quite fair and democratic, that we here allow the widest and total expression of all our citizens in this country in connection with the political parties of their choice which are so important a part of the electoral process.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I appreciate the gentleman submitting his amendment, but I would like to call the attention of the gentleman to the fact that in the confusion of the debate here I find that all of the sectons to which the gentleman's amendment applies, except that part on page 51, have already been stricken out of the bill.

This is a situation that is new to me. It seems to me that the gentleman's amendment is germane down through the part that says:

(6) Section 9004(a)(3) (relating to eligibility of candidates of a minor party or a new party) is amended by striking out "5 percent or more of the total" and inserting in lieu thereof "any."

Because the rest of it has been stricken by the Frenzel amendment.

I hope that the chairman will recognize that this amendment is in no way contrary to the thrust of the bill before the membership here today. It merely insures that those who may not be in the majority position, and thus not a part of either of the two parties who now totally control this decision by our membership in both the House and the Senate, that we should not solely out of our generosity but out of our recognition that the fairest way to encourage all citizens to participate is to allow these same provisions to apply to those who may support any party as long as it conforms to the legal and statutory requirements in the jurisdiction in which it was created.

Also, it may as well be a question of constitutionality for us to have assigned so arbitrary a figure, 5 percent, in defining a political grouping eligible for Federal funds and governed by Federal regulations.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

Is the gentleman also saying that if we are going to, under this bill, actually open up the Federal Treasury to certain groups, we ought to make it fair for all, regardless of their size? Is that true?

Mr. CONYERS. Precisely.

Mr. ROUSSELOT. I think that is a wholly reasonable and correct position and I appreciate the gentleman's explanation

Mr. CONYERS. I urge the support from the membership in behalf of this amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BRADEMAS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I appreciate the positive thrust behind the amendment offered by the gentleman from Michigan, but as I read his amendment, in effect it would say that if a handful of people decided to call themselves a political party and were to seek to make use of funds from the dollar checkoff fund in Presidential general elections, assuming that they met the other qualifications, they would be able to obtain money under the gentleman's amendment. I think that the language incorporated in the committee bill, which is language from the 1972 dollar checkoff law with respect to Presidential general elections, is sensible in that it provides that minor parties would be defined as any political party whose campaign for President or Vice President in the preceding election received at least 5 percent but less than 25 percent of the total number of popular votes cast for all candidates in such elections.

I do not want to misrepresent the gentleman's amendment. If I have, I am sure he will explain it to me. I will be glad to yield to him.

Mr. CONYERS. I appreciate the gentleman's yielding.

I should like to point out that the handful of people who may want to form a political party is the same kind of a handful of people who might form and have formed some of the great parties in the past, and specifically the two great parties that exist in this country today. There was a handful of people that formed the Whig Party that elected two Presidents. There was a handful of people that formed the party that the gentleman and I are members of, back in 1800. At the same time I think that we should not deprecate those citizens who may reserve judgment.

Mr. BRADEMAS. I appreciate the point the gentleman is making. The point I am making, however, is that were we to agree to his amendment, the effect would surely be to give encouragement to the proliferation of minor parties in the United States. We seem to be surviving, in spite of our difficulties, with two major parties, and I would hope the gentleman's amendment would be rejected.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment cease in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FRENZEL. Mr. Chairman, will the gentleman from Michigan answer a question? It looks as though the bill as amended would only admit to the first two sections of this amendment which would allow a new party or a minor party with any number of members or adherence of any number full participation in the fund. Is this correct?

Mr. CONYERS. That is correct. What we seek to do is to strike what might now be considered an arbitrary number to require the parties to reach a 5-percent growth to succeed and reach the checkoff benefit. After all, that may have been 2 percent or something else, but altogether it would have cost $70,000 among six different parties. I think the logic of fairness to all parties in arriving at this new profound law is extremely important and should be embodied in this first important piece of legislation.

Mr. FRENZEL. I thank the gentleman for his explanation. I think the gentleman is right, that we have never been able to establish a matching formula that would do justice to new parties and third parties or independent parties. This troubles me particularly and is one reason why I do not like matching or public financing of any kind.

I do however think that striking out any kind of qualification is a mistake, and, as the gentleman from Indiana (Mr. BRADEMAS) has pointed out, actually even a group of two could be a new party under the gentleman's amendment, and for that reason I am going to oppose it.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman yielding.

Mr. Chairman, is not the 5-percent figure, very arbitrary, and totally unnecessary to the process of getting a party started? As far as two people in a closet, starting a party, everybody realizes it takes more than that to start a viable political party. How did the committee arrive at a 5-percent figure?

Mr. FRENZEL. The committee did not arrive at a 5-percent figure.

Mr. ROUSSELOT. Where did it come from?

Mr. FRENZEL. That was in the Internal Revenue Code. That was voted long ago.

Mr. ROUSSELOT. Did the IRS determine that 5-percent formula?

Mr. FRENZEL. No. Only the Congress can write the laws. It is part of our checkoff law.

Mr. ROUSSELOT. This is going to be managed by the Treasury Department? Where did that wonderful magic term of 5 percent come from?

Mr. FRENZEL. The Congress determined that when it passed the original checkoff fund.

Mr. ROUSSELOT. I really do not know who can explain this arbitrary 5-percent formula.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Chairman, this is from the 1972 act which establishes the dollar checkoff fund with respect to Presidential general elections.

Mr. ROUSSELOT. How did the Congress establish 5 percent?

Mr. BRADEMAS. It is in the act.

Mr. ROUSSELOT. That is certainly an arbitrary test?

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. HAYS. Of course it is an arbitrary decision, just like the $60,000 figure is arbitrary.

Mr. ROUSSELOT. This bill has many arbitrary decisions in my opinion.

Then nobody can answer that question about the 5 percent and how it was arrived at? I am therefore constrained to vote for the amendment.

Mr. FRENZEL. I suggest we vote against the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. CONYERS).

The amendment was rejected.

AMENDMENT OFFERED BY MR. UDALL

Mr. UDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. UDALL:

On page 78, line 4, add the following new Section 409, and renumber the existing Sections 409 and 410 to become Sections 410 and 411.

CONGRESSIONAL MATCHING PAYMENT ACCOUNT

SEC. 409. (a) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by substituting the following new Subtitle H:

"Subtitle H. Financing of Federal Election Campaigns."

(b) The analysis of chapters at the beginning of subtitle H of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Chapter 98. Congressional Matching Payment Account."

(c) Subtitle H of the Internal Revenue Code of 1954 is amended by adding at the and thereof the following new chapter:

"Chapter 98—CONGRESSIONAL MATCHING PAYMENT ACCOUNT

"SEC. 9051. SHORT TITLE

"This chapter may be cited as the 'Congressional Matching Payment Account Act.

"SEC. 9052. DEFINITIONS

"For purposes of this chapter—

"(1) 'authorized committee' means the principal campaign committee of a candidate for federal office as designated under Section 302(f) of the Federal Election Campaign Act of 1971;

"(2) 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance or deposit of money, or a contribution of products or services;

"(3) 'eligible candidate' means a candidate for election to federal office who is eligible under section 9053, for payments under this title;

"(4) 'Federal office' means the federal office of Senator, or Representative;

"(5) 'general election' means any regularly scheduled or special election held for the purpose of electing a candidate to Federal office;

"(6) 'matching account' means the Congressional Matching Payment Account established under section 9057;

"(7) 'official political party committee' means a political committee organized by the House or Senate members of any political party having more than 15 percent of the membership of either the House of Representatives or Senate of the United States and designated as an official political party committee by the appropriate House or Senate caucus of the political party;

"(8) 'qualified campaign expenses' means only those campaign expenses incurred in behalf of a candidate for the use of:

"(i) broadcasting stations to the extent that they represent direct charges for airtime;

"(ii) newspapers, magazines and outdoor advertising facilities to the extent that they represent direct charges for advertising space;

"(iii) direct mailings to the extent that they represent charges for postage; and

"(iv) telephones to the extent that they represent lease and use charges for equipment.

Provided, That qualified campaign expenses shall not include any payment which constitutes a violation of any law of the United States or of the state in which the expense is paid or incurred.

"(9) 'Representative' means a Member of the House of Representatives, and the Delegates from the District of Columbia, Guam, and the Virgin Islands.

"SEC. 9053. ELIGIBILITY FOR PAYMENTS

"(a) To be eligible to receive any payments under section 9057 for use in connection with his general election campaign, a candidate shall certify to the supervisory officer that the candidate is the nominee of a political party for election to the federal office of Representative or Senator or is otherwise qualified on the ballot as a candidate in the general election for such office, and he and his authorized committees have received contributions for that campaign in the amount of 10 percent of the maximum amount he may spend in the general election under section 608(c); *Provided,* That no candidate in the general election for the office of Senator need raise more than $50,000.

"(b) To be eligible to receive any payments under section 9057 for use as campaign contributions an official political party committee shall have its chairman certify to the supervisory officer its status as an official political party committee.

"(c) In determining the amount of contributions received for purposes of subsection (a) and of Section 9054(a)—

"(1) no contribution received as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account;

"(2) no contribution from any person shall be taken into account (a) in the case of a candidate to the extent that it exceeds $50 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his election campaign; and (b) in the case of an official political party committee to the extent that it exceeds $50 in a given calendar year when added to the amount of all other contributions made by that person to the official political party committee of a given political party during the calendar year.

"(3) no contribution from any person shall be taken into account unless the recipient submits to the supervisory officer at such times and in such form as the supervisory officer may require, a matching payments voucher. Such voucher shall include the full name of any person making a contribution together with the date, the exact amount of the contribution, the complete address of the contributor and such other information as the supervisory officer may require.

"(4) no contribution from any person shall be taken into account in the case of a candidate to the extent that it was received prior to June 1 of the calendar year in which the general election is held, or in the case of a special general election, to the extent that it was received prior to three months before the special general election is held.

"(5) no contribution from any person shall be taken into account in the case of a candidate to the extent that it was received by a candidate or his authorized committee in pursuit of an unsuccessful attempt to obtain his party's nomination for the federal office being sought.

"(d) Certification under this section shall be filed with the supervisory officer at the time required by the supervisory officer.

"SEC. 9054. ENTITLEMENT TO PAYMENTS

"(a) Every eligible candidate and official political party committee is entitled to payments in an amount which is equal to the amount of contributions received by that candidate or official political party committee, subject to the provisions set forth in Section 9053.

"(b) Notwithstanding the provisions of subsection (a), no candidate is entitled to the payment of any amount under this section which, when added to the total amount of any other payments made to him under this section exceeds the amount of thirty-three percent of the expenditure limitation applicable to him for his general election campaign under section 608(c).

"(c) Notwithstanding the provisions of subsection (a), no candidate shall be entitled to receive any payments under this section prior to the date on which the nominating process is complete in the candidate's state for the federal office being sought in the general election, provided that in no event shall any funds be paid to any candidate prior to June 1 of the calendar year in which the general election is held, or in the case of a special general election, prior to three months before the special general election is held.

"(d) Notwithstanding the provisions of subsection (a), no official political party committee is entitled to receive in a given

calendar year an amount in excess of $1 million when added to the amounts received by all other official political party committees of that political party during the calendar year.

"(e) No campaign contributions made by an official political party committee to a Congressional candidate shall be eligible to be matched by the candidate with funds otherwise available under this chapter to the candidate.

"SEC. 9055. LIMITATIONS

"(a) No candidate and his authorized committee who receive payments under this chapter shall use these funds except for qualified campaign expenses incurred for the period set forth in Section 9054(c).

"(b) No official political party committee which receives funds under this chapter shall use those funds except for purposes of making general election campaign contributions to Congressional candidates.

"(c) All payments received by a candidate or official political party committee under this chapter shall be deposited in a separate checking account at a national or state bank designated by the candidate or official political party committee and shall be administered by the candidate or the candidate's principal campaign committee or by the official political party committee. No expenditures of any payments received under this chapter shall be made except by checks drawn on this separate checking account at a national or state bank. The supervisory office may require such reports on the expenditures of these funds as it deems appropriate.

"(d) Notwithstanding any other provision of this chapter, no more than 100 percent of the allowable spending limit for a given candidate in a general election under Section 608(c), shall be paid under this chapter to all eligible candidates in that race; provided that the Secretary of the Treasury, in seeking an equitable distribution of such funds shall make such distribution in the same sequence in which such certifications are received pursuant to Section 9056.

"SEC. 9056. CERTIFICATIONS BY SUPERVISORY OFFICER

"(a) After a candidate or official political party committee establishes its eligibility under section 9053 and subject to the provisions of Section 9054, the supervisory officer shall expeditiously certify from time to time to the Secretary of the Treasury for payment to each candidate or official political party committee the amount to which that candidate or official political party committee is entitled.

"(b) Initial certifications by the supervisory officer under subsection (a), and all determinations made by it under this chapter, shall be final and conclusive, except to the extent that they are subject to examination and audit by the supervisory officer under section 9058 and judicial review under section 9060.

"SEC. 9057. PAYMENTS TO ELIGIBLE CANDIDATES

"(a) The Secretary of the Treasury shall establish and maintain an account known as the Congressional Matching Payment Account. The funds in this Matching Account shall be available for payment to any candidate or official political party committee eligible to receive payments under section 9053. The Secretary shall deposit in a Presidential election year into the Matching Account the excess amounts available under Section 6096, after the Secretary determines and allocates the amounts required in that Presidential election year in accordance with sections 9006, 9008 and 9037.

"In each of the two years following a Presidential election, the Secretary shall deposit into the Matching Account that portion of the annual amounts designated by taxpayers under section 6096 that equals the excess above twenty-five percent of the total amount made available in the last Presidential election in allocating funds under sections 9006, 9008 and 9037. The monies in the Matching Account shall remain available without fiscal year limitation.

"(b) Upon receipt of a certification from the supervisory officer under section 9056, and subject to the provisions of sections 9053, 9054, and 9055, the Secretary of the Treasury shall promptly pay the amount certified by the supervisory officer from the Matching Account to the candidate or official political party committee to whom the certification relates.

"(c) If on June 1 of any election year the Secretary determines that the funds deposited in the Matching Account pursuant to paragraph (a) amount to less than 100 percentum of the maximum aggregate entitlement for such election, he shall, notwithstanding any other provision of this Chapter, limit payments to each candidate to an amount which bears the same ratio to the maximum entitlement of such candidate as the amount of funds in the Matching Account bears to the maximum aggregate entitlement.

"(d) For the purpose of this section—

"(1) 'maximum entitlement' means the total amount of payments which may be received by a candidate subject to the limitations of section 9054(b); and

"(2) 'maximum aggregate entitlement' means an amount which is the product of two and the sum of the maximum entitlements for each Federal office for which an election is to be held.

"(e) No payment shall be made under this chapter to any candidate for any campaign in connection with any election occurring before October 31, 1976 or to any official political party committee before June 1, 1976.

"SEC. 9058. EXAMINATION AND AUDITS; REPAYMENTS

"(a) After each general election, the supervisory officer shall conduct a thorough examination and audit of all candidates for Federal office and official political party committees with respect to the funds received and spent under this chapter.

"(b)(1) If the supervisory officer determines that any portion of the payments made to an eligible candidate or official political party committee under section 9057 was in excess of the aggregate amount of the payments to which the recipient was entitled, it shall so notify that recipient and the recipient shall pay to the Secretary of the Treasury an amount equal to the excess amount.

"(2) If the supervisory officer determines that any portion of the payments made to a candidate under section 9057 for use in his general election campaign was used for any purpose other than for qualified campaign expenses in connection with that campaign, the supervisory officer shall so notify the candidate and the candidate shall pay an amount equal to that amount to the Secretary.

"(3) If the supervisory officer determines that any portion of the payments made to an official political party committee under section 9057 were used for any purpose other than to make general election campaign contributions to Congressional candidates, the supervisory officer shall so notify the official political party committee and the official political party committee shall pay an amount equal to that amount to the Secretary.

"(4) Amounts received by a candidate under this chapter may be retained for thirty days after the general election for the purpose of liquidating all obligations to pay qualified campaign expenses which were incurred for the period set forth in section 9054(c). After the thirty-day period following the election, all remaining federal funds not yet expended on qualified campaign expenses shall be promptly repaid by the candidate to the Matching Account.

"(5) If the supervisory officer determines that any candidate who has received funds under this chapter, is convicted of violating any provision of this chapter, the supervisory officer shall notify the candidate and the candidate shall pay to the Secretary of the Treasury the full amount received under this chapter.

"(6) No payment shall be required from a candidate or official political party committee under this section in excess of the total amount of all payments received by the candidate or official political party committee under section 9057.

"(c) No notification shall be made by the supervisory officer under subsection (b) with respect to a campaign more than three years after the day of the election to which the campaign related.

"(d) All payments received by the Secretary under subsection (b) shall be deposited by him in the Matching Account.

"SEC. 9059. REPORTS TO CONGRESS

"(a) The supervisory officer shall, as soon as practicable after the close of each calendar year, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in the detail the supervisory officer deems necessary) incurred by a candidate and his authorized committees, and by each official political party committee, who received any payment under section 9057.

"(2) the amounts certified by it under section 9056 for payment to each candidate and his authorized committees and each official political party committee; and

"(3) the amount of payments, if any, required from that candidate or official political party committee under section 9058, and the reasons for each payment required. Each report submitted pursuant to this section shall be printed as a House or Senate document.

"SEC. 9060. JUDICIAL REVIEW

"(a) Any agency action by the supervisory officer made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the supervisory officer for which review is sought.

"(b) Review Procedures—The provisions of Chapter 7 of Title 5, United States Code apply to judicial review of any agency action, as defined in Section 551 (13) of Title 5, United States Code.

"SEC. 9061. UNLAWFUL USE OF PAYMENTS

"It shall be unlawful for any person who receives payment under this chapter or to whom any portion of such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than for the specific purposes authorized by this chapter.

"SEC. 9062. FALSE STATEMENTS

"It shall be unlawful for any person knowingly and willfully to furnish any false, fictitious or fraudulent evidence, books or information to the supervisory officer under this chapter or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books or information relevant to a certification by the supervisory officer.

"SEC. 9063. KICKBACKS AND ILLEGAL PAYMENTS

"It shall be unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any payments received under this Chapter or in connection with any expenditures of payments received under this chapter.

"SEC. 9064. PENALTY FOR VIOLATIONS

"(a) Any knowing and willful violation of any provision of this chapter is punishable by a fine of not more than $25,000, or imprisonment for not more than one year, or both."

Mr. UDALL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Chairman, we have a very good bill before us. The gentleman from Ohio has been kind enough to say good things about me and I want to compliment him and the committee for bringing to the floor a very sound and very responsible bill.

I think it really needs only one more thing to be an exceptionally outstanding bill, and that is to adopt the Anderson-Udall, Foley-Conable matching fund proposal for congressional elections.

Studies have shown that about 95 percent of the financing of congressional elections comes from the top 2 or 3 percent of the wealthiest people in this country. The little guys are left out, whether they are Democrats or Republicans.

We have been trying new concepts, new patterns lately in this country. Two years ago we established a $25 tax credit for man and wife, and $100 tax deduction. This partial public financing has worked.

Now what we are trying to do is bring into the congressional election a mass of small private donations, with a limited amount of public money.

This proposal of ours has gone through some evolutions. It has been changed a number of times. As I moved around the floor today, I found a lot of confusion about it. I hope no one will vote against past versions of this proposal. It does not apply to 1974. It applies only to 1976. It will be a trial run in 1976, along with the Presidential general election primaries we have just approved. It does not apply to congressional primaries. There was fear there would be twelve or fourteen people running in a congressional district all financed by public funds. We do not hand anybody $90,000 or any large sum simply for getting a party nomination. The most public money they can get is $20,000, and to get it they have to match it with $50 or smaller donations. Not a dime of general revenue funds will go into this. It will be financed totally by the checkoff. It will be financed by people who voluntarily want to give a dollar on their income tax for a new system of clean honest elections.

There were fears we would be financing frivolous candidates. We have a threshold. They have to raise $6,000 in $50 chunks or smaller to qualify. That is a very high threshold. Anybody that is a serious opponent against any incumbent is going to be able to raise $7,500.

There is no compulsion. No candidate has to use this system. If they like the old way, if they have some conscientious objection to using dollar checkoff funds they may reject it.

One of the other objections was made to the Senate bill and some of the other proposals, which gave public money for merely getting a major party nomination, even in a district where the race would be hopeless. A candidate could be in a one-party district, but if he gets a major party nomination under some of these proposals, he gets $90,000 or some large sum of money. In our proposal he has to match dollar for dollar. He has to get it in small contributions and, as I say, it is limited to a $20,000 total.

We have another important limitation. Fears were expressed that, "You are going to take all this Federal money. You are going to hire your brother-in-law as a consultant, or spend all this taxpayer money on similarly senseless matters.

The $20,000 that is raised has to be segregated in a separate bank account. That money has to be used, or it has to be given back. It must be used for five highly visible things: radio, televison, newspapers, billboards, telephone banks, and postage for direct mailing.

We have a fine system that ought to be tried out on a limited basis. I think it will work.

There was some talk in the cloakroom today and I want to put it to rest, regarding an earlier proposal under which there would be a flat grant of $1,000,000 to each of the national campaign committees. That is not in the bill. There is included here only voluntary amounts from the voluntary checkoff system with all the careful limitations that I have indicated.

I think the time has come when we should give this thing a trial. Surely today the American people are ready to put up a dollar or two a year to have a clean, decent, brand new system of House and Senate elections in this country. Under this carefully drawn system with these careful safeguards, we can give this a trial without running any of the risks people have feared about public financing.

This has widespread support outside the Congress. I think we make a serious mistake today if we reject this fine system. Added to the bill we have, the fine provisions in the bill we have, we will have something that in this historic day we can be very proud of.

I urge my colleagues to support this amendment.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Texas.

Mr. KAZEN. I do not know how the check off system in your amendment works. I can understand on the national level in a Presidential race that the money is coming from a checkoff from throughout the country. Suppose there are no checkoffs in a particular area.

Mr. UDALL. If there is no money in the checkoff fund there will be no payments.

Mr. KAZEN. Suppose there are no checkoffs from two or three congressional areas. Is there going to be any money from the general fund coming from outside into those districts to finance those candidates?

Mr. UDALL. Yes; this is a national fund designed to help finance campaigns all over the country.

Mr. HAYS. Mr. Chairman, it is getting late and a lot of Members have commitments, as I said earlier, and I was wondering if 30 minutes would be sufficient time to conclude debate on this amendment.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 5:30 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair will recognize Members standing at the time the unanimous-consent request was made for 50 seconds each.

Mr. HAYS. Mr. Chairman, I would like to amend my unanimous-consent request and ask unanimous consent that all Members whose names have been read be recognized for 1 minute each.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. GROSS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

(By unanimous consent, Messrs. NEDZI, BRADEMAS, CARNEY of Ohio, DENT, MATHIS of Georgia, and GAYDOS yielded their time to Mr. HAYS.)

(By unanimous consent, Messrs. BROWN of Ohio and NELSEN yielded their time to Mr. FRENZEL.)

(By unanimous consent, Messrs. COHEN, DELLENBACK, WHALEN, and CONTE yielded their time to Mr. ANDERSON of Illinois.)

(By unanimous consent, Mr. YOUNG of Florida and Mr. BAUMAN yielded their time to Mr. ROUSSELOT.)

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. GAYDOS).

(Mr. GAYDOS asked and was given permission to revise and extend his remarks.)

Mr. GAYDOS. Mr. Chairman, what is the purpose for allowing these funds for congressional races?

Obviously, based on current estimates, there is a question whether or not there will be sufficient funds available to take care of all the costs of the 1976 Presidential election and the presidential primary races.

But assuming that there are available certain funds from the dollar checkoff for use in congressional races, it would be so small that when allocated among the candidates, it would be a mere token contribution to the candidates' campaigns.

The rationale behind the push for public financing is two-pronged:

First, to eliminate the evil of private funding as reflected in the Watergate matter.

Second, the need to provide funds to challengers in order to make political campaigns more competitive.

The mere fact that the proponents of public financing accept the concept of matching funds, such as in the Presidential primary, indicates that they do not consider private funds per se evil.

However, the bill before the House does answer the allegation of the existence of evil private funds in the Presidential general election by authorizing full Federal funding for Presidential general.

But by accepting the concept of matching funds for the Presidential primary, the proponents for public financing then switch their argument from the need to eliminate private funds to the need to provide front money for candidates who do not have sufficient private funds available to launch a campaign for the Presidential nominaton. If private funds were so evil then why should they be matched by Federal funds. The answer to this question probably will be that the matching will only apply to small contributions.

However, if the committee bill passes then the strict limitations on contributions will in effect eliminate the large contributions wihch are alleged to be evil. So the only rationale for public funds in the Presidential primary is to assist candidates in launching campaign for the Presidential nomination.

However, if we should authorize Federal funds for congressional general elections, we certainly are not encouraging more individuals to seek the nomination for these seats. If that is the purpose then Federal funds should be made available to individuals to assist their campaign for nomination. Once a candidate has received the nomination, his party will then assist his campaign. Why is it necessary for Federal funds at this point, particularly when the available funds will be so small?

If the purpose of providing funds to congressional candidates is to encourage more individuals to seek public office, then the only way to accomplish this is to direct Federal funds to those individuals who are unable to raise sufficient funds to enable them to obtain the nomination of the party. Providing Federal funds to the party candidate once nominated certainly does not encourage more individuals to seek public office. It merely assists the nominees of the respective parties. In fact, if the funds available from the dollar checkoff should become substantial, then the result of Federal Funding could well mean a substitute for party funding from private sources.

PROVISIONS OF ANNUNZIO AMENDMENT

I. ELIGIBILITY

First, must certify that he is the nominee of a political party or is qualified on the ballot as a candidate for the Federal office.

Second, that he has raised at least 10 percent of the expenditure ceiling—$7,500 for a House seat—but a senatorial candidate does not have to raise more than $50,000.

Third, contributions in the form of subscriptions, loans, deposits or advances are not considered as eligible contributions in meeting the 10 percent requirement.

Fourth, only contributions of less than $50 from each person shall be considered.

Fifth, only contributions received after June 1 in the election year.

Sixth, Federal funds could not exceed 33 percent of the expenditure limitation.

Seventh, Federal funds must be kept in a separate bank account.

Eighth, can only be used for broadcasting stations, newspapers, magazines, outdoor advertising, postage for direct mailings, and telephones.

II. THE AMENDMENT ALSO PROVIDES FOR PAYMENTS OF FEDERAL FUNDS TO CONGRESSIONAL CAMPAIGN COMMITTEES OF TO $1 MILLION PER YEAR

These committees could then give any of their candidates up to $10,000 of these funds or any mixture of private and Federal funds. This would amend the provision limiting the contributions to $5,000 in the bill as far as the general election is concerned. The $5,000 limitation would still apply to the primary.

The thrust of this amendment is certainly not to encourage more individuals to seek public office. It is just the opposite in that it only supports party nominees. Furthermore, the fact that the congressional campaign committees of the major national parties could receive up to $1 million would indicate that the intent is to further strengthen the major national parties and allow them to decide which of their nominees they wish to support. Does this result in those candidates in greatest need of support receiving funds from the national committee or those candidates which the national committee looks on most favorably?

(By unanimous consent, Messrs. OBEY, BADILLO, BOLAND, and RONCALIO of Wyoming yielded their time to Mr. UDALL.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. ROUSSELOT).

(Mr. ROUSSELOT asked and was given permission to revise and extend his remarks.)

Mr. ROUSSELOT. Mr. Chairman, I take this time to ask my good colleague, the gentleman from Arizona, who voted against the amendment to eliminate public financing of Presidential campaigns, why he now comes before us and eliminates financing for congressional campaigns in a primary contest. I find that highly inconsistent and discriminatory to Members of Congress and the Senate.

Mr. UDALL. If the gentleman will yield, one does the best he can.

Mr. ROUSSELOT. I will be glad to yield to the gentleman from Arizona.

Mr. UDALL. I have long favored the original Anderson-Udall bill, which covered both primaries and general elections.

Mr. ROUSSELOT. Why did the gentleman eliminate that concept from this amendment?

Mr. UDALL. Because it could not pass with primaries contained in the bill.

Mr. ROUSSELOT. What we are now hearing from my good friend, the gentleman from Arizona, is that he has become very political on this issue of public funding for congressional primaries. I think that is an unfortunate discrepancy and obvious deficiency in the gentleman's amendment. The gentleman sincerely believes it should be in Presidential campaigns for both the primary and the general elections, but to garner votes here on the floor, he has come before the House and played a kind of Mickey Mouse game with his own principles. That is very similar to coming out for Federal education, for buildings, but not for teachers. I think one is either for Federal aid education or he is not.

My belief is that my good colleague, the gentleman from Arizona, once again, as he did in the case of the land use bill, when he had some 20 amendments, has come before the House today and substantially compromised his own position, in which he does not wholly believe. On that basis alone the amendment should be defeated though there are many reasons for its defeat.

Mr. UDALL. Mr. Chairman, if the gentleman will yield, one gets what he can and does what he can. I voted for medicare, for older citizens when I really favor national health insurance for everyone.

Mr. ROUSSELOT. I understand that a lot of people try to get what they can get out of Government and especially from the Public Treasury. What I am saying is that I think this is an impossible kind of amendment when it is in direct conflict with the rest of the bill which tolerates Federal financing of primaries.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. MEEDS).

(Mr. MEEDS asked and was given permission to revise and extend his remarks.)

Mr. MEEDS. Mr. Chairman, I rise in support of this amendment. I think it is perhaps the most important amendment that we will be considering to provide us absolutely free and uninhibited funding down the line.

Mr. Chairman, if there ever was an appropriate time for the Congress to pass campaign reform legislation, that time is now.

The Watergate scandals have galvanized public attitudes toward our political system. They have compounded years of public cynicism about elected officials. Concurrently, they have caused the public to demand reform of campaign abuses.

Despite a recent upward flicker in congressional popularity, Members of Congress still rank in public esteem just ahead of skunks. And unless we enact meaningful campaign reforms, the skunks will be catching up.

As a Democrat, I have taken no partisan pleasure whatsoever in seeing my Republican colleagues shiver under a rain of Watergate indictments. All incidents of corruption, whether Republican or Democratic, reinforce the public suspicion that every politician is on the take.

Well, you and I know that most politicians are not on the take. But it is not for lack of opportunities inherent in our special interest campaign financing system. Congress in 1971 passed a disclosure law to shed some light into the dark corners of political money raising.

It was only a start. But it was a revolution ahead of the 1925 Corrupt Practices Act. Now there is at least limited disclosure in Federal political campaigns. It is weak, however, compared to the reporting law in Washington State,

which was passed by the people in 1972 after a number of us signed petitions to put it on a statewide ballot.

H.R. 16090 improves some portions of the 1971 law but leaves at least two areas without effective reform: putting teeth in disclosure and working toward public financing.

Asking elected officials to regulate themselves while seeking reelection produces an inherent conflict of interest. And naming employees of these elected officials as watchdogs of disclosure strains credulity. The public is not so gullible to continue to accept this sort of cozy reporting system.

That is why I supported the amendment offered by the gentleman from Florida (Mr. FASCELL) and the gentleman from Minnesota (Mr. FRENZEL) to create an independent Federal Elections Commission. The Board of Supervisors set up by the committee bill would leave us in the awkward and ineffective position of judging ourselves—or not judging ourselves, as the situation is more likely to be.

H.R. 16090 also sets liimts on contributions. But disclosure and limits on contributions still beg the question of the whole system of special interest financing. Campaigning for public office is expensive. The expense is usually greater than the salary that goes with the job. So, unless you are rich, you must outstretch your palm and ask for money.

Few Americans contribute to political campaigns. Fewer still contribute just for the sake of financing good government. Behind nearly every sizable contribution is a contributor holding an ax for grinding. If you are strong, you draw a line. But the temptation is always there. Campaign financing by special interests is the most corruptive influence in the American political system.

The obvious solution is public campaign financing. It is an idea whose time is fast approaching as disgust with the existing system continues to spread. As one of the sponsors of the earlier Udall-Anderson bill, I believe we must make a start on trying the idea.

Thanks to the checkoff of income tax forms, public campaign financing may be possible in the 1976 Presidential campaign. But we could be experimenting with public financing in other campaigns as well—if we put the provisions in this bill.

I will support the amendment by the gentleman from Arizona (Mr. UDALL) and others to try a matching system of public campaign funds. There are unanswered questions about using taxpayers' money for political campaigns. Some citizens view it simply as another way for politicians to get their hands in the till. But it all comes back to one basic question: Who do you want paying your elected officials' campaign costs? Do you want continued payments attached to strings from big corporations, labor unions, trade associations, or other organized pursuers of private interest? Or do you want campaign financing by the public, which seeks only responsive government in the public interest?

It may not be possible to remedy all these problems in H.R. 16090. But the Federal Election Act amendments do improve upon the 1971 law. I will vote for the legislation on final passage.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Washington.

(Mr. FOLEY asked and was given permission to revise and extend his remarks.)

Mr. FOLEY. Mr. Chairman, I thank the gentleman from Washington for yielding.

I hope Members on both sides of the aisle will support this essential amendment. It is sponsored, as I think the Members know, by the gentleman from Arizona (Mr. UDALL), the gentleman from Illinois (Mr. ANDERSON), the gentleman from New York (Mr. CONABLE), and myself, and others who have joined in that sponsorship. This amendment will not apply funds to congressional races except those voluntarily contributed through the tax checkoff. It applies to general elections only and is limited to the matching of small contributions not to exceed $20,000.

The amendment can if adopted be a historic step in opening the political system to afford broadest, most objective, and most responsive decision in all Federal elections.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. MIZELL).

Mr. MIZELL. Mr. Chairman, I rise merely to voice my opposition to this amendment.

As I opposed the tax checkoff for Presidential elections, so I oppose this tax checkoff for congressional elections.

When my constituents were polled on this issue, 77.2 percent of those responding were opposed to taking tax dollars and financing Federal elections. So I say to my colleagues that you may not be reading the sentiment of the people on this particular issue, and especially when the people begin to see their dollars going to support candidates with whom they completely and totally disagree, and oppose politically.

So, Mr. Chairman, I hope the amendment is rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. O'BRIEN).

(Mr. O'BRIEN asked and was given permission to revise and extend his remarks.)

Mr. CULVER. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN. I yield to the gentleman from Iowa.

(Mr. CULVER asked and was given permission to revise and extend his remarks.)

Mr. CULVER. Mr. Chairman, I wish to voice my strong support for the Anderson-Udall amendment to H.R. 16090, the Federal Election Act Amendments of 1974. This amendment would provide for a matching form of private and public financing of congressional general elections, and would be financed out of the dollar checkoff fund already provided in H.R. 16090 for Presidential elections.

This amendment will, I believe, lead to an end of the abuses we have seen during the past 2 years by fostering a broader base of citizen participation in the financing of Federal elections.

We must break with the precedent of large donations, and provide incentives to encourage a resurgence of citizen participation in campaigns, while at the same time permitting candidates without great wealth, or the advantage of incumbancy, a realistic chance in seeking public office.

I, therefore, fully support efforts to amend H.R. 16090 to include a system of matching payments for small contributions to congressional campaigns. The thrust of such a system is not eliminate private money from campaigns, but to shift the source of funding from the special interests and large contributors to a broad base of citizen participation. With entitlement to a $50 Federal matching payment for each equivalent contribution raised privately, candidates would have a far stronger incentive to turn to the people to finance their campaigns.

There is a desperate need to equalize the political influence of all citizens in the United States. We must act now to insure that the inequality in the amount of money one has or can command does not disproportionately affect the extent of their political influence.

Mr. O'BRIEN. Mr. Chairman, I rise in support of the amendment offered by the gentlemen from Illinois and Arizona. While I am looking forward to the passage of this vital legislation, I feel especially adamant about the necessity for this particular amendment.

In my conversations with colleagues and constituents regarding Federal matching payments, I have encountered the same objection time after time: "This proposal will force me, through my tax dollars, to support campaigns, issues, and ideologies which I find distasteful and repugnant."

I am then usually reminded that Thomas Jefferson explicitly warned that no American should ever be coerced into supporting ideas or beliefs contrary to his own. I agree 100 percent. The validity of Jefferson's proposition is unquestionable. If I thought for 1 second that this amendment would intentionally or inadvertently violate this fundamental right of every American, I would denounce it.

Gentlemen, this amendment has been carefully engineered so as to protect this right. Not 1 dime, not 1 Lincoln penny will be exacted from any taxpayer who chooses not to provide these matching payments. The whole fund will come from an optional campaign checkoff on each citizen's Federal income tax return. Each voter can decide for himself if he wants to contribute to this fund, and he can do so in the privacy of his own home.

Judging by our 2-year experience with the Presidential campaign checkoff, I feel that the public has readily accepted this concept.

Still, many would-be supporters balk at another point. They ask, What will happen if the fund is insufficient to match all the small contributions amassed by all the candidates. Again, I must emphasize that funds would not be drawn from the Treasury to make up a deficit. Instead, each candidate's maximum Federal matching payment would

be reduced from its $25,000 ceiling to a percentage of that amount. The reduction would be based on the percent of shortfall of the checkoff fund. For instance, if the checkoff fund contained only 80 percent of the maximum required amount, the ceiling for each candidate would be 80 percent of $25,000 or $20,000.

Let me add that the amount each candidate will be eligible to receive will be determined far in advance of each election so that no candidate will be caught short.

Gentlemen, as I look around this country today, I see dark clouds of doubt, cynicism, and distrust hanging over our body politic. However, I firmly believe that the adoption of this amendment—and the passage of this bill—will help sweep these storm clouds from our land. Just as fresh air invigorates the body, this fresh source of campaign money will revitalize our election process.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. PEYSER).

(Mr. PEYSER asked and was given permission to revise and extend his remarks.)

Mr. PEYSER. Mr. Chairman, I rise in strong support of this amendment. I think it is one that is deperately needed if we are ever going to break the bonds that have been leaving the rich in complete power in so many cases.

I can speak with some authority in this area. In my campaign, which was one of the most heavily financed campaigns in this country, where more money was put in than probably, in any other campaign in this Congress, I recognize the power of what money can do in a campaign.

Mr. Chairman, I think we ought to get away from that. I am for the limitation of amounts that can be spent in a campaign and I am for public financing as outlined in this amendment.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, I thank the gentleman for yielding.

I most strongly urge my colleagues to support this amendment. This particular amendment has been very carefully drawn. It does no more than it purports to. There are not any hooks in it. It is a clean proposal, one that is meant to take some of the burdens out of compaigns.

Hopefully, this will protect us against potentially corruptive influences.

It is a very good amendment, and it should be voted for on its merits.

The CHAIRMAN. The Chair recognizes the gentleman from New Hampshire (Mr. CLEVELAND).

(Mr. CLEVELAND asked and was given permission to revise and extend his remarks.)

Mr. CLEVELAND. Mr. Chairman, I rise in support of the Anderson-Udall amendment. I regret the parliamentary situation only permits me 50 seconds.

I would remind some of the people who are supporting the Anderson-Udall amendment and some of the organizations who are supporting it, that this amendment has now been kicking around for more than a year. It has been changed on at least 3 or 4 times in major respects, and I believe for the better.

Some of the organizations and some of the people who are sponsoring this amendment have been highly critical of the Committee on House Administration for our delays—and there have been delays, some of them unexplained—should recognize in fairness that this period of delay has given the sponsors of the Anderson-Udall amendment a chance to make of it a better amendment. I somewhat reluctantly supported it initially. Now having been changed 3 or 4 times, for the better I can enthusiastically support it.

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in support of H.R. 16090, a bill designed to reform the Federal elections systems by establishing spending and contribution limits for all Federal offices, by providing for partial public financing and by creating a nonpartisan Board to enforce this act.

Under our representative system of government, the people elect fellow citizens to speak for, vote on behalf of, and represent their interests in the legislative bodies—the House and the Senate—and they elect a President to administer the laws, conduct foreign affairs, and established priorities. And, I believe this to be the best system of government devised by man.

If some people, however, are given preferential treatment because of their ability and willingness to contribute large sums toward the election of an individual, then the system breaks down. If some are "more equal" than others, then our representative system fails and the interests of all the people are aborted.

And this is a very serious threat to our democracy. It is a very serious threat if the interests of the rich and powerful are placed above the interests of the weak and the poor.

Our country was founded on the principle of equality—all are equal in the eyes of the law. But, if the rich and the powerful have a greater influence on writing and administering the laws, is not equality a sham, a farce?

And, obviously, we see that in our laws today. Who benefits from the tax loopholes? Who gains from subsidies?

It has become apparent that our Federal election laws need to be strengthened by restricting the influence of big money in political campaigns.

In 1972, over $66 million were spent on the House and Senate elections and only $1 of every $3 raised that year was collected in denominations under $100. Overall, the 1972 elections cost $100 million more than the 1968 elections.

In order to meet these rising campaign costs, candidates have become increasingly dependent on big givers. For example, the Citizens Research Foundation has found that 90 percent of candidate contributions for all elective officers come from 1 percent of the people.

CONTRIBUTION LIMITS

Under this bill, strict limits on contributions to candidates for Federal office are established by banning contributions by an individual which exceed $1,000 per election.

While present law has no limit on individual contributions, this measure states that no individual could contribute more than a total of $25,000 per year to all Federal candidates and political committees supporting Federal candidates.

SPENDING LIMITATIONS

In addition, this bill, H.R. 16090, establishes a ceiling for all campaign activities in any election for Federal office. With respect to a Presidential election, candidates would be able to spend up to $20 million, instead of amounts totaling $54 million, as in the 1972 Nixon campaign, and $28 million by the McGovern organization.

Senatorial candidates would be limited to spending 5 cents per person in the State, or $75,000, whichever is greater.

Candidates for election to the House of Representatives would be limited to spending $60,000.

PUBLIC FINANCING

And, finally, to end the reliance on the wealthy to finance Presidential campaigns, the bill permits the use of up to $20 million per major candidate from those funds designated by taxpayers on their annual tax return to be paid to the Presidential Election Campaign Fund.

As with existing law, public financing would be strictly voluntary and would come from this Fund only.

An amendment will be offered, however, by Congressman ANDERSON of Illinois, the chairman of the Republican Conference, and Congressman UDALL of Arizona, to extend public financing to congressional campaigns based on a mix of private financing and Federal matching payments for small contributors of up to $50.

As the author of a similar proposal, I support this amendment which, again, would only use those funds which were voluntarily checked-off by taxpayers on their tax returns.

Before a candidate would be eligible for any of these funds, that candidate would have to demonstrate popular support by raising 10 percent of the spending limit—$6,000—in contributions of $50 or less. And, then, the maximum a candidate could receive would be $20,000.

If adopted, this amendment, I believe, will encourage interested citizens, who may lack personal funds, to seek public office. It would permit a person who have taken a great interest in community affairs to run for office, with the knowledge that he or she would not be indebted to the special interests.

I sincerely believe that this amendment would result in better government, practiced by better people, who only have a strong desire to serve their fellow man.

CONCLUSION

Mr. Chairman, the need for reform is obvious. The words "politics" and "politicians" have become synonymous with wheeling and dealing, undercover operations, and corruption.

And yes, some politicians are "wheelers and dealers"; some operate in the shadows, and some are corrupt. Those are the ones that all of us would like to see put out of business, and they will be when the public finds out about their activities.

But, certainly, most are honest; most are here in Congress or in the Presidency trying to do their best to represent all of the people. And, most will continue to raise their funds from small contributors; will continue to spend less than the maximum amount; and will continue to run fair, decent campaigns designed to inform, not deceive.

Unfortunately, legislation such as this is needed to assure that the big monied interests are not represented in proportion to their pocketbooks.

I support this proposal and urge my colleagues to join with me in passing a meaningful campaign reform bill which would put the poor and weak on an equal footing with the rich and powerful.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ANDERSON).

(Mr. ANDERSON of Illinois asked and was given permission to revise and extend his remarks.)

Mr. BIESTER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Pennsylvania.

(Mr. BIESTER asked and was given permission to revise and extend his remarks.)

Mr. BIESTER. Mr. Chairman, I rise in support of the amendment introduced by Mr. ANDERSON and Mr. UDALL providing matching Federal funds in congressional campaigns.

The potential problems in raising large amounts of private money in campaigns is not limited to Presidential elections alone, and the fact that congressional public financing is not included in any form in H.R. 16090 is a glaring omission which must be corrected. For Members of Congress to exclude themselves from the same arrangement they would impose on candidates for the Presidency would create a double standard. The American public has clearly expressed its approval in nationwide polls of the public financing concept for all Federal elections. While I am personally committed to the concept of full public financing at the congressional level as well as at the Presidential and introduced legislation to that end last year, I would hope the House would at a minimum adopt the matching Federal funding plan as proposed by Mr. ANDERSON and Mr. UDALL.

The stimulus for campaign reform has emerged from the role money—big money—plays in the political process. While on paper and in principle we have gone far toward realizing our democratic tradition of one-man-one-vote as espoused in the Baker and Sims cases, we need to go a step further in removing the distorting influence of big money in elections to bring reality closer to principle. Money gives those individuals who have it to spend a special position before candidates and it holds the potential for carrying an influence that can make some individuals far more equal than others.

We know from experience that campaign contributions can lead to special preferences. Certainly, this is not always the case, but the suggestion and implication are there, nevertheless. The public, cynical about politics and its ethics, sees a relationship between money and interests and public policy whether it exists or not. It is time to sweep away any grounds for these suspicions.

The Anderson-Udall amendment can help. Under its provisions, matching Federal funds for private contributions of $50 or less for congressional candidates in general elections would be made available. Funds could not exceed one-third of the spending limit imposed in the bill and candidates would have to raise an initial amount to qualify for the matching Federal payments.

Mr. Chairman, I strongly urge my colleagues to support this critical amendment.

Mr. DU PONT. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Delaware.

(Mr. DU PONT asked and was given permission to revise and extend his remarks.)

Mr. DU PONT. Mr. Chairman, I rise in strong support of the Anderson-Udall public financing amendment. I am an original cosponsor of the amendment and strongly believe that we must get big money out of politics and small money in.

The concept of matching funds makes great sense for two reasons.

First, matching funds will help equalize the opportunity for individuals to run for congressional office.

Second, matching funds will remove the need for large contributions—both special interest group and individuals—which has in the past led to problems with elections. The corrupting influence of large contributions has amply been demonstrated in the past—and this amendment will help fight those kind of problems.

These are the two most important reasons I can think of in terms of reforming our political process—two very sound reasons for adopting this amendment.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Virginia.

(Mr. PARRIS asked and was given permission to revise and extend his remarks.)

Mr. PARRIS. Mr. Chairman, I have asked for this time in order to propound a question to the gentleman from Illinois, and that is whether or not this is the "nose of the camel under the tent theory" on the use of general revenue funds for political campaign financing purposes.

Mr. Chairman, I ask unanimous consent that I may be permitted to yield the balance of my time to the gentleman from Illinois for the purpose of answering my question.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ANDERSON of Illinois. Mr. Chairman, the amendment I have at the desk is at once both a bold departure in our approach to financing campaigns, and at the same time is firmly grounded in our deep tradition of grassroots citizen participation in the electoral process.

On the first score let me say unhesitatingly that this is a public finance amendment. It does provide for the use of taxpayer funds in congressional campaigns. And it does symbolize an intent to break sharply with our present woefully inadequate, special-interest dominated, campaign-funding system.

But let me make a second equally important point. We do not seek to enact public financing as an end in itself. We do not expect the mere input of public funds to magically cleanse or purify the election process. Nor do we seek to displace private money and private contributors entirely, as does the Senate bill. Indeed, I adamantly object to that approach, and should our amendment be enacted, I would strenuously oppose any future effort to use it as a stepping stone to full public finance in the conventional sense.

What we propose instead is a creative blend. We have attempted to harness the mechanism of public financing to the objective or goal of revitalized citizen participation and small contributor funding of congressional election campaigns.

For that reason we do not simply set tax dollars on the stump to be siphoned off by anyone who can qualify for the ballot. Rather this amendment utilizes the matching concept so that the amount of public funds any candidate receives is a direct function of the number of small contributors he can mobilize in behalf of his candidacy.

To receive just $10,000 in public funds would require 200 separate $50 contributions or 500 separate $20 contributions. A House candidate wishing to receive the maximum entitlement under this amendment—$25,000—would need to raise 1,000 contributions averaging $25 apiece in order to do so.

Thus, Mr. Chairman, in this amendment we are contemplating considerably more than merely using public money to finance the necessary expenses of campaigns. Far more importantly, we are attempting to use public funds as a lever, as an incentive, to drastically increase the participation level of the electorate.

And I will say to those of my colleagues who may be skeptical, you are not going to achieve that critical objective by mere exhortation, or stirring rhetorical calls to get the people back in the election process.

The reason is simply that it is enormously expensive to raise small money. In many instances, the net return after fund-raising costs is so low that candidates and their political committees find such efforts are just not productive—especially if large contributions from interest groups or more affluent supporters are available.

However, by doubling the rate of return on efforts to mobilize small contributors, this amendment will alter the fund-raising equation significantly. It will provide the motor force that can help transform our rhetoric about citizen participation into concrete reality.

Mr. Chairman, this amendment will serve a second equally important objective, and that is insuring that campaigns

are adequately funded. I need not remind you that by enacting stringent contribution limitations, we are going to substantially reduce the amount of funding available to conduct political campaigns. You need only look at the disclosure reports from the 1972 election to see that in most Senate races and in many hotly contested House races the contribution ceilings we adopted would have the effect of reducing funding by 20, 30, and, in some cases, 50 percent.

Yet we should not be deluded into thinking that if in driving the moneychangers out of politics we also drive out the money, we will have accomplished anything very constructive or healthy.

It takes money—large amounts of it—to communicate effectively with the electorate, to adequately inform voters about the issues and to conduct vigorous, competitive campaigns. By providing for a significant input of public funds and by increasing the volume of small private contributions this amendment will go a long way toward compensating for the adverse funding impact of the very necessary contribution limitations contained in the measure before us today.

Finally, Mr. Chairman, this amendment will not only provide adequate funding, but it will also insure the right kind of funding. At an hour when the capital of this Nation fairly trembles under the weight of the crisis upon us, and when confidence in our governmental institutions has plummeted to an all-time low, there is nothing more urgent than a dramatic demonstration that our system is worthy of the electorate's trust and support.

We simply must convince a skeptical public that elections are not bought, manipulated or corrupted by the few to the detriment of the many. In my opinion, the way to achieve that crucial objective is to convince the electorate that campaigns are financed with clean money. There can be little doubt that the mixed financing system of tax dollars and small contributions envisioned by our amendment would vividly provide that kind of assurance.

Mr. Chairman, I recognize, of course, that many of my colleagues have had serious reservations and questions about any measure which involves the use of tax dollars for campaign purposes. Let me say that I share many of those concerns, and for that reason we have attempted to very carefully craft this program so as to alleviate them. Indeed, I think it can be said quite categorically that this amendment avoids every major objection that has been raised to the more conventional proposals for public financing.

First, it puts to rest completely the basic philosophical objection to forcing a taxpayer to support a candidate with whom he strongly disagrees. The congressional matching program will be funded entirely out of the check-off fund and will therefore be supported entirely by voluntary taxpayer contributions.

If some of my supporters strongly oppose the views of my cosponsor (Mr. UDALL) on the question of land use control, they will not have to contribute a cent to his campaign. And if his supporters are unalterably opposed to my views on curbing labor violence in the construction industry, not a cent of their tax money need go to my campaign. In short, our amendment fully protects that fundamental right of every American citizen, articulated by Thomas Jefferson almost two centuries ago, not to be coerced into involuntarily supporting ideas, opinions and beliefs with which he is unsympathetic.

Secondly, this amendment is not going to lead to bedsheet ballots and the proliferation of frivolous candidacies. The main problem in that regard is primaries, and we have explicitly excluded them from this proposal. In most States, independent candidates have substantial barriers to overcome in order to get on the ballot, and even if they do, they will be required to raise $7,500 before they are eligible for a penny of government funding.

Another worry that has been legitimately expressed is that candidates will use Government funds for certain frivolous purposes which will be strongly resented by the taxpayers. These might include various kinds of campaign paraphernalia, gimmicks or even exotic publicity stunts, padding the payroll with relatives and friends or the hiring of expensive consultants for slick media and advertising campaigns.

To avoid that possibility we require that matching payments be deposited in a separate bank account and that funds may be drawn from that account only for five specified purposes: first radio and TV air-time; second newspaper and magazine advertising space; third, outdoor billboard facilities; fourth, postage costs for direct mail campaigns; and fifth, telephone lease costs.

These are all high visibility expenditures and are generally accepted as necessary means for candidate communication with the electorate. At the same time, the five categories cover a broad enough range of advertising and communications techniques so that most candidates would not find them unduly restrictive.

Let me just briefly address two final objections that I have heard from some of my colleagues. I think there can be very legitimate concern that public finance will further erode the political parties at a time when we should be attempting to strengthen them, and would readily agree that this is an appropriate criticism of the kind of total public finance approach contained in the Senate bill. But our amendment contains two features which obviate that agrument entirely.

First, public funding is limited to one-third of a candidate's spending ceiling. Since the 1972 disclosure reports show that most House candidates received only about 20 percent of their funding from national, State and local party committees, it is clear that there will be more than sufficient opportunity for parties to continue and even expand their traditional funding role under our proposal.

Second, this amendment makes the campaign committees of each party eligible for matching payments to the tune of $1 million per year. So instead of undermining their role in the campaign funding process, our amendment will actually strengthen it by increasing the amount of funds they will have available for candidate support.

Finally, to those of you who are concerned about the cost and the budget impact of this amendment, let me assure you that the cost will be minimal.

Due to the one-third payment limitation, the threshold requirement and the fact that only the first $50 of a contribution will be matched, the total cost of the matching system will be quite modest. Were each House and Senate candidate to be eligible for the maximum entitlement under the amendment, the total cost would be $31 million per election. On an annualized basis that amounts to $15.5 million or 11 cents per eligible voter.

In actual practice, however, the costs are likely to be considerably less because many candidates will not meet the threshold requirement and most will not raise enough small contributions to be eligible for the full $25,000. Had the amendment been in effect for the 1972 congressional elections, the actual cost would have been only $14.4 million. I do not think that is too much to spend on clean elections.

In conclusion, Mr. Chairman, this is a balanced, workable amendment. It uses public funding to further the goal of renewed citizen participation and confidence in the electoral process. It contains built-in safeguards to meet all of the major difficulties of conventional public financing measures. I therefore urge you support the amendment.

The CHAIRMAN. The Chair will have to state there is a time certain fixed. There are a number of Members who stood at one time or another on our record but did not yield time to the principal involved. If those Members who stood desire time, I wish they would rise for recognition. If those Members do not, the Chair, with the permission of the committee, is going to arbitrarily divide the remaining time, 3 minutes to the gentleman from Arizona (Mr. UDALL) 4 minutes to the gentleman from Minnesota (Mr. FRENZEL) and 4 minutes to the gentleman from Ohio (Mr. HAYS). That is all the time there is.

The Chair recognizes the gentleman from Arizona (Mr. UDALL).

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Chairman, I yield to the gentleman from California.

Mr. PHILLIP BURTON. Is it not correct this amendment as it has been changed and refined now accepts the premise of the House Administration Bill constructed by the gentleman from Ohio (Mr. HAYS) and the others, including the gentleman from Illinois (Mr. ANNUNZIO) that no General Fund money except voluntary checkoff money can be used, and that no moneys can be used until after all of the other priorities in the bill have been fulfilled? Am I not correct in that respect?

Mr. UDALL. The gentleman is exactly correct. If there is no checkoff money, there is no matching in congressional

elections. This is entirely a voluntary program; it is voluntary for the giver and the receiver. No one has to give a dollar on the tax checkoff unless he wants to. He knows what he is financing. No candidate has to use it. If one is affronted by the use of checkoff funds from little people's dollars, he need not apply. It is entirely voluntary.

I would add that public financing of elections is now used in some 20 countries. In Puerto Rico, the Commonwealth which is affiliated with us, they have had a fine experience with it. The elections down there are financed publicly. The Members ought to ask the Resident Commissioner from Puerto Rico how it works in that area.

Let me emphasize again, because there is misunderstanding, it does not apply this year, but only in 1976. It does not apply to primaries. There is a limitation on what one can get out of the fund, which is now $20,000 instead of $25,000, because we have reduced the overall spending limitation. It is totally financed by the checkoff. There is a threshold of $7,500, now $6,000, which must be raised before anyone can qualify, and anyone who is a serious opponent is going to raise $6,000 in any event, so this is not encouraging people to come into the races.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

(Mr. FRENZEL, asked and was given permission to revise and extend his remarks.)

Mr. FRENZEL. Mr. Chairman, I oppose the Udall-Anderson amendment.

I have previously listed for the members of this committee some of the ill effects of public financing, but a rerun might be helpful now. Here is what we get with public financing:

First, we get weakened political parties; second, we get more candidates in every race and duller elections, and duller elections means reelection of incumbents. We get additional protection of incumbents. We get discouragement of challenges. We get discouragement of personal participation in political campaigns. We get starvation of funds for State and local candidates. We get restriction of freedom of speech. We get a compelled use of your money and my money for candidates that we may personally object to. Worse, we get an increase in the bureaucracy.

Finally, we get more spending than we have now, although the people who put up this amendment are telling us they want to cut back. The worst effect of all is the promise of clean elections cannot be fulfilled by using public money.

Public money is the same color as private money. It is green. Translated in another way, a lawbreaker can break the law with public money as well as with private money. There is no essential cleanliness in public money.

I believe the bill we are working on today provides independent, effective regulation and enforcement, and that is the best insurance for clean elections. We can achieve clean, open, honest elections, without wasting the people's money.

If public financing is an idea whose time has come, why has public support for using the taxpayers' money in elections fallen off more than 10 percent in the last 6 months? I will tell the Members why—because the public has figured out whose money it is and what kind of campaigns it is going to be used on.

Our all-pervasive Government has left very little to us the American people. Do not let the bureaucrats take over the congressional elections too. At least save the people's House for the people.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, if there is any money left over after the campaign, does the candidate give it back to the Government or does he keep the money despite the fact that it is Government money?

Mr. UDALL. If the gentleman will yield, it goes back to the Government and it goes into the fund to pay for the overall television and billboard and other campaign expenses.

Mr. FRENZEL. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Chairman, I would like to say at the start when the gentleman was asked if this would be the nose of the camel under the tent, the gentleman from Illinois (Mr. ANDERSON) replied "No." And I agree with him, it would not be the nose of the camel, it would be the whole head and half his body. And the gentleman from Illinois (Mr. ANDERSON) and company would be back here in 2 years wanting complete public financing. They are the ones who wanted public financing which I turned down cold turkey.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HAYS. No. The gentleman got his time and he got 26 minutes of it the way it was, or the proponents of this did, and I am not going to yield at any time to anybody who is for this iniquitous amendment.

What the gentleman is really trying to do is to get his hands into the Treasury on the first go round. Sure, they wanted $90,000 first, and then they will want the whole turkey.

If we did that in Ohio we would have 1,000 candidates. All one has to do in Ohio is to give a dinner for $25 a ticket and bring in all the Hollywood stars one would want and spend that money and then you report you spent that amount and then you go to the Treasury and pick up your check.

But that is what it amounts to. I am totally opposed to it. I am asking the Members to accept a limited trial run on the Presidential campaign, where all the people have gone to jail. There have not been any charges of illicit contributions in the congressional campaigns.

They talk about reducing the big money. We have already reduced the big money by putting a ceiling on all one can spend, by putting a ceiling on what one can raise, and by putting a ceiling on what may be contributed.

Mr. Chairman, I hope the amendment is defeated.

Mr. JAMES V. STANTON. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Ohio.

Mr. JAMES V. STANTON. Mr. Chairman, I rise in opposition to the amendment. I believe public financing in the guise that it is being presented here today is the same type of poison that was initially presented. I believe the process of developing strong political parties in this country ought to be on the basis of the parties and the philosophies themselves, and we should not enable by a method of public financing the development of new philosophies. In my judgment this is just the beginning of proliferating those philosophies and parties in this country.

Mr. HAYS. I agree with the gentleman totally. I think it is a scheme to break down the two-party system. I think it could have that effect. I think it is significant that the people who believe in the two-party system are totally opposed to this concept.

(Mr. JAMES V. STANTON asked and was given permission to revise and extend his remarks.)

Mr. JAMES V. STANTON. Mr. Chairman, the Watergate crisis is generating a great deal of energy for reform of the electioneering process. Obviously, this is a good thing, but we would be making a serious mistake, Mr. Speaker, if we were to assume that any reform—just so long as it produces change—is better than no reform at all. If our responsibility as politicians, as holders of public office and as lawmakers were limited only to offering proof to the public that we care—from which it would follow that we deserve to be reelected next November—then we would be committing no crime if we were to succumb to the "do something, do anything" impulse. In fact, we could saddle some "idea whose time has come" and ride this wave of the future to still another term in public office. But, of course, our responsibility goes beyond that.

It is our duty to think, as well as to act. It is our duty to be sensible; to write into the law only those reforms that we know are going to be meaningful and that will not lead to further disillusionment; to take care that we do not casually transform and thereby undermine that larger framework of democratic government that served us well for nearly 200 years, and which, having been the target of the Watergate criminals, should not, knowingly or unknowingly, become our target as well. It is our duty, Mr. Speaker, to remember that we are politicians as well as reformers, experienced in the ways of government and elections, and possessed of that inside knowledge that comes only from being a part of these processes. It is our duty to use that knowledge to harness and correctly channel the energy for political reform.

Recent developments in the Senate suggest that we might soon be confronted in this body with one of those "ideas whose time has come." This is the proposal for public financing of campaigns for Federal office—that is, Presidential and congressional electioneering.

Besides being a proposal, it has taken on the dimensions of a moral crusade. Mr. Speaker, while I do not question the sincerity of those who advocate public finanacing, I do challenge their wisdom. I submit respectfully that their proposal—I am addressing myself, of course, to the basic concept rather than to any particular legislative formulation of it—is at best a placebo and at worst—I am using this word with forethought—a poison. It's a placebo because it will not succeed in assuring us of "unbought" politicians.

It is a poison because it might very well destroy the innards of the American system of government. One organ it would attack is the first amendment, which assures to every citizen and group of citizens not only a voice to influence their political leaders but also the absolute right to chart their own lawful strategy for maximizing that voice. Another organ that would be threatened is our traditional infrastructure of major and minor political parties. The parties might be brought to a state of atrophy by public financing, or—this is another possibility—they might become afflicted with elephantiasis. Even worse, perhaps, is the possibility that they might achieve immortality. A host of new parties might be born, never to die. In what follows, I will elaborate a great deal and become more specific about these substantive objections to public financing.

I. INEFFECTIVENESS OF PUBLIC FINANCING

A. FAILURE OF THE CORRUPT PRACTICES ACT

At this time, however, Mr. Chairman, I would like to pursue for a moment the argument that public financing would prove ineffectual. This intended reform is based on the premise that good money in politics would drive out the bad. Good money would be that money contributed generously and indiscriminately by all the taxpayers to parties and candidates who hold all sorts of views. Bad money would be that contributed selectively to certain parties or candidates by self-seeking special interests. Never mind for the moment that not all the bad money, so defined, is really bad—that much of it in fact is undoubtedly good, if we broadly construe the term "special interest," and if we believe, as we say we do, in a pluralistic body politic where every political entity has a right not only to exist but to compete—where the public is served by the clash of these so-called special interests and the synthesizing, as often occurs, of their separate points of view. Never mind, either, for the moment the consideration that evil cannot inhere in money itself. It grows only out of the spirit in which it might be given, or from the understanding with which it is received, if the spirit and the understanding are corrupt.

The point for us to consider, if we accept the premise that the presumptively bad money is bad per se, is whether it will indeed be purged from the political process by the good money that is poured in. Our historical experience, not to mention our political savvy, gives us the answer. In 1925 we gave the country the Corrupt Practices Act, and in subsequent years we enacted a number of amendments. This law said, in effect, that campaign contributions from business corporations—or, it was added later, labor unions—are bad, period. Therefore, such contributions were outlawed. But to what effect? Corporations and labor unions are still in the very center of the political arena. In the end, despite the 1925 enactment and its amendments, we got Watergate. And during the intervening years through the present time, we got this—as Marc Yacker, of the Library of Congress, wrote in a paper prepared for me:

> Many corporations find ways to circumvent the law. Two of the most common methods are the placement of salaried workers, still on the company payroll, on the campaign staff of a candidate, and the "lumping technique," that is, a corporation arranging to pay a regularly used attorney, public relations firm, etc. for debts incurred by the candidate. Other firms contribute, also in violation of the law, by awarding bonuses to their executives with the understanding that the money will be contributed to a candidate or party. Still others allow their corporate officials to be reimbursed for obviously inflated business expenses, supposedly paid for out of pocket. In reality this provides the executive with excess money, again to be contributed to a political campaign.

As we know, Mr. Chairman, public cynicism is highly injurious in a democracy; it causes people to lose interest in governing themselves, and to lose confidence in their ability to do it. Two of the prime causes of such cynicism are laws that promise more than they can achieve and laws that are supposedly tough but really are not enforced evenly, if at all. The Corrupt Practices Act was such a law; a statute providing public funds for electioneering, but introducing no further reforms, would be another such law.

Some of the public financing proposals would give us a hybrid system in which candidates could legally receive contributions both from the U.S. Treasury and from private sources. Since this kind of law would permit presumptively bad money to maintain access to the political system and to keep circulating within it, it's difficult to discern what the statute would accomplish, assuming again, as such a law would, in effect, say, that the bad money is truly bad.

Perhaps its principal achievement would be to induce some people into thinking, until they awoke later in disillusionment, that another blow had been struck for reform. Another version of the public financing plan, more forthright and obviously more consistent with its own premises, would outlaw private contributions altogether. This was the strategy of the Corrupt Practices Act, whose weak and hypocritical prohibitions against campaign contributions by corporations and labor unions survive today in our latest piece of reform legislation, the Federal Election Campaign Act of 1971, Public Law 92-225. In other words, preemptive public financing unaccompanied by additional reforms would come to public attention as a dramatic change trumpeting reform but leaving us, in terms of enforcement, exactly where we are today. When the people discover that, they will be that much poorer because their tax moneys will have been used to no effect.

B. ENFORCEMENT: THE MOST NEEDED REFORM

This brings us then, Mr. Chairman, to a third and, in my opinion, the crucial reason for opposing public financing today. In addition to being a placebo and a poison—I shall presently, as I have said, say a great deal more about the poison—public financing would be a diversion. The crusade for it diverts us from giving attention to the reform we really need. What we in Congress, and earnest citizens outside of Congress, should be concentrating on is not the financing problem but the enforcement problem. We should be directing our energies toward establishing in the Government an effective institutional mechanism for enforcement of all the laws we now have, and for whatever additional laws we might yet enact, to regulate the financing of political campaigns. For even if we adopt legislation based on the premise that I challenge, namely, that campaign contributions from anyone except Uncle Sam are inherently bad, what good would such a law do if it were not enforced—if it could not keep the so-called bad money from entering campaigns in some secretive way?

Since the Corrupt Practices Act would be the spiritual progenitor of a public financing law, we ought to examine the reasons why the 1925 legislation failed. Of course, its rationale may have been faulty to begin with, in the sense that perhaps it is unrealistic to suppose that we can really prevent corporations, labor unions, and other special interest groups from somehow finding a way to use their financial muscle when their vital interests are at stake. If this is true, we are not likely to have much more success with a preemptive public financing law. However, if indeed it is an attainable goal to drive the presumptively bad money out of the political arena, then obviously a strong, continuing enforcement effort would be required. The Corrupt Practices Act did not lay the foundation for such an effort—and, in fact, the law appears to have been contrived to render such an effort unlikely, if not impossible. Enforcement was strengthened somewhat, but not very much, in the 1971 law. This is where we are today, and it is on this week reed that the advocates of public financing ask us to superimpose an elaborate new system of restraints against special interest groups.

The first policing inadequacy of the Corrupt Practices Act was that it dispersed responsibility for enforcement rather than concentrating it. It enthroned the Clerk of the House and the Secretary of the Senate as satraps who were to receive from the candidates public reports disclosing their campaign contributions and expenditures. The Clerk and the Secretary in turn were supposed to advise the Attorney General of failures to file, and it was to be his job to take it from there.

The second inadequacy of the act should already be apparent; the designated enforcement officers had author-

ity which they could not safely exercise. The Clerk and the Secretary owed their tenure to the incumbents they were policing. And the Attorney General, of course, was an appointee of the President, whose day-to-day work enmeshed him in all sorts of entangling alliances with Members of the House and Senate. Predictably, in the decades that followed there were no prosecutions under the Corrupt Practices Act. In the 1971 updating of the law, it was broadened in scope and new enforcement obligations were spelled out. In addition, a third satrapy was created. The Comptroller General, more independent than the Clerk and the Secretary but still an agent of Congress, was given supervisory authority over the reports filed by Presidential candidates. But the two basic defects of the 1925 legislation were not corrected. We are still stuck today with a policeman on every corner, as it were, operating under no centralized command structure and each of them answerable in subtle ways to the persons they are policing.

What we obviously need, Mr. Chairman, is more self-starting, self-propelled, free-wheeling enforcement machinery operating under a grant of authority that bridges the executive and legislative branches. The machinery ought to be centralized in a new agency of Government that would need no one's permission to exercise its police powers with respect to electioneering by candidates for all the Federal elective offices. The agency would have built-in authority to compel reporting by the candidates, to require timely reporting to verify the completeness and accuracy of the reports to subpena persons and documents, to hold hearings, to publicize its findings and, when necessary, to initiate and prosecute its own cases in court. Such an agency is proposed in a number of bills pending before us, among them S. 372, which passed the Senate last year, and my own H.R. 10218. But the crusade for public financing apears to be monopolizing public attention, diverting us from the more meaningful and effective legislation that would result from a careful examination of the plans for assuring enforcement.

Mr. Chairman, I think most of us would agree that, of all the officials charged with enforcement of the present law, the Comptroller General is the most impartial. As I have indicated, he is one of three so-called supervisory officers, the two others being the Clerk of the House and the Secretary of the Senate. For some time now, he and his agents have this Congress to suggest improvements in the law. The thrust of his thinking is highlighted by these excerpts from his testimony last April 12 before the Senate Subcommittee on Privileges and Elections:

One year's experience with the Federal Election Campaign Act of 1971 has convinced us of the need for more effective enforcement procedures . . . The Supervisory Officer or his equivalent should be given the power: (1) to require written reports and answers to questions; (2) to administer oaths; (3) to compel testimony and documents by subpena; and (4) to initiate court actions in his own name through his own attorneys . . . In addition, the Supervisory Officer or his equivalent should be authorized to impose civil fines on candidates and political committees or others who violate the Act in ways not appropriate for criminal prosecution, such as late filing of reports, failure to include relevant information, errors in reports, etc. In his discretion, the administrator should be able to impose a fine within statutory limits on the violator and to enforce it through distraint or through a court proceeding.

This is the real business before us, Mr. Chairman. We should get on with it. We would be misleading the people if we were to allow ourselves to become distracted by sideshows produced by outside groups that lack our firsthand knowledge of all that is involved in campaign financing. Because in this instance we are making laws to govern ourselves, no one knows better than we do which restraints on us would really prove effective.

C. DISCLOSURE AS AN ALTERNATIVE REFORM

If we conclude, Mr. Chairman, that even the strictest enforcement would fail to completely insulate campaigns from presumptively bad money, then we ought to consider also proposals to improve the disclosure mechanism in the current law our rationale being that the power of bad money diminishes as it attains visibility. Disclosure, as well as certain outright prohibitions, was a strategy adpoted in the 1925 Corrupt Practices Act. Although there was more obfuscation than disclosure in the years that followed, some important strides forward were made in this area in the 1971 legislation. With some of my colleagues, I beileve we ought to proceed still further on this road. For instance, H.R. 10218 contains a proposal for a Federal Elections Campaign Bank. The justice Department endorsed this concept in testimony last September 21 before the Senate Subcommittee on Privileges and Elections. I explained my bill in detail in a presentation to the House last September 25. It was published in the CONGRESSIONAL RECORD that day, starting on page H8294.

I for one am convinced that a combination of full disclosure and energetic, impartial enforcement is the prescription we need for effective reform of campaign financing. The Watergate investigations have served as, among other things, an engine for disclosure. No one will deny that these disclosures have had impact and that they are bringing results. I submit that we ought to live for a time in this atmosphere of disclosure and enforcement, and that we see what it can produce, before we veer off on the tangent of public financing—a possibly irrelevant reform that threatens, as I have said, to destroy certain vital functions of our democratic system.

II. POSITIVE ASPECTS OF PRIVATE FINANCING

Mr. Chairman, I would like to pause once more before turning to my substantive objectives against public financing. The reason I leave these objections to the last is that I prefer to address you and our colleagues in positive terms, emphasizing what we ought to be doing rather than what we ought to be avoiding. This is not a polemic in favor of the status quo. But neither is this analysis one that sees no redeeming value at all in certain aspects of the status quo. A conspicuous factor in things as they are is, of course, the system of campaign contributions from nonpublic sources. As I have said, I do not accept the argument that this money is inherently bad. As a matter of fact, I assert the opposite—that such contributions play a constructive and essential role in the unfolding of the democratic process.

I think we can see this more clearly if we describe these contributions not as private, not as nonpublic, but rather as quasi-public in nature. They are quasi-public in the sense that they are publicly disclosed and are contributed for the purpose of achieving results that affect the public—for better or for worse—by bringing influence to bear on officials who are elected by the public. This may be said even of the small sums that many citizens contribute directly on their own initiative, without consulting anyone else, to candidates and parties and politically active groups. It is true even more of the much larger sums that the pressure groups themselves contribute to campaigns. I doubt that anyone would dispute the proposition that these groups are quasi-public in nature, a fact that is implicit, for instance, in laws that in effect grant licenses to their lobbyists. Therefore, it is not valid to assume, as many advocates of public financing do, that some unholy dichotomy exists between public money and what they call private money.

In his study "Campaign Financing and Political Freedom," Ralph K. Winter, Jr. writes:

Contributing to a candidate permits individuals to pool their resources and voice their message far more effectively than if each spoke singly. This is critically important because it permits citizens to join a potent organization and propagate their views beyond their voting districts. Persons who feel strongly about appointments to the Supreme Court, for example, can demonstrate their convictions by contributing to the campaigns of sympathetic congressmen. Those who give money to Mr. John Gardner's Common Cause and conceive of that act as a form of free association and expression should not automatically deny the same status to those who give to political campaigns. . . . That a senator receives large union contributions might be perceived as the reason he often supports union causes. Is not the reverse far more commonly the case: the candidate receives contributions because he holds these convictions? . . . Common Cause, we are told, is presently engaged in an empirical study designed to show "a real correlation" between contributions and legislative decisions. . . . Some such correlation can probably be easily established, since contributions are rarely given either at random or to one's political enemies.

Winter cites more reasons why the presumptively bad money really is good:

The need for campaign money weeds out candidates who lack substantial public support. An attractive candidate with an attractive issue will draw money as well as votes.

And:

The right to give or not to give to a candidate is an aspect of political freedom. Campaign money . . . serves as a barometer of intensity of feeling over potent political issues . . .

By following this train of thought we can see that the private contribution fosters political action. It promotes a clash of ideas. When one pressure group builds a war chest and starts using it, this action makes it virtually certain that opposing interests, too, will solicit their constituencies for financial support. All this, then, helps to finance public discussion and to draw public attention to the controversies that are the sine qua non of democratic government.

OBJECTIONS TO PUBLIC FINANCING

I realize, Mr. Chairman, that nothing I have said so far necessarily rules out public financing on its own merits as at least an addition to the arsenal of reform. It could be argued, in fact, that a program for reform ought to start with the priorities I have outlined here, culminating finally in a system of public financing. This would complete the process, it might be said, of delivering to the public a package that would preclude any future Watergates. But I hope we stop short of putting together that package. Public financing, in my opinion, is not an antidote to Watergate. Instead, being carried forward mindlessly on the emotions engendered by Watergate, it could cause permanent damage to our elective processes. I submit that public financing ought to be assessed, first, in terms of its impact on our traditional political party structure; second, its impact on candidates and incumbent elective officials; and, third, its impact on public participation in elections. Then I will conclude with certain other considerations that we ought to keep in mind.

A. IMPACT ON POLITICAL PARTY STRUCTURE

The specific ways in which public financing could alter or ensconce the traditional political party structure would depend, of course, on the particular plan that is adopted. Some plans would strengthen the parties in undesirable ways; others would have the opposite—but an equally undesirable—effect. Since we do not know which plan might emerge in a viable legislative form, to be debated on the floors of the House and Senate, our safest course at this point is to consider all the contingencies, even though some of them will be seen as mutually exclusive. In other words, if we do not come to one bad result, it will be another.

1. THE MAJOR PARTIES

We ought to start with the two major parties, examining the consequences in terms of their institutional roles. As we know, Mr. Chairman, the Democratic and Republican parties do not represent a bequest made to us by the Constitution. There is no mention of parties in that document, or in any of its amendments.

Although they lack constitutional status it is true that the parties have evolved as part of our political system, and at the present time they appear to be permanent fixtures within it. Even if we assume that continuing evolution will not some day dictate a phasing out of the parties—that is, that the parties are here to stay, and should stay—where is it written that we must have the Democratic and Republican parties that we know today? Other major parties have come and gone for sound historical reasons. But if we agree to underwrite the existence of today's parties with public funds, we will never be rid of them. They will survive as institutions long after they outlive their vitality, long after their constituents abandon them. But is it right for them to live on? Is it constitutional to grant them immortality? As Justice Black has written:

> There is, of course, no reason why two parties should retain a permanent monopoly on the right to have people vote for or against them. Competition in ideas and governmental policies is at the core of our electoral process and of the first amendment freedoms.

Obviously, when we give public money to the parties, we are subsidizing the ideologies that they espouse. If we subscribe to the wisdom of Jefferson, who called for separation between church and State, we ought to carry this policy to its logical conclusion and prohibit also any conjoining of ideology and the State. I submit that we should be especially sensitive to this danger in today's world, when ideologies are proclaimed and promoted with religious fervor. To the extent that we subsidize majoritarian ideology, I question whether this is wise or constitutional. Does not this perforce discriminate against individuals and groups that hold minority viewpoints? Does not this make it more difficult for new ideologies, better attuned to a rapidly changing world, to gain a foothold? We ought to beware, Mr. Chairman, of so entrenching the party that we belong to, as well as the opposite party to which our colleagues across the aisle adhere. We should keep in mind that it is under fascism and communism that the state and ideology are entwined.

Further, when we grant to a party a continuing subsidy, we strengthen not only the party but also the leaders in control of the party at the time the subsidies start. We can imagine circumstances under which the leadership, having control of the money, could arrange things so that it would be difficult to oust them from power even after they had lost an important election, or in the face of a movement by younger leaders or reform elements to take over. In 1972, in line with this analysis, the Democratic Party could have remained under the thumb of GEORGE MCGOVERN and Jean Westwood, who had less than universal appeal among Democrats, and the Republican Party in 1964 could have become the possession of BARRY GOLDWATER and Dean Burch and the small party faction that they represented.

In the big cities, to cite another example, the machines could live on long after they had lost true popular support. So not only would public financing bring us permanently entrenched major parties but also leadership superbly equipped to assure the succession to loyalists of their own choosing—in short, a sort of monarchial system of party governance.

There is still a third way in which public funding could lock the parties into positions of power. Giving money to them would strengthen them vis-a-vis candidates carrying the party's banner. If there were a public financing scheme that forced candidates to look to the parties exclusively for financial sustenance, this would diminish the independence of those running for office, and possibly cause them to cut or ignore their ties with other interest groups. Bossism would ride again.

If, the other hand, we were to give the public subsidy to the candidates, rather than to the parties, then we would weaken the party's traditional role as a principal fundraiser, thereby depriving it of an instrument of discipline. Following inevitably, as well, would be a proliferation, if not an explosion, in the number of candidates. With aspirants for office being guaranteed funding by the Government, they would enter the primaries in herds. In large fields such as these, no candidate could hope to achieve more than a modest plurality. The winner then would enter the general election not really as the candidate of a party but merely of a small faction. The overwhelming majority of voters in the primary will have lost. This is true today, of course, in many elections, but public financing of campaigns channeled to the candidates themselves would increase the incidence of such freakish elections, and perhaps make them commonplace.

If we were to give the public money both to the parties and the candidates, as a means of achieving some balance between the alternatives I have just cited, then we could end up being saddled with undesirable aspects of both systems, with neither being able to cure the other.

2. THE MINOR PARTIES

Public financing of elections would also affect profoundly the traditional role of the minor parties in our system of government. Like the major parties, they are not rooted in the Constitution and thus there is no obligation on the part of the citizenry or the Government to perpetuate them. Nonetheless, all of us are familiar with the positive contribution that some of these parties have made throughout our history. Some of the best of them have died, but only after important parts of their platform had been absorbed by the major parties. Others have produced nothing and passed from the scene with good riddance, because their programs were offensive to citizens in a democratic country or because their proposals were foolish or inappropriate to the times. The comings and goings of the minor parties has had the net effect of providing a two-party system, which in turn accounts for the politics of consensus that has kept our country stable and united. Against this background, any tampering with the two-party system and with the means of absorption of the minor parties, or conversely an upset in the political dynamics of our Nation so as to discourage the birth of third parties, is bound to have deleterious results. Jack H. Haskell of the Library of Congress staff, in a paper last August, summed up all that would be at stake for minor parties under varying schemes of public financing. He wrote:

> It is contended by some that since third parties must garner a certain percentage of the vote before being eligible for public funding, the requirement may unfairly discourage the operation and formulation of

third or new parties and so may dry up an important source of new ideas and original solutions which are often eventually adopted by the major parties.

On the other hand it has been suggested that the expectation of public funding if a certain number of votes can be polled may encourage the proliferation of minor and new parties. This is seen by some to be a serious threat to the stability of our two-party system of government since varying factions, instead of being encouraged to work for change within the structure of one of the two major parties, would now be encouraged by the expectation of free funding to form a new "splinter" party. Further objections are raised that public funding may perpetuate minor political parties which would otherwise have only short-run or temporary popularity since funding of third parties may partly be based upon performance of the party in the previous election four years before. Others question the wisdom of the government or the desire of the general public to support or perpetuate radical "fringe" parties or racist-oriented third parties which may have established a modicum of public support.

As to the litters of minor parties that might result from a system of public financing, perhaps the ultimate danger would be the formation of a religious party. Would the constitutional prohibition separating church from state then become operative, depriving such a party of the public funds that other parties are getting? If not, would not most Americans find it obnoxious—if not dangerous—to in effect be subsidizing a religious doctrine? On the other hand, if religious parties are to be barred from receiving the public funds that other parties receive, how is a religious party to be defined? It appears to me, Mr. Speaker, that nothing could save the state under these circumstances from becoming entangled with one or more of the religions.

B. IMPACT ON OFFICEHOLDERS

Apart from its impact on the parties, public financing would have a separate effect on candidates and persons already holding public office. It would come as another boon to the incumbents. Frankly, Mr. Chairman, I should think that we ought to be embarrassed about asking the taxpayers for any more favors, in view of the perquisites of office that we already hold and the fact that they have proved so useful in keeping us here. For example, the franking privilege used in certain ways gives us a leg up on our challengers, and we can see the evidence of this in the election results.

So we already have our subsidies, the one in this example being an enormous—and unlimited—allowance to pay for the mailing of letters, illustrated newsletters and all sorts of other materials to our constituents. On top of all this, we would get another handout from the Government through public financing of our campaigns. In a public funding plan that gives an equal amount to each candidate, we still would maintain the perquisite gap. In a plan that doles out money based on performance in previous elections, we would automatically get more money than the challengers. In a plan of public financing that is less than preemptive, some incumbents might twist the situation to their advantage by using the taxpayer's funds, in effect, as seed money to attract still more private contributions. Allow me to explain, Mr. Chairman. Suppose we have an incumbent who is fairly well entrenched. He is able to build only a small war chest, election after election, because his opposition is light and financial angels among his supporters see no serious threat to him. But then some public money is thrown into the campaign. As a result, attracted by the certain prospect of financial assistance, a strong challenger enters the race—or a number of challengers do. The survival of the incumbent, under these conditions, is not to be taken for granted. So he goes to his supporters and persuades them to open their wallets. This, of course, stimulates parallel activity by the opposition. But in any such fundraising contest, as studies have shown, the incumbent has important advantages that virtually assure him of outsoliciting his challengers. Surplus funds he might raise could then be put in the bank to give him a head-start 2 years later, or 4 years later, in a race for higher office. In the meantime, the challenger has found the public financing kitty to be of only passing advantage. He himself might be no worse off financially than when he started, but the taxpayer is behind and the incumbent might be ahead, because he has picked up some cash that otherwise would have been withheld from him.

Yet it is not only money that taxpayers might lose. They might also be deprived, under a scheme of public financing, of the opportunity to hear a spirited, truly informative discussion of the issues. Winter has written:

We are told that subsidies will "reduce the pressure on Congressional candidates for dependence on large campaign contributions from private sources . . ." If, however, one reduces the pressure on candidates to look to the views of contributors, to whom will the candidates look instead? The need to raise money compels candidates to address those matters about which large groups feel strongly. Candidates might well, upon receiving campaign money from the government, mute their views and become even more prepackaged. Eliminate the need for money and you eliminate much of the motive to face up to the issues. Candidates might then look more to attention-getting gimmicks than to attention-getting policy statements. A subsidy combined with spending limits might insulate incumbents both from challengers and the strongly held desires of constituents.

We should not overlook, either, Mr. Chairman, the fact that appropriations for a campaign-financing program would be controlled by persons already holding those offices that would be at stake in the next election. The implications of this are worth reflecting on, in view of what we in Congress describe as the power of the purse. At the very least, it seems to me, we would be plunging the Federal Government, which heretofore has largely been held at arm's length, into the election process. At worst, this would result in incumbent officeholders, or perhaps their agents, meddling in disputes over what did, or did not, constitute a justified use of public-supplied campaign funds. I wonder: Would we end up, for instance, with censorship of political advertising messages?

C. IMPACT ON PARTICIPATORY POLITICS

Mr. Chairman, public financing also would have an adverse impact on public participation in the election process. I question how we would enhance liberties if we clamp restraints on the citizens of any class denying them the right to contribute to a candidate who has already shown by his record that he is a champion of that group, or who has persuaded the group that he definitely will take up their cause. As Haskell has put it:

It is questioned whether it is wise to diminish the influence of groups which represent the opinion of a large segment of the electorate, such as the political arms of labor organizations or commercial groups. The objective of collective action, such as collective bargaining for instance, is to centralize, and so to increase the bargaining power of individuals to meet the legitimate demands of these persons who may not have the influence to receive consideration as individuals. It is feared that through public financing the needs of certain individuals, for example laborers, may not be met since the means through which they may exert their collective influence, through organizations such as COPE, will be substantially limited. Those who disagree with this premise contend that private interest groups may represent their members by exerting their influence through channels others than direct financial support of candidates. This contention, however, at the same time may weaken the original argument that public financing would free a candidate from the influence of special interest groups.

I would venture to say, Mr. Chairman, that the ordinary workingman has a rather keen sense of the power he is able to command through his union, and an equally accurate estimate of his helplessness if he is forced to stand alone. If he were barred by a new law, for reasons obscure to him, from giving his few dollars to the only candidate who seems interested in him, his sense of there being something foul afoot would harpen his cynicism, and he probably would turn off politically retreating to apathy. At the same time, affluent persons with more free time than the workingman would remain on the political stage, and might end up hogging a good part of it for themselves. Also remaining front and center would be the activist, highly educated persons who are able to bring to bear in a campaign more than just money—such as a knowledge of the details of many issues; an ability to articulate their points of view; and all the self-confidence that comes from these attributes. It is these same persons who frequently influence, and in some places also control, the news media. While their role in elections is just as constructive as that of the workingman, we ought not to take action that in effect gives them a greater voice than is justified by their numbers in the population. Of course, this is what we do when we brush aside the workingman.

D. OTHER CONSIDERATIONS

There are a number of other considerations, Mr. Chairman, that militate against public financing. I would like to cite just a few:

If a voter disagrees strongly with a candidate, should he be forced to help pay for his message? Winter has stated the problem this way:

What would happen if a racist ran for office and delivered radical and quasi-violent speeches? One result might be cries for even more regulation—in particular, for regulation of the content of political speech.

To the extent that the largest sums of money are contributed by those who can best afford it, and whose personal financial stake in our system is greater, is this not after all, as it should be? Does this not unofficially parallel, in a sense, the principle or progressive taxation? Somebody has to pay for political campaigns. If we take the money out of the public till, the cost of it will fall disproportionately on the low-middle and lower income groups. This is so because our Federal income tax system is not as progressive as it is supposed to be, or as we like to pretend that it is.

The cost of public financing might become burdensome, and this could take money away from vital public programs. We can assume a steady escalation of costs because, to cite one reason, for the incumbents to increase the amounts of the grants to themselves enhances their sense of power and their actual power. To political animals like us, having more money to dispense would be akin to having more patronage at our command. I doubt that we would spurn larger and larger grants even if the price for this would be to have to share the extra money with our challengers. Is there a politician among us who would deny that some of us are adept at making deals with the opposition? And who would be the beneficiaries of all this largess? Again, I would like to cite but one example, Mr. Chairman. Arlen Large wrote in the Wall Street Journal last year:

In recent years a whole industry of campaign advertising specialists has mushroomed to advise candidates on how to spend their privately collected money. With an assured supply of financing from public tax funds, the campaign consultant would become just one more parasitic operator who, like a commercial income tax preparer, thrives merely because the government exists

IV. CONCLUSION

I would like to conclude, Mr. Chairman, with an observation by Alexander Heard, an authority on campaign costs, who noted in his work "Costs of Democracy:"

It has been repeatedly demonstrated that he who pays the piper does not always call the tune, at least not in politics. Politicians prize votes more than dollars.

Let us not get carried away, then, Mr. Chairman, by getting hung up on the financial aspects of politics. Let us examine carefully the case against public funding of elections, as it has been outlined here and elsewhere. Or better yet, why not lay the question aside for the time being and get on with the reforms we truly need at this time? Thank you, Mr. Chairman.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

(Mr. BOLAND asked and was given permission to revise and extend his remarks.)

Mr. BOLAND. Mr. Chairman, the amendment before us has a great deal to recommend it. It is thoroughly bipartisan. Therefore, it is particularly appropriate, in light of the amendment's broad based political support, that it offer, as it does, the chance for matching public funding of congressional races, only where there is broad based public support for candidates. The amendment provides for matching funds, only after a candidate has raised, at least 10 percent of his maximum spending limit, through private contributions of $50 or less. Accordingly, so-called frivolous candidates will find it extremely difficult to benefit under this amendment.

The other significant proposition of this measure is, that what matching funds are provided, come only from the dollar checkoff fund. If there are no funds available in the fund, then no matching funds will be paid out. Thus, only the support of the taxpaying citizens of this country will serve to finance matching funds from the checkoff fund. These people will know that their taxes will not increase or decrease because of the fund. What they will know, and what they will be able to judge for themselves, is whether we should take the move, of providing a mix of public, as well as private funding, for Federal election campaigns.

This decision Mr. Chairman, puts the average citizen of this Nation in the driver's seat as far as public funding of elections goes. It makes such concepts as populism and grassroots supports—which, as expressions of the English language, have been overused and therefore have lost much meaning—it makes them more real and more viable in political parlance. If a mixture of public and private financing for Presidential elections can help to make the little people of this Nation more of a factor in Presidential races, there is little reason to deny this privilege to congressional races. I suggest, that it will do as much as anything since universal suffrage to put individual choices and community feeling in the forefront of Federal elections. It is going to put the average citizen right up front in national decisionmaking, a position that he or she long ago lost to the big money contributors. And finally, and most importantly, such a shift in real voting power is going to bring citizens a lot closer to their government. This will mean the defeat of national cynicism about our political system that has grown so rapidly since Watergate. It is also going to produce a feeling of involvement that I am confident will lead to a reestablishment of confidence in government. After all, it stands to reason that the more involved you are in an activity, the more committed you feel to its goals, the more stout is your defense of those goals and the more cohesive and unfragmented that activity can become.

Those symptoms can be true for this country as well. I feel that real participation in congressional elections can be an essential part of that revolutionary change. I therefore urge adoption of this well balanced and broad based amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. UDALL).

The question was taken; and the Chair announced that the noes appeared to have it.

RECORDED VOTE

Mr. ANDERSON of Illinois. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 187, noes 228, not voting 19, as follows:

[Roll No. 467]

AYES—187

Abzug	Green, Pa.	Pike
Adams	Grover	Podell
Addabbo	Gude	Preyer
Anderson, Calif.	Gunter	Pritchard
Anderson, Ill.	Hamilton	Quie
Andrews, N.C.	Hanley	Railsback
Andrews, N. Dak.	Hanrahan	Rangel
Aspin	Harrington	Rees
Badillo	Harsha	Regula
Bergland	Hastings	Reid
Biester	Hawkins	Reuss
Bingham	Heckler, Mass.	Riegle
Boggs	Heinz	Rinaldo
Boland	Henderson	Robison, N.Y.
Bolling	Hicks	Rodino
Bowen	Hillis	Roncalio, Wyo.
Brademas	Holtzman	Roncalio, N.Y.
Breckinridge	Horton	Rooney, Pa.
Broomfield	Hungate	Rosenthal
Brotzman	Johnson, Calif.	Roush
Brown, Calif.	Johnson, Pa.	Roy
Buchanan	Jones, Okla.	Roybal
Burke, Calif.	Jordan	St Germain
Burlison, Mo.	Karth	Sarasin
Burton, John	Kastenmeier	Sarbanes
Burton, Phillip	Kemp	Schroeder
Clay	Koch	Seiberling
Cleveland	Kyros	Shriver
Cochran	Leggett	Smith, Iowa
Cohen	Lehman	Smith, N.Y.
Collier	Lent	Stanton, J. William
Collins, Ill.	Litton	Stark
Conable	Long, La.	Steele
Conlan	Luken	Steiger, Wis.
Conte	McCloskey	Stokes
Conyers	McCormack	Stratton
Cotter	McDade	Studds
Coughlin	McEwen	Symington
Cronin	McKay	Taylor, N.C.
Culver	McKinney	Thone
Dellenback	Madigan	Tiernan
Dellums	Mallary	Traxler
Diggs	Maraziti	Udall
Donohue	Matsunaga	Van Deerlin
Drinan	Mayne	Vander Veen
du Pont	Mazzoli	Vanik
Eckhardt	Meeds	Waldie
Edwards, Calif.	Melcher	Walsh
Eilberg	Metcalfe	Ware
Esch	Mezvinsky	Whalen
Eshleman	Miller	Whitehurst
Evans, Colo.	Mills	Wilson, Charles, Tex.
Fascell	Minish	Winn
Fish	Mitchell, Md.	Wolff
Foley	Mitchell, N.Y.	Wyatt
Forsythe	Moakley	Wydler
Fraser	Moorhead, Pa.	Yates
Frelinghuysen	Mosher	Young, Ga.
Frey	Obey	Young, Ill.
Giaimo	O'Brien	Zablocki
Gilman	Owens	Zwach
Grasso	Parris	
	Patten	
	Peyser	

NOES—228

Abdnor	Brown, Ohio	Corman
Alexander	Broyhill, N.C.	Crane
Annunzio	Broyhill, Va.	Daniel, Dan
Archer	Burgener	Daniel, Robert W., Jr.
Arends	Burke, Fla.	Daniels, Dominick V.
Armstrong	Burke, Mass.	Danielson
Ashbrook	Burleson, Tex.	Davis, S.C.
Ashley	Butler	Davis, Wis.
Bafalis	Byron	de la Garza
Baker	Camp	Delaney
Barrett	Carney, Ohio	Denholm
Bauman	Carter	Dennis
Beard	Casey, Tex.	Dent
Bell	Cederberg	Derwinski
Bennett	Chamberlain	Devine
Bevill	Chappell	Dickinson
Biaggi	Clancy	Dingell
Bray	Clark	Dorn
Breaux	Clausen, Don H.	Downing
Brinkley	Clawson, Del	Dulski
Brooks	Collins, Tex.	
Brown, Mich.		

Duncan	Landrum	Ruth
Edwards, Ala.	Latta	Ryan
Erlenborn	Long, Md.	Sandman
Evins, Tenn.	Lott	Satterfield
Findley	Lujan	Scherle
Fisher	McClory	Schneebeli
Flood	McCollister	Sebelius
Flowers	McFall	Shipley
Flynt	Macdonald	Shoup
Ford	Madden	Sikes
Fountain	Mahon	Sisk
Frenzel	Mann	Skubitz
Froehlich	Martin, Nebr.	Slack
Fulton	Martin, N.C.	Snyder
Fuqua	Mathias, Calif.	Spence
Gaydos	Mathis, Ga.	Staggers
Gettys	Michel	Stanton,
Gibbons	Mink	James V.
Ginn	Minshall, Ohio	Steed
Goldwater	Mizell	Steelman
Gonzalez	Montgomery	Steiger, Ariz.
Goodling	Moorhead,	Stephens
Green, Oreg.	Calif.	Stubblefield
Griffiths	Morgan	Stuckey
Gross	Moss	Sullivan
Gubser	Murphy, Ill.	Symms
Guyer	Murtha	Talcott
Haley	Myers	Taylor, Mo.
Hammer-	Natcher	Thompson, N.J.
schmidt	Nedzi	Thomson, Wis.
Hanna	Nelsen	Thornton
Hays	Nichols	Towell, Nev.
Hébert	Nix	Treen
Hechler, W. Va.	O'Hara	Ullman
Helstoski	O'Neill	Vander Jagt
Hinshaw	Passman	Veysey
Hogan	Patman	Vigorito
Holt	Pepper	Waggonner
Hosmer	Perkins	Wampler
Howard	Pettis	White
Huber	Pickle	Whitten
Hudnut	Poage	Widnall
Hunt	Powell, Ohio	Wiggins
Hutchinson	Price, Ill.	Wilson, Bob
Ichord	Price, Tex.	Wilson,
Jarman	Quillen	Charles H.,
Johnson, Colo.	Randall	Calif.
Jones, Ala.	Rhodes	Wright
Jones, N.C.	Roberts	Wylie
Jones, Tenn.	Robinson, Va.	Wyman
Kazen	Roe	Yatron
Ketchum	Rogers	Young, Alaska
King	Rose	Young, Fla.
Kluczynski	Rostenkowski	Young, S.C.
Kuykendall	Rousselot	Young, Tex.
Lagomarsino	Runnels	Zion
Landgrebe	Ruppe	

NOT VOTING—19

Blackburn	Hansen, Idaho	Rarick
Blatnik	Hansen, Wash.	Rooney, N.Y.
Brasco	Holifield	Shuster
Carey, N.Y.	McSpadden	Teague
Chisholm	Milford	Williams
Davis, Ga.	Mollohan	
Gray	Murphy, N.Y.	

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time simply to advise the House that I have an amendment which, except for the rule that was adopted and which I opposed, would be in order at this point and which I would have offered at this point. My amendment would add a new title to the bill, a title that would provide for free political broadcasting.

I believe that if we could get free political broadcasting over the airways that are owned by the people and are regulated by the Government, we could eliminate one of the most expensive aspects of campaigning.

In case any Members are interested in my proposal it appears on page H7783 in the RECORD for August 6, 1974, and it also is contained in H.R. 14520.

Under the rule, as I say, which I opposed, my amendment is not in order to this bill. That is most unfortunate. Because if we are going to do a thorough job of controlling excessive campaign spending we ought to consider this matter very seriously. I hope at some future time this amendment of mine will be in order for serious and careful consideration by this House.

Mr. HAYS. Mr. Chairman, I wish to propose a unanimous-consent request, and that request is as follows:

Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto cease at 6:15 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was agreed to will be recognized for approximately 1 minute and 20 seconds each.

The Chair recognizes the gentleman from New York (Mr. KOCH).

AMENDMENTS OFFERED BY MR. KOCH

Mr. KOCH. Mr. Chairman, I offer two amendments.

The Clerk read as follows:

Amendments offered by Mr. KOCH: Page 79, immediately after line 9, insert the following new section:

CAMPAIGN MAIL

Sec. 410. (a) Chapter 95 of the Internal Revenue Code of 1954 (relating to Presidential Election Campaign Fund) is amended by adding at the end thereof the following new section:

"SEC. 9014. CAMPAIGN MAIL.

"(a) DEFINITIONS.—For purposes of this section—

"(1) the term 'campaign mail' means any piece of mail which does not exceed the maximum weight per piece of mail allowable if mailed at the lowest rate per piece established by the Board of Governors of the Postal Service for bulk rate mailings of circulars by qualified nonprofit organizations, and which is mailed by any candidate for the purpose of influencing the election of such candidate;

"(2) the term 'candidate' has the meaning given it by section 301(b) of the Federal Election Campaign Act of 1971, except that such term does not include a candidate for the office of President or Vice President of the United States;

"(3) the term 'eligible candidate' means any candidate who is eligible under subsection (c) to receive campaign mail payments;

"(4) the term 'supervisory officer' means the Secretary of the Senate with respect to candidates for the office of Senator, and the Clerk of the House of Repersentatives with respect to candidates for the office of Representative, Delegate, or Resident Commissioner; and

"(5) the term 'State' has the meaning given it by section 301(i) of the Federal Election Campaign Act of 1971.

"(b) Campaign Mail Entitlement.—Any candidate who establishes his eligibility under subsection (c) shall be entitled to receive payments for campaign mail under subsection (d).

"(c) ELIGIBILITY.—

"(1) In any general election, any candidate who—

"(A) has met the qualifications prescribed by the applicable laws to hold the Federal office for which he is a candidate, and is the candidate of a political party whose candidate in the most recent general election for the office involved received at least 15 percent of the popular votes received by all candidates in such general election; or

"(B) transmits to the Secretary of State for the State in which the election is held (or, if there is no office of Secretary of State, to the equivalent State officer), no later than 45 days before the date of the general election, a petition containing the signatures of at least 5,000 individuals registered to vote in the geographical area in which such general election is held,

shall be entitled to receive campaign mail payments under subsection (d).

"(2) The Secretary of State for the State in which the election is held (or, if there is no office of Secretary of State, the equivalent State officer) shall take appropriate steps to certify signatures contained in petitions transmitted by any candidate under paragraph (1)(B). Upon completion of certification, the Secretary of State shall transmit such petitions to the appropriate supervisory officer. The supervisory officer shall not declare any candidate to be eligible to receive allotments until the supervisory officer receives such petitions from the Secretary of State. Each such certification shall be completed no later than 30 days before the date of the election involved.

"(d) PAYMENTS.—

"(1) Every eligible candidate shall be entitled to receive payments from the Secretary under paragraph (2) for the mailing of a number of pieces of campaign mail equal to the number of individuals registered to vote in the geographical area in which the general election is held.

"(2) The Secretary shall make payments to an eligible candidate for mailings under paragraph (1) upon the receipt of certification from such candidate that such payments shall be used exclusively for the mailing of campaign mail. The Secretary shall make such payments out of the Presidential Election Campaign Fund established by section 9006(a). Such payments shall be made, however, only after the Secretary determines that amounts for payments under sections 9006(c), 9007(b)(3), and 9037(b) are available in the fund for such payments.

"(3) Whenever a payment is made by the Secretary under this section with respect to campaign mail of any eligible candidate, an amount equal to the amount of such payment shall be attributed toward the expenditure limitation of such candidate under section 608(c) of title 18, United States Code."

(b) Section 9012(c) of the Internal Revenue Code of 1954 (relating to unlawful use of payments) is amended by inserting "or under section 9014(d)" immediately after "9006".

(c) The table of sections for chapter 95 of the Internal Revenue Code of 1954 (relating to the Presidential Election Campaign Fund) is amended by adding at the end thereof the following new item:

"Sec. 9014. Campaign mail.".

And redesignate the following section accordingly.

Page 79, line 15, strike out "and 409" and insert in lieu therof "409, and 410".

Mr. KOCH. Mr. Chairman, one of the amendments is a perfecting amendment, the other is related to public financing, but is a different version and limited solely to a single mailing for which the checkoff system would be used to provide the funds.

The CHAIRMAN. The Chair will have to say that there may be a question of a point of order on these amendments.

POINT OF ORDER

Mr. HAYS. Mr. Chairman, I make a point of order on the amendments. The gentleman from New York was kind enough to offer one of the amendments to me, the one referring to page 79, after line 9, on campaign mail. I will reserve a point of order if the gentleman from

New York wishes to use the balance of his time to explain the amendment.

The CHAIRMAN. The gentleman from Ohio reserves a point of order.

Mr. KOCH. Mr. Chairman, I would hope that the Chair would find the amendment in order because I believe it is a different version of public financing which is in order under the bill. Of course, the amendment was published in the CONGRESSIONAL RECORD.

What it does is to provide funds out of the checkoff funds to the candidates in the general election for one mailing, so as to give to candidates an equal opportunity to present themselves to the constituency.

The CHAIRMAN. The time of the gentleman has expired.

Does the gentleman from Ohio press his point of order?

Mr. HAYS. I am not sure I know what the second amendment is.

Mr. KOCH. It is just a perfecting amendment to locate the numbers within the bill itself. It does not change the amendment.

Mr. HAYS. Mr. Chairman, I do press my point of order against the amendments. I object to the first amendment, which is obviously subject to a point of order in that it appropriates money and orders the Secretary to make payments.

The second amendment is an amendment to that amendment, or a correcting amendment, so that if the first amendment is out of order then the second one is also.

The CHAIRMAN (Mr. BOLLING). The Chair is ready to rule.

The point of order raised by the gentleman from Ohio (Mr. HAYS) is well taken. The first amendment offered by the gentleman from New York (Mr. KOCH) constitutes an appropriation on a legislative bill in violation of clause 4, rule XX, and is not protected by the rule. The second amendment is not in order under House Resolution 1292. Therefore the point of order is sustained.

The Chair recognizes the gentleman from Florida (Mr. HALEY).

(By unanimous consent, Mr. HALEY yielded his time to Mr. HAYS.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. YOUNG).

(Mr. YOUNG of Illinois asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Illinois. Mr. Chairman, there are many provisions in the Federal Election Campaign Act Amendments of 1974 which improve the conduct of Federal elections. Because of these positive features, I urge my colleagues to also vote for final passage of this bill, even though I have grave reservations about some of its provisions and about the failure of this bill to add other necessary provisions.

The forward-looking provisions of the bill provide for an independent administration-enforcement board for the Federal Campaign Act. There will be four citizen-members, with two Republicans and two Democrats, with civil enforcement powers, subpena powers, and the authority to regulate campaign financing laws.

There will be a limitation on contributions. The amount is $1,000, which I think is too small, but I do believe that there should be a limitation on contributions. There is also a $5,000 limitation on contributions by committees. This provision is not to my liking since it will continue to provide "special interest" financing that will dilute public confidence in public officeholders. I would have preferred eliminating all committee contributions other than contributions from the recognized Republican and Democratic Party committees.

The $100 limitation on "cash" campaign contributions is excellent. The limitation on honorariums of $1,000 per appearance and $10,000 per calendar year is another step that will create greater confidence in public officials.

I strongly support the prohibition against "laundering" campaign funds and the bad practice of earmarking contributions through committees.

I think there should be a limitation on expenditures, but I believe that the $60,000 limitation is an unrealistic one. Any such limitation should have been at least $100,000 to afford challengers a better opportunity in their contest.

The designation of a principal campaign committee with all expenditures to be made and accounted for through such campaign committee is a great step forward. The reduction of reporting requirements and the publication of lists of those who fail to file are good steps that will eliminate unnecessary paperwork and make delinquencies known.

The bill repeals media limitations since they are not necessary with the limitations on total spending. The bill permits State and local officials to participate in political campaigns, and it preempts State law where there is a conflict.

I think there are some other deficiencies that should be noted. The recognized political parties are limited to contributions of not more than $5,000. I think that this limitation should be at least $15,000. There are inadequate prohibitions and regulations pertaining to special interest groups. "Pooling" is still permitted, and "in kind" contributions may be made.

There is not a sufficient prohibition against the "dirty trick" type of campaign activity.

Unfortunately, in the determination of whether or not to vote for this bill, we must weigh the good against the bad. In this case, the good outweighs the bad, although by a slighter margin than is desirable. At any rate, we can hope that the House-Senate conference will improve the bill in the areas where it is weak.

(By unanimous consent, Mr. CARNEY of Ohio yielded his time to Mr. HAYS.)

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. ZION).

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. ZION. I yield to the gentleman from Ohio.

(Mr. ASHBROOK asked and was given permission to revise and extend his remarks.)

Mr. ASHBROOK. Mr. Chairman, the revelations of the last few months have convinced me of the need for a meaningful election reform bill. Our Nation cannot afford a continuation of the massive campaign abuses that have marred our electoral process in the past.

The so-called campaign reform bill now before the House, however, is not the type of reform that we need.

First, the bill leaves open one of the largest loopholes in our current law: in-kind contributions by labor unions. Tens of millions of dollars—taken from workers as union dues—are used in behalf of selected candidates to cover the costs of printing, materials, office space, telephones, and many other campaign items. Why should these labor union contributions be treated any differently than other contributions? Unlimited in-kind contributions by any special interest group must be stopped if we are to have truly meaningful campaign reform.

Second, the bill fails to establish an independent Federal Elections Commission to enforce the law. As the Senate Watergate Committee has pointed out, enforcement is the key factor in regulating the way campaign funds are raised and spent. The so-called election reform bill turns this function over to congressional employees and appointees, who will be responsible for policing the Congress and drawing up rules and regulations on campaign practices. Two congressional committees will have the power to veto these rules and regulations. Such a conflict of interest must be eliminated and an independent commission established if we are to have an effective campaign reform measure.

Third, the bill provides for matching taxpayer financing in Presidential primaries. A candidate could receive up to $5 million in public funds. Such financing would encourage frivolous candidates without significant support to file for office in order to receive public money. There is also a serious question whether a taxpayer's money should be used to finance the campaign of a candidate with whom he completely disagrees. In addition, public financing would weaken the two-party system and party structure, as candidates would be funded directly by Government tax money. Public financing is not the magic cure-all to our Nation's electoral problems. In fact, in many ways it would make matters worse.

Fourth, the bill allows special interest groups to pool their members' contributions and then pour large amounts into selected campaigns. Pooling of funds by special interest groups should be prohibited. Contributors should be required to designate the recipient of their donations and be identified for purposes of full disclosure.

Therefore, Mr. Chairman, I cannot support this legislation unless the House makes substantial changes in its provision. I urge my colleagues to pass a truly meaningful campaign reform bill.

(Mr. ZION asked and was given permission to revise and extend his remarks.)

Mr. ZION. Mr. Chairman, we desperately need a good campaign reform bill. It is long past time that special interest groups be prevented from buying

an election. Unfortunately, this act does not acomplish this purpose. This bill was authored by the chairman of the Democratic Campaign Committee, who is also chairman of the House Administration Committee having jurisdiction over the legislation. It came out of the Democratic dominated Rules Committee in a fashion that prevented Republican Members from introducing perfecting amendments.

It does nothing, for example, to prevent big unions from spending $50 million in cash and contributions in kind. It does nothing to stop the use of involuntary dues to pay union officials for campaigning purposes, or to pay printing, postage, and telephone costs for union-endorsed candidates. A recent AFL–CIO publication, mailed by a tax-supported subsidy, called for a veto-proof Congress. It does not permit a union member to determine what candidate his money is used to support, either by dues or voluntary contributions.

The Board of Supervisors is hardly impartial in that it is appointed by sitting Members of the Congress. This bill is clearly an attempt to protect sitting Democratic Members of Congress. It is one of the most serious abuses of political power I have ever seen.

Since the need for campaign reform is so obvious, and since this bill does little to provide this reform, I reaffirm my own policy and pledge in this regard:

I will accept not one dime personally in the forthcoming campaign. All contributions must be sent to my regular campaign organization.

I have instructed my campaign committee not to accept any contributions from any person over $200, nor will I accept any contribution over $1,000 from any organization, lobby, or interest group whatsoever except my own political party.

This limitation on receipts applies across the board to any group which might have a legislative ax to grind—the AMA, chamber of commerce, National Association of Manufacturers, pharmaceutical manufacturers, organized labor—any group at all who might feel entitled to special legislative considerations because of a large donation to my reelection campaign.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. TREEN).

(Mr. TREEN asked and was given permission to revise and extend his remarks.)

Mr. TREEN. Mr. Chairman, I rise in opposition to the bill, not because I do not think we need some election reform, because we certainly do, but I think the worst abuse is taken care of when we set a limit on the amount that any contributor can give.

That limit may still be too high. I voted against the amendment to increase. But I see no sense in setting an aggregate limit, which limit is now $60,000 after the amendment reducing it from $75,000. If a candidate can go out and raise funds exceeding that aggregate from any number of persons, in order to raise a campaign fund that is necessary to make a challenge, he should be permitted to do this. And he can't make a challenge against an incumbent for $60,000.

We incumbents have the right to send out newsletters ad infinitum, and the postage alone is worth $16,000 or $18,000 each time. When we send out a mailing, we can bring into every household our message. We can do this any number of times. But the challenger, who can only hope to win by exposing a poor voting record, is limited to $60,000 for all his campaign expenses.

This bill is unfair to challengers; it is an incumbent protection bill, and it ought to be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. BUTLER).

(Mr. BUTLER asked and was given permission to revise and extend his remarks.)

Mr. BUTLER. Mr. Chairman, in the interest of saving time, I will not introduce an amendment which appears on page H7785, having discussed the matter with the chairman.

I will take this time, if I may, to ask the chairman: The matter that concerns me is, if this legislation is held unconstitutional, or portions of it, what will be the status of the various spending limitations? I will ask the Chairman if an agreement in writing between the candidates for nomination or election to any specific Federal office, agreeing to abide by these limitations, would be valid and binding even though the legislation is held unconstitutional?

Mr. HAYS. If the gentleman will yield, in my judgment, there is no question but what such agreement would be binding and valid, and if broken, it would be subject to civil penalties and civil liabilities.

Mr. BUTLER. I thank the gentleman. Relying on that assurance, I see no necessity for this amendment. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. MCEWEN).

(Mr. MCEWEN asked and was given permission to revise and extend his remarks.)

Mr. MCEWEN. Mr. Chairman, I regret that the amendment that would make an agreement between candidates to establish limitations on contributions and expenditures less than those provided in this legislation was not considered. The text of this amendment appears on page H7785 of the CONGRESSIONAL RECORD, of August 6, 1974.

The American people are concerned about the ever-increasing cost of elections, yet in many contests the amounts now expended are substantially less than the limits imposed by this legislation. Why then should the candidates themselves not be permitted to enter into binding agreements to limit campaign expenditures to an amount less than what this bill would permit? I think they should. More importantly, I think that the people think they should.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. COLLIER).

(By unanimous consent, Mr. COLLIER yielded his time to Messrs. SHUSTER and NELSEN.)

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. SHUSTER).

(Mr. SHUSTER asked and was given permission to revise and extend his remarks.)

(By unanimous consent, Mr. SHUSTER was allowed to speak out of order.)

PERSONAL EXPLANATION

Mr. SHUSTER. I was unavoidably detained in the Rayburn Office Building on a matter concerning my district and arrived in the Chamber 1 minute after the vote occurred on the Udall-Anderson amendment. Had I been here, I would have voted "nay."

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. NELSEN).

(Mr. NELSEN asked and was given permission to revise and extend his remarks.)

AMENDMENT OFFERED BY MR. NELSEN

Mr. NELSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NELSEN: Page 79, immediately after line 9, insert the following new section:

"POLITICAL ACTIVITIES BY CERTAIN OFFICERS AND EMPLOYEES

"SEC. 410. Notwithstanding any other provision of law, any State or local officer or employee employed by a State or local agency whose principal employment is in connection with an activity which is financed in whole or in part by loans or grants made by the United States or a Federal agency, other than any activity which is financed in whole or in part through Federal revenue-sharing programs, shall be subject to the provisions of chapter 15 of title 5, United States Code, as such provisions existed on the day before the effective date of this Act."

And redesignate the following section accordingly.

Mr. BRADEMAS. Mr. Chairman, I reserve all points of order on the amendment.

Mr. NELSEN. Mr. Chairman, under the terms of this bill, and it has already been called to my attention this afternoon, the Hatch Act is amended in this bill, and the explanation that was given to me is that the terms under the Hatch Act, where Federal revenue-sharing funds were distributed to the States, automatically then the feeling was that the State employees who had anything to do with funds that came from the Federal Government would automatically be under the Hatch Act and restricted at State level. But under the terms of the bill, this goes beyond that. For OEO and every other Federal program that is out there, we open the door where one can get his feet in the trough and dip in.

In the District of Columbia we have 53 employees in the Executive Office, 423 in Manpower, 700 in the Mayor's Office, 1,200 in the Apprenticeship Council, 1,652 in the Department of Human Resources, for a total of 17,535 employees. These employees would be partially "unhatched" under this bill.

And again we get the spoils system on the way back.

This amendment of mine would not interfere with any State dealing with revenue-sharing funds at all. Everything would remain as it is, but in these other basically federally funded programs administered by State employees it would bar them from getting into the activity of partisan politics as would certainly happen if the restriction is lifted where the Hatch Act now applies.

I served on the Hatch Act Commission and we carefully went into this and my feeling is it would be a mistake to go that far.

Mr. Chairman, I wish to amend this bill so that the provisions of section 401, which I am not amending, but merely clarifying, so as to insure that their applicability extend only to those State and local employees financed with Federal revenue-sharing funds. The Hatch Act presently prohibits activities of State and local employees where their "principal employment is in connection with an activity that is financed in whole or in part by loans or grants made by the United States or a Federal agency."

I wish to state that I served on the Commission on Political Activity on Government Personnel, which published its report in 1967. That Commission was chaired by Arthur S. Fleming, former Secretary of Health, Education, and Welfare under President Eisenhower, and the Vice Chairman was former Senator Daniel B. Brewster, from the State of Maryland. One of the principal studies of that Commission had to do with the application of the Hatch Act on Federal, State and local employees. I took the position on that Commission that the Hatch Act should not be tampered with in any way, lest we revert to the spoils system, which certainly applied to Federal employees at an early date, and which I found to be true in the Executive Department of the State of Minnesota when I first entered politics and served in the Minnesota State Senate in the mid 1930's.

There have been persistent attempts to amend the Hatch Act in one way or another. The most recent attempt was one which was made in "home rule" legislation considered by the House District Committee, and which was passed by the House and Senate in 1973. There was also language proposed in a conference on a relatively minor piece of legislation—an insurance bill—earlier this year that would have amended the Home Rule Act which would have provided the very same kind of exemption provided for in this bill. I strongly opposed the attempt in conference to grant an exemption to District employees who were in an equivalent status of State and local employees, as provided in section 401 of this bill.

I want to point out several things to the Members of the House as it relates to Hatch Act exemptions for State and local employees employed with Federal grants and funds:

First. There were no public hearings on these Hatch Act provisions that I know of.

Second. Hatch Act exemptions are totally inappropriate in a bill of this type. The fact that it is in here can only lead one to the conclusion that we are going back to the spoils system. This is a campaign finance bill, and the only conclusion I can draw is that those who favor this provision want to reach into the pockets of the State and local employees and get their contributions of money. They want to obtain the contribution of time and energy and their total commitments in the way of political activity from these State and local employees. That to me is a return to the spoils system.

Third. The Civil Service Commission, which is most knowledgeable about this matter, was never asked to give their views to the committee on this measure. Yet based on their prior statements and positions taken by the Commissioners, the following statement would apply as to the position of the Civil Service Commission.

The U.S. Civil Service Commission expresses its very strong objection to the inclusion of Section 401 in HR 16090. This provision, which has just come to their attention, would amend the Hatch Act by exempting state and local employees who work in connection with Federally funded programs from the prohibitions against partisan political management and campaigning. While such employees would still be unable to seek partisan office themselves, they would be free actively to participate in partisan politics on behalf of others.

In 1940 Congress amended the Hatch Act, which had been enacted the year before, principally in order to bring such employees within the partisan political activity ban. It was recognized then, and is now recognized as well, that the prohibition against political activity serves as a substantial employee safeguard since, among other things, it immunizes covered employees from pressures, overt or otherwise, to engage in politics against their will, and it prevents the diversion of Federal funds for political purposes at the state and local level.

At all events, what is being proposed in Section 401 is a drastic change in our laws in this area.

Plainly, a measure having such drastic consequences should not be acted upon without the same kind of extended and thoughtful deliberation that Congress brought to bear upon the matter when it first dealt with the subject in 1940. And, after more than 30 years of enforcing the Hatch Act as it applies to state and local employees who work in connection with Federally funded programs, the Civil Service Commission would certainly hope and expect that Congress would call upon them for an orderly presentation of their views before undertaking such a significant revision of the law. Finally, it is worth noting that Congress in its deliberations surrounding the recently enacted D.C. Home Rule bill, expressly declined to allow Federal and D.C. employees to participate in campaigns on behalf of partisan candidates for local office.

Fourth. There is no reason why we should treat local employees, whose employment is funded basically with Federal funds, any differently than we treat our regular Federal employees. Otherwise, in our States we will have State and local employees performing virtually the same functions and activities and perhaps working at the desk next to a Federal employee. One will be Hatched and the other will not be Hatched; and, of course, my view is that both should be Hatched. The extent of Federal grant funding in the States covering Federal and local employees is perhaps best illustrated by the number of Federal grant employees that we have here in the District of Columbia. The number of Federal grant positions as carried in the 1975 budget of Mayor Washington was 17,535.

In conclusion, Mr. Chairman, if we want to go back to the "spoils system," then let us do so in an enlightened manner. Let us have open hearings; let us have testimony from those in the Civil Service Commission who are most familiar with the problem; let the municipal employee unions, who are probably behind this move, come forward and identify themselves and state their case in open hearings. I am confident that if we take this route, the Hatch Act will remain intact. Meanwhile, I strongly urge each and everyone of you to support this amendment.

POINT OF ORDER

Mr. BRADEMAS. Mr. Chairman, I made the point of order on the gentleman's amendment on the ground that it was not made in order by the rule nor was it printed in the RECORD.

Mr. NELSEN. Mr. Chairman, speaking to the point of order, it is my understanding the gentleman from Ohio (Mr. HAYS) indicated he would not personally make a point of order against amendments if they were not in the RECORD if anybody could stand up and say he was aware that was one of the provisions, and that is true in this case.

The Civil Service Commission was not consulted and there were no hearings. The Civil Service came down and asked me to oppose this amendment.

The CHAIRMAN (Mr. BOLLING). The Chair will hear the gentleman on the point of order only.

The Chair must sustain the point of order on the ground that it was not printed in the RECORD. The point of order is therefore sustained.

The Chair recognizes the gentleman from Ohio (Mr. BROWN).

(Mr. BROWN of Ohio asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Chairman, I rise at this time to advise the Members that the motion to recommit the Federal Election Campaign Act Amendments of 1974 will be offered with instructions to recommit the bill to the Committee on House Administration with instructions to amend article 101(a) after line 8 on page 4 to insert the contributors' right amendments I introduced which were printed in the CONGRESSIONAL RECORD on August 5, 1974, on page E5290.

The motion to recommit will be introduced by the gentleman from Alabama (Mr. DICKINSON), the ranking minority member of the committee. A copy of the amendment was sent to all Members this morning for their information.

The amendment is aimed at making all political action committees responsible to their contributors by requiring that no candidates can knowingly accept funds from such committee unless the committee: First, is acting as an agent of the

individual contributor and second, the individual contributor designates the candidate's committee which is to receive the donor's contribution and third, the identity of each individual contributor is furnished by the political action committee to the candidate or his committee. These provisions will assure that contributors will have the right to indicate who will be spending their contributions.

I can see nothing arguable about that objective.

PARLIAMENTARY INQUIRY

Mr. HAYS. Mr. Chairman, I rise on a point of parliamentary inquiry.

This amendment if offered on the floor would have been subject to a point of order under the rule. Does that stand?

The CHAIRMAN. No amendment has been offered.

Mr. HAYS. But the gentleman says he is going to offer a motion to recommit containing an amendment printed in the RECORD which would have been subject to a point of order.

The CHAIRMAN. That is not a matter for the Chairman of the Committee of the Whole to decide. It is a matter for the Speaker in the House.

Mr. HAYS. I thank the Chairman.

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, a parliamentary inquiry.

Is the motion to recommit required to fall within the rule on this legislation?

Mr. FRENZEL. Not unless the rule so says.

The CHAIRMAN. The Chairman of the Committee of the Whole cannot interpret a motion to recommit. It is not within his jurisdiction.

Mr. BROWN of Ohio. I thank the Chairman. I will certainly rely on the fairness of the Speaker to properly interpret the method by which a motion to recommit can be made.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. MATHIS).

(Mr. MATHIS of Georgia asked and was given permission to revise and extend his remarks.)

Mr. MATHIS of Georgia. Mr. Chairman, in the brief time remaining I would like again to commend the chairman of the Committee on House Administration as well as all the Members on both sides of the aisle for the work they have done in bringing this bill to the floor.

I would like to point out for the benefit of all the Members that there was not ever at any point in our committee deliberations the kind of partisan bickering we have seen on the floor this afternoon.

There are certain things in this bill I would not agree with obviously. I think we are making a horrible mistake in adopting this so-called Independent Election Commission.

I said earlier in the debate on the amendment that we would rue the day. I rise reluctantly in support of the bill. I say there is too much common cause in it and not enough commonsense.

(By unanimous consent, Mr. BRADEMAS yielded his time to Mr. HAYS.)

(By unanimous consent, Mr. MICHEL yielded his time to Mr. FRENZEL.)

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

(Mr. FRENZEL asked and was given permission to revise and extend his remarks.)

Mr. FRENZEL. Mr. Chairman, there has been plenty of talk in the last 2 days about in-kind contributions. I want this record to show that that section 205 of the 1972 act, amending chapter 610 of title 18, clearly provides in its definition of contribution that "any services, or anything of value" is a contribution and must be reported as such.

Obviously, such contributions are subject to all the requirements that any contribution is subject to.

The problem with in-kind contributions is that they have not been properly reported by either donor or recipient. With the creation of the new Board of Supervisory Officers, I believe that supervision adequate to cause reporting, disclosure, and limitations of in-kind contributions.

Mr. Chairman, the rule prevented me from making an amendment which would make dirty tricks and political espionage criminal offenses under this law. I moved the amendment in committee and it failed.

The idea for this amendment was given to me by the gentleman from California (Mr. DON H. CLAUSEN) whose work on this matter was diligent and effective.

He, in turn, was inspired by the careful and dedicated work of his administrative assistant, Mr. Bill Stodart. Mr. Stodart, recently deceased, labored long and hard for this concept, and I wish we could have done a better job of progressing the amendment for him.

Even though we could not bring this up today, Congressman CLAUSEN and I expect to continue the work of Bill Stodart, and to press for adoption of this worthwhile and needed legislation in whatever way we can.

Mr. Chairman, section 315 of H.R. 16090 authorizes the Board of Supervisory Officers to institute actions for declaratory or injunctive relief to implement or construe the campaign finance laws.

In past years the lack of enforcement of campaign finance laws has been a major problem.

As the author of this section of the bill, I want to make clear that this language grants to the Board of Supervisory Officers the power to institute civil actions in their own name against violators to enforce the campaign finance laws without having to go through the Department of Justice.

This power of civil enforcement is in addition to the Board's other powers set forth in other sections.

Mr. Chairman, we are getting down to the end of 2 long days. We have had a good deal of spirited debate in which we have all engaged with enthusiasm and some good luck, I think.

I would like to direct my remarks mainly to the Republican side of the aisle, because I think there may be many Members on that side who are tempted to vote against the bill. I will admit that there is far too much public financing in the bill to suit my taste. Nevertheless, it seems to me there are a number of very strong and positive features in this bill that will warrant close consideration and, I hope, an affirmation vote.

We do get an independent administration and enforcement mechanism, limitation on contributions, $100 limitation on cash contributions, limitation on honorariums, prohibition on laundering and secretive earmarking, limitation on expenditures, prohibition on contributions by foreign nationals, increase in the penalty features, which have not been discussed; prohibition on contributions in the name of another, the single campaign committee, the reporting requirements, the publishing of a list of those who do not file, repeal of the media limitations, the opening up of the Hatch Act, the preemption of State laws and other desirable features.

I submit that these do overcome the problems that we face in terms of our party discrimination in this bill. To be sure, there is too much public financing. There is no prohibition of dirty tricks. There is an unconstitutional disqualification of people who do not file and wish to run for office.

Our parties are discriminated against in being made the equal of special interest groups; but on balance, it is not a bad bill, and the committee does deserve praise for its diligent work, not only the standing committee, but the Committee of the Whole, which worked to improve the bill.

It is time for us to vote for the bill. It is a useful bill, despite its deficiencies. I hope it will be even more improved in conference. I hope there will be a significant number of votes for the bill on our side of the aisle.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS) to close the debate.

Mr. HAYS. Mr. Chairman, as I said earlier, this is not a perfect bill. I do not think anybody will claim it is.

I want to spend a little time discussing the motion to recommit which the gentleman from Ohio (Mr. BROWN) is going to make. What Mr. BROWN wants to do, and there is no secret about it, he wants to prohibit any laboring man from making any contribution to any candidate and let the fat cats——

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I am not going to yield—who contributes to his campaign to do it without very much trouble.

The amendment was out of order under the rule and the gentleman from Ohio knows it. I know exactly how his campaign has been financed in the past. I want to say—you can boo-hoo all you like—he comes from my State. His father was a friend of mine, a great friend of mine.

I want to say that what he proposes to do is to see that if any labor organization through voluntary contributions collects a half million dollars in $1 contributions, that in order for it to make a contribution, it has to have half a million pieces of paper saying that they want the dollar to go to a specific candidate.

Mr. BROWN'S $60,000 he would be allowed to spend, if this limit stands, could come from 60 wealthy contributors, so he only has to have 60 pieces of paper.

It is just that simple; that is all there is to it, and I think every Member of the House who gets his money from small contributors or from voluntary associations, whether it be Ampac, Compac, or whatever it is, that is the effect of his amendment. The more small contributions they have, the sooner they are put out of business. The more big contributions they have, the more they are in the business.

Mr. STOKES. Mr. Chairman, H.R. 16090, the Federal Election Act Amendments of 1974, is a measure whose time has truly come. Almost 2 years after the most corrupt national political campaign in our history, we are provided the opportunity of making substantial repairs on our battered and abused electoral process. The hour is late—but we must act now to restore a measure of integrity to American politics.

A scant 3 years following the enactment of the Federal Elections Campaign Act of 1971, which provided the first reform of election law since 1925, we in this country have witnessed a debacle in election funding and misuse of campaign funds that has revealed to us all too clearly the pressing need for a far more thorough overhaul of our election laws.

I do not think it is necessary for me to elaborate more on the provisions of this bill, or to explain my reasons for supporting particular provisions, except in a general sense. Others have done an excellent job of explaining the reasons for and the meaning of these proposals. The committee bill reforms present campaign law by limiting contributions that an individual or a group may make to a candidate for Federal office. It also limits the amount of money that may be spent by congressional or Presidential candidates. And, it places limits on the amount that a candidate may spend from his own pocket. The bill provides public financing from the dollar checkoff fund for Presidential general elections and primaries and for national party conventions. There are also provisions for improving reporting requirements.

I am in substantial agreement with provisions of this bill. However, I feel that in certain instances it does not go far enough in reforming campaign procedures: There are several amendments before us which will correct inadequacies in the bill and strengthen it. And, I urge my colleagues to consider these amendments and this bill with great care. The basic confidence of our citizens in our system of Government is at stake and we must not fail in this effort to restore greater integrity to our elections and our Government.

Mr. KASTENMEIER. Mr. Chairman, I shall reluctantly cast my vote in favor of the campaign finance reform bill. Although several good features of this bill persuaded me that it should be supported, I have serious reservations about the spending limitations established in the bill for candidates to the House of Representatives.

Notable among the strong features of the bill are provisions establishing stronger enforcement mechanisms than provided in current law, and the creation of a system of partial public financing of Presidential campaigns. While some may object to public financing of political campaigns, I support this move since it seems to me that it is time to try financing such campaigns through something other than special interest money.

However, the spending limit for House races of $150,000, including the costs of fund-raising—$75,000 in the primary and $75,000 in the general election—is in my view exorbitant. Such an excessive ceiling defeats one of the primary purposes of this bill which is to limit the ability of any candidate to liiterally buy an election. I would have much preferred the application of the Wisconsin campaign finance law to House races which limits spending to $35,000 for primary and $50,000 for general elections, and greatly regret that the amendment which would have permitted such stronger State laws to prevail over these Federal limitations was defeated. The limitation of $150,000 represents only a minor improvement over the $187,500 proposed in the original committee bill and still invites large contributions and the type of corrupting influences which have become so familiar in this day of Watergate.

The possibility of such influences might have been lessened had tighter restrictions been placed on contributions in this bill. But, here too, by permitting up to $10,000 in contributions to each Federal candidate by political committees and separate corporate and union committees established for political purposes, the bill fell short of the type of limitation I would have preferred.

I announced earlier this year that I would accept no contributions in excess of $500 from an organization and $250 from an individual. I believe that this limitation is more in keeping with the intent of campaign finance reform. There is no need for any candidate for the House in the State of Wisconsin to spend anything approaching $150,000. I would further argue that there is no need for any candidate from any State to spend such an exorbitant amount of money in his or her attempt to gain election to the House or Senate. This bill, unfortunately, not only permits such excessive spending, it effectively invites such spending.

Despite these reservations, I feel that, on balance, the bill is a very limited move in the right direction. A halt must be placed on the concept of "the sky's the limit" when it comes to campaign spending and contributions and this bill represents only a beginning.

Mrs. MINK. Mr. Chairman, election reform has been a major concern of the Congress long before Watergate.

Congress enacted the Federal Election Campaign Act in 1971, imposing limits on campaign communications spending and requiring disclosure of campaign receipts and expenditures in excess of $100. Prior to that, we enacted the "tax checkoff" law to enable Federal funding of Presidential election campaigns.

Not all of the crimes and misconduct captioned under the phrase "Watergate" are connected with political campaigning, but those that were, were mostly committed before the Election Reform Act took effect or were in violation of it. I believe it is important to keep this fact in mind.

I feel we should guard against undue reaction to what is called Watergate. In large measure, that disaster is due not to a failure of laws but the fallibility of humans. It is because the intent if not the letter of campaign finance laws was violated that the transgressions took place. For the most part, changes in the law cannot absolutely guard against a repeat of these kinds of violations.

Having said this, I do not mean to imply that campaign laws cannot be an effective stimulus to clean and honest politics. We need stern and effective statutes against unfair and corrupt practices.

Many of the misdeeds of "Watergate" were not connected with campaigning at all.

It is only because CREEP-hired burglars were arrested breaking into the Democratic headquarters, a dramatic act which galvanized the Nation, that there is any connection between the abuses of power and corruption in the administration and political campaigning. In truth, the fact that an elite band seized the instruments of power and perverted governmental agencies into abusers of that power, raises far larger implications for the future good of our country. To the extent we are diverted into thinking that campaign reform is the only needed response to "Watergate," we continue to permit ourselves to be deceived by the perpetrators of that sad historical episode.

It should be obvious that a break-in of Democratic headquarters was not needed to win the Presidential election. The polls showed President Nixon far ahead. The Watergate was raided because that was standard operating procedure, the same as applying the Internal Revenue Service against "enemies" or stealing the private files of a psychiatrist, or releasing false stories maligning the opposition candidates, or making mass illegal arrests of political demonstrators. The Democrats and all dissenters were simply thorns in the side that had to be destroyed by whatever governmental or other weapons were available. The Watergate incident, then, should be viewed not solely in campaign terms but in the context of an "above the law" mentality that had become a way of life in the administration. We should be seeking to deal with this problem instead of only applying patches to the cracks in the political process.

I am not willing to be swept up into the reform bandwagon cry without regard to the possible deleterious changes in the politicla structure that could occur just because somebody says it will "cure" Watergate. I hope we have not reached the stage where only this most radical step, the complete Treasury financing of all Federal campaigns, becomes the litmus test of sincerity in the quest for campaign reform.

Surely much more can and should be done to strengthen or expand our campaign laws. However, I feel we should move with caution and not take precipitous steps which could adversely change our two-party system. Let us bear in mind that hasty enactment of the Postal Reform Act gave us poorer mail service and far higher costs, and the revenue-sharing program has given the States less money than they had before. Legislation labeled as "reform" must be scrutinized in detail rather than enacted simply on a slogan basis.

I am particularly concerned with proposals for "public" Treasury financing of congressional campaigns. Those pressing for this "reform" are merely exploiting the overwhelming public desire for a cleanup of Watergate-type politics. They portray Treasury financing as the antidote for Watergate. Just remove the taint of money from politics by taking it from the Treasury, they say, and all will be purified.

While I have nothing but the highest respect for those who seek to cleanse our Nation's political process, I do differ on whether Treasury financing is a good approach to reform.

The first thing we need is diligent enforcement of existing statutes. It is terribly important that we prosecute all those who violated Federal laws in all elections. The specter of punishment and public humiliation should dissuade many from engaging in similar tactics in the future. This year's elections will be the first whose financing is totally subject to the disclosure requirements of the reform act.

The disclosure approach to campaign reform rests on the thesis that an informed public can act in its own self-interest. The disclosure act signed into law in early 1972 is designed to tell the identity of all contributors of over $100 to candidates for Federal offices of President, Congressman, and Senator. It presumes that once the voters know who financed a candidate, they can judge the candidate's leanings accordingly, or that public disclosure will deter large donors.

The Treasury financing approach to campaign reform on the other hand assumes that no amount of disclosure will provide sufficient protection to the public. It holds that voters are unable to evaluate a candidate even if they know where the funds came from. Thus, they argue only by removing all individual campaign contributions can the integrity of elections be guaranteed.

In choosing between the two approaches, tax dollar financing has a certain surface appeal because of the serious campaign abuses in the 1972 Presidential election. I do not feel we should throw out the existing campaign system and switch to a dependency on tax dollars without careful study of the consequences of such a change.

The difficulties encountered in 1972 might equally be attributed to: First, a failure to communicate to voters the financing disclosed by candidates, and second, a lack of public follow-through on the reports filed by candidates.

I believe the Nation's news media failed to adequately publish the facts on 1972 financing disclosed in official reports. Moreover, no citizens' organizations were sufficiently effective in compiling and publicizing the results of the campaign finance filings, including lack of compliance by the candidates.

These inadequacies were not exclusively the fault of the media and public interest groups. A new law was involved, and all concerned lacked experience in working with it. In addition, nobody seemed to believe the grave misdeeds which were being revealed in the activities of the Committee to Re-Elect the President.

This year, however, there should be greater understanding by all of the importance of working diligently to implement the disclosure act. By taking time to inspect and report on the official campaign reports filed by candidates, the press can make a major contribution to greater knowledge of candidates' financing. Public interest groups can devote the time and effort required to analyze these reports and make factual criticisms of candidates who fail to disclose the identity of contributors as required by the act. Campaign reports should be subjected to an independent audit and all deficiencies published. It is important to know how these funds are being spent as well as who gave them. CREEP's irresponsible spending led to much of the michief and political saboteur tactics.

I recognize that asking the press, public, and private groups to participate fully in our elective process through this demanding means of disclosure and follow-up, is asking quite a lot. It requires serious concentration and long effort. But I believe this is far preferable to enacting treasury financing as a quick panacea.

Complete treasury financing is wrong both on the merits and as a wasteful use of Federal tax dollars. I am inherently suspicious of severing the link between citizen and public official, just as I am in the case of revenue-sharing systems which cut the tie of responsibility between taxpayer and tax spender. Both may tend in the long run to reduce the amount of control the individual has over the actions of those who hold public office.

Our political parties do not exist in a vacuum. If no party is directly dependent for its finances on those who support its policies, then no party will have much reason to stand for any particular policy, other than the issues currently popular in any given election. In a sense there would be no real political parties at all, only two alternatives on the ballot, "A" and "B."

Under Public Treasury financing, both political parties and candidates could thumb their noses at the voter. The parties would not need active voter support for contributions, since these would be levied against the taxpayers regardless of their wishes. Despite a 25-percent current support rating, the President's party could get over 60 percent of the public funds for the current election solely because of the votes garnered in the last election. How is this more conducive to clean government? Isn't it better to link contributions to current performance?

According to press reports, Republican fund-raising efforts declined this year because of Watergate discontent in the ranks. I am not saying whether this is good or bad, but it does show that citizens can influence policy under the existing system. Under public financing, you receive the dollars to your campaign based upon your popularity 4 years ago for President, 6 years ago for U.S. Senator, or 2 years ago for Representative. No matter how bad a current service record you have, you could depend on tax money to refinance your campaign for reelection.

Surely our two major political parties stand for something. I believe the general ranks of Republicans feel they have a direct interest in the programs and goals of their party, and the Democrats do, too. The perceived policies may change according to the needs of the times, but the basic interest-identification remains. Our citizens can assure the continuation of their interest only through contributions to the party of their choice. If this connection is rendered impossible, the responsibility and the responsiveness of political parties to large groups of voters will be reduced.

The very role of the political party would decline under total Treasury financing, and the cult of personality would increase. I see a danger that our political system might disintegrate. Instead of a two-party system offering the voters a relatively simple and understandable choice, they would see a multitudinous array of candidates. The availability of free public funds would encourage the massive formation of minority parties unable to command broad support but capable of rallying a small band of supporters on narrow single issues such as school busing, abortion, prayer in schools, et cetera. The national unity which comes from a two-party system would be destroyed. Ours would become a politics of chaos, confusion, and discord. Less than majority candidates would win; or costly runoffs would become the standard routine.

There is also a structural problem inherent in public funding of campaigns. It does not provide the "feedback" a candidate obtains from soliciting and receiving numerous small private contributions. Over a campaign of several months, the inflow of contributions timed to the development of issues and various events can show a candidate how the public is responding to the campaign. It helps to shape the candidate's stand on new issues and improves responsiveness to the electorate. All this would be lacking under Treasury financing. There would be a void of interplay between voter and candidate until after the election when the ballots are counted. Only then would the candidate discover how the public reacted to campaign pledges. To counteract this loss of interplay, more reliance would have to be placed on public opinion polls. Treasury funds allotted to candidates would have to be spent on costly polling.

The public funding provision for congressional campaigns supported by one major public interest group—Common Cause—called for handing out $90,000 in

tax funds for each House candidate in the general election. I have never spent even half that much in any of my five general elections. I am sure that this is true for others like me. With tax funds of $90,000 available, the more personal type of campaigning now used in many congressional districts will be replaced by advertising agency productions. The ready pool of tax dollars will be easy picking for these agencies to conduct "slick" advertising campaigns for a high fee. They would get most of the money with mass mailing making up the rest.

Candidates would be "sold" like soap "squeezable Charmin", or all day deodorant. Voters would be subjected to unrelenting assaults of 30-second radio and TV commercials urging them to vote on the basis of slogans and jingles. Is this the way to better inform the public? Congressional candidates ought to spend only what they can receive from small contributors, not what they can appropriate for themselves from the Treasury. I have financed my past campaigns with 3,000 supporters giving an average of $25 each. Many contribute $5 or less. Contacting this many contributors and asking for their support based on my voting record is part of the process of informing the voters on the issues. This is an arduous and unwelcome task, but without it there would be far less real communication. Under public financing, it would all but disappear.

If a voter is asked to voluntarily contribute his or her own money to a candidate, the voter has an inducement to examine closely the candidate's record and performance. By giving to the campaign, the voter feels involved in the political process, and is involved as a vital component. Public financing, on the other hand, would increase the feeling of alienation. The voter would feel powerless to add to or detract from the candidate's chances of winning except through the vote. I suspect the turnout at the polls would then decline drastically even from its current low state. Candidates, being on the Federal Government's payroll so to speak, would be further and further incubated in isolation to the ultimate detriment of the democratic process.

These are some of the basic reservations I have about public financing of U.S. House and Senate elections. An important but secondary consideration is the cost of such a program, which might well be a quarter of a billion dollars every election year. If we pay $90,000 for each candidate in 435 congressional districts and 33 Senate races, and there are 5 or 10 candidates in each election, the cost rapidly escalates. At a time when we are denying the use of scarce tax funds for meeting critical human needs in such areas as health, nutrition, education, and job-training, I do not believe this is a justifiable allocation of funds.

Who will monitor how public campaign funds are spent? Would we not need further new laws and new programs to check up on the activities of the monitors? Where will it all end. In the final sense, only participation by the people can assure integrity in the election process. If Watergate demonstrated anything, it should be that more rather than less citizen involvement is needed. Shelving off the responsibility on a Treasury financing scheme will hardly guarantee responsible government.

Personal campaigning is still possible and desirable in House and Senate elections, but admittedly it is impossible for a Presidential candidate to have close personal contact with any significant portion of the national electorate. In recognition of this, Congress has already provided for tax financing of Presidential campaigns. The tax checkoff law was enacted long before Watergate. Under this $1 can be voluntarily designated each year by each taxpayer to finance the Presidential campaign. Hopefully, this will become the exclusive means of financing Presidential elections in the near future.

While I oppose extending Treasury financing to congressional elections, I am not among those who wish to do nothing at all about the campaign finance abuses disclosed by Watergate. My own bill, H.R. 11931, the Comprehensive Campaign Financing Control Act, is as far as I know the most sweeping major campaign reform bill ever introduced in Congress. It applies rigid controls on contributions and spending, along with strict disclosure, in all major elections in the United States, including those in States and large cities. The limit on any person's total contributions to any one candidate would be $500, and it could not be in cash. There could be no splitting of contributions among various dummy committees or other subterfuges to evade the limitations. An overall limit of $50,000 should be placed on expenditures in a U.S. House race by any candidate. I believe reform along these lines offers a more meaningful prospect of achieving honest elections and the election of officials committed only to the public interest.

We should be striving not to concentrate campaign financing in one source, this time the Government, but to disperse it more widely so that as many citizens as possible participate in this vital aspect of our democratic process.

Under a system of full disclosure, combined with strict limits on individual contributions and accountability in candidate spending, I believe we could effectively curb excessive campaign costs, limit the influence of big money, encourage wider citizen participation, and prevent corruption. I believe, based on my experience to date of 20 years in elective politics, that my proposed reform will better protect our two-party system from proliferation and guarantee greater citizen participation in our democracy.

Mrs. SCHROEDER. Mr. Chairman, I am thrilled to finally have the opportunity to join in debate on the pressing issue of election campaign financing. I am one of many Americans who have anxiously awaited, and insisted upon, speedy full House consideration of this legislation. We have before us H.R. 16090; a good core of legislation, despite various shortcomings. I am confident that we can now close the loopholes in this bill through the amending process and pass a sweeping and effective reform package.

The need to improve our system of financing election campaigns for Federal office has been repeatedly recognized by our Nation's leadership since the turn of the century, and particularly in the years since World War II. Recently, two developments have significantly changed the entire context in which elections are financed; the geometric multiplication of campaign costs and the increased number of business activities which have become vitally affected by Government decisions.

The Presidential Election Campaign Act of 1971 was an effort to halt the spiraling cost of campaigning and to restore public confidence in the election process. This act placed a media use spending limitation on candidates for Federal elective office and also required reporting and disclosure of campaign contributions and expenditures.

It is obvious from examining the abuse of campaign financing in the 1972 elections that the need for electoral reform has not been satisfied by the 1971 act. We are now faced with three major problems magnified by the 1972 elections and the Watergate affair: An unceasing rise in campaign costs, the misuse of expenditures, and the expanded role of influence money in election campaigns. Recognition of the potency of big money, along with the discovery that some political committees resorted to unusual methods to avoid compliance with the disclosure provisions of the 1971 Campaign Act, has led many to conclude that the act is unenforceable and necessitates immediate and substantial revision. The public remains suspicious about the integrity of the elective offices being sought and, consequently, the democratic process suffers because of voter cynicism.

All of the evidence adds up to a crucial need for new legislation to insure equal access to elective office, increased citizen participation, lower overall campaign costs—in general, a new relationship between money and politics. The present system of financing election campaigns too often leaves the electorate running a poor second behind big money and special interests. As we watch Watergate fuel pressures for legislation, the Senate three times approve broad measures, and many State governments created their own tough elections laws, the House cannot shy away from comprehensive and airtight electoral reform.

The Committee on House Administration should be commended for its thoughtful consideration of campaign finance reform. However, if passed as introduced, H.R. 16090 will not satisfy the aforementioned needs. After conducting my own extensive examination of the legislation, I have concluded that while the bill contains many sound provisions, the loopholes drastically reduce its merit. Although there are many areas which could use improvement—for example, the definition of an expenditure, the disclosure and reporting procedure, the precise placement of contributions and expenditures ceiling, the role of special interests and political parties and the problem of incumbency under our

present system—two of the bill's loopholes have commanded my attention; public financing and enforcement.

Controls must be extended over the amount of money that is contributed to election campaigns. I believe that contributing to a political campaign is a means of expression, but this does not mean freedom to abuse the privilege. To protect the integrity of the elective process, it is surely justifiable to exercise reasonable control over the amount of money which is poured into an election campaign. In legislating such controls, we must make certain that competitiveness is not impeded, and equal access is insured. To combat this potential impediment, the only realistic alternative before us is public financing of election campaigns.

Support for public subsidies has been mounting steadily over the years, and was intensified by the insidious campaign practices of the past election. The impact of the private dollar on our legislative process in currently unavoidable yet, as I have implied, I believe that it is impossible to completely deny an individual the right to make a monetary political contribution. We must strike a balance between the excessive influence of "fat cats" and the need to encourage public participation.

I am, therefore, in support of the amendment offered by my distinguished colleagues, Mr. ANDERSON and Mr. UDALL, which proposes a system of matching Federal grants which would be available to all candidates, and national and congressional campaign committees, after a "threshold" amount is raised. The threshold and subsequent small contributions would be matched until a matching grant ceiling is reached. This concept has many advantages: It requires a candidate to establish a base of support before being eligible for public funds; it protects traditional political freedoms by allowing and encouraging small contributions; and it provides a means a public financing without overly strict expenditure ceilings.

The Anderson-Udall amendment provides for the extension of public financing to include campaigns for congressional offices. I believe this is essential. High campaign costs, expenditure misuse, influence money, and lack of public confidence are not problems which apply solely to Presidential campaigns; our system of financing the campaigns of House and Senate aspirants needs substantial reform as well.

The most critical fault of the committee bill is its failure to provide for the establishment of an independent, bipartisan, full-time commission which is in many ways the most important feature of any campaign reform package. Everyone must realize that any reform bill will only be as effective as the enforcement provisions it provides.

Under the 1971 act, three separate offices were responsible for receiving disclosure reports, making them available to the public, reviewing them for violations, and referring them to the Department of Justice for action. The Justice Department has rarely initiated action in this politically sensitive area for the past 50 years, and there are approximately 5,000 unenforced violations presently pending. The Committee on House Administration decided to combat this problem by recommending the institution of a board of supervisory officers, including the Secretary of the Senate and the Clerk of the House, to give advisory opinions and have civil prosecutorial powers. To keep this board in check, the committee authorized themselves and the Senate Finance Committee to review and veto or approve the regulations issued by the board.

In opening this wide loophole in the legislation, the committee has allowed for congressional domination of election supervision. How can imparitiality possibly be expected? And given the lone history of nonenforcement of election law and the impropriety of having congressional employees sit in judgment on their employers, how can we hope for a restoration of public confidence in the electoral system? Only an independent, full-time commission will provide for effective policing of reform provisions. I contend, with no hesitation, that this entire legislative package is worthless without appropriate enforcement provisions. Thus, I have enthusiastically cosponsored the fine amendment drafted by Mr. FRENZEL and Mr. FASCELL, and I urge all my colleagues to support this essential amendment.

Mr. Chairman, we cannot delay in enacting this much-needed legislation. The American political system is dependent upon active political participation and public confidence in the Government. The enactment of electoral reforms will help restore credibility in our governmental institutions and our elected officials: in these turbulent times, there can be no higher priority. We have before us a good vehicle for reform in H.R. 16090 and, with the critical changes I have already mentioned, its immediate passage will be our response to America's call for fair, open and honest campaigns for Federal office.

Mr. ESCH. Mr. Chairman, I rise today in strong support of the campaign reform bill, H.R. 16090, and the amendments to be offered by Congressmen ANDERSON, UDALL, FRENZEL, and FASCELL.

At a time when credibility in Government has reached a low, this measure represents a very real opportunity to control future campaign finance abuses. If we are to maintain a system of government that is representative of the people then the election process—that vital function that selects those who will represent—must be inherently credible.

For this reason, I introduced in November 1973, my own campaign reform proposal, many of the provisions of which have been included in the bill before us today.

During the past few months I have become increasingly concerned over the failure of the House to move on this bill, and particularly lamented the failure of the House Administration Committee to report a bill.

The original committee bill, I believe contained serious flaws and I am pleased that some of these have been rectified. However, it is essential that the House move to adopt the Frenzel amendment to strengthen the enforcement procedures, by establishing a truly independent Federal Elections Commission empowered to take candidates and officials suspected of wrong-doing directly to court without going through the Justice Department.

It is likewise critical that the House move to adopt the Anderson-Udall amendment to extend limitation to congressional elections and to provide matching funds for congressional races.

The unfortunate scandals surrounding Watergate was caused in some measure by our current system of campaign financing—with its heavy reliance on large contributions from powerful political interest groups. This nonsystem affects all levels, and undermines the independence of our political process. I believe the Frenzel and Anderson-Udall amendments can make the committee bill a fully effective mechanism to insure fair and honest campaigns.

Mr. BAUMAN. Mr. Chairman, the clamor for campaign reform has reached a deafening roar in recent years, and we all know that there is good reason. The misuse of campaign funds, shady methods of obtaining such funds, and downright illegal expenditure of such funds became epidemic in 1972. Naturally I am angered that these misdeeds were performed in behalf of the Presidential candidate of my party.

Today, we are considering legislation which, it is said, will solve the problem and prevent future abuses. I am afraid that in many respects this bill represents instead a "solution" which is more illusion than reality.

As my good friend, the gentleman from Illinois (Mr. CRANE) noted in his separate views in the committee report, nothing short of a congressional resolution repealing original sin will end corruption in politics. Obviously, that is not within our power. What, then, does this legislation propose to do?

First, and most significantly, the bill places severe restrictions on the amount of money which any individual or special interest committee can contribute to a candidate's campaign. This restriction may be needed but it could be faulty for two reasons: By prohibiting an individual from giving more than $1,000 to a candidate in an election campaign, it places the limit so low that it may constitute an unconstitutional restraint on his or her freedom to communicate their views or to support a candidate who represents those views. In addition, in the wild rush to limit the influence of special interest groups, this bill threatens to effect the demise of our two-party system. The limitation of $5,000 in contributions from any one committee does not exempt or make special provision for political party organizations, which often contribute substantially more money to their own candidates. This would have a disastrous effect on the role which the parties play in insuring stability and continuity in our political system, as has been stated by my distinguished colleague, the gentleman from Illinois (Mr. MICHEL).

The bill also takes yet another step in the direction of full public campaign

financing. It extends the "dollar checkoff" system of financing, where a taxpayer may designate a dollar of his Federal income taxes for a public campaign fund, to Presidential primaries and party nominating conventions. Until now, this money has been reserved only for Presidential contests in the general election. By holding out the offer of lots of Federal money to primary candidates we are setting the stage for a proliferation of Presidential hopefuls which will give the entire process a circus atmosphere, and attract as many publicity seekers as serious candidates.

Financing such a wasteful exercise could quickly diminish whatever public enthusiasm now exists for earmarking that dollar on the tax form. Fortunately, the committee wisely rejected public financing of any campaigns other than presidential races. But I fear that by taking this additional step toward expanding public financing, we are merely setting the stage for an expansion of the idea, an expansion I emphatically oppose.

Finally, the most glaring weakness in this legislation involves the section regarding "in kind" contributions. We cannot ignore the fact that special interest groups, principally labor unions, contribute the equivalent of upwards of $100,000,000 a year in "inkind" gifts to candidates: mailings, get-out-the-vote drives, printing, mailing lists, equipment, transportation, storefronts, and numerous other campaign benefits which are more valuable than cash. Not only does this bill fail to deal effectively with this type of contributions, it encourage them, and fails to either limit or require disclosure of such activity. This represents a glaring loophole big enough to drive every Teamster-operated truck in the Nation through. It makes a farce of any effort to bring about campaign "reform," and instead promises to expand campaign contributions of a very substantive nature which never need be reported or kept track of. This section makes the title "campaign reform" the biggest violation of "truth in packaging" since 19th century hawkers roamed the prairie selling snake oil as a cure for cancer.

Mr. Chairman, there is unquestionably a need for further reform of laws regulating campaign activity, and in particular provisions which would require full and complete disclosure of the source of all contributions and a full accounting of all expenditures. While this measure takes a step in that direction, it is inadequate. Because it is inadequate there, and because it contains so many other features which generate the precise opposite of true, meaningful reform of the campaign laws, I must oppose it as it is written. I shall instead offer my own legislation which will constitute what I consider to be meaningful reforms.

Mr. PODELL. Mr. Chairman, Watergate and its implications have kept the country in a state of shock, outrage, and disgust for the past 2 years. We have experienced a trauma which has touched every aspect of American life. One of the most scalding aspects is the attitude of mistrust and despair of the American people toward their political institutions. Their faith in the institutions and the people who represent them has been severely curtailed. Politics, once one of man's noblest professions, is believed to be a camp of sordid details, lies, deceit, and a total lack of respect for the American people. The administration and its reluctance to be open and honest, has hurt and confused Americans from New York to Alaska.

It has become imperative that we, in the Congress, take action now to restore the confidence of the American people toward the political system.

The Federal Election Campaign Amendments of 1974 provides us an avenue to begin to free the country from the pollution that has been eroding our ability to see and breathe freely. This legislation provides means for making campaigns a place for debating the issues and nothing more. One of the highlights of this bill is the area that deals with campaign contributions and campaign spending. It enforces a limit on the amount a Federal candidate can spend on a campaign. The amount varies with the different officers, the Presidential candidates being limited to $10 million in a primary election and $20 million for a general election. This is essential, for it maintains an area that all candidates must follow, no matter what amount of money they have, and enables a campaign to direct itself to issues in comparable fashion.

Congressional campaigns have a ceiling of $75,000. It is my belief that this figure is exorbitant; there is absolutely no need for a campaign dealing with the problems and concerns of the people to spend that amount. I attempted to pass an amendment that would lower this figure, but it was the sense of the committee to maintain the $75,000 amount as a reasonable sum.

There is also one other area that I am very concerned about and that is the public financing of Federal campaigns. There is a provision for Presidential campaign financing. However, there is none for congressional races. While this condition remains, so will the evil that has been shrouding our campaigns for so long. I urge my colleagues to reconsider their position on this matter as I feel that public financing of campaigns is the essence of a corruption-free system.

There are also areas of this legislation that certainly are helpful and are directed in a useful manner. One of these is the limitations put on the amount contributors are allowed to give to a Federal campaign. This aspect of the bill is reasonable. A group is allowed $5,000 per election and an individual $1,000. This policy is excellent in that it will keep the campaign focused in the proper areas, not in the direction of special interest groups. These groups will no longer have the leverage to effectively impose their wills as they have seemingly done in the past. This puts a campaign into the perspective that is best for both the candidates and the voting public. It enables a campaign to be a forum for the candidates to exchange views on issues that concern the Nation and enables the people of this country to decide on their candidate by reviewing these issues without questioning the integrity of the political system or those who represent it. This is not and should not be a gift: It is the essence of what our country was founded upon, and a manner of behavior that the American people are entitled to expect. Any other mode of behavior by the political system or those who uphold it is unacceptable, both to the system itself and the American people.

I serve on the Committee on House Administration and support the bill that we have presented to the floor of the House. I urge my colleagues to join me in a swift passage of this legislation.

Mr. TIERNAN. Mr. Chairman, the electoral process has been suffering a most serious illness. One need not be a medical doctor to diagnose the problem. Every citizen is sadly aware of the fact that campaigns in the United States have been riddled with unethical and illegal contributions and expenditures. The treatment for this cancerlike disease is simple, yet this honorable body of Congress has done little to cure the electoral process and revitalize the voice of our democracy.

We can wait no longer. We must begin treatment immediately—not merely providing a good bedside manner with useless lip service—but a thorough and effective treatment. To insure the full recovery of our electoral process, we must enact a strong campaign reform bill.

I urge my colleagues to enact a campaign reform bill which provides for the establishment of an Independent Election Commission and a mixed public/private matching system for congressional campaign financing. We cannot substitute an aspirin for an operation. If we fail to adopt these amendments to H.R. 16090, we will be condoning the election scandals which have been strangling our Nation for the past 2 years. Moreover, we will fail to preserve the sanctity of the American Constitution, which guarantees our rights to freedom and liberty.

If we were to pass the committee bill as it now stands, not only would we fail to provide the necessary incentive to solicit small contributions from a vast base of citizen participants, but we would be boosting the power of special interest groups which now threaten to destroy the fundamental voice of the American electorate. We would also fail to establish an effective Commission to insure that the election laws were being properly enforced. We all know that without sufficient oversight, laws are useless words.

I ask the Members of Congress, can we remain idle while the future of our great Nation stands in jeopardy. To remove only a fraction of a malignant tumor is futile. We must thoroughly remove all traces of the cancer. We must stitch the loopholes in order to make campaign reform a meaningful and successful operation.

Mr. SYMMS. Mr. Chairman, Congress once again is attempting to legislate individual responsibility and ethics. This time we're looking down the barrel of a new bureaucracy charged with authority to keep political candidates clean and

the voters honest. Just as gun registration failed to get at the roots of crime, campaign reform misses its point.

Mr. Chairman, Watergate did not occur solely because dishonest Government officials had dishonest friends. Failing to recognize that the problem goes much deeper than dishonesty, Congress has written legislation which applies a shiny coat of paint over a malignant illness in our political system.

Mr. Chairman, the real lesson of Watergate is that Government has become too powerful. The benefits of illegal activities have become greater than the risks. The businessman who lives day by day on the threat of Government permits, contracts and regulations is too often forced to compromise his integrity and the integrity of his friends in the bureaucracy. Excessive Government power and favor have finally authenticated that phrase, "Good guys finish last." If Government officials did not have so much to offer the private sector in the way of favorable rulings, contract awards, et cetera, then business would not have to engage in this kind of economic survival.

To ask for more laws to prevent another Watergate overlooks the fact that there were already laws prohibiting these kinds of political activities. These laws have already convicted a fistful of public officials of wrongdoing and Congress is considering impeachment of the President because of the possible violation of these laws. This is the appropriate means of handling dishonesty—not passage of more laws against dishonesty but enforcement of an already adequate criminal code and adherence to the constitutional process.

Rather than addressing the issue in its proper perspective, Congress proposed extensive campaign reform, including public financing of campaign expenditures and limitations on the rights of voters to contribute to campaign activities. Traditional concepts of political involvement and responsibilities are cast aside in this legislation. The real issues are swept under the rug. In seeking to make all candidates equal and honest, Congress is actually proposing to handicap principles of republican government established by our Constitution.

Underlying the whole issue is a burning question: "Should money play any role in politics?" If we value the freedom of expression guaranteed in the first amendment, the answer to this question has to be "yes." No one person—candidate or campaign supporter—need apologize for the role of money in the political campaign.

Mr. Chairman, all political activities make economic claims on the community. Speeches, advertisements, broadcasts, building facilities, transportation, grassroots organizations—all require money. As long as the financing of these activities is left to private contributions, the individual is free to choose his own style and his own extent of political involvement, free to defend his personal philosophy, and free to further the campaign of his preferred candidate with either his dollars or his time. In depriving the individual of his right to contribute either time or money, we impair his freedom of expression.

And so who benefits—supposedly—from public financing of campaigns?

Certainly not the candidate who seeks change. His financial needs against an incumbent, tax-supported Congressman are great.

Certainly not the citizen who holds opinions but lacks the time to work actively in a campaign. Public financing prohibits or severely limits the amount and extent of his financial support. Lacking time for various reasons and lacking the right to contribute dollars by virtue of Government decree, his political role becomes one of inaction.

Certainly the general public has little to gain through public financing. Campaign contributions are a vehicle of expression for donors who wish to persuade others on public issues. This is a vital arena of political activity often overlooked in the more obvious rhetoric of candidates. The charge that these donors represent those ominous "special interests" is exactly correct. Anyone with the slightest flicker of political interest is representing those economic and social activities which he feels to be most important. With obvious exceptions, it is a disservice to both the donor and the officeholder to impune their motives. It is not the fact, necessarily, that a Congressman receives large union contributions that leads him to support union causes. It is the reverse that is most often true—that his convictions attract large union contributions.

The taxpayer, as usual, will be footing the bill for this new legislation. His contribution checkoff takes money out of one pocket at tax time while the huge bureaucracy required to implement and sustain the program bleeds the other pocket.

Mr. Chairman, politics in general has little to gain through public financing. Campaign money is a barometer of intensity of voter feeling. It keeps issues and opponents in perspective. It weeds public support.

The winners in a publicly-financed campaign are fairly predictable. A party in control of the White House is likely to stay in control because its bureaucracy pulls the strings on candidate financing. What public financing fails to provide them can be sopped up through manipulation of Government-sponsored programs and public relations services.

By equalizing the roles of the candidates through public financing you do not really reduce the influence of the wealthy. They will always have direct access to resources easily converted to political purposes. Further, you greatly increase the influence of three distinct groups. First, the so-called pressure groups, like Common Cause and the American Medical Association which sell issues rather than candidates, second, political activities with free time, and three, the media.

There is a danger, too, that an independent candidate will be preveted from running because he fails in some way to qualify for Federal financing. It is possible that sanctions against "extremist" candidates could be incorporated into Federal financing laws. This, of course, raises the question: Who defines "extremist?" With time, these definitions and sanctions could easily be widened to prevent expression of legitimate political philosophies.

Campaign reform legislation as proposed does not bring Government closer to the people. It brings candidates closer to the Government and pushes people into the background—except at tax collecting time.

I have watched the House Administration Committee put together the jigsaw of campaign reform legislation piece by piece. They are missing the heart of the puzzle—the high sense of morality and ethics which guides most Americans in their choices of political representation.

Mr. Chairman, with the provisions of the Federal Election Campaign Act of 1971 on the books, we have access to records of campaign contributions. We are able to determine to a certain extent the interests of any candidate's supporters. With vigorous enforcement of the criminal code, we are able to handle officials who betray the public trust. By reducing the power and control of the Federal Government, we would remove the temptations and rewards of influence peddling.

And that is enough. Passage of the Federal Election Campaign Act Amendments of 1974 will deny the right of expression guaranteed all Americans under the first amendment. It is in the right of free speech that the essence of Americanism is contained. Without this right to free expression, all other constitutional amendments and our basic Constitution itself falter. This is a high price to pay. To deny the right of expression to the majority because of the misdeeds of a few is a big step down the road toward totalitarian government. I urge the defeat of H.R. 16080.

Mr. DENT. Mr. Chairman, the Federal Hatch Act's extension to State and local employees contains three parts. The first prevents State and local employees from voluntarily working for candidates of their choice on their own time for any partisan public office. The second prohibits management and others from using their influence to force those who work under them to contribute to or work for a candidate out of fear for their jobs, concern for future promotions, et cetera. The third prohibits State and local public employees from using the authority of their positions to influence the outcome of an election campaign.

This section of the bill repeals only that part of the Federal Hatch Act which prohibits State and local public employees from voluntarily, on their own time, participating in partisan political activities.

It retains those parts of the Federal Hatch Act which protect State and local public employees from political coercion by their employers and those parts which prohibit State and local public employees from using their own official status to influence elections.

For too long State and local employees—just because they are State and local government employees—have been

prevented from voluntarily working for candidates they may choose to support. Workers in the private sector—often with similar jobs and sometimes even supported by the Federal tax dollar—are able to participate fully as citizens in the political process. This discrimination against the voluntary political activity of millions of State and local employees is no longer justified.

When the committee unanimously adopted this section, it did so with the hope that it would encourage greater voluntary citizen participation in the political process while at the same time continuing to prevent coercion and undue influence.

However, State and local public employees would still be prevented from personally running for partisan political office unless they resign their positions.

This proposed amendment does not affect Federal employees.

Mr. ICHORD. Mr. Chairman, I rise in support of the Federal Election Campaign Act Amendments of 1974 and urge that this legislation be passed by the House of Representatives. It would be very misleading for me or any other Member of Congress to pretend that this bill will solve all the ills present in our election laws but it is a step in the right direction.

In the first place I am doubtful that any legislation can get rid of all loopholes in campaigns for public office. As long as human beings are sinful there will be some individuals tempted to exempt themselves from certain general standards or to find ways to circumvent election laws. The most we can do in this respect is to make every effort to remind elected officials and those aspiring to elective office that any position of public trust requires a moral commitment to their Government and their people.

In the second place I do see this bill closing certain loopholes that have been open all too long. The expenditure ceiling now $60,000 for primary elections, primary runoff elections, and general elections while still too high in my opinion is much better than no limit at all. As the Members of this body of Congress know, I supported the Mathis amendment yesterday which would have set the spending limit at $42,500 which parallels the salary paid by the job. I am sorry that this amendment failed because I do not feel that a candidate should be allowed to spend more than the salary of the office. I have personally never spent anywhere close to $42,500 for any election including my first race for Congress when I defeated an incumbent Member of the House. However, a $60,000 limitation is a great improvement over the fantastic sums of $200,000 and $300,000 spent by candidates in the past in primaries or general elections.

Over 3 years ago in testimony before the House Administration Committee I expressed my strong fear that we were rapidly reaching the point that only the very wealthy or those who sold out to special interest groups could be elected to public office if we did not take steps to control campaign spending. The American claim that only in this country could an individual rise from such humble beginnings as an Abraham Lincoln to become President of the United States has been brought into question as campaign cost for Federal office soared into six, seven, and eight figures. Therefore, I feel that the $60,000 limit is a reasonable step in the right direction.

I am also pleased that an individual limit of $1,000 or a political committee limit of $5,000 has been placed in this legislation. This will do two very constructive things: First, it will make virtually impossible attempts by individuals or groups to buy influence with public officials; and second, it will force politicians to make every effort to get more of our citizens involved in the election process through the pocketbook which is the best way to get elected officials who are responsive and responsible to the people who elected them. The individual honorarium limitation of $1,000 or a total of $10,000 in 1 year will stop Federal elected officeholders from seeking to profit financially from the job they were elected to carry out for their constituents.

Once again I would point out that this is not perfect legislation nor a definitive answer to the problems we are seeking to solve but it seriously approaches these problems and will give us a foundation on which to build for future election law reform as it is needed.

Mr. BROYHILL of North Carolina. Mr. Chairman, I support the committee amendment to H.R. 16090, which would revise the composition of the Board of Supervisory Officers.

I have opposed the provision in the present campaign spending law which provides for reporting to and enforcement of the act by the Clerk of the House and the Secretary of the Senate. I have felt that these officers might be less than forceful in requiring Members of Congress, to whom they owe their jobs, to abide by these reporting requirements.

I prefer, instead, a more independent body. For that reason, I cosponsored an amendment, originally intended to be offered by Congressmen FRENZEL and FASCELL, to establish an independent Federal Elections Commission to monitor the necessary campaign reporting laws.

However, I am pleased with this committee amendment, a compromise worked out by Mr. HAYS and Mr. FRENZEL. It differs from the original bill reported from the House Administration Committee, in that the Comptroller General would not be a member of the Board. The Clerk of the House and the Secretary of the Senate would be nonvoting Board members. The four public citizens, none of whom could be employed by the executive, legislative, or judicial branches of the Government, would be the only voting members. And, finally, the full Senate and the full House of Representatives would have veto power over the Board's recommendations, rather than leaving this power with the House Administration Committee and the Senate Committee on Rules and Administration.

I firmly believe that an independent commission will eliminate the possibility of conflict of interest, reverse the long history of nonenforcement, and increase coordination between the administrators and enforcers of the law. But more importantly, the creation of an independent body would help foster public confidence in the effectiveness and fairness of election laws and in public officials themselves.

Therefore, I urge my colleagues to adopt the committee amendment.

Mr. STEELE. Mr. Chairman, I rise in support of the amendment offered by my distinguished colleagues JOHN ANDERSON and MORRIS UDALL. This amendment would encourage small contributions to congressional candidates by providing for limited Federal matching funds in the general election.

Specifically, this amendment would establish a Federal matching fund by which private contributions of $50 or less would be matched by public funds. This matching payment could not exceed one-third of the spending limit established for that office. In order to qualify for such matching payments, congressional candidates must first demonstrate their popular support by raising 10 percent of their spending limit in contributions of $50 or less.

As a cosponsor of the Anderson-Udall Clean Elections Act from which this provision is drawn, I believe that this amendment is an important step in the effort to reform the way in which we finance our elections. In my view, the way to cleanse our political process of the unhealthy influence of big money and special interests is thorough setting stringent limits on campaign contributions and through the encouragement of small contributors. This is what I have been doing in my own campaign for Governor of Connecticut and I believe that the success I have had is a telling sign that campaign reform truly works.

It is essential that we restore public confidence in our electoral system. And the way to begin is to return politics to the people. This amendment will be a major stride in encouraging the average citizen to get involved in electoral politics and in driving the corrupting influence of big money and special interests out of our campaign financing system.

I urge my colleagues to support this amendment.

Mrs. HECKLER of Massachusetts. Mr. Chairman, today the House is about to take a major step toward restoring honesty to our electoral process. The passage of the Federal Election Campaign Act Amendments will represent our response to Watergate and the cancerous corruption of the election process which this scandal has revealed to us during the last 2 years.

By now everyone understands the harm that can arise from uncontrolled campaign fundraising. The Watergate scandals have made it clear to the American public that money has become the most important campaign resource for candidates running for Federal office and that candidates are responsive to the people who supply it.

Our current system gives special interest groups and the wealthy a disproportionate role in determining outcomes of elections and in the subsequent process of governmental policymaking.

As a member of the Republican Task Force on Election Reform and as the sponsor of campaign reform legislation, I have been an outspoken advocate of public financing of elections as the only viable way to minimize the opportunities for influence peddling and buying in politics.

The bill presently under consideration, H.R. 16090, provides for public financing of Presidential elections from tax dollars paid to a Presidential Election Campaign Fund through the voluntary dollar checkoff on all tax returns.

From this campaign fund Presidential candidates would receive up to $20 million in checkoff funds for the general election and matching payments for contributions of $250 or less for primary elections.

The maximum probable cost of public financing would amount to less than $2 per taxpayer per year. I consider this a small price to pay for the assurance of clean elections and for the revival of citizen participation and interest in congressional and Presidential elections.

Equally important for the reformation of campaign procedures are the provisions of H.R. 16090 which limit campaign contributions and candidate expenditures.

In 1972 the two major Presidential candidates spent more than $45 million in each of their campaigns. These exorbitant figures demonstrate that in the past the emphasis has been on the cost of the campaign while little attention has been given to the issues.

The Federal Election Campaign Act Amendments before us for a vote would prohibit future Presidential candidates from spending more than $20 million in the general election and $10 million in the primary. Candidates for the Senate and the House would be limited to roughly $150,000 for total expenditures in their primary and general election campaigns.

On the other side of the campaign coin, this legislation restricts contributors from investing in candidates by prohibiting individuals from giving more than $1,000 in the primary and in the general election, while a group or organization cannot give more than $5,000 in either election to any candidate for Federal office.

I urge my colleagues to support the Federal Election Campaign Act amendments, legislation which would restore integrity to all Federal elections in 1976 and rebuild the public's confidence in the elected officials of our Government. Enactment of this legislation would signify the return to the principle of "one man, one vote" in our political system.

Mr. MURPHY of New York. Mr. Chairman, as an original sponsor of the Federal Election Campign Amendments of 1974, I go on record in support of this legislation. The Federal Election Campaign Act of 1971 was a good law and a step in the right direction. Since its enactment, most campaign expenditures and contributions have been publicly disclosed. However, some large problems still exist and the purpose of these amendments is to correct these problems.

The purpose of the Federal Election Campaign Amendments of 1974 is:

First. To place limitations on campaign contributions and expenditures;

Second. To facilitate the reporting and disclosure of the sources and disposition of campaign funds by centralizing campaign committees;

Third. To establish a Board of Supervisory Officers to oversee enforcement of and compliance with Federal campaign laws; and

Fourth. To strengthen the law for public financing of Presidential general elections, and to authorize the use of the dollar checkoff fund for financing Presidential nominating conventions and campaigns for nomination to the office of President.

The bill places strict limitations on contributions to candidates for Federal office. Contributions by individuals to candidates are limited in the aggregate to $1,000 per election. Further, an individual is limited to an aggregate of $25,000 in contributions within any calendar year. A major innovation of the bill will prohibit any contributions in cash in excess of $100.

In an effort to reduce the spiraling cost of campaigns, Presidential candidates will be limited to $20,000,000 for election and $10,000,000 for nomination to the office.

In the case of campaigns for nomination for election, or for election to the office of Senator, the limitation is 5 cents times the population of the State, or $75,000, whichever is greater. The expenditure limitation on campaigns for the offices of Representative, Delegate from the District of Columbia, or Resident Commissioner is $75,000. These limitations apply separately to each campaign for nomination for election, or election, to those offices.

In an effort to simplify and improve the disclosure provisions of the campaign law, this legislation would require that each candidate designate a principal campaign committee to make expenditures on behalf of the candidate and to file with the appropriate supervisory officer consolidated reports and statements which include the activities of all the committees which support the candidate.

To enforce all of the laws on elections the bill establishes a seven-member Board of Supervisory Officers composed of the Secretary of the Senate, the Clerk of the House, the Comptroller General and four public members—two appointed by the President of the Senate and two appointed by the Speaker of the House.

The bill under consideration today contains provisions for the public financing of Presidential elections. The present dollar checkoff law, now limited to the financing of Presidential general elections, would be strengthened and expanded. Dollar checkoffs would be self-appropriating. Up to $2 million of such funds could be used for nominating conventions of major parties and lesser amounts for smaller parties. All parties would be limited to $2 million from all sources for convention expenditures. Dollar checkoff funds could be used in Presidential primaries to match private contributions of $250 or less; to be eligible a Persidential primary candidate must have raised $5,000 in private contributions of $250 or less in each of 20 States; no candidate could receive more than $5 million in Federal funds and he could spend no more than $10 million from all sources; funds for Presidential primaries could become available only after obligations for Presidential general elections and nominating conventions have been met.

It is unfortunate that I will not be here to vote on this measure tonight. I have made a major political commitment to my district and it is one of long standing which cannot be broken. However, I wish to be on record in support of the strong provisions provided for in this legislation. And I wish also to state that I am on record in support of this bill as I voted for the rule and against the motion to recommit.

I have long supported congressional election reform and have testified as such in hearings. As I said before the Senate Committee on Communications:

The Federal Election Law of 1971 was designed to obviate the reprehensible act of anyone seeking to buy a federal election.

The legislation we have brought to the floor today goes a long way toward improving our Federal elections system. And I am gratified to have been a part of that movement.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 16090) to impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes, pursuant to House Resolution 1292, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. BRADEMAS. Mr. Speaker, I demand a separate vote on the so-called Frenzel amendment relating to public financing of presidential nominating conventions.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 53, strike line 17, and all that follows down through page 61, line 4.

Page 61, line 6, strike out "407" and insert in lieu thereof "406".

Page 61, line 15, strike out "408" and insert in lieu thereof "407".

Page 78, line 5, strike out "409" and insert in lieu thereof "408".

Page 79, line 11, strike out "410" and insert in lieu thereof "409".

Page 79, line 15, strike out "408, and 409" and insert in lieu thereof "and 408".

Mr. BRADEMAS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, is this the Frenzel amendment which deletes the use of taxpayers' money for national political Presidential nominating conventions, which the committee defeated by a substantial margin?

Mr. BRADEMAS. The gentleman's colloquy is inaccurate.

Mr. FRENZEL. If it is, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The question is on the amendment.

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 205, noes 206, not voting 24, as follows:

[Roll No 468]

AYES—205

Abdnor	Cohen	Gross
Anderson, Ill.	Collier	Grover
Andrews, N. Dak.	Collins, Tex.	Gubser
Archer	Conable	Guyer
Arends	Conlan	Haley
Armstrong	Conte	Hammer-schmidt
Ashbrook	Crane	Hanrahan
Bafalis	Cronin	Harsha
Baker	Daniel, Dan	Hastings
Bauman	Daniel, Robert W., Jr.	Hechler, W. Va.
Beard	Davis, Wis.	Heinz
Bennett	Delaney	Hillis
Bray	Dellenback	Hinshaw
Breaux	Dennis	Hogan
Brinkley	Derwinski	Holt
Broomfield	Devine	Horton
Brotzman	Dickinson	Hosmer
Brown, Mich.	Dorn	Huber
Brown, Ohio	Downing	Hudnut
Broyhill, N.C.	Duncan	Hunt
Broyhill, Va.	du Pont	Hutchinson
Buchanan	Edwards, Ala.	Jarman
Burgener	Erlenborn	Johnson, Colo.
Burke, Fla.	Esch	Johnson, Pa.
Burleson, Tex.	Eshleman	Kemp
Butler	Findley	Ketchum
Byron	Fish	King
Camp	Fisher	Kuykendall
Carter	Flynt	Lagomarsino
Cederberg	Forsythe	Landgrebe
Chamberlain	Fountain	Landrum
Chappell	Frenzel	Latta
Clancy	Frey	Lent
Clausen, Don H.	Froehlich	Lott
Clawson, Del	Gilman	Lujan
Cleveland	Goldwater	McClory
Cochran	Goodling	McCloskey
	Green, Oreg.	McCollister
McDade	Quillen	Stubblefield
McEwen	Railsback	Stuckey
McKinney	Regula	Symms
Madigan	Rhodes	Talcott
Mahon	Rinaldo	Taylor, Mo.
Mallary	Roberts	Thomson, Wis.
Mann	Robinson, Va.	Thone
Maraziti	Robison, N.Y.	Towell, Nev.
Martin, Nebr.	Roncallo, N.Y.	Treen
Martin, N.C.	Rousselot	Vander Jagt
Mathias, Calif.	Ruppe	Veysey
Mayne	Ruth	Waggonner
Michel	Sandman	Walsh
Miller	Sarasin	Wampler
Minshall, Ohio	Satterfield	Ware
Mitchell, N.Y.	Scherle	Whitehurst
Mizell	Sebelius	Widnall
Montgomery	Shoup	Wiggins
Moorhead, Calif.	Shriver	Wilson, Bob
Mosher	Shuster	Winn
Myers	Sikes	Wyatt
Nelsen	Skubitz	Wydler
Nichols	Smith, N.Y.	Wylie
O'Brien	Snyder	Wyman
Parris	Spence	Young, Alaska
Pettis	Stanton, J. William	Young, Fla.
Poage	Steed	Young, Ill.
Powell, Ohio	Steelman	Young, S.C.
Price, Tex.	Steiger, Ariz.	Zion
Pritchard	Steiger, Wis.	Zwach
Quie	Stephens	

NOES—206

Abzug	Ginn	Peyser
Adams	Gonzalez	Pickle
Addabbo	Grasso	Pike
Albert	Green, Pa.	Podell
Alexander	Griffiths	Preyer
Anderson, Calif.	Gude	Price, Ill.
Andrews, N.C.	Gunter	Randall
Annunzio	Hamilton	Rangel
Ashley	Hanley	Rees
Aspin	Hanna	Reid
Badillo	Harrington	Reuss
Barrett	Hawkins	Riegle
Bell	Hays	Rodino
Bergland	Helstoski	Roe
Bevill	Henderson	Rogers
Biaggi	Hicks	Roncalio, Wyo.
Biester	Holtzman	Rooney, Pa.
Bingham	Howard	Rose
Boggs	Hungate	Rosenthal
Boland	Ichord	Rostenkowski
Bolling	Johnson, Calif.	Roush
Bowen	Jones, Ala.	Roy
Brademas	Jones, N.C.	Roybal
Breckinridge	Jones, Okla.	Runnels
Brooks	Jones, Tenn.	Ryan
Brown, Calif.	Jordan	St Germain
Burke, Calif.	Karth	Sarbanes
Burke, Mass.	Kastenmeier	Schroeder
Burlison, Mo.	Kazen	Seiberling
Burton, John	Kluczynski	Shipley
Burton, Phillip	Koch	Sisk
Carney, Ohio	Kyros	Slack
Casey, Tex.	Leggett	Smith, Iowa
Clark	Lehman	Staggers
Clay	Litton	Stanton, James V.
Collins, Ill.	Long, La.	Stark
Conyers	Long, Md.	Steele
Corman	Luken	Stokes
Cotter	McCormack	Stratton
Coughlin	McFall	Studds
Culver	McKay	Sullivan
Daniels, Dominick V.	Macdonald	Symington
Danielson	Madden	Taylor, N.C.
Davis, S.C.	Mathis, Ga.	Thompson, N.J.
de la Garza	Matsunaga	Thornton
Dellums	Mazzoli	Tiernan
Denholm	Meeds	Traxler
Dent	Melcher	Udall
Diggs	Metcalfe	Ullman
Dingell	Mezvinsky	Van Deerlin
Donohue	Mills	Vander Veen
Drinan	Minish	Vanik
Eckhardt	Mink	Vigorito
Edwards, Calif.	Mitchell, Md.	Waldie
Eilberg	Moakley	Whalen
Evans, Colo.	Moorhead, Pa.	White
Evins, Tenn.	Morgan	Whitten
Fascell	Moss	Wilson, Charles H., Calif.
Flood	Murphy, Ill.	Wilson, Charles, Tex.
Flowers	Murtha	Wolff
Foley	Natcher	Wright
Ford	Nedzi	Yates
Fraser	Nix	Yatron
Fulton	Obey	Young, Ga.
Fuqua	O'Hara	Young, Tex.
Gaydos	O'Neill	Zablocki
Gettys	Owens	
Giaimo	Patman	
Gibbons	Patten	
	Pepper	
	Perkins	

NOT VOTING—24

Blackburn	Gray	Mollohan
Blatnik	Hansen, Idaho	Murphy, N.Y.
Brasco	Hansen, Wash.	Passman
Carey, N.Y.	Hébert	Rarick
Chisholm	Heckler, Mass.	Rooney, N.Y.
Davis, Ga.	Holifield	Schneebeli
Dulski	McSpadden	Teague
Frelinghuysen	Milford	Williams

The SPEAKER. On this vote the ayes are 205, the noes are 205. The Chair votes "no."

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Murphy of New York against.

Mr. Rarick for, with Mrs. Chisholm against.

Mr. Passman for, with Mrs. Heckler of Massachusetts against.

Mr. Blackburn for, with Mr. Carey of New York against.

Mr. Frelinghuysen for, with Mr. Mollohan against.

Mr. Schneebeli for, with Mr. Dulski against.

Until further notice:

Mr. Teague with Mr. Holifield.

Mr. McSpadden with Mr. Blatnik.

Mr. Davis of Georgia with Mrs. Hansen of Washington.

Mr. Gray with Mr. Rooney of New York.

Mr. Milford with Mr. Williams.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DICKINSON. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DICKINSON moves to recommit the bill, H.R. 16090, to the Committee on House Administration with instructions to report the same back to the House forthwith with the following amendment: Page 4, immediately after line 8, insert the following:

"(7) No candidate or any political committee acting on behalf of such candidate may knowingly accept any contribution from any political committee, other than from an individual or from a local, State, or national political party organization registered under section 303 of the Federal Election Campaign Act of 1971, unless (A) such political committee making such contribution is acting as the agent of an individual contributor, (B) the individual contributor designates such candidate or any political committee acting on behalf of such candidate as the recipient of such contribution, and (C) the identity of the individual contributor is furnished by the political committee making such contribution to such candidate or the political committee acting on his behalf which receives such contribution. No undesignated contribution which a political committee receives from an individual contributor may be made by such political committee to a candidate or any political committee acting on behalf of such candidate.".

Mr. DICKINSON. Mr. Speaker, if I might say to my colleagues, they received through the mail a copy of the proposed

amendment which was not in order, but I will explain it in layman's terms.

I offer this motion to recommit with instructions because although I believe there are a number of places I believe the bill could be improved, the most glaring of the deficiencies in the measure is the absence of sufficient restrictions on the influence of special interest groups.

I was very surprised to hear the chairman of my committee, for whom I have the highest regard, try to make this into a labor amendment or an antilabor amendment. I have here in my hand the front page of today's paper, the Washington Post. It shows a picture under the caption of "Pleads Guilty." It shows Jake Jacobsen and it says:

Jake Jacobsen, former lawyer for the largest U.S. milk cooperative, leaves court after pleading guilty to making a $10,000 payoff to former Treasury Secretary John Connally.

Then it says the further story is inside.

And I also note from the UPI News Service the following:

WASHINGTON.—Sen. Henry Jackson, D-Wash., received $225,000 in secret donations to his 1972 presidential campaign from oil millionaire Leon Hess, according to Senate Watergate Committee records.

The Washington Star-News said the records showed that Hess disguised the donations under the names of other persons. The contributions were made before the April 1972, change in the election law that required contributions be made public.

The records showed another $166,000 in secret cash contributions to Jackson, with more than half of the money coming from other oilmen, the newspaper said. The largest cash gift—$50,000—came from Walter Davis, an oil operator in Midland, Tex.

The committee's files showed that Jackson raised a total of just over $1.1 million for the 1972 race—and nearly half the money came from large donors, including Hess, who were at the same time supporting President Nixon's campaign.

Hess is Board Chairman of Amerada Hess Corp.

Mr. Speaker, if we are to have a campaign reform bill that is meaningful, if we are going to do something here today to get at the evils we are all lamenting and we are aware of, let us all get at them now.

This is not aimed at labor. This is aimed at any special interest group that goes out and skims off the top of the workingman's salary or the businessman's income and says: "We will decide for you where your money should best go and it does not have to be accounted for." They do not have to account for it. They say: "You do not have to designate where it goes. We will decide for you."

Out of all the scandals that have surfaced recently, can any Member think of anything that needs more regulation, that is more deserving of being looked at and gotten to in this legislation, in this so-called campaign reform, than this one area? I refer the Members specifically to such organizations as the AMPI, the American Milk Producers, Inc., and we can go to the labor unions too. The labor unions can take what they want through checkoff. The rank and file does not know what that money is going for, but this is not aimed just at them.

The biggest scandals have come from the areas I have described, and there it is on the front page of today's paper where big business can go in and tap this guy and this guy and this little milk producer, or whatever industry is involved, and say, "All right, you just keep the money coming in and we will sluice it where it is going to do the most good." This amendment would prohibit that. It says if one is going to contribute individually to someone acting as an agent to sluice it for one, to guide it where it is going to do the most good, you designate where it is going to do the most good because if you do not we will put it there for you. This is the evil that needs correcting. Anybody can give if he wants to.

The chairman makes a big thing that if one is going to give $1,000, is one going to have to have 1,000 pieces of paper? Well, what is wrong with that? We see 1,000 pieces of paper in our office every day. The contributor should say where the money is going to go and to whom it is going to go. What is wrong with that? Can somebody tell me what is wrong with telling where he wants his money to go? There is nothing illegal and there is nothing immoral with that. It is just commonsense in getting at the evils we are trying to get at.

This is just obfuscation and pulling the wool over the eyes in saying that this is antilabor and this is going to get at the little workingman. Little workingman, my foot. Ask about John Connally and about Jacobsen or ask about those who already have gotten the slammer closed on them. Talk about the little workingman.

So if the Members want to do something to get at the evils of directing money and collecting money and telling where it is to go, if they want to make campaigns cleaner, this is the way to do it. Vote for the motion to recommit with instructions that gets at what we are going to do when we start taking up money.

Mr. HAYS. Mr. Speaker, I rise in opposition to the motion.

Mr. Speaker, I have sat beside my genial friend, the gentleman from Alabama, on the House Administration Committee for a good many years. I never knew him to get so worked up about anything and I never knew before that he was such a master of obfuscation and circumlocution.

The truth of the matter is, that the piece of paper he very dramatically waved, does not have anything to do with this bill or anything in this bill. The money that Mr. Jacobsen allegedly gave to Mr. Connally was not a campaign contribution, or at least the allegation is not, because Mr. Connally was not a candidate for anything. I am not finding Mr. Connally guilty of anything, but—just sit down, Mr. BROWN. I am not going to yield to you in any way, so do not bother me anymore, just sit down. Do not be trying to disrupt my time.

Mr. Jacobsen pleaded guilty in court, as I understand it, to attempting to bribe, or bribing an official of the Government to get a favorable ruling.

Now, when the gentleman says that his amendment is not aimed at labor, he is not kidding me or anybody else. Sure, all members of a laboring union—in the first place, a labor union cannot spend checkoff funds or union dues, and if they do, they are subject to criminal penalties. The only thing they can do is collect a voluntary fund and if the workingman says, "I want to contribute $1" and there are 100,000 members and 50,000 want to contribute a dollar, they have to get 50,000 pieces of paper; but if the American Medical Association, and their average national income is around $60,000 a year these days—and they contribute $1,000 and to raise $50,000, they do not have to get 50,000 pieces of paper, just 50. That is what the amendment is all about.

I do not yield to the gentleman (Mr. BROWN). If I had a piece of tape, I would like to put it over his face. I do not see how in the world I am going to hush him up while I am talking.

Mr. Speaker, I can understand the Republican boo hoos. If I were in the situation they are and looking forward to 9 o'clock, I would be doing worse than boo hoo-hooing. I would be standing on my head.

Let us face it. This is about as partisan a motion to recommit as was ever made.

I like the gentleman from Alabama and the fact that they shifted the motion from the gentleman from Ohio (Mr. BROWN) to the gentleman from Alabama improves it only in the author of the amendment. It does not improve the amendment.

So therefore, I ask that the motion to recommit be defeated.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. DICKINSON. Mr. Speaker, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 164, noes 243, not voting 27, as follows:

[Roll No. 469]

AYES—164

Abdnor	Clawson, Del	Gross
Anderson, Ill.	Cleveland	Grover
Andrews, N. Dak.	Cochran	Gubser
Archer	Collier	Hammer-schmidt
Arends	Collins, Tex.	Hanrahan
Armstrong	Conable	Harsha
Ashbrook	Conlan	Hastings
Bafalis	Crane	Hinshaw
Baker	Daniel, Dan	Holt
Bauman	Daniel, Robert W., Jr.	Hosmer
Beard	Davis, Wis.	Huber
Bell	Dennis	Hudnut
Bray	Derwinski	Hunt
Broomfield	Devine	Hutchinson
Brotzman	Dickinson	Jarman
Brown, Mich.	Duncan	Johnson, Colo.
Brown, Ohio	du Pont	Johnson, Pa.
Broyhill, N.C.	Edwards, Ala.	Kemp
Broyhill, Va.	Erlenborn	Ketchum
Buchanan	Esch	King
Burgener	Eshleman	Kuykendall
Burke, Fla.	Findley	Lagomarsino
Burleson, Tex.	Fish	Landgrebe
Butler	Fisher	Latta
Camp	Forsythe	Lott
Carter	Frelinghuysen	Lujan
Cederberg	Frenzel	McClory
Chamberlain	Frey	McCollister
Clancy	Froehlich	McDade
Clausen, Don H.	Goldwater	McEwen
	Goodling	Madigan

Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Miller
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Nelsen
O'Brien
Parris
Pettis
Powell, Ohio
Price, Tex.
Quie
Quillen
Railsback
Rhodes
Robinson, Va.
Robison, N.Y.
Rousselot
Runnels
Ruppe
Ruth
Sandman
Satterfield
Scherle
Sebelius
Shoup
Shriver
Shuster
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stubblefield
Symms
Talcott
Taylor, Mo.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Vander Jagt
Veysey
Wampler
Ware
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Wyman
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

NOES—243

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney, Ohio
Casey, Tex.
Chappell
Clark
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Flowers
Foley
Ford
Fountain
Fraser
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanna
Harrington
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holtzman
Horton
Howard
Hungate
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Luken
McCloskey
McCormack
McFall
McKinney
Macdonald
Madden
Mahon
Mann
Maraziti
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills
Minish
Mink
Mitchell, N.Y.
Moakley
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Natcher
Nedzi
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Pritchard
Randall
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Sikes
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Steele
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thompson, N.J.
Thornton
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Waldie
Walsh
Whalen
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki

NOT VOTING—27

Blackburn
Blatnik
Brasco
Carey, N.Y.
Chisholm
Davis, Ga.
Diggs
Flynt
Gray
Hansen, Idaho
Hansen, Wash.
Hébert
Heckler, Mass.
Holifield
Landrum
McKay
McSpadden
Milford
Mitchell, Md.
Mollohan
Murphy, N.Y.
Passman
Rarick
Rooney, N.Y.
Schneebeli
Teague
Williams

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hebert for, with Mr. Murphy of New York against.

Mr. Passman for, with Mr. Carey of New York against.

Mr. Rarick for, with Mrs. Chisholm against.

Mr. Flynt for, with Mr. Diggs against.

Mr. Landrum for, with Mrs. Heckler of Massachusetts against.

Until further notice:

Mr. Mitchell of Maryland with Mr. Blatnik.

Mr. Mollohan with Mrs. Hansen of Washington.

Mr. Rooney of New York with Mr. Holifield.

Mr. Davis of Georgia with Mr. McKay.

Mr. Gray with Mr. McSpadden.

Mr. Milford with Mr. Schneebeli.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SCHERLE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 355, nays 48, not voting 31, as follows:

[Roll No. 470]

YEAS—355

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Barrett
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammer-schmidt
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Lott
Lujan
Luken
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Veysey
Vigorito
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—48

Archer
Arends
Armstrong
Ashbrook
Baker
Bauman
Brown, Ohio
Burke, Fla.
Camp
Clancy
Clawson, Del
Collins, Tex.
Crane
Davis, Wis.
Devine
Dickinson
Duncan
Edwards, Ala.
Erlenborn
Fisher
Goodling
Gross
Gubser
Holt
Hosmer
Ketchum
Landgrebe
McCollister
Martin, Nebr.
Michel
Powell, Ohio
Price, Tex.
Rhodes
Rousselot
Shuster
Skubitz
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Treen
Vander Jagt
Waggonner
Wiggins
Wylie
Wyman
Young, S.C.

NOT VOTING—31

Blackburn	Hansen, Wash.	Mollohan
Blatnik	Hébert	Murphy, N.Y.
Brasco	Heckler, Mass.	Passman
Carey, N.Y.	Hinshaw	Rarick
Chisholm	Holifield	Rooney, N.Y.
Davis, Ga.	Landrum	Schneebeli
Diggs	Long, Md.	Teague
Flynt	McKay	Waldie
Gray	McSpadden	Williams
Griffiths	Milford	
Hansen, Idaho	Mitchell, Md.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Landrum for, with Mr. Hébert against.

Mr. Flynt for, with Mr. Passman against.

Mr. Mitchell of Maryland for, with Mr. Rarick against.

Until further notice:

Mr. Murphy of New York with Mr. Blatnik.

Mr. Rooney of New York with Mrs. Griffiths.

Mr. Teague with Mrs. Hansen of Washington.

Mr. Carey of New York wtih Mr. McKay.

Mrs. Chisholm with Mr. McSpadden.

Mr. Davis of Georgia with Mr. Hinshaw.

Mr. Diggs with Mr. Gray.

Mr. Mollohan with Mr. Long of Maryland.

Mr. Milford with Mr. Holifield.

Mr. Waldie with Mr. Williams.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. HAYS. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from the further consideration of the Senate bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from Ohio (Mr. HAYS)?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3044

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

TITLE I—FINANCING OF FEDERAL CAMPAIGNS

PUBLIC FINANCING PROVISIONS

SEC. 101. The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—PUBLIC FINANCING OF FEDERAL ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title, the term—

"(1) 'candidate', 'Commission', 'contribution', 'expenditure', 'national committee', 'political committee', 'political party', or 'State' has the meaning given it in section 301 of this Act;

"(2) 'authorized committee' means the central campaign committee of a candidate (under section 310 of this Act) or any political committee authorized in writing by that candidate to make or receive contributions or to make expenditures on his behalf;

"(3) 'Federal office' means the office of President, Senator, or Representative;

"(4) 'Representative' means a Member of the House of Representatives, the Resident Commissioner from the Commonwealth of Puerto Rico, and the Delegates from the District of Columbia, Guam, and the Virgin Islands;

"(5) 'general election' means any regularly scheduled or special election held for the purpose of electing a candidate to Federal office or for the purpose of electing presidential and vice presidential electors;

"(6) 'primary election' means (A) an election, including a runoff election, held for the nomination by a political party of a candidate for election to Federal office, (B) a convention or caucus of a political party held for the nomination of such candidate, (C) a convention, caucus, or election held for the selection of delegates to a national nominating convention of a political party, and (D) an election held for the expression of a preference for the nomination by a political party of persons for election to the office of President;

"(7) 'eligible candidate' means a candidate who is eligible, under section 502, for payments under this title;

"(8) 'major party' means, with respect to an election for any Federal office—

"(A) a political party whose candidate for election to that office in the preceding general election for that office received, as the candidate of that party, 25 percent or more of the total number of votes cast in that election for all candidates for that office, or

"(B) if only one political party qualifies as a major party under the provisions of subparagraph (A), the political party whose candidate for election to that office in that election received, as the candidate of that party, the second greatest number of votes cast in that election for all candidates for that office (if such number is equal to 15 percent or more of the total number of votes cast in that election for all candidates for that office, and if, in a State which registers voters by party, that party's registration in such State or district is equal to 15 per centum or more of the total voter registration in said State or district);

"(9) 'minor party' mean, with respect to an election for a Federal office, a political party whose candidate for election to that office in the preceding general election for that office received, as the candidate of that party, at least 5 percent but less than 25 percent of the total number of votes cast in that election for all candidates for that office; and

"(10) 'fund' means the Federal Election Campaign Fund established under section 506(a).

"ELIGIBILITY FOR PAYMENTS

"SEC. 502. (a) To be eligible to receive payments under this title, a candidate shall agree—

"(1) to obtain and to furnish to the Commission any evidence it may request about his campaign expenditures and contributions;

"(2) to keep and to furnish to the Commission any records, books, and other information it may request;

"(3) to an audit and examination by the Commission under section 507 and to pay any amounts required under section 507; and

"(4) to furnish statements of expenditures and proposed expenditures required under section 508.

"(b) Every such candidate shall certify to the Commission that—

"(1) the candidate and his authorized committees will not make expenditures greater than the limitations in section 504; and

"(2) no contributions will be accepted by the candidate or his authorized committees in violation of section 615(b) of title 18, United States Code.

"(c)(1) To be eligible to receive any payments under section 506 for use in connection with his primary election campaign, a candidate shall certify to the Commission that—

"(A) he is seeking nomination by a political party for election as a Representative and he and his authorized committees have received contributions for that campaign of more than $10,000;

"(B) he is seeking nomination by a political party for election to the Senate and he and his authorized committees have received contributions for that campaign equal in amount to the lesser of—

"(i) 20 percent of the maximum amount he may spend in connection with his primary election campaign under section 504(a)(1); or

"(ii) $125,000; or

"(C) he is seeking nomination by a political party for election to the office of President and he and his authorized committees have received contributions for his campaign throughout the United States in a total amount of more than $250,000, with not less than $5,000 in matchable contributions having been received from legal residents of each of at least twenty States.

"(2) To be eligible to receive any payments under section 506 for use in connection with a primary runoff election campaign, a candidate shall certify to the Commission that he is seeking nomination by a political party for, and that he is a candidate for such nomination in a runoff primary election. Such a candidate is not required to receive any minimum amount of contributions before receiaing payments under this title.

"(d) To be eligible to receive any payments under section 506 in connection with his general election campaign, a candidate must certify to the Commission that—

"(1) he is the nominee of a major or minor party for election to Federal office; or

"(2) in the case of any other candidate, he is seeking election to Federal office and he and his authorized committees have received contributions for that campaign in a total amount of not less than the campaign fund required under subsection (c) of a candidate for nomination for election to that office, determined in accordance with the provisions of subsection (e) (disregarding the words 'for nomination' in paragraph (2) of such subsection and substituting the words 'general election' for 'primary election' in paragraphs (2) and (3) of such subsection).

"(e) In determining the amount of contributions received by a candidate and his authorized committees for purposes of subsection (c) and for purposes of subsection (d)(2)—

"(1) no contribution received by the candidate or any of his authorized committees as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account;

"(2) in the case of a candidate for nomination for election to the office of President, no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his primary election campaign; and

"(3) in the case of any other candidate, no contribution from any person shall be taken into account to the extent that it exceeds $100 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his primary election campaign.

"(f) Agreements and certifications under this section shall be filed with the Commission at the time required by the Commission.

"ENTITLEMENT TO PAYMENTS

"SEC. 503. (a)(1) Every eligible candidate is entitled to payments in connection with his primary election campaign in an amount which is equal to the amount of contributions received by that candidate or his authorized committees, except that no contribution received as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account.

"(2) For purposes of paragraph (1)—

"(A) in the case of a candidate for nomination for election to the office of President, no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election campaign; and

"(B) in the case of any other candidate for nomination for election to Federal office, no contribution from any person shall be taken into account to the extent that it exceeds $100 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election campaign.

"(b)(1) Every eligible candidate who is nominated by a major party is entitled to payments for use in his general election campaign in an amount which is equal to the amount of expenditures the candidate may make in connection with that campaign under section 504.

"(2) Every eligible candidate who is nominated by a minor party is entitled to payments for use in his general election campaign in an amount equal to the greater of—

"(A) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the candidate of that minor party for that office in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding general election; or

"(B) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by that eligible candidate as a candidate for that office (other than votes he received as the candidate of a major party for that office) in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding general election.

"(3)(A) A candidate who is eligible under section 502(d)(2) to receive payments under section 506 is entitled to payments for use in his general election campaign in an amount equal to the amount determined under subparagraph (B).

"(B) If a candidate whose entitlement is determined under this subparagraph received, in the preceding general election held for the office to which he seeks election, 5 percent or more of the total number of votes cast for all candidates for that office, he is entitled to receive payments for use in his general election campaign in an amount (not in excess of the applicable limitation under section 504) equal to an amount which bears the same ratio to the amount of the payment under section 506 to which the nominee of a major party is entitled for use in his general election campaign for that office as the number of votes received by that candidate in the preceding general election for that office bears to the average number of votes cast in the preceding general election for all major party candidates for that office. The entitlement of a candidate for election to any Federal office who, in the preceding general election held for that office, was the candidate of a major or minor party shall not be determined under this paragraph.

"(4) An eligible candidate who is the nominee of a minor party or whose entitlement is determined under section 502(d)(2) and who receives 5 percent or more of the total number of votes cast in the current election, is entitled to payments under section 506 after the election for expenditures made or incurred in connection with his general election campaign in an amount (not in excess of the applicable limitation under section 504) equal to—

"(A) an amount which bears the same ratio to the amount of the payments under section 506 to which the nominee of a major party was or would have been entitled for use in his campaign for election to that office as the number of votes received by the candidate in that election bears to the average number of votes cast for all major party candidates for that office in that election, reduced by

"(B) any amount paid to the candidate under section 506 before the election.

"(5) In applying the provisions of this section to a candidate for election to the office of President—

"(A) votes cast for electors affiliated with a political party shall be considered to be cast for the Presidential candidate of that party, and

"(B) votes cast for electors publicly pledged to cast their electoral votes for a candidate shall be considered to be cast for that candidate.

"(c) Notwithstanding the provisions of subsections (a) and (b), no candidate is entitled to the payment of any amount under this section which, when added to the total amount of contributions received by him and his authorized committees and any other payments made to him under this title for his primary or general election campaign, exceeds the amount of the expenditure limitation applicable to him for that campaign under section 504.

"EXPENDITURE LIMITATIONS

"SEC. 504. (a)(1) Except to the extent that such amounts are changed under subsection (f)(2), no candidate (other than a candidate for nomination for election to the office of President) who receives payments under this title for use in his primary election campaign may make expenditures in connection with that campaign in excess of the greater of—

"(A) 8 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election for such nomination is held, or

"(B)(i) $125,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2)(A) No candidate for nomination for election to the office of President may make expenditures in any State in which he is a candidate in a primary election in excess of two times the amount which a candidate for nomination for election to the office of Senator from that State (or for nomination for election to the office of Delegate in the case of the District of Columbia, the Virgin Islands, or Guam, or to the office of Resident Commissioner in the case of Puerto Rico) may expend in that State in connection with his primary election campaign.

"(B) Notwithstanding the provisions of subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to 10 cents multiplied by the voting age population of the United States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(b) Except to the extent that such amounts are changed under subsection (f)(2), no candidate who receives payments under this title for use in his general election campaign may make expenditures in connection with that campaign in excess of the greater of—

"(1) 12 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election is held, or

"(2)(A) $175,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(B) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(c) No candidate who is unopposed in a general election may make expenditures in connection with his general election campaign in excess of 10 percent of the limitation in subsection (b).

"(d) The Commission shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State under subsection (a)(2)(A) of this section, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(e)(1) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure;

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate to make the expenditure; or

"(C) a national or State committee of a political party in connection with a primary or general election campaign of that candidate, if such expenditure is in excess of the limitations of section 614(b) of title 18, United States Code.

"(4) For purposes of this section an expenditure made by the national committee of a political party, or by the State committee of a political party, in connection with the general election campaign of a candidate affiliated with that party which is not in excess of the limitations contained in section 614(b) of title 18, United States Code, is not considered to be an expenditure made on behalf of that candidate.

"(f)(1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1975), as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Com-

mission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsections (a) and (b) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(g) During the first week of January, 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"(h) Upon receiving the certification of the Secretary of Commerce and of the Secretary of Labor, the Commission shall publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, and for each State and congressional district under this section.

"(i) In the case of a candidate who is campaigning for election to the House of Representatives from a district which has been established, or the boundaries of which have been altered, since the preceding general election for such office, the determination of the amount and the determination of whether the candidate is a major party candidate or a minor party candidate or is otherwise entitled to payments under this title shall be made by the Commission based upon the number of votes cast in the preceding general election for such office by voters residing within the area encompassed in the new or altered district.

"CERTIFICATIONS BY COMMISSION

"SEC. 505. (a) On the basis of the evidence, books, records, and information furnished by each candidate eligible to receive payments under section 506, and prior to examination and audit under section 507, the Commission shall certify from time to time to the Secretary of the Treasury for payment to each candidate the amount to which that candidate is entitled.

"(b) Initial certifications by the Commission under subsection (a), and all determinations made by it under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 313.

"PAYMENTS TO ELIGIBLE CANDIDATES

"SEC. 506. (a) There is established within the Treasury a fund to be known as the Federal Election Campaign Fund. There are authorized to be appropriated to the fund amounts equal to the sum of the amounts designated by taxpayers under section 6096 of the Internal Revenue Code of 1954 not previously taken into account for purposes of this subsection, and such additional amounts as may be necessary to carry out the provisions of this title without any reduction under subsection (c). The moneys in the fund shall remain available without fiscal year limitation. The Secretary of the Treasury may accept and credit to the fund money received in the form of a donation, gift, legacy, or bequest, or otherwise contributed to the fund.

"(b) Upon receipt of a certification from the Commission under section 505, the Secretary of the Treasury shall pay the amount certified by the Commission to the candidate to whom the certification relates.

"(c)(1) If the Secretary of the Treasury determines that the moneys in the fund are not, or may not be, sufficient to pay the full amount of entitlement to all candidates eligible to receive payments, he shall reduce the amount to which each candidate is entitled under section 503 by a percentage equal to the percentage obtained by dividing (A) the amount of money remaining in the fund at the time of such determination by (B) the total amount which all candidates eligible to receive payments are entitled to receive under section 503. If additional candidates become eligible under section 502 after the Secretary determines there are insufficient moneys in the fund, he shall make any further reductions in the amounts payable to all eligible candidates necessary to carryout the purposes of this subsection. The Secretary shall notify the Commission and each eligible candidate by registered mail of the reduction in the amount to which that candidate is entitled under section 503.

"(2) If, as a result of a reduction under this subsection in the amount to which an eligible candidate is entitled under section 503, payments have been made under this section in excess of the amount to which such candidate is entitled, that candidate is liable for repayment to the fund of the excess under procedures the Commission shall prescribe by regulation.

"(d) No payment shall be made under this title to any candidate for any campaign in connection with any election occurring before January 1, 1976.

"EXAMINATION AND AUDITS; REPAYMENTS

"SEC. 507. (a) After each Federal election, the Commission shall conduct a thorough examination and audit of the campaign expenditures of all candidates for Federal office who received payments under this title for use in campaigns relating to that election.

"(b)(1) If the Commission determines that any portion of the payments made to an eligible candidate under section 506 was in excess of the aggregate amount of the payments to which the candidate was entitled, it shall so notify that candidate, and he shall pay to the Secretary of the Treasury an amount equal to the excess amount. If the Commission determines that any portion of the payments made to a candidate under section 506 for use in his primary election campaign or his general election campaign was not used to make expenditures in connection with that campaign, the Commission shall so notify the candidate and he shall pay an amount equal to the amount of the unexpended portion to the Secretary. In making its determination under the preceding sentence, the Commission shall consider all amounts received as contributions to have been expended before any amounts received under this title are expended.

"(2) If the Commission determines that any amount of any payment made to a candidate under section 506 was used for any purpose other than—

"(A) to defray campaign expenditures, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray campaign expenditures which were received and expended) which were used, to defray campaign expenditures,

it shall notify the candidate of the amount so used, and the candidate shall pay to the Secretary of the Treasury an amount equal to such amount.

"(3) No payment shall be required from a candidate under this subsection in excess of the total amount of all payments received by the candidate under section 506 in connection with the campaign with respect to which the event occurred which caused the candidate to have to make a payment under this subsection.

"(c) No notification shall be made by the Commission under subsection (b) with respect to a campaign more than eighteen months after the day of the election to which the campaign related.

"(d) All payments received by the Secretary under subsection (b) shall be deposited by him in the fund.

"INFORMATION ON EXPENDITURES AND PROPOSED EXPENDITURES

"SEC. 508. (a) Every candidate shall, from time to time as the Commission requires, furnish to the Commission a detailed statement, in the form the Commission prescribes, of—

"(1) the campaign expenditures incurred by him and his authorized committees prior to the date of the statement (whether or not evidence of campaign expenditures has been furnished for purposes of section 505), and

"(2) the campaign expenditures which he and his authorized committees propose to incur on or after the date of the statement.

"(b) The Commission shall, as soon as possible after it receives a statement under subsection (a), prepare and make available for public inspection and copying a summary of the statement, together with any other data or information which it deems advisable.

"REPORTS TO CONGRESS

"SEC. 509. (a) The Commission shall, as soon as practicable after the close of each calendar year, submit a full report to the Senate and House of Representatives setting forth—

"(1) the expenditures incurred by each candidate, and his authorized committees, who received any payment under section 506 in connection with an election;

"(2) the amounts certified by it under section 505 for payment to that candidate; and

"(3) the amount of payments, if any, required from that candidate under section 507, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to conduct examinations and audits (in addition to the examinations and audits under sections 505 and 507), to conduct investigations, and to require the keeping and submission of any books, records, or other information necessary to carry out the functions and duties imposed on it by this title.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEDURES

"SEC. 510. The Commission may initiate civil proceedings in any district court of the United States to seek recovery of any amounts determined to be payable to the Secretary of the Treasury by a candidate under this title.

"PENALTY FOR VIOLATIONS

"SEC. 511. Violation of any provision of this title is punishable by a fine of not more than $50,000, or imprisonment for not more than five years, or both.

"RELATIONSHIP TO OTHER FEDERAL ELECTION LAWS

"SEC. 512. The Commission shall consult from time to time with the Secretary of the Senate, the Clerk of the House of Representatives, the Federal Communications Commission, and with other Federal officers charged with the administration of laws relating to Federal elections, in order to develop as much consistency and coordination with the administration of those other laws as the provisions of this title permit. The Commission shall use the same or comparable data as that used in the administration of such other election laws whenever possible.".

TITLE II—CHANGES IN CAMPAIGN COMMUNICATIONS LAW AND IN REPORTING AND DISCLOSURE PROVISIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971

CAMPAIGN COMMUNICATIONS

SEC. 201. (a) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended—

(1) by inserting "(1)" immediately after "(a)";

(2) by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively; and

(3) by adding at the end thereof the following new paragraphs:

"(2) The obligation imposed by the first sentence of paragraph (1) upon a licensee with respect to a legally qualified candidate for any elective office (other than the offices of President and Vice President) shall be met by such licensee with respect to such candidate if—

"(A) the licensee makes available to such candidate not less than five minutes of broadcast time without charge;

"(B) the licensee notifies such candidate by certified mail at least fifteen days prior to the election of the availability of such time; and

"(C) such broadcast will cover, in whole or in part, the geographical area in which such election is held.

"(3) No candidate shall be entitled to the use of broadcast facilities pursuant to an offer by a licensee under paragraph (2) unless such candidate notifies the licensee in writing of his acceptance of the offer within forty-eight hours after receipt of the offer.'.

(b) Section 315(b) of such Act (47 U.S.C. 315(b)) is amended by striking out "by any person" and inserting "by or on behalf of any person".

(c)(1) Section 315(c) of such Act (47 U.S.C. 315 (c)) is amended to read as follows:

"(c) No station licensee may make any charge for the use of any such station by or on behalf of any legally qualified candidate for nomination for election, or for election, to Federal elective office unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not exceed the limit on expenditures applicable to that candidate under section 504 of the Federal Election Campaign Act of 1971, or under section 614 of title 18, United States Code.".

(2) Section 315(d) of such Act (47 U.S.C. 315(d)) is amended to read as follows:

"(d) If a State by law imposes a limitation upon the amount which a legally qualified candidate for nomination for election, or for election, to public office (other than Federal elective office) within that State may spend in connection with his campaign for such nomination or his campaign for election, then no station licensee may make any charge for the use of such station by or on behalf of such candidate unless such candidate (or a person specifically authorized in writing by him to do so) certifies to such licensee in writing that the payment of such charge will not violate that limitation.".

(d) Section 317 of such Act (47 U.S.C. 317) is amended by—

(1) striking out paragraph (1) of subsection (a) "person: *Provided*, That" and inserting in lieu thereof the following: "person. If such matter is a political advertisement soliciting funds for a candidate or a political committee, there shall be announced at the time of such broadcast a statement that a copy of reports filed by that person with the Federal Election Commission is available from the Federal Election Commission, Washington, D.C., and the licensee shall not make any charge for any part of the costs of making the announcement. The term"; and

(2) redesignating subsection (e) as (f), and by inserting after subsection (d) the following new subsection:

"(e) Each station licensee shall maintain a record of any political advertisement broadcast, together with the identification of the person who caused it to be broadcast, for a period of two years. The record shall be available for public inspection at reasonable hours.".

(e) The Campaign Communications Reform Act is repealed.

CHANGES IN DEFINITIONS FOR REPORTING AND DISCLOSURE

SEC. 202. (a) Section 301 of the Federal Election Campaign Act of 1971 (relating to definitions) is amended by—

(1) striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" in paragraph (a), and by inserting "and" before "(4)" in such paragraph;

(2) striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committee' means—

"(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State central committee of a political party; and

"(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610 of title 18, United States Code;";

(3) inserting in paragraph (e)(1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(4) striking out in paragraph (e)(1) "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee (other than a payment made or an obligation incurred by a corporation or labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, does not constitute a contribution by that corporation or labor organization), or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office";

(5) striking out subparagraph (2) of paragraph (e), and amending subparagraph (3) of such paragraph to read as follows:

"(2) funds received by a political committee which are transferred to that committee from another political committee;";

(6) redesignating subparagraphs (4) and (5) of paragraph (e) as paragraphs (3) and (4), respectively;

(7) striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure'—

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office; and

"(2) means the transfer of funds by a political committee to another political committee; but

"(3) does not include—

"(A) the value of services rendered by individuals who volunteer to work without compensation on behalf of a candidate; or

"(B) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by that corporation or labor organization;";

(8) striking "and" at the end of paragraph (h);

(9) striking the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(10) adding at the end thereof the following new paragraphs:

"(j) 'identification' means—

"(1) in the case of an individual, his full name and the full address of his principal place of residence; and

"(2) in the case of any other person, the full name and address of that person;

"(k) 'national committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the national level, as determined by the Commission; and

"(l) 'political party' means an association, committee, or organization which nominates a candidate for election to any Federal office, whose name appears on election ballot as the candidate of that association, committee or organization.".

(b)(1) Section 302(b) of such Act (relating to reports of contributions in excess of $10) is amended by striking ", the name and address (occupation and principal place of business, if any)" and inserting "of the contribution and identification".

(2) Section 302(c) of such Act (relating to detailed accounts) is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (2) and (4) and inserting in each such paragraph "identification."

(3) Section 302(c) of such Act is further amended by striking the semicolon at the end of paragraph (2) and inserting "and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any);".

REGISTRATION OF CANDIDATES AND POLITICAL COMMITTEES

SEC. 203. (a) Section 303 of the Federal Election Campaign Act of 1971 (relating to registration of political committees; statements) is amended by redesignating subsections (a) through (d) as (b) through (e), respectively, and by inserting after "SEC. 303." the following new subsection (a):

"(a) Each candidate shall, within ten days after the date on which he has qualified under State law as a candidate, or on which he, or any person authorized by him to do so, has received a contribution or made an expenditure in connection with his campaign or for the purpose of preparing to undertake his campaign, file with the Commission a registration statement in such form as the Commission may prescribe. The statement shall include—

"(1) the identification of the candidate, and any individual, political committee, or other person he has authorized to receive contributions or make expenditures on his behalf in connection with his campaign;

"(2) the identification of his campaign depositories, together with the title and number of each account at each such depository which is to be used in connection with his campaign, any safety deposit box to be used in connection therewith, and the identification of each individual authorized by him to make any expenditure or withdrawal from such account or box; and

"(3) such additional relevant information as the Commission may require.".

(b) The first sentence of subsection (b) of such section (as redesignated by subsection

(a) of this section) is amended to read as follows: "The treasurer of each political committee shall file with the Commission a statement of organization within ten days after the date on which the committee is organized.".

(c) The second sentence of such subsection (b) is amended by striking out "this Act" and inserting in lieu thereof the following: "the Federal Election Campaign Act Amendments of 1974".

(d) Subsection (c) of such section (as redesignated by subsection (a) of this section) is amended by—

(1) inserting "be in such form as the Commission shall prescribe, and shall" after "The statement of organization shall";

(2) striking out paragraph (3) and inserting in lieu thereof the following:

"(3) the geographic area or political jurisdiction within which the committee will operate, and a general description of the committee's authority and activities;"; and

(3) striking out paragraph (9) and inserting in lieu thereof the following:

"(9) the name and address of the campaign depositories used by that committee, together with the title and number of each account and safety deposit box used by that committee at each depository, and the identification of each individual authorized to make withdrawals or payments out of such account or box;".

(e) The caption of such section 303 is amended by inserting "CANDIDATES AND" after "REGISTRATION OF".

CHANGES IN REPORTING REQUIREMENTS

SEC. 204. (a) Section 304 of the Federal Election Campaign Act of 1971 (relating to reports by political committees and candidates) is amended by—

(1) inserting "(1)" after "(a)" in subsection (a);

(2) striking out "for election" each place it appears in the first sentence of subsection (a) and inserting in lieu thereof in each such place "for nomination for election, or for election,";

(3) striking out the second sentence of subsection (a) and inserting in lieu thereof the following: "Such reports shall be filed on the tenth day of April, July, and October of each year, on the tenth day preceding an election, on the tenth day of December in the year of an election, and on the last day of January of each year. Notwithstanding the preceding sentence, the reports required by that sentence to be filed during April, July, and October by or relating to a candidate during a year in which no Federal election is held in which he is a candidate, may be filed on the twentieth day of each month.";

(4) striking out everything after "filing" in the third sentence of subsection (a) and inserting in lieu thereof a period and the following: "If the person making any anonymous contribution is subsequently identified, the identification of the contributor shall be reported to the Commission within the reporting period within which he is identified."; and

(5) adding at the end of subsection (a) the following new paragraph:

"(2) Upon a request made by a presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates (other than January 31) set forth in paragraph (1), and require instead that such candidates or political committees file reports not less frequently than monthly. The Commission may not require a presidential candidate or a political committee operating in more than one State to file more than eleven reports (not counting any report to be filed on January 31) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, that candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

(b)(1) Section 304(b) of such Act (relating to reports by political committees and candidates) is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (9) and (10) and inserting in lieu thereof in each such paragraph "identification".

(2) Subsection (b)(5) of such section 304 is amended by striking out "lender and endorsers" and inserting in lieu thereof "lender, endorsers, and guarantors".

(c) Subsection (b)(12) of such section is amended by inserting immediately before the semicolon a comma and the following: "together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefor".

(d) Subsection (b) of such section is amended by—

(1) striking the "and" at the end of paragraph (12); and

(2) redesignating paragraph (13) as (14), and by inserting after paragraph (12) the following new paragraph:

"(13) such information as the Commission may require for the disclosure of the nature, amount, source, and designated recipient of any earmarked, encumbered, or restricted contribution or other special fund; and".

(e) The first sentence of subsection (c) of such section is amended to read as follows: "The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, and during such additional periods of time as the Commission may require.".

(f) Such section 304 is amended by adding at the end thereof the following new subsections:

"(d) This section does not require a Member of Congress to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him before the first day of January of the year preceding the year in which his term of office expires if those services were furnished to him by the Senate Recording Studio, the House Recording Studio, or by any individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

"(e) Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by this section. Statements required by this subsection shall be filed on the dates on which reports by political committees are filed but need not be cumulative.".

(g) The caption of such section 304 is amended to read as follows:

"REPORTS".

CAMPAIGN ADVERTISEMENTS

SEC. 205. Section 305 of the Federal Election Campaign Act of 1971 (relating to reports by others than political committees) is amended to read as follows:

"REQUIREMENTS RELATING TO CAMPAIGN ADVERTISING

"SEC. 305. (a) No person shall cause any political advertisement to be published unless he furnishes to the publisher of the advertisement his identification in writing, together with the identification of any person authorizing him to cause such publcaton.

"(b) Each published political advertisement shall contain a statement, in such form as the Commission may prescribe, of the identification of the person authorizing the publication of that advertisement.

"(c) A publisher who publishes any political advertisement shall maintain such records as the Commission may prescribe for a period of two years after the date of publication setting forth such advertisement and any material relating to identification furnished to him in connection therewith, and shall permit the public to inspect and copy those records at reasonable hours.

"(d) No person who sells space in a newspaper or magazine to a candidate, or to the agent of a candidate, for use in connection with that candidate's campaign, may chrge any amount for such space which exceeds the amount charged for comparable use of such space for other purposes.

"(e) Each political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"' A copy of our report is filed with the Federal Election Commission and is available for purchase from the Feeral Election Commission, Washington, D.C.'

"(f) As used in this section, the term—

"(1) 'political advertisement' means any matter advocating the election or defeat of any candidate but does not include any bona fide news story (including interviews, commentaries, or other words prepared for and published by any newspaper, magazine, or other periodical publication the publication of which work is not paid for by any candidate, political committee, or agent thereof); and

"(2) 'published' means publication in a newspaper, magazine, or other periodical publication, distribution of printed leaflets, pamphlets, or other documents, or display through the use of any outdoor advertising facility, and such other use of printed media as the Commission shall prescribe.".

WAIVER OF REPORTING REQUIREMENTS

SEC. 206. Section 306(c) of the Federal Election Campaign Act of 1971 (relating to formal requirements respecting reports and statements) is amended to read as follows:

"(c) The Commission may, by a rule of general applicability which is published in the Federal Register not less than thirty days before its effective date, relieve—

"(1) any category of candidates of the obligation to comply personally with the requirements of subsections (a) through (e) of section 304, if it determines that such action is consistent with the purposes of this Act, and

"(2) any category of political committees of the obligation to comply with such section if such committees—

"(A) primarily support persons seeking State or local office, and

"(B) do not operate in more than one State or do not operate on a statewide basis.".

ESTABLISHMENT OF FEDERAL ELECTION COMMISSION; CENTRAL CAMPAIGN COMMITTEES; CAMPAIGN DEPOSITORIES

SEC. 207. (a) Title III of the Federal Election Campaign Act of 1971 (relating to disclosure of Federal campaign funds) is amended by redesignating section 308 as section 312, and by inserting after section 307 the following new sections:

"FEDERAL ELECTION COMMISSION

"SEC. 308. (a)(1) There is established, as an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission.

"(2) The Commission shall be composed of the Comptroller General, who shall serve without the right to vote and seven mem-

bers who shall be appointed by the President by and with the advice and consent of the Senate. Of the seven members—

"(A) two shall be chosen from among individuals recommended by the President pro tempore of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(B) two shall be chosen from among individuals recommended by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House. The two members appointed under subparagraph (A) shall not be affiliated with the same political party; nor shall the two members appointed under subparagraph (B). Of the members not appointed under such subparagraphs, not more than two shall be affiliated with the same political party.

"(3) Members of the Commission, other than the Comptroller General, shall serve for terms of seven years, except that, of the members first appointed—

"(A) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending on the April thirtieth first occurring more than six months after the date on which he is appointed;

"(B) one of the members appointed under paragraphs (2)(A) shall be appointed for a term ending one year after April thirtieth on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending two years thereafter;

"(D) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending three years thereafter;

"(E) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending four years thereafter;

"(F) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending five years thereafter; and

"(G) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending six years thereafter.

"(4) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be reappointed to the Commission only once.

"(5) An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the office of member of the Commission shall be filled in the manner in which that office was originally filled.

"(6) The Commission shall elect a Chairman and a Vice Chairman from among its members for a term of two years. The Chairman and the Vice Chairman shall not be affiliated with the same political party. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

"(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission. Four members of the Commission shall constitute a quorum.

"(c) The Commission shall have an official seal which shall be judicially noticed.

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

"(e) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers in any State.

"(f) The Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The General Counsel shall be the chief legal officer of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by rules or orders of the Commission. However, the Commission shall not delegate the making of rules regarding elections to the Executive Director.

"(g) The Chairman of the Commission shall appoint and fix the compensation of such personnel as are necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code.

"(h) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(i) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General may make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"(j) The provisions of section 7324 of title 5, United States Code, shall apply to members of the Commission notwithstanding the provisions of subsection (d)(3) of such section.

"(k)(1) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation requested by the Congress or by any Member of Congress to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"POWERS OF COMMISSION

"SEC. 309. (a) The Commission has the power—

"(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such a reasonable period of time and under oath or otherwise as the Commission may determine;

"(2) to administer oaths;

"(3) to require by subpena, signed by the Chairman or the Vice Chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

"(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(6) to initiate (through civil proceedings for injunctive relief and through presentations to Federal grand juries), prosecute, defend, or appeal any civil or criminal action in the name of the Commission for the purpose of enforcing the provisions of this Act and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, and 618 of title 18, United States Code, through its General Counsel;

"(7) to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (3), to any officer or employee of the Commission; and

"(8) to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this Act, and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, and 618 of title 18, United States Code. Any violation of any such provision shall be prosecuted by the Attorney General or Department of Justice personnel only after consultation with, and with the consent of, the Commission.

"(e)(1) Any person who violates any provision of this Act or of section 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, or 618 of title 18, United States Code, may be assessed a civil penalty by the Commission under paragraph (2) of this subsection of not more than $10,000 for each such violation. Each occurrence of a violation of this Act and each day of noncompliance with a disclosure requirement of this title or an order of the Commission issued under this section shall constitute a separate offense. In determining the amount of the penalty the Commission shall consider the person's history of previous violations, the appropriateness of such penalty to the financial resources of the person charged, the gravity of the violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation.

"(2) A civil penalty shall be assessed by the Commission by order only after the person charged with a violation has been given an opportunity for a hearing and the Commission has determined, by decision incorporating its findings of fact therein, that a violation did occur, and the amount of the penalty. Any hearing under this section shall be of record and shall be held in accordance with chapter 5 of title 5, United States Code.

"(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Commission shall file a petition for enforcement of its order assessing the penalty in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall be sent by registered or certified mail to the respondent and his attorney of record, and thereupon the Commission shall certify and file in such court

the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and decision of the Commission or it may remand the proceedings to the Commission for such further action as it may direct. The court may determine de novo all issues of law but the Commission's findings of fact, if supported by substantial evidence, shall be conclusive.

"(f) Upon application made by any individual holding Federal office, any candidate, or any political committee, the Commission, through its General Counsel, shall provide within a reasonable period of time an advisory opinion, as to whether a specific transaction or activity may constitute a violation of any provision of this Act or of any provision of title 18, United States Code, over which the Commission has primary jurisdiction under subsection (d).

"CENTRAL CAMPAIGN COMMITTEES

"SEC. 310. (a) Each candidate shall designate one political committee as his central campaign committee. A candidate for nomination for election, or for election, to the office of President, may also designate one political committee in each State in which he is a candidate as his State campaign committee for that State. The designation shall be made in writing, and a copy of the designation, together with such information as the Commission may require, shall be furnished to the Commission upon the designation of any such committee.

"(b) No political committee may be designated as the central campaign committee of more than one candidate, except that a political committee described in section 301(d)(2) may be designated as the central campaign committee of more than one candidate for purposes of the general election campaign and if so designated, it shall comply with all reporting and other requirements of law as to each candidate for whom it is so designated as if it were the central campaign committee for that candidate alone. The central campaign committee, and each State campaign committee, designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee and the State campaign committee of the candidate nominated by that party for election to the office of Vice President.

"(c)(1) Any political committee authorized by a candidate to accept contributions or make expenditures in connection with his campaign for nomination for election, or for election, which is not a central campaign committee or a State campaign committee, shall furnish each report required of it under section 304 (other than reports required under section 311(b)) to that candidate's central campaign committee at the time it would, but for this subsection, be required to furnish that report to the Commission. Any report properly furnished to a central campaign committee under this subsection shall be, for purposes of this title, considered to have been furnished to the Commission at the time at which it was furnished to such central campaign committee.

"(2) The Commission may, by rule, require any political committee receiving contributions or making expenditures in a State on behalf of a candidate who, under subsection (a), has designated a State campaign committee for that State to furnish its reports to that State campaign committee instead of furnishing such reports to the central campaign committee of that candidate.

"(3) The Commission may require any political committee to furnish any report directly to the Commission.

"(d) Each political committee which is a central campaign committee or a State campaign committee shall receive, consolidate, and furnish all reports filed with or furnished to it by other political committees to the Commission, together with its own reports and statements, in accordance with the provisions of this title and regulations prescribed by the Commission.

"CAMPAIGN DEPOSITORIES

"SEC. 311. (a)(1) Each candidate shall designate one or more National or State banks as his campaign depositories. The central campaign committee of that candidate, and any other political committee authorized by him to receive contributions or to make expenditures on his behalf, shall maintain a checking account at a depository designated by the candidate and shall deposit any contributions received by that committee into that account. A candidate shall deposit any payment received by him under section 506 of this Act in the account maintained by his central campaign committee. No expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

"(2) The treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or to make expenditures on his behalf) shall designate one or more National or State banks as campaign depositories of that committee, and shall maintain a checking account for the committee at each such depository. All contributions received by that committee shall be deposited in such an account. No expenditure may be made by that committee except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

"(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $100 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission, and such statements and reports thereof shall be furnished to the Commission as it may require.

"(c) A candidate for nomination for election, or for election, to the office of President may establish one such depository in each State, which shall be considered by his State campaign committee for that State and any other political committee authorized by him to receive contributions or to make expenditures on his behalf in that State, under regulations prescribed by the Commission, as his campaign depository. The campaign depository of the candidate of a political party for election to the office of Vice President shall be the campaign depository designated by the candidate of that party for election to the office of President.".

(b)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(60) Members (other than the Comptroller General), Federal Election Commission (7)."

(2) Section 5315 of such title is amended by adding at the end thereof the following new paragraphs:

"(98) General Counsel, Federal Election Commission.

"(99) Executive Director, Federal Election Commission."

(c) Until the appointment and qualification of all the members of the Federal Election Commission and its General Counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as such titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its General Counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within thirty days after the date on which all such members and the General Counsel are appointed, of all records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971.

(d) Title III of the Federal Election Campaign Act of 1971 is amended by—

(1) amending section 301(g) (relating to definitions) to read as follows:

"(g) 'Commission' means the Federal Election Commission;";

(2) striking out "supervisory officer" in section 302(d) and inserting in lieu thereof "Commission";

(3) striking out section 302(f) (relating to organization of political committees);

(4) amending section 303 (relating to registration of political committees; statements) by—

(A) striking out "supervisory officer" each time it appears therein and inserting in lieu thereof "Commission"; and

(B) striking out "he" in the second sentence of subsection (b) of such section (as redesignated by section 203(a) of this Act) and inserting in lieu thereof "it";

(5) amending section 304 (relating to reports by political committees and candidates) by—

(A) striking out "appropriate supervisory officer" and "him" in the first sentence thereof and inserting in lieu thereof "Commission" and "it", respectively; and

(B) striking out "supervisory officer" where it appears in the third sentence of subsection (a)(1) (as redesignated by section 204(a)(1) of this Act) and in paragraphs (12) and (14) (as redesignated by section 204(d)(2) of this Act) of subsection (b) and inserting in lieu thereof "Commission";

(6) striking out "supervisory officer" each place it appears in section 306 (relating to formal requirements respecting reports and statements) and inserting in lieu thereof "Commission";

(7) striking out "Comptroller General of the United States" and "he" in section 307 (relating to reports on convention financing) and inserting in lieu thereof "Federal Election Commission" and "it", respectively;

(8) striking out "SUPERVISORY OFFICER" in the caption of section 312 (as redesignated by subsection (a) of this section) (relating to duties of the supervisory officer) and inserting in lieu thereof "COMMISSION";

(9) striking out "supervisory officer" in section 312(a) (as redesignated by subsection (a) of this section) the first time it appears and inserting in lieu thereof "Commission";

(10) amending section 312(a) (as redesignated by subsection (a) of this section) by—

(A) striking out "him" in paragraph (1) and inserting in lieu thereof "it";

(B) striking out "him" in paragraph (4) and inserting in lieu thereof "it"; and

(C) striking out "he" each place it appears in paragraphs (7) and (9) and inserting in lieu thereof "it";

(11) striking out "supervisory officer" in section 312(b) (as redesignated by subsection (a) of this subsection) and inserting in lieu thereof "Commission";

(12) amending subsection (c) of section 312 (as redesignated by subsection (a) of this section) by—

(A) striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission" and striking out "his" in the second sentence of such subsection and inserting in lieu thereof "its"; and

(B) striking out the last sentence thereof; and

(13) amending subsection (d)(1) of section 312 (as redesignated by subsection (a) of this section) by—

(A) striking out "supervisory officer" each place it appears therein and inserting in lieu thereof "Commission";

(B) striking out "he" the first place it appears in the second sentence of such section and inserting in lieu thereof "it"; and

(C) striking out "the Attorney General on behalf of the United States" and inserting in lieu thereof "the Commission".

INDEXING AND PUBLICATION OF REPORTS

SEC. 208. Section 312(a)(6) (as redesignated by this Act) of the Federal Election Campaign Act of 1971 (relating to duties of the supervisory officer) is amended to read as follows:

"(6) to compile and maintain a cumulative index listing all statements and reports filed with the Commission during each calendar year by political committees and candidates which the Commission shall cause to be published in the Federal Register no less frequently than monthly during even-numbered years and quarterly in odd-numbered years and which shall be in such form and shall include such information as may be prescribed by the Commission to permit easy identification of each statement, report, candidate, and committee listed, at least as to their names, the dates of the statements and reports, and the number of pages in each, and the Commission shall make copies of statements and reports listed in the index available for sale, direct or by mail, at a price determined by the Commission to be reasonable to the purchaser;".

JUDICIAL REVIEW

SEC. 209. Title III of the Federal Election Campaign Act of 1971 is amended by inserting after section 312 (as redesignated by this Act) the following new section:

"JUDICIAL REVIEW

"SEC. 313. (a) An agency action by the Commission made under the provisions of this Act shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court by an interested person. A petition filed pursuant to this section shall be filed within thirty days after the agency action by the Commission for which review is sought.

"(b) The Commission, the national committee of any political party, and individuals eligible to vote in an election for Federal office, are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement any provision of this Act.

"(c) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551 of title 5, United States Code, by the Commission.

FINANCIAL ASSISTANCE TO STATES TO PROMOTE COMPLIANCE

SEC. 210. Section 309 of the Federal Election Campaign Act of 1971 (relating to statements filed with State officers) is redesignated as section 314 of such Act and amended by—

(1) striking out "a supervisory officer" in subsection (a) and inserting in lieu thereof "the Commission";

(2) striking out "in which an expenditure is made by him or on his behalf" in subsection (a)(1) and inserting in lieu thereof the following: "in which he is a candidate or in which substantial expenditures are made by him or on his behalf"; and

(3) adding the following new subsection:

"(c) There is authorized to be appropriated to the Commission in each fiscal year the sum of $500,000, to be made available in such amounts as the Commission deems appropriate to the States for the purpose of assisting them in complying with their duties as set forth in this section.".

CONTRIBUTIONS IN THE NAME OF ANOTHER PERSON

SEC. 211. Section 310 of the Federal Election Campaign Act of 1971 (relating to prohibition of contributions in name of another) is redesignated as section 315 of such Act and amended by inserting after "another person", the first time it appears, the following: "or knowingly permit his name to be used to effect such a contribution".

ROLE OF POLITICAL PARTY ORGANIZATION IN PRESIDENTIAL CAMPAIGNS; USE OF EXCESS CAMPAIGN FUNDS; USE OF FRANKED MAIL; AUTHORIZATION OF APPROPRIATIONS; PENALTIES

SEC. 212. Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 311 and by adding at the end of such title the following new sections:

"APPROVAL OF PRESIDENTIAL CAMPAIGN EXPENDITURES BY NATIONAL COMMITTEE

"SEC. 316. (a) No expenditure in excess of $1,000 shall be made by or on behalf of a candidate who has received the nomination of his political party for President or Vice President unless such expenditure has been specifically approved by the chairman or treasurer of that political party's national committee or the designated representative of that national committee in the State where the funds are to be expended.

"(b) Each national committee approving expenditures under subsection (a) shall register under section 303 as a political committee and report each expenditure it approves as if it had made that expenditure, together with the identification of the person seeking approval and making the expenditure.

"(c) No political party shall have more than one national committee.

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"SEC. 317. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his expenditures (after the application of section 507(b)(1) of this Act), and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by that candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, or may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954. To the extent any such contribution, amount contributed, or expenditure thereof is one otherwise required to be disclosed under the provisions of this title, such contribution, amount contributed, or expenditures shall be fully disclosed in accordance with rules promulgated by the Commission. The Commission is authorized to promulgate such rules as may be necessary to carry out the provisions of this section.

"SUSPENSION OF FRANK FOR MASS MAILINGS IMMEDIATELY BEFORE ELECTIONS

"SEC. 318. Notwithstanding any other provision of law, no Senator, Representative, Resident Commissioner, or Delegate shall make any mass mailing of a newsletter or mailing with a simplified form of address under the frank under section 3210 of title 39, United States Code, during the sixty days immediately preceding the date on which any election is held in which he is a candidate.

"PROHIBITION OF FRANKED SOLICITATIONS

"SEC. 319. No Senator, Representative, Resident Commissioner, or Delegate shall make any solicitation of funds by a mailing under the frank under section 3210 of title 39, United States Code.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 320. There are authorized to be appropriated to the Commission for the purpose of carrying out its functions under this title, title V, and under chapter 29 of title 18, United States Code, not to exceed $5,000,000 for the fiscal year ending June 30, 1974, and not to exceed $5,000,000 for each fiscal year thereafter.

"PENALTY FOR VIOLATIONS

"SEC. 321. (a) Violation of any provision of this title is a misdemeanor punishable by a fine of not more than $10,000, imprisonment for not more than one year, or both.

"(b) Violation of any provision of this title with knowledge or reason to know that the action committed or omitted is a violation of this title is punishable by a fine of not more than $100,000, imprisonment for not more than five years, or both.".

APPLICABLE STATE LAWS

SEC. 213. Section 403 of the Federal Election Campaign Act of 1971 is amended to read as follows:

"EFFECT ON STATE LAW

"SEC. 403. The provisions of this Act, and of rules promulgated under this Act, preempt any provision of State law with respect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301(c)).".

EXPEDITIOUS REVIEW OF CONSTITUTIONAL QUESTIONS

SEC. 214. Title IV of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new section:

"JUDICIAL REVIEW

"SEC. 407. (a) The Federal Election Commission, the national committee of any political party, and individuals eligible to vote for President are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this Act or of chapter 29 of title 18, United States Code. The district court shall immediately certify all questions of constitutionality of this Act or of such chapter to the United States court of appeals for that circuit, which shall hear the matter sitting en banc.

"(b) Notwithstanding any other provision of law or rule, any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal must be brought within twenty days of the decision of the court of appeals.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any question certified under subsection (a)."

TITLE III—CRIMES RELATING TO ELECTIONS AND POLITICAL ACTIVITIES

CHANGES IN DEFINITIONS

SEC. 301. (a) Paragraph (a) of section 591 of title 18, United States Code, is amended by—

(1) inserting "or" before "(4)"; and

(2) striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States".

(b) Such section 591 is amended by striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committee' means—

(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State committee of a political party; and

"(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610;".

(c) Such section 591 is amended by—

(1) inserting in paragraph (e)(1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(2) striking out in such paragraph "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee, or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office";

(3) striking out subparagraph (2) of paragraph (e), and amending subparagraph (3) of such paragraph to read as follows:

"(2) funds received by a political committee which are transferred to that committee from another political committee;"; and

(4) redesignating subparagraphs (4) and (5) of paragraph (e) as paragraphs (3) and (4), respectively.

(d) Such section 591 is amended by striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure' means—

"(1) a purchase, payment, distribution, loan (except a loan of money by a National or State bank made in accordance with the applicable banking laws and regulations, and in the ordinary course of business), advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office; and

"(2) the transfer of funds by a political committee to another political committee; but

"(3) does not include the value of service rendered by individuals who volunteer to work without compensation on behalf of a candidate;".

(e) Such section 591 is amended by striking out "and" at the end of paragraph (g), striking out "States." in paragraph (h) and inserting in lieu thereof "States;", and by adding at the end thereof the following new paragraphs:

"(i) 'political party' means any association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of that association, committee, or organization;

"(j) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the State level, as determined by the Federal Election Commission; and

"(k) 'national committee' means the organization which, by virtue of the bylaws of the political party, is responsible for the day-to-day operation of the political party at the national level as determined by the Federal Election Commission under section 301(k) of the Federal Election Campaign Act of 1971.".

EXPENDITURE OF PERSONAL AND FAMILY FUNDS FOR FEDERAL CAMPAIGNS

SEC. 302. (a)(1) Subsection (a)(1) of section 608 of title 18, United States Code, is amended to read as follows:

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaigns for nomination for election, and for election, to Federal office in excess in the aggregate during any calendar year, of—

"(A) $50,000, in the case of a candidate for the office of President or Vice President;

"(B) $35,000, in the case of a candidate for the office of Senator; or

"(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.".

(2) Subsection (a) of such section is amended by adding at the end thereof the following new paragraphs:

"(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

"(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid.".

(b) Subsection (c) of such section is amended by striking out "$1,000" and inserting in lieu thereof "$25,000", and by striking out "one year" and inserting in lieu thereof "five years".

(c)(1) The caption of such section 608 is amended by adding at the end thereof the following: "out of candidates' personal and family funds".

(2) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 608 and inserting in lieu thereof the following:

"608. Limitations on contributions and expenditures out of candidates' personal and family funds.".

(d) Notwithstanding the provisions of section 608 of title 18, United States Code, it shall not be unlawful for any individual who, as of the date of enactment of this Act, has outstanding any debt or obligation incurred on his behalf by any political committee in connection with his campaigns prior to January 1, 1973, for nomination for election, and for election, to Federal office, to satisfy or discharge any such debt or obligation out of his own personal funds or the personal funds of his immediate family (as such term is defined in such section 608).

SEPARATE SEGREGATED FUND MAINTENANCE BY GOVERNMENT CONTRACTORS

SEC. 303. Section 611 of title 18, United States Code, is amended by adding at the end thereof the following new paragraph:

"It is not a violation of the provisions of this section for a corporation or a labor organization to establish, administer, or solicit contributions to a separate segregated fund to be utilized for political purposes by that corporation or labor organization if the establishment and administration of, and solicitation of contributions to, such fund are not a violation of section 610.".

LIMITATIONS ON POLITICAL CONTRIBUTIONS AND EXPENDITURES; EMBEZZLEMENT OR CONVERSION OF CAMPAIGN FUNDS; EARLY DISCLOSURE OF PRESIDENTIAL ELECTION RESULTS; FRAUDULENT MISREPRESENTATION OF CAMPAIGN AUTHORITY

SEC. 304. (a) Chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 614. Limitation on expenditures generally

"(a)(1) No candidate may make expenditures in connection with his campaign for nomination for election, or for election, to Federal office in excess of the amount to which he would be limited under section 504 of the Federal Election Campaign Act of 1971 if he were receiving payments under title V of that Act.

"(2) Expenditures made on behalf of any candidate are, for the purposes of this section, considered to be made by such candidate.

"(3) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(4) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure, or

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate to make the expenditure.

"(5) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for Presidential nomination for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(b)(1) Notwithstanding any other provisions of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committees of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in paragraphs (2) and (3) hereof.

"(2) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President who is affiliated with that party which exceeds an amount equal to 2 cents multiplied by the voting age population of the United States.

"(3) The national committee of a political party, or a State committee of a political party, including any subordinate committees of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with that party which exceeds—

"(A) in the case of a candidate for election to the office of Senator, or of Representative from a State where a Representative is required to run statewide, the greater of—

"(i) 2 cents multiplied by the voting age population of that State, or

"(ii) $20,000; and

"(B) in the case of a candidate for election to the office of Representative in any other State, $10,000.

"(4) For purposes of this subsection—

"(A) the term 'voting age population' means voting age population certified for the year under section 504(g) of the Federal Election Campaign Act of 1971; and

"(B) the approval by the national committee of a political party of an expenditure by or on behalf of the presidential candidate of that party as required by section 316 of that Act is not considered an expenditure by that national committee,

"(c) (1) No person may make any expenditure (other than an expenditure made on behalf of a candidate under the provisions of subsection (a)(4)) advocating the election or defeat of a clearly identified candidate during a calendar year which, when added to all other expenditures made by that person during the year advocating the election or defeat of that candidate, exceeds $1,000.

"(2) For purposes of paragraph (1)—

"(A) 'clearly identified' means—

"(i) the candidate's name appears;

"(ii) a photograph or drawing of the candidate appears; or

"(iii) the identity of the candidate is apparent by unambiguous reference;

"(B) 'person' does not include the national or State committee of a political party; and

"(C) 'expenditure' does not include any payment made or incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 would not constitute an expenditure by that corporation or labor organization.

"(3) This subsection does not apply to the Democratic or Republican Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

"(d) Any person who knowingly or willfully violates the provisions of this section, other than subsection (a)(5), shall be punishable by a fine of $25,000, imprisonment for a period of not more than five years, or both. If any candidate is convicted of violating the provisions of this section because of any expenditure made on his behalf (as determined under subsection (a)(4)) by a political committee, the treasurer of that committee, or any other person authorizing such expenditure, shall be punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both, if such person knew, or had reason to know, that such expenditure was in excess of the limitation applicable to such candidate under this section.

"§ 615. Limitations on contributions

"(a)(1) No individual may make a contribution to, or for the benefit of, a candidate for that candidate's campaign for election, which, when added to the sum of all other contributions made by that individual for that campaign, exceeds $3,000.

"(2) No person (other than an individual) may make a contribution to, or for the benefit of, a candidate for nomination for election, or election, which, when added to the sum of all other contributions made by that person for that campaign, exceeds $6,000.

"(b)(1) No candidate may knowingly accept a contribution for his campaign from any individual which, when added to the sum of all other contributions received from that individual for that campaign, exceeds $3,000, or from any person (other than an individual) which when added, to the sum of all other contributions received from that person for that campaign, exceeds $6,000.

"(2)(A) No candidate may knowingly solicit or accept a contribution for his campaign—

"(i) from a foreign national, or

"(ii) which is made in violation of section 613 of this title.

"(B) For purposes of this paragraph, the term 'foreign national' means—

"(i) a 'foreign principal' as that term is defined in section 611(b) of the Foreign Agents Registration Act of 1938, as amended, other than a person who is a citizen of the United States; or

"(ii) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined in section 101(a)(20) of the Immigration and Nationality Act.

"(3) No officer or employee of a political committee or of a political party may knowingly accept any contribution made for the benefit or use of a candidate which that candidate could not accept under paragraph (1) or (2).

"(c)(1) For purposes of the limitations contained in this section all contributions made by any person directly or indirectly to or for the benefit of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

"(2) Contributions made to, or for the benefit of, a candidate nominated by a political party for election to the office of Vice President shall be considered, for purposes of this section, to be made to, or for the benefit of, the candidate nominated by that party for election to the office of President.

"(3) For purposes of this section, the term 'campaign' includes all primary, primary runoff, and general election campaigns related to a specific general election, and all primary, primary runoff, and special election campaigns related to a specific special election.

"(d)(1) No individual may make a contribution during any calendar year which, when added to the sum of all other contributions made by that individual during that year, exceeds $25,000.

"(2) Any contribution made for a campaign in a year other than the calendar year in which the election is held to which that campaign relates, is, for purposes of paragraph (1), considered to be made during the calendar year in which that election is held.

"(e) This section does not apply to contributions made by the Democratic or Republican Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

"(f) Violation of the provisions of this section is punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both.

"§ 616. Form of contributions

"No person may make a contribution to, or for the benefit of, any candidate or political committee in excess, in the aggregate during any calendar year, of $100 unless such contribution is made by a written instrument identifying the person making the contribution. Violation of the provisions of this section is punishable by a fine of not to exceed $1,000, imprisonment for not to exceed one year, or both.

"§617. Embezzlement or conversion of political contributions

"(a) No candidate, officer, employee, or agent of a political committee, or person acting on behalf of any candidate or political committee, shall embezzle, knowingly convert to his own use or the use of another, or deposit in any place or in any manner except as authorized by law, any contributions or campaign funds entrusted to him or under his possession, custody, or control, or use any campaign funds to pay or defray the costs of attorney fees for the defense of any person or persons charged with the commission of a crime; or receive, conceal, or retain the same with intent to convert it to his personal use or gain, knowing it to have been embezzled or converted.

"(b) Violation of the provisions of this section is punishable by a fine of not more than $25,000, imprisonment for not more than ten years, or both; but if the value of such property does not exceed the sum of $100, the fine shall not exceed $1,000 and the imprisonment shall not exceed one year. Notwithstanding the provisions of this section, any surplus or unexpended campaign funds may be contributed to a national or State political party for political purposes, or to educational or charitable organizations, or may be preserved for use in future campaigns for elective office, or for any other lawful purpose.

"§ 618. Voting fraud

"(a) No person shall in a Federal election—

"(1) cast, or attempt to cast, a ballot in the name of another person,

"(2) cast, or attempt to cast, a ballot if he is not qualified to vote,

"(3) forge or alter a ballot,

"(4) miscount votes,

"(5) tamper with a voting machine, or

"(6) commit any act (or fail to do anything required of him by law),

with the intent of causing an inaccurate count of lawfully cast votes in any election.

"(b) A violation of the provisions of subsection (a) is punishable by a fine of not to exceed $100,000, imprisonment for not more than ten years, or both.

"§ 619. Early disclosure of election results in presidential election years

"Whoever makes public any information with respect to the number of votes cast for any candidate for election to the office of presidential and vice-presidential elector in the general election held for the appointment of presidential electors, prior to midnight, eastern standard time, on the day on which such election is held shall be fined not more than $5,000, imprisoned for not more than one year, or both.

"§ 620. Fraudulent misrepresentation of campaign authority

"Whoever, being a candidate for Federal office or an employee or agent of such a candidate—

"(1) fraudulently misrepresents himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

"(2) willfully and knowingly participates in or conspires to participate in any plan, scheme, or design to violate paragraph (1),

shall, for each such offense, be fined not more than $50,000 or imprisoned not more than five years or both."

(b) Section 591 of title 18, United States Code, is amended by striking out "and 611" and inserting in lieu thereof "611, 614, 615, 616, 617, 618, 619, and 620".

(c) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"614. Limitation on expenditures generally.
"615. Limitation on contributions.
"616. Form of contributions.
"617. Embezzlement or conversion of political contributions.
"618. Voting fraud.
"619. Early disclosure of election results in presidential election years.
"620. Fraudulent misrepresentation of campaign authority.".

REPEAL OF CERTAIN EXCEPTIONS TO CONTRIBUTION AND EXPENDITURE LIMITATIONS

SEC. 305. Section 614(c)(3) of title 18, United States Code (as added by section 304 of this Act), and section 615(e) of such title (as added by section 304 of this Act) (relating to the application of such sections to certain campaign committees) are repealed. Section 615 of title 18, United States Code (as added by section 304 of this Act),

is amended by striking out "(f)" and inserting in lieu thereof "(e)".

TITLE IV—DISCLOSURE OF FINANCIAL INTERESTS BY CERTAIN FEDERAL OFFICERS AND EMPLOYEES

FEDERAL EMPLOYEE FINANCIAL DISCLOSURE REQUIREMENTS

SEC. 401. (a) Any candidate for nomination for or election to Federal office who, at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, and each Member of Congress, each officer and employee of the United States (including any member of a uniformed service) who is compensated at a rate in excess of $25,000 per annum, any individual occupying the position of an officer or employee of the United States who performs duties of the type generally performed by an individual occupying grade GS–16 of the General Schedule or any higher grade or position (as determined by the Federal Election Commission regardless of the rate of compensation of such individual), the President, and the Vice President shall file annually, with the Commission a report containing a full and complete statement of—

(1) the amount of each tax paid by the individual, or by the individual and the individual's spouse filing jointly, for the preceding calendar year, and for purposes of this paragraph "tax" means any Federal, State, or local income tax and any Federal, State, or local property tax;

(2) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from his spouse or any member of his immediate family) received by him or by him and his spouse jointly during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, and other facilities received by him in kind;

(3) the identity of each asset held by him, or by him and his spouse jointly which has a value in excess of $1,000, and the amount of each liability owed by him or by him and his spouse jointly, which is in excess of $1,000 as of the close of the preceding calendar year;

(4) any transactions in securities of any business entity by him or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in transactions in the securities of such business entity exceeds $1,000 during such year;

(5) all transactions in commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in such transactions exceeds $1,000; and

(6) any purchase or sale, other than the purchase or sale of his personal residence, of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the value of property involved in such purchase or sale exceeds $1,000.

(b) Reports required by this section (other than reports so required by candidates for nomination for or election to Federal office) shall be filed not later than May 15 of each year. A person who ceases, prior to such date in any year, to occupy the office or position the occupancy of which imposes upon him the reporting requirements contained in subsection (a) shall file such report on the last day he occupies such office or position, or on such later date, not more than three months after such last day, as the Commission may prescribe.

(c) Reports required by this section shall be in such form and detail as the Commission may prescribe. The Commission may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of an individual.

(d) Any person who willfully fails to file a report required by this section or who knowingly and willfully files a false report under this section, shall be fined not more than $2 000, or imprisoned for not more than five years, or both.

(e) All reports filed under this section shall be maintained by the Commission as public records, which, under such reasonable rules as it shall prescribe, shall be available for inspection by members of the public.

(f) For the purposes of any report required by this section, an individual is considered to be President, Vice President, a Member of Congress, an officer or employee of the United States, or a member of a uniformed service, during any calendar year if he serves in any such position for more than six months during such calendar year.

(g) As used in this section—

(1) The term "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954.

(2) The term "security" means security as defined in section 2 of the Securities Act of 1933 (15 U.S.C. 77b).

(3) The term "commodity" means commodity as defined in section 2 of the Commodity Exchange Act (7 U.S.C. 2).

(4) The term "transactions in securities or commodities" means any acquisition, holding, withholding, use, transfer, or other disposition involving any security or commodity.

(5) The term "Member of Congress" means a Senator, a Representative, a Resident Commissioner, or a Delegate.

(6) The term "officer" has the same meaning as in section 2104 of title 5, United States Code.

(7) The term "employee" has the same meaning as in section 2105 of such title.

(8) The term "uniformed service" means any of the Armed Forces, the commissioned corps of the Public Health Service, or the commissioned corps of the National Oceanic and Atmospheric Administration.

(9) The term "immediate family" means the child, parent, grandparent, brother, or sister of an individual, and the spouses of such persons.

(h) Section 554 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) All written communications and memorandums stating the circumstances, source, and substance of all oral communications made to the agency, or any officer or employee thereof, with respect to any adjudication which is subject to the provisions of this section by any person who is not an officer or employee of the agency shall be made a part of the public record of such case. This subsection shall not apply to communications to any officer, employee, or agent of the agency engaged in the performance of investigative or prosecuting functions for the agency with respect to such case."

(i) The first report required under this section shall be due thirty days after the date of enactment and shall be filed with the Comptroller General of the United States, who shall, for purposes of this subsection, have the powers and duties conferred upon the Commission by this section.

TITLE V—MISCELLANEOUS

SIMULTANEOUS POLL CLOSING TIME

SEC. 501. On every national election day, commencing on the date of the national elections in 1976, the closing time of the polling places in the several States for the election of electors for President and Vice President of the United States and the election of United States Senators and Representatives shall be as follows: 11 postmeridian standard time in the eastern time zone; 10 postmeridian standard time in the central time zone; 9 postmeridian standard time in the mountain time zone; 8 postmeridian standard time in the Pacific time zone; 7 postmeridian standard time in the Yukon time zone; 6 postmeridian standard time in the Alaska-Hawaii time zone; and 5 postmeridian standard time in the Bering time zone: *Provided*, That the polling places in each of the States shall be open for at least twelve hours.

FEDERAL ELECTION DAY

SEC. 502. Section 6103(a) of title 5, United States Code is amended by inserting between—

"Veterans Day, the fourth Monday in October." and

"Thanksgiving Day, the fourth Thursday in November." the following new item:

"Election Day, the first Wednesday next after the first Monday in November in 1976, and every second year thereafter.".

REVIEW OF INCOME TAX RETURNS

SEC. 503. (a) On or before July 1 of each and every year hereafter, the Comptroller General of the United States shall obtain from the Internal Revenue Service all returns of income filed by each Member of Congress, each employee or official of the executive, judicial, and legislative branch whose gross income for the most recent year exceeds $20,000, for the five previous years. Upon receipt of such returns, the Comptroller General of the United States shall submit such income returns to an intensive inspection and audit for the purpose of determining the correctness with respect to the Member's tax liability.

(b) Upon completion of such inspection and audit, the Comptroller General of the United States shall prepare and file a report of the results of this inspection and audit with the appropriate officer of the Internal Revenue Service for such further action with respect to such return as the Internal Revenue Service shall deem proper. The Comptroller General of the United States shall deliver a copy of such report and results of such audit and inspection to the Member or candidate concerned.

(c) The Internal Revenue Service shall assist the Comptroller General of the United States as necessary in administering the provisions of this section.

MOTION OFFERED BY MR. HAYS

Mr. HAYS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HAYS moves to strike out all after the enacting clause of the bill S. 3044 and to insert in lieu thereof the provisions of the bill H.R. 16090, as passed, as follows:

That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

TITLE I—CRIMINAL CODE AMENDMENTS

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 101. (a) Section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, is amended by

redesignating subsections (b) and (c) as subsections (f) and (g), respectively, and by inserting immediately after subsection (a) the following new subsections:

"(b)(1) Except as otherwise provided by paragraphs (2) and (3), no person shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $1,000.

"(2) No political committee (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $5,000. Contributions by the national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States shall not exceed the limitation imposed by the preceding sentence with respect to any other candidate for Federal office. For purposes of this paragraph, the term 'political committee' means an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 for a period of not less than 6 months which has received contributions from more than 50 persons and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

"(3) No individual shall make contributions aggregating more than $25,000 in any calendar year.

"(4) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate, in writing, to accept contributions on his behalf shall be considered to be contributions made to such candidate; and

"(B) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(5) The limitations imposed by paragraphs (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

"(6) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the appropriate supervisory officer and to the intended recipient.

"(c)(1) No candidate shall make expenditures in excess of—

"(A) $10,000,000, in the case of a candidate for nomination for election to the office of President of the United States;

"(B) $20,000,000, in the case of a candidate for election to the office of President of the United States;

"(C) in the case of any campaign for nomination for election, or for election, by a candidate for the office of Senator, the greater of—

"(i) 5 cents multiplied by the population of the geographical area with respect to which the election is held; or

"(ii) $75,000;

"(D) $60,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Representative, Delegate from the District of Columbia, or Resident Commissioner; or

"(E) $15,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Delegate from Guam or the Virgin Islands.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States;

"(B) expenditures made on behalf of any candidate by a principal campaign committee designated by such candidate under section 302(f)(1) of the Federal Election Campaign Act of 1971 shall be deemed to have been made by such candidate; and

"(C) the population of any geographical area shall be the population according to the most recent decennial census of the United States taken under section 141 of title 13, United States Code.

"(3) The limitations imposed by subparagraphs (C), (D), and (E) of paragraph (1) of this subsection shall apply separately with respect to each election.

"(d)(1) At the beginning of each calendar year (commencing in 1975), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Comptroller General and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (c) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1973.

"(e)(1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate under the provisions of subsection (c)) relative to a clearly identified candidate during a calendar year which, when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds $1,000.

"(2) For purposes of paragraph (1), the term 'clearly identified' means—

"(A) the candidate's name appears;

"(B) a photograph or drawing of the candidate appears; or

"(C) the identity of the candidate is apparent by unambiguous reference.".

(b) Section 608(a)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, is amended to read as follows:

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of $25,000.".

(c)(1) Notwithstanding section 608(a)(1) of title 18, United States Code, relating to limitations on expenditures from personal funds, any individual may satisfy or discharge, out of his personal funds or the personal funds of his immediate family, any debt or obligation which is outstanding on the date of the enactment of this Act and which was incurred by him or on his behalf by any political committee in connection with any campaign ending before the close of December 31, 1972, for election to Federal office.

(2) For purposes of this subsection—

(A) the terms "election", "Federal office", and "political committee" have the meanings given them by section 591 of title 18, United States Code; and

(B) the term "immediate family" has the meaning given it by section 608(a)(2) of title 18, United States Code.

(d)(1) The first paragraph of section 613 of title 18, United States Code, relating to contributions by certain foreign agents, is amended—

(A) by striking out "an agent of a foreign principal" and inserting in lieu thereof "a foreign national"; and

(B) by striking out ", either for or on behalf of such foreign principal or otherwise in his capacity as agent of such foreign principal,".

(2) The second paragraph of such section 613 is amended by striking out "agent of a foreign principal or from such foreign principal" and inserting in lieu thereof "foreign national".

(3) The fourth paragraph of such section 613 is amended to read as follows:

"As used in this section, the term 'foreign national' means—

"(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term 'foreign national' shall not include any individual who is a citizen of the United States; or

"(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20))."

(4)(A) The heading of such section 613 is amended by striking out "agents of foreign principals" and inserting in lieu thereof "foreign nationals".

(B) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 613 and inserting in lieu thereof the following:

"613. Contributions by foreign nationals.".

(e)(1) Section 608(g) of title 18, United States Code (as to redesignated by subsection (a) of this section), relating to penalty for violating limitations on contributions and expenditures, is amended by striking out "$1,000" and inserting in lieu thereof "$25,000".

(2) The second paragraph of section 610 of title 18, United States Code, relating to penalties for violating prohibitions against contributions or expenditures by national banks, corporations, or labor organizations, is amended—

(A) by striking out "$5,000" and inserting in lieu thereof "$25,000"; and

(B) by striking out "$10,000" and inserting in lieu thereof "$50,000".

(3) Section 611 of title 18, United States Code (as amended by section 103 of this Act), relating to contributions by firms or individuals contracting with the United States, is amended in the first paragraph thereof by striking out "$5,000" and inserting in lieu thereof "$25,000".

(4) The third paragraph of section 613 of title 18, United States Code (as amended by subsection (d) of this section), relating to contributions by foreign nationals, is amended by striking out "$5,000" and inserting in lieu thereof "$25,000".

(f)(1) Chapter 29 of title 18, United States Code, relating to elections and political activities, is amended by adding at the end thereof the following new section:

"§ 614. Prohibition of contributions in name of another

"(a) No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 615. Limitation on contributions of currency

"(a) No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or election, to Federal office.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 616. Acceptance of excessive honorariums

"Whoever, while an elected or appointed eral Government—

"Whoever, while an elected or appointed officer or employee of any branch of the Federal Government—

"(1) accepts any honorarium of more than $1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or

(4) The third paragraph of section 613 of title 18, United States Code (as amended by subsection (d) of this section), relating to contributions by foreign nationals, is amended by striking out "$5,000" and inserting in lieu thereof "$25,000".

(f) (1) Chapter 29 of title 18, United States Code, relating to elections and political activities, is amended by adding at the end thereof the following new sections:

"§ 614 Prohibition of contributions in name of another

"(a) No person shall make a contribution in the name

"(2) accepts honorariums (not prohibited by paragraph (1) of this subsection) aggregating more than $10,000 in any calendar year;

shall be fined not less than $1,000 nor more than $5,000.".

(2) Section 591 of title 18, United States Code, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"Except as otherwise specifically provided, when used in this section and in sections 597, 599, 600, 602, 608, 610, 611, 614, and 615 of this title—"

(3) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"614. Prohibition of contributions in name of another.

"615. Limitation on contributions of currency.

"616. Acceptance of excessive honorariums.".

(4) Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 310, relating to prohibition of contributions in the name of another.

DEFINITIONS OF POLITICAL COMMITTEE CONTRIBUTION, EXPENDITURE, AND PRINCIPAL CAMPAIGN COMMITTEE

SEC. 102. (a) Section 591(d) of title 18, United States Code, relating to the definition of political committee, is amended by inserting immediately after "$1,000" the following: ", or which commits any act for the purpose of influencing, directly or indirectly, the nomination for election, or election, of any person to Federal office, except that any communication referred to in paragraph (f) (4) of this section which is not included within the definition of the term 'expenditure' shall not be considered such an act".

(b) Section 591(e)(1) of Title 18, United States Code, relating to the definition of a contribution, is amended by inserting after the word "business" the following ", which shall be considered a loan by each endorser, in that proportion of the unpaid balance thereof that each endorser bears to the total number of endorsers)".

(c) Section 591(e)(5) of title 18, United States Code, relating to an exception to the definition of contribution, is amended by inserting "(A)" immediately after "include" and by inserting immediately before the semicolon at the end thereof the following: ", (B) the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities, (C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor, (D) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate, or (E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertsing (other than newspapers): *Provided,* That the cumulative value of activities by any person on behalf of any candidate under each of clauses (B), (C), or (D) shall not exceed $500 with respect to any election".

(d) Section 591(f) of title 18, United States Code, relating to the definition of expenditure, is amended—

(1) in subparagraph (2) thereof, by striking out "and";

(2) in subparagraph (3) thereof, by inserting "and" immediately after the semicolon; and

(3) by adding at the end thereof the following new subparagraph:

"(4) notwithstanding the foregoing meanings of 'expenditure', such term does not include (A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate, (B) nonpartisan activity designed to encourage individuals to register to vote or to vote, (C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office, (D) the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities, (E) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate, (F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office, (G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers), (H) any costs incurred by a candidate (including his principal campaign committee) in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate (including his principal campaign committee) in excess of an amount equal to 25 per centum of the expenditure limitation applicable to such candidate under section 608(c) of this title, or (I) any costs incurred by a political committee (as such term is defined by section 608(b) (2) of this title) with respect to the solicitation of contributions to such political committee or to any general political fund controlled by such political committee, except that this clause shall not apply to exempt costs incurred with respect to the solicitation of contributions to any such political committee made through broadcasting stations, newspapers, magazines, outdoor advertising facilities, and other similar types of general public political advertising: *Provided,* That the cumulative value of activities by any person on behalf of any candidate under each of clauses (D) or (E) shall not exceed $500 with respect to any election;".

(e) Section 591 of title 18, United States Code, relating to definitions, is amended—

(1) by striking out "and" at the end of paragraph (g);

(2) by striking out the period at the end of paragraph (h) and inserting in lieu thereof "; and "; and

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

"(i) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 302(f) (1) of the Federal Election Campaign Act of 1971.".

POLITICAL FUNDS OF CORPORATIONS OR LABOR ORGANIZATIONS

SEC. 103. Section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, is amended by adding at the end thereof the following new paragraphs:

"This section shall not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 610 of this title prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund.

"For purposes of this section, the term 'labor organization' has the meaning given it by section 610 of this title.".

EFFECT ON STATE LAW

SEC. 104. (a) The provisions of chapter 29 of title 18, United States Code, relating to elections and political activities, supersede and preempt any provision of State law with respect to election to Federal office.

(b) For purposes of this section, the terms "election", "Federal office", and "State" have the meanings given them by section 591 of title 18, United States Code.

TITLE II—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

PRINCIPAL CAMPAIGN COMMITTEE

SEC. 201. Section 302 of the Federal Election Campaign Act of 1971, relating to organization of political committees, is amended by striking out subsection (f) and inserting in lieu thereof the following:

"(f)(1) Each individual who is a candidate for Federal office (other than the office

of Vice President of the United States) shall designate a political committee to serve as his principal campaign committee. No political committee may be designated as the principal campaign committee of more than one candidate, except that the candidate for the office of President of the United States nominated by a political party may designate the national committee of such political party as his principal campaign committee.

"(2) Except as otherwise provided in section 608(e) of title 18, United States Code, no political committee other than a principal campaign committee designated by a candidate under paragraph (1) may make expenditures on behalf of such candidate.

"(3) Notwithstanding any other provision of this title, each report or statement of contributions received by a political committee (other than a principal campaign committee) which is required to be filed with a supervisory officer under this title shall be filed instead with the principal campaign committee for the candidate on whose behalf such contributions are accepted.

"(4) It shall be the duty of each principal campaign committee to receive all reports and statements required to be filed with it under paragraph (3) of this subsection and be compile and file such reports and statements, together with its own reports and statements, with the appropriate supervisory officer in accordance with the provisions of this title.

"(5) For purposes of paragraphs (1) and (3) of this subsection, the term 'political committee' does not include any political committee which supports more than one candidate, except for the national committee of a political party designated by a candidate for the office of President of the United States under paragraph (1) of this subsection.".

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 202. Section 303 of the Federal Election Campaign Act of 1971, relating to registration of political committees and statements, is amended by adding at the end thereof the following new subsection:

"(e) In the case of a political committee which is not a principal campaign committee and which does not support more than one candidate, reports and notifications required under this section to be filed with the supervisory officer shall be filed instead with the appropriate principal campaign committee."

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 203. (a) Section 304(a) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended—

(1) by striking out the second and third sentence and inserting in lieu thereof the following:

"The reports referred to in the preceding sentence shall be filed as follows:

"(A) (i) In any calendar year in which an individual is a candidate for Federal office and an election for such Federal office is held in such year, such reports shall be filed not later than the tenth day before the date on which such election is held and shall be complete as of the fifteenth day before the date of such election; except that any such report filed by registered or certified mail must be postmarked not later than the close of the twelfth day before the date of such election.

"(ii) Such reports shall be filed not later than the thirtieth day after the date of such election and shall be complete as of the twentieth day after the date of such election.

"(B) In any other calendar year in which an individual is a candidate for Federal office, such reports shall be filed after December 31 of such calendar year, but not later than January 31 of the following calendar year and shall be complete as of the close of the calendar year with respect to which the report is filed.

"(C) Such reports shall be filed not later than the tenth day following the close of any calendar quarter in which the candidate or political committee concerned received contributions in excess of $1,000, or made expenditures in excess of $1,000, and shall be complete as of the close of such calendar quarter; except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.

"(D) When the last day for filing any quarterly report required by subparagraph (C) occurs within 10 days of an election, the filing of such quarterly report shall be waived and superseded by the report required by subparagraph (A)(i).

Any contribution of $1,000 or more received after the fifteenth day, but more than 48 hours, before any election shall be reported within 48 hours after its receipt."; and

(2) by striking out "Each" at the beginning of the first sentence of such section 304(a) and inserting in lieu thereof "(1) Except as provided by paragraph (2), each", and by adding at the end thereof the following new paragraph:

"(2) Each treasurer of a political committee which is not a principal campaign committee and which does not support more than one candidate shall file the reports required under this section with the appropriate principal campaign committee.".

(b)(1) Section 304(b)(8) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total receipts less transfers between political committees which support the same candidate and which do not support more than one candidate".

(2) Section 304(b)(11) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total expenditures less transfers between political committees which support the same candidate and which do not support more than one candidate".

FORMAL REQUIREMENTS FOR REPORTS AND STATEMENTS

SEC. 204. Section 306 of the Federal Election Campaign Act of 1971, relating to formal requirements respecting reports and statements, is amended by adding at the end thereof the following new subsection:

"(e) If a report or statement required by section 303, 304(a)(1)(A)(ii), 304(a)(1)(B) or 304(a)(1)(C) of this title to be filed by a treasurer of a political committee or by a candidate, or if a report required by section 305 of this title to be filed by any other person, is delivered by registered or certified mail, to the appropriate supervisory officer or principal campaign committee with whom it is required to be filed, the United States postmark stamped on the cover of the envelope or other container in which such report or statement is so mailed shall be deemed to be the date of filing.".

DUTIES OF THE SUPERVISORY OFFICER

SEC. 205. (a)(1) Section 308(a) of the Federal Election Campaign Act of 1971, relating to duties of the supervisory officer, is amended by striking out paragraphs (6), (7), (8), (9), and (10), and by redesignating paragraphs (11), (12), and (13) as paragraphs (8), (9), and (10), respectively, and by inserting immediately after paragraph (5) the following new paragraphs:

"(6) to compile and maintain a cumulative index of reports and statements filed with him, which shall be published in the Federal Register at regular intervals and which shall be available for purchase directly or by mail for a reasonable price;

"(7) to prepare and publish from time to time special reports listing those candidates for whom reports were filed as required by this title and those candidates for whom such reports were not filed as so required;".

(2) Notwithstanding section 308(a)(7) of the Federal Election Campaign Act of 1971 (relating to an annual report by the supervisory officer), as in effect on the day before the effective date of the amendments made by paragraph (1) of this subsection, no such annual report shall be required with respect to any calendar year beginning after December 31, 1972.

(b)(1) Section 308(a)(10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the prescription of rules and regulations, is amended by inserting before the period at the end thereof the following: ", in accordance with the provisions of subsection (b) and (c)"

(2) Section 308 of such Act, relating to duties of the supervisory officer, is amended—

(A) by striking out subsection (b) and (c); and

(B) by inserting immediately after subsection (a) the following new subsection (b) and (c)

"(b)(1) The supervisory officer, before prescribing any rule or regulation under this section, shall transmit a statement with respect to such rule or regulation to the Senate or the House of Representatives, as the case may be, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If the appropriate body of the Congress which receives a statement from the supervisory officer under this subsection does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the supervisory officer may prescribe such rule or regulation. In the case of any rule or regulation proposed to deal with reports or statements required to be filed under this title by a candidate for the office of President, and by political committees supporting such a candidate both the Senate and the House of Representatives shall have the power to disapprove such proposed rule or regulation. The supervisory officer may not prescribe any rule or regulation which is disapproved under this paragraph.

"(3) If the supervisory officer proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Senator and by political committees supporting such candidate he shall transmit such statement to the Senate. If the supervisory officer proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Representative or by political committees supporting such candidate, he shall transmit such statement to the House of Representatives. If the supervisory officer proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of President and by political committees supporting such candidate he shall transmit such statement to the House of Representatives and the Senate.

"(4) For the purposes of this subsection, the term 'legislative days' does not include, with respect to statements transmitted to the Senate, any calendar day on which the Senate is not in session, and with respect to

statements transmitted to the House of Representatives, any calendar day on which the House of Representatives is not in session and with respect to statements transmitted to both such bodies any calendar day on which both Houses of the Congress are not in session.".

(c)(1) The supervisory officer shall prescribe suitable rules and regulations to carry out the provisions of this title, including such rules and regulations as may be necessary to require that—

"(A) reports and statements required to be filed under this title by a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, and by political committees supporting such candidate, shall be received by the Clerk of the House of Representatives as custodian for the Board:

"(B) reports and statements required to be filed under this title by a candidate for the Office of Senator, and by political committees supporting such candidate, shall be received by the Secretary of the Senate as csutodian for the Board; and

"(C) the Clerk of the House of Representatives, and the Secretary of the Senate, as custodians for the Board, each shall make the reports and statements received by him available for public inspection and copying in accordance with paragraph (4) of subsection a, and preserve such reports and statements in accordance with paragraph (5) of subsection (a).".

(2) It shall be the duty of the Clerk of the House of Representatives and the Secretary of the Senate to cooperate with the Board of Supervisory Officers in carrying out its duties under the Federal Election Campaign Act of 1971 and to furnish such services and facilities as may be required in accordance with this section.

DEFINITIONS OF POLITICAL COMMITTEE, CONTRIBUTION, EXPENDITURE, AND SUPERVISORY OFFICER

SEC. 206. (a)(1) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"SEC. 301. When used in this title and in title IV of this Act—".

(2) Section 401 of the Federal Election Campaign Act of 1971, relating to extension of credit by regulated industries, is amended by striking out "(as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971)".

(3) Section 402 of the Federal Edection Campaign Act of 1971, relating to prohibition against use of certain Federal funds for election activities, is amended by striking out the last sentence.

(b) Section 301(d) of the Federal Election Campaign Act of 1971, relating to the definition of political committee, is amended by inserting immediately after "$1,000" the following: ", or which commits any act for the purpose of influencing, directly or indirectly, the nomination for election, or election, of any person to Federal office, except that any communication referred to in section 301(f)(4) of this Act which is not included within the definition of the term 'expenditure' shall not be considered such an act".

(c) Section 301(e)(5) of the Federal Election Campaign Act of 1971, relating to an exception to the definition of contribution, is amended by inserting "(A)" immediately after "include" and by inserting immediately before the semicolon at the end thereof the following: ", (B) the use of real or personal property and the cost invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities, (C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor, (D) any unremibursed purchase or other payment by an individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, or (E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): *Provided*, That the cumulative value of activities by an person on behalf of any candidate under each of clauses (B), (C), or (D) shall not exceed $500 with respect to any election".

(d) Section 301(f) of the Federal Election Campaign Act of 1971, relating to the definition of expenditure, is amended—

(1) in subparagraph (2) thereof, by striking out "and";

(2) in subparagraph (3) thereof, by inserting "and" immediately after the semicolon; and

(3) by adding at the end thereof the following new subparagraph:

"(4) notwithstanding the foregoing meanings of 'expenditure', such term does not include (A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magaine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate, (B) nonpartisan activity designed to encourage individuals to register to vote or to vote, (C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office, (D) the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities, (E) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary services by such individual to any candidate or political committee, (F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or (G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of three or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): *Provided*, That the cumulative value of activities by any person on behalf of any candidate under each of clauses (D) or (E) shall not exceed $500 with respect to any election;".

(e) Section 301(g) of the Federal Election Campaign Act of 1971, relating to the definition of supervisory officer, is amended to read as follows:

"(g) 'supervisory officer' means the Board of Supervisory Officers established by section 308(a)(1)."

(f) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended—

(1) by striking out "and" at the end of paragraph (h);

(2) by striking out the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(j) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 302(f)(1); and

"(k) 'Board means the Board of Supervisory Officers established by section 308(a)(1)."

BOARD OF SUPERVISORY OFFICERS

SEC. 207. (a) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by redesignating section 311 as section 314; by redesignating sections 308 and 309 as sections 311 and 312, respectively; and by inserting immediately after section 307 the following new sections:

"BOARD OF SUPERVISORY OFFICERS

"SEC. 308. (a)(1) There is hereby established the Board of Supervisory Officers, which shall be composed of the Clerk of the House and the Secretary of the Senate who shall serve without the right to vote and 4 members as follows:

"(A) two individuals appointed by the President of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(B) two individuals appointed by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House.

Of each class of two members appointed under subparagraphs (A) and (B), not more than one shall be appointed from the same political party. An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term for the member he succeeds. Any vacancy occurring in the membership of the Board shall be filled in the same manner as in the case of the original appointment. Members of the Board appointed under subparagraphs (A) and (B)—

'(i) shall be chosen from among individuals who are not officers or employees in the executive, legislative, or judicial branch of the Government of the United States (including elected and appointed officials);

"(ii) shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment;

"(iii) shall serve for terms of 4 years, except that, of the members first appointed under subparagraph (A), one shall be appointed for a term of 1 year and one shall be appointed for a term of 3 years and, of the members first appointed under subparagraph (B), one shall be appointed for a term of 2 years; and

"(iv) shall receive compensation equivalent to the compensation paid at level IV of the Federal Executive Salary Schedule (5 U.S.C. 5315).

"(2) Notwithstanding any other provision of law, it shall be the duty of the Board to supervise the administration of, seek to obtain compliance with, and formulate overall policy with respect to, this title, title I

of this Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code.

"(b) Members of the Board shall alternate in serving as Chairman of the Board. The term of each Chairman shall be one year.

"(c) All decisions of the Board with respect to the exercise of its duties and powers under the provisions of this title shall be made by majority vote of the members of the Board. A member of the Board may not delegate to any person his vote or any decisionmaking authority or duty vested in the Board by the provisions of this title.

"(d) The Board shall meet at the call of any member of the Board, except that it shall meet at least once each month.

"(e) The Board shall prepare written rules for the conduct of its activities.

"(f)(1) The Board shall have a Staff Director and a General Counsel who shall be appointed by the Board. The Staff Director shall be paid at a rate not to exceed the rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315). The General Counsel shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316). With the approval of the Board, the Staff Director may appoint and fix the pay of such additional personnel as he considers desirable. Not less than 30 per centum of the additional personnel appointed by the Staff Director shall be selected as follows:

"(A) one-half from among individuals recommended by the minority leader of the Senate; and

"(B) one-half from among individuals recommended by the minority leader of the House of Representatives.

"(2) With the approval of the Board, the Staff Director may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-15 of the General Schedule (5 U.S.C. 5332).

"POWERS OF THE BOARD

"SEC. 409. (a) The Board shall have the power—

"(1) to formulate general policy with respect to the administration of this title, title I of this Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code;

"(2) to oversee the development of prescribed forms under section 311(a)(1);

"(3) to review rules and regulations prescribed under section 104 of this Act or under this title to assure their consistency with the law and to assure that such rules and regulations are uniform, to the extent practicable;

"(4) to render advisory opinions under section 313;

"(5) to expeditiously conduct investigations and hearings, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities;

"(6) to administer oaths or affirmations;

"(7) to require by subpena, signed by the Chairman, the attendance and testimony of witnesses and the production of documentary evidence relevant ot any investigation or hearing conducted by the Board under section 311(c); and

"(8) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States.

"(b) Any district court of the United States, within the jurisdiction of which any inquiry is carried on, may, upon petition by the Board, in case of refusal to obey a subpena of the Board issued under subsection (a)(7), issue an order requiring compliance with such subpena. Any failure to obey the order of such district court may be punished by such district court as a contempt thereof.

"REPORTS

"SEC. 310. The Board shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Board in carrying out its duties under this title, together with recommendations for such legislative or other action as the Board considers appropriate.".

(b)(1) Section 311(c)(1) of such Act (as so redesignated by subsection (a)(1) of this section and by section 205(b)(2) of this Act), relating to duties of the supervisory officer, is amended to read as follows:

"(c)(1)(A) Any person who believes a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred may file a complaint with the Board.

"(B) The Clerk of the House of Representatives, the Secretary of the Senate, or any other person receiving reports and statements as custodian for the Board who has reason to believe a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred shall refer such apparent violation to the Board.

"(C) The Board, upon receiving any complaint under subparagraph (A) or referral under subparagraph (B), or if it has reason to believe that any person has committed a violation of any such provision, shall notify the person involved of such apparent violation and shall—

"(i) report such apparent violation to the Attorney General; or

"(ii) make an investigation of such apparent violation.

"(D) Any investigation under subparagraph (C)(ii) shall be conducted expeditiously and shall include an investigation of reports and statements filed by any complainant with respect to the apparent violation involved, if such complainant is a candidate. Any notification or investigation made under subparagraph (C) shall not be made public by the Board or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

"(E) The Board shall, at the request of any person who receives notice of an apparent violation under subparagraph (C), conduct a hearing with respect to such apparent violation.

"(F) If the Board shall determine, after any investigation under subparagraph (C)(ii), that there is reason to believe that there has been an apparent violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, the Board shall endeavor to correct any such apparent violation by informal methods of conference, conciliation, and persuasion.

"(G) The Board shall refer apparent violations to the appropriate law enforcement authorities if the Board is unable to correct such apparent violations, or if the Board determines that any such referral is appropriate.

"(H) Whenever in the judgment of the Board, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.".

(2) Section 311 of such Act (as so redesignated by subsection (a)(1) of this section), relating to the duties of the supervisory officer, is amended by adding at the end thereof the following new subsection:

"(d) In any case in which the Board refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Board with respect to any action taken by the Attorney General regarding such apparent violation. Each such report shall be transmitted no later than 60 days after the date the Board refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Board may from time to time prepare and publish reports on the status of such referrals.".

(3) The heading of section 311 of such Act (as so redesignated by subsection (a)(1) of this section) is amended to read as follows:

"DUTIES OF THE SUPERVISORY OFFICER; INVESTIGATIONS BY THE BOARD".

(c) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by adding at the end thereof the following new sections:

"JUDICIAL REVIEW

"SEC. 315. (a) The Board, the supervisory officers, the national committee of any political party, and any individual eligible to vote in any election for the office of President of the United States are authorized to institute such actions in the appropriate district court of the United States, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code. The district court immediately shall certify all questions of constitutionality of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, to the United States court of appeals for the circuit involved, which shall hear the matter sitting en banc.

"(b) Notwithstanding any other provision of law, any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought no later than 20 days after the decision of the court of appeals.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter certified under subsection (a).

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 316. Notwithstanding any other provision of law, there are authorized to be appropriated to the Board such sums as may be necessary to enable it to carry out its duties under this Act.".

ADVISORY OPINIONS

SEC. 208. Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by inserting immediately after section 312 (as so redesignated by section 207(a)(1) of this Act), the following new section:

"ADVISORY OPINIONS

"SEC. 313. (a) Upon written request to the Board by any individual holding Federal office, any candidate for Federal office, or any political committee, the Board shall render an advisory opinion, in writing, within a reasonable time with respect to whether any

specific transaction or activity by such individual, candidate, or political committee would constitute a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code.

"(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings of such advisory opinion shall be presumed to be in compliance with the provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, with respect to which such advisory opinion is rendered.

"(c) Any request made under subsection (a) shall be made public by the Board. The Board shall, before rendering an advisory opinion with respect to such request, provide any interested party with an opportunity to transmit written comments to the Board with rspect to such request.".

TITLE III—GENERAL PROVISIONS

EFFECT ON STATE LAW

SEC. 301. Section 403 of the Federal Election Campaign Act of 1971, relating to effect on State law, is amended to read as follows:

"EFFECT ON STATE LAW

"SEC. 403. The provisions of this Act, and of rules prescribed under this Act, supersede and preempt any provision of State law with respect to election to Federal office.".

PERIOD OF LIMITATIONS; ENFORCEMENT

SEC. 302. Title IV of the Federal Election Campaign Act of 1971, relating to general provisions, is amended by redsignating section 406 as section 408 and by inserting immediately after section 405 the following new sections:

"PERIOD OF LIMITATIONS

"SEC. 406. (a) No person shall be prosecuted, tried, or punished for any violation of title I of this Act, title III of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, unless the indictment is found or the information is instituted within 3 years after the date of the violation.

"(b) Notwithstanding any other provision of law—

"(1) the period of limitation referred to in subsection (a) shall apply with respect to violations referred to in such subsection committed before, on, or after the effective date of this section; and

"(2) no person shall be prosecuted, tried, or punished for any act or omission which was a violation of any provision of title I of this Act, title III of this Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on the day before the effective date of the Federal Election Campaign Act Amendments of 1974, if such act or omission does not constitute a violation of any such provision, as amended by the Federal Election Campaign Act Amendments of 1974. Nothing in this subsection shall affect any proceeding pending in any court of the United States on the effective date of this section.

"ENFORCEMENT

"SEC. 407. (a) In any case in which the Board of Supervisory Officers, after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, makes a finding that a person who, while a candidate for Federal office, failed to file a report required by title III of this Act, and such finding is made before the expiration of the time within which the failure to file such report may be prosecuted as a violation of such title III, such person shall be disqualified from becoming a candidate in any future election for Federal office for a period of time beginning on the date of such finding and ending one year after the expiration of the term of the Federal office for which such person was a candidate.

"(b) Any finding by the Board under subsection (a) shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

TITLE IV—AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

POLITICAL ACTIVITIES BY STATE AND LOCAL OFFICERS AND EMPLOYEES

SEC. 401. (a) Section 1502(a)(3) of title 5, United States Code (relating to influencing elections, taking part in political campaigns, prohibitions, exceptions), is amended to read as follows:

"(3) be a candidate for elective office.".

(b)(1) Section 1503 of title 5, United States Code, relating to nonpartisan political activity, is amended to read as follows:

"§ 1503. Nonpartisan candidacies permitted

"Section 1502(a)(3) of this title does not prohibit any State or local officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected.".

(2) The table of sections for chapter 15 of title 5, United States Code, is amended by striking out the item relating to section 1503 and inserting in lieu thereof the following new item:

"1503. Nonpartisan candidacies permitted.".

(c) Section 1501 of title 5, United States Code, relating to definitions, is amended—

(1) by striking out paragraph (5);

(2) in paragraph (3) thereof, by inserting "and" immediately after "Federal Reserve System;" and

(3) in paragraph (4) thereof, by striking out "; and" and inserting in lieu thereof a period.

REPEAL OF COMMUNICATIONS MEDIA EXPENDITURE LIMITATIONS

SEC. 402. (a)(1) Title I of the Federal Election Campaign Act of 1971, relating to campaign communications, is amended by striking out section 104 and by redesignating sections 105 and 106 as sections 104 and 105, respectively.

(2) Section 104 of such Act (as so redesignated by paragraph (1) of this subsection), relating to regulations, is amended by striking out ", 103(b), 104(a), and 104(b)" and inserting in lieu thereof "and 103(b)".

(b) Section 102 of the Federal Election Campaign Act of 1971, relating to definitions, is amended by striking out paragraphs (1), (2), (5), and (6), and by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively.

(c)(1) Section 315 of the Communications Act of 1934 (relating to candidates for public office, facilities, rules) is amended by striking out subsections (c), (d), and (e), and by redesignating subsections (f) and (g) as subsections (c) and (d), respectively.

(2) Section 315(c) of such Act (as so redesignated by paragraph (1) of this subsection), relating to definitions, is amended to read as follows:

"(c) For purposes of this section—

"(1) the term 'broadcasting station' includes a community antenna television system; and

"(2) the terms 'licensee' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system.".

APPROPRIATIONS TO CAMPAIGN FUND

SEC. 403. Section 9006(a) of the Internal Revenue Code of 1954 (relating to establishment of campaign fund) is amended—

(1) by striking out "as provided by appropriation Acts" and inserting in lieu thereof "from time to time"; and

(2) by adding at the end thereof the following new sentence: "There is appropriated to the fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to the amounts so designated during each fiscal year, which shall remain available to the fund without fiscal year limitation.".

ENTITLEMENTS OF ELIGIBLE CANDIDATES TO PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND

SEC. 404. (a) Subsection (a)(1) of section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended to read as follows:

"(1) The eligible candidates of each major party in a presidential election shall be entitled to equal payments under section 9006 in an amount which, in the aggregate, shall not exceed $20,000,000."

(b)(1) Subsection (a)(2)(A) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(2) The first sentence of subsection (a)(3) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(c)(1) Section 9002(1) of the Internal Revenue Code of 1954 (relating to the definition of "authorized committee") is amended to read as follows:

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, the political committee designated under section 302(f)(1) of the Federal Election Campaign Act of 1971 by the candidate of a political party for President of the United States as his principal campaign committee.".

(2) Section 9002(11) of such Code (relating to the definition of "qualified campaign expense") is amended—

(A) in subparagraph (A)(iii) thereof, by striking out "an" and inserting in lieu thereof "the";

(B) in the second sentence thereof, by striking out "an" and inserting in lieu thereof "his"; and

(C) in the third sentence thereof, by striking out "an" and inserting in lieu thereof "the".

(3) Section 9003(b) of such Code (relating to major parties) is amended—

(A) by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee"; and

(B) by striking out "any of" each place it appears therein.

(4) Section 9003(c) of such Code (relating to minor and new parties) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(5) Section 9004(b) of such Code (relating to limitations) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(6) Section 9004(c) of such Code (relating to restrictions) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(7) Section 9007(b)(2) of such Code (relating to repayments) is amended by striking out "committees" and inserting in lieu thereof "committee".

(8) Section 9007(b)(3) of such Code (relating to repayments) is amended by striking out "any" and inserting in lieu thereof "the".

(9) Subsections (a) and (b) of section 9012 of such Code (relating to excess expenses and contributions, respectively), as amended by sections 406(b)(2) and (3) of this Act, are each amended by striking out "any of his authorized committees" each place it appears and inserting in lieu thereof

at each such place "his authorized committee".

CERTIFICATION FOR PAYMENT BY COMPTROLLER GENERAL

SEC. 405. (a) Section 9005(a) of the Internal Revenue Code of 1954 (relating to initial certifications for eligibility for payments) is amended to read as follows:

"(a) INITIAL CERTIFICATION.—Not later than 10 days after the candidates of a political party for President and Vice President of the United States have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003, the Comptroller General shall certify to the Secretary for payment to such eligible candidates under section 9006 payment in full of amounts to which such candidates are entitled under section 9004.".

(b) Section 9003(a) of such Code (relating to general conditions for eligibility for payments) is amended—

(1) by striking out "with respect to which payment is sought" in paragraph (1) and inserting in lieu thereof "of such candidates";

(2) by inserting "and" at the end of paragraph (2);

(3) by striking out ", and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(4) by striking out paragraph (4).

FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS

SEC. 406. (a) Chapter 95 of subtitle H of the Internal Revenue Code of 1954 (relating to the presidential election campaign fund) is amended by striking out section 9008 (relating to information on proposed expenses) and inserting in lieu thereof the following new section:

"Sec. 9008. Payments for Presidential nominating conventions.

"(a) ESTABLISHMENT OF ACCOUNTS.—The Secretary shall maintain in the fund, in addition to any account which he maintains under section 9006(a), a separate account for the national committee of each major party and minor party. The Secretary shall deposit in each such account an amount equal to the amount which each such committee may receive under subsection (b). Such deposits shall be drawn from amounts designated by individuals under section 6096 and shall be made before any transfer is made to any account for any eligible candidate under section 9006(a).

"(b) ENTITLEMENT TO PAYMENTS FROM THE FUND.—

"(1) MAJOR PARTIES.—Subject to the provisions of this section, the national committee of a major party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed $2,000,000.

"(2) MINOR PARTIES.—Subject to the provisions of this section, the national committee of a minor party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive under paragraph (1) as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the major parties in the preceding presidential election.

"(3) PAYMENTS.—Upon receipt of certification from the Comptroller General under subsection (g), the Secretary shall make payments from the appropriate account maintained under subsection (a) to the national committee of a major party or minor party which elects to receive its entitlement under this subsection. Such payments shall be available for use by such committee in accordance with the provisions of subsection (c).

"(4) LIMITATION.—Payments to the national committee of a major party or minor party under this subsection from the account designated for such committee shall be limited to the amounts in such account at the time of payment.

"(c) USE OF FUNDS.—No part of any payment made under subsection (b) shall be used to defray the expenses of any candidate or delegate who is participating in any presidential nominating convention. Such payments shall be used only—

"(1) to defray expenses incurred with respect to a presidential nominating convention (including the payment of deposits) by or on behalf of the national committee receiving such payments; or

"(2) to repay loans the proceeds of which were used to defray such expenses, or otherwise to restore funds (other than contributions to defray such expenses received by such committee) used to defray such expenses.

"(d) LIMITATION OF EXPENDITURES.—

"(1) MAJOR PARTIES.—Except as provided by paragraph (3), the national committee of a major party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled under subsection (b)(1).

"(2) MINOR PARTIES.—Except as provided by paragraph (3), the national committee of a minor party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of the entitlement of the national committee of a major party under subsection (b)(1).

"(3) EXCEPTION.—The Presidential Election Campaign Fund Advisory Board may authorize the national committee of a major party or minor party to make expenditures which, in the aggregate, exceed the limitation established by paragraph (1) or paragraph (2) of this subsection. Such authorization shall be based upon a determination by such Board that, due to extraordinary and unforseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee.

"(e) AVAILABILITY OF PAYMENTS.—The national committee of a major party or minor party may receive payments under subsection (b)(3) beginning on July 1 of the calendar year immediately preceding the calendar year in which a presidential nominating convention of the political party involved is held.

"(f) TRANSFER TO THE FUND.—If, after the close of a presidential nominating convention and after the national committee of the political party involved has been paid the amount which it is entitled to receive under this section, there are moneys remaining in the account of such national committee, the Secretary shall transfer the moneys so remaining to the fund.

"(g) CERTIFICATION BY COMPTROLLER GENERAL.—Any major party or minor party may file a statement with the Comptroller General in such form and manner and at such times as he may require, designating the national committee of such party. Such statement shall include the information required by section 303(b) of the Federal Election Campaign Act of 1971, together with such additional information as the Comptroller General may require. Upon receipt of a statement filed under the preceding sentences, the Comptroller General promptly shall verify such statement according to such procedures and criteria as he may establish and shall certify to the Secretary for payment in full to any such committee of amounts to which such committee may be entitled under subsection (b). Such certifications shall be subject to an examination and audit which the Comptroller General shall conduct no later than December 31 of the calendar year in which the presidential nominating convention involved is held.

"(h) REPAYMENTS.—The Comptroller General shall have the same authority to require repayments from the national committee of a major party or minor party as he has with respect to repayments from any eligible candidate under section 9007(b). The provisions of section 9007(c) and section 9007(d) shall apply with respect to any repayment required by the Comptroller General under this subsection.".

(b)(1) Section 9009(a) of such Code (relating to reports) is amended by striking out "and" in paragraph (2) thereof; by striking out the period at the end of paragraph (3) thereof and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraphs:

"(4) the expenses incurred by the national committee of a major party or minor party with respect to a presidential nominating convention;

"(5) the amounts certified by him under section 9008(g) for payment to each such committee; and

"(6) the amount of payments, if any, required from such committees under section 9008(h), and the reasons for each such payment.".

(2) The heading for section 9012(a) of such Code (relating to excess expenses) is amended by striking out "CAMPAIGN".

(3) Section 9012(a)(1) of such Code (relating to excess expenses) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to incur expenses with respect to a presidential nominating convention in excess of the expenditure limitation applicable with respect to such committee under section 9008(d), unless the incurring of such expenses is authorized by the Presidential Election Campaign Fund Board under section 9008(d)(3).".

(4) Section 9012(c) of such Code (relating to unlawful use of payments) is amended by redesignating paragraph (2) as paragraph (3) and by inserting immediately after paragraph (1) the following new paragraph:

"(2) It shall be unlawful for the national committee of a major party or minor party which receives any payment under section 9008(b)(3) to use, or authorize the use of, such payment for any purpose other than a purpose authorized by section 9008(c).".

(5) Section 9012(e)(1) of such Code (relating to kickback and illegal payments) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expense incurred by such committee with respect to a presidential nominating convention.".

(6) Section 912(e)(3) of such Code (relating to kickbacks and illegal payments) is amended by inserting immediately after "their authorized committees" the following: ", or in connection with any expense incurred by the national committee of a major party or minor party with respect to a presidential nominating convention.".

(c) The table of sections for chapter 95 of subtitle H of such Code (relating to the presidential election campaign fund) is amended by striking out the item relating to section 9008 and inserting in lieu thereof the following new item:

"Sec. 9008. Payments for presidential nominating conventions.".

(d) Section 276 of such Code (relating to certain indirect contributions to political

parties) is amended by striking out subsection (c) and by redesignating subsection (d) as subsection (c).

TAX RETURNS BY POLITICAL COMMITTEES

SEC. 407. Section 6012(a) of the Internal Revenue Code fo 1954 (relating to persons required to make returns of income) is amended by adding at the end thereof the following new sentence: "The Secretary or his delegate shall, by regulation, exempt from the requirement of making returns under this section any political committee (as defined in section 301(d) of the Federal Election Campaign Act of 1971) having no gross income for the taxable year.".

PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

SEC. 408. (a) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"SUBTITLE H. Financing of presidential election campaigns.".

(b) The analysis of chapters at the beginning of subtitle H of such Code is amended by adding at the end thereof the following:

"CHAPTER 97. Presidential Primary Matching Payment Account."

(c) Subtitle H of such Code is amended by adding at the end thereof the following new chapter:

"CHAPTER 97—PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

"SEC. 9031. SHORT TILE.

"This chapter may be cited as the 'Presidential Primary Matching Payment Account Act'.

"SEC. 9032. DEFINITIONS.

"For purposes of this chapter—

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, the political committee designated under section 302(f)(1) of the Federal Election Campaign Act of 1971 by the candidate of a political party for President of the United States as his principal campaign committee.

"(2) The term 'candidate' means an individual who seeks nomination for election to be President of the United States. For purposes of this paragraph, an individual shall be considered to seek nomination for election if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

"(3) The term 'Comptroller General' means the Comptroller General of the United States.

"(4) Except as provided by section 9034(a), the term 'contribution'—

"(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made, for the purpose of influencing the result of a primary election,

"(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose,

"(C) means a transfer of funds between political committees, and

"(D) means the payment by any person other than a candidate, or his authorized committee, of compensation for the personal services of another person which are rendered to the candidate or committee without charge, but

"(E) does not include—

"(i) except as provided in subparagraph (D), the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering such service to or for the benefit of the candidate, or

"(ii) payments under section 9037.

"(5) The term 'matching payment account' means the Presidential Primary Matching Payment Account established under section 9037(a).

"(6) The term 'matching payment period' means the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States will be held and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for the office of President of the United States.

"(7) The term 'primary election' means an election, including a runoff election or a nominating convention or caucus held by a political party, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

"(8) The term 'political committee' means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any person for election to the office of President of the United States.

"(9) The term 'qualified campaign expense' means a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value—

"(A) incurred by a candidate, or by his authorized committee, in connection with his campaign for nomination for election, and

"(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid.

For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

"(10) The term 'State' means each State of the United States and the District of Columbia.

"SEC. 9033. ELIGIBILITY FOR PAYMENTS.

"(a) CONDITIONS.—To be eligible to receive payments under section 9037, a candidate shall, in writing—

"(1) agree to obtain and furnish to the Comptroller General any evidence he may request of qualified campaign expenses,

"(2) agree to keep and furnish to the Comptroller General any records, books, and other information he may request, and

"(3) agree to an audit and examination by the Comptroller General under section 9038 and to pay any amounts required to be paid under such section.

"(b) EXPENSE LIMITATION; DECLARATION OF INTENT; MINIMUM CONTRIBUTIONS.—To be eligible to receive payments under section 9037, a candidate shall certify to the Comptroller General that—

"(1) the candidate and his authorized committee will not incur qualified campaign expenses in excess of the limitation on such expenses under section 9035,

"(2) the candidate is seeking nomination by a political party for election to the office of President of the United States,

"(3) the candidate has received contributions which, in the aggregate, exceed $5,000 in contributions from residents of each of at least 20 States, and

"(4) the aggregate of contributions received from any person under paragraph (3) does not exceed $250.

"SEC. 9034. ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS.

"(a) IN GENERAL.—Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such candidate is seeking nomination, or by his authorized committee, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person on or after the beginning of such preceding calendar year exceeds $250. For purposes of this subsection and section 9033(b), the term 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything described in subparagraph (B), (C), or (D) of section 9032(4).

"(b) LIMITATIONS.—The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed 50 percent of the expenditure limitation established by section 608(c)(1)(A) of title 18, United States Code.

"SEC. 9035. QUALIFIED CAMPAIGN EXPENSE LIMITATION.

"No candidate shall knowingly incur qualified campaign expenses in excess of the expenditure limitation established by section 608(c)(1)(A) of title 18, United States Code.

"SEC. 9036. CERTIFICATION BY COMPTROLLER GENERAL.

"(a) INITIAL CERTIFICATIONS.—Not later than 10 days after a candidate establishes his eligibility under section 9033 to receive payments under section 9037, the Comptroller General shall certify to the Secretary for payment to such candidate under section 9037 payment in full of amounts to which such candidate is entitled under section 9034.

"(b) FINALITY OF DETERMINATIONS.—Initial certifications by the Comptroller General under subsection (a), and all determinations made by him under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit by the Comptroller General under section 9038 and judicial review under section 9041.

"SEC. 9037. PAYMENTS TO ELIGIBLE CANDIDATES.

"(a) ESTABLISHMENT OF ACCOUNT.—The Secretary shall maintain in the Presidential Election Campaign Fund established by section 9006(a), in addition to any account which he maintains under such section, a separate account to be known as the Presidential Primary Matching Payment Account. The Secretary shall deposit into the match-

ing payment account, for use by the candidate of any political party who is eligible to receive payments under section 9033, the amount available after the Secretary determines that amounts for payments under section 9006(c) and for payments under section 9007(b)(3) are available for such payments.

"(b) PAYMENTS FROM THE MATCHING PAYMENT ACCOUNT.—Upon receipt of a certification from the Comptroller General under section 9036, but not before the beginning of the matching payment period, the Secretary or his delegate shall promptly transfer the amount certified by the Comptroller General from the matching payment account to the candidate. In making such transfers to candidates of the same political party, the Secretary or his delegate shall seek to achieve an equitable distribution of funds available under subsection (a), and the Secretary or his delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received. Transfers to candidates of the same political party may not exceed an amount which is equal to 45 percent of the total amount available in the matching payment account, and transfers to any candidate may not exceed an amount which is equal to 25 percent of the total amount available in the matching payment account.

"SEC. 9038. EXAMINATIONS AND AUDITS; REPAYMENTS.

"(a) EXAMINATIONS AND AUDITS.—After each matching payment period, the Comptroller General shall conduct a thorough examination and audit of the qualified campaign expenses of every candidate and his authorized committee who received payments under section 9037.

"(b) REPAYMENTS.—

"(1) If the Comptroller General determines that any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount of payments to which such candidate was entitled under section 9034, he shall notify the candidate, and the candidate shall pay to the Secretary or his delegate an amount equal to the amount of excess payments.

"(2) If the Comptroller General determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses, he shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(3) Amounts received by a candidate from the matching payment account may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the matching payment account.

"(c) NOTIFICATION.—No notification shall be made by the Comptroller General under subsection (b) with respect to a matching payment period more than 3 years after the end of such period.

"(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the matching payment account.

"SEC. 9039. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—The Comptroller General shall, as soon as practicable after each matching payment period, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in such detail as the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees,

"(2) the amounts certified by him under section 9036 for payment to each eligible candidate, and

"(3) the amount of payments, if any, required from candidates under section 9038, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) REGULATIONS, ETC.—The Comptroller General is authorized to prescribe rules and regulations in accordance with the provisions of subsection (c), to conduct examinations and audits (in addition to the examinations and audits required by section 9038(a)), to conduct investigations, and to require the keeping and submission of any books, records, and information, which he determines to be necessary to carry out his responsibilities under this chapter.

"(c) REVIEW OF REGULATIONS.—

"(1) The Comptroller General, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such committee does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Comptroller General may prescribe such rule or regulation. The Comptroller General may not prescribe any rule or regulation which is disapproved by either such committee under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.

"SEC. 9040. PARTICIPATION BY COMPTROLLER GENERAL IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCE BY COUNSEL.—The Comptroller General is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in his office or by counsel whom he may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation he may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) RECOVERY OF CERTAIN PAYMENTS.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.

"(c) INJUNCTIVE RELIEF.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for injunctive relief as is appropriate to implement any provision of this chapter.

"(d) APPEAL.—The Comptroller General is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments, or decrees entered with respect to actions in which he appears pursuant to the authority provided in this section.

"SEC. 9041. JUDICIAL REVIEW.

"(a) REVIEW OF AGENCY ACTION BY THE COMPTROLLER GENERAL.—Any agency action by the Comptroller General made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Comptroller General for which review is sought.

"(b) REVIEW PROCEDURES.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Comptroller General.

"SEC. 9042. CRIMINAL PENALTIES.

"(a) EXCESS CAMPAIGN EXPENSES.—Any person who violates the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consent to any expenditure in violation of the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(b) UNLAWFUL USE OF PAYMENTS.—

"(1) It is unlawful for any person who receives any payment under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray qualified campaign expenses, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) FALSE STATEMENTS, ETC.—

"(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Comptroller General under this chapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Comptroller General or an examination and audit by the Comptroller General under this chapter, or

"(B) to fail to furnish to the Comptroller General any records, books, or information requested by him for purposes of this chapter.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d) KICKBACKS AND ILLEGAL PAYMENTS.—

"(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committee, who receives payments under section 9037.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized committee shall pay to the Secretary for deposit in the matching payment account, an amount

equal to 125 percent of the kickback or payment received.".

REVIEW OF REGULATIONS

SEC. 409. (a) Section 9009 of the Internal Revenue Code of 1954 (relating to reports to Congress; regulations) is amended by adding at the end thereof the following new subsection:

"(c) REVIEW OF REGULATIONS.—

"(1) The Comptroller General, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such committee does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement; then the Comptroller General may prescribe such rule or regulation. The Comptroller General may not prescribe any rule or regulation which is disapproved by either such committee under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.".

(b) Section 9009(b) of such Code (relating to regulations, etc.) is amended by inserting "in accordance with the provisions of subsection (c)" immediately after "regulations".

EFFECTIVE DATES

SEC. 410. (a) Except as provided by subsection (b), the foregoing provisions of this Act shall become effective 30 days after the date of the enactment of this Act.

(b) (1) The amendments made by sections 403, 404, 405, 406, 408, and 409 shall apply with respect to taxable years beginning after December 31, 1973.

(2) The amendment made by section 407 shall apply with respect to taxable years beginning after December 31, 1971.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal compaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 16090) was laid on the table.

GENERAL LEAVE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revive and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Mark, one of his secretaries, who also informed the House that on August 7, 1974, the President approved and signed a bill of the House of the following title:

H.R. 8217. An act to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971, and for other purposes.

PRESS ABSENT DURING DEBATE ON ELECTION REFORM

(Mr. HAYS asked and was given permission to address the House for 1 minute.)

Mr. HAYS. Mr. Speaker, I just think it is worthy to note in the RECORD that when this bill was passed, there were more than 400 Members on the floor of the House and nobody was in the press gallery, after all the nasty things that the press has been saying about me in particular, the committee in general, and the Members of the House for not having passed campaign reform before this.

APPOINTMENT OF CONFEREES ON S. 3698, TO AMEND THE ATOMIC ENERGY ACT OF 1954

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3698) to enable Congress to concur in or disapprove certain international agreements for peaceful cooperation, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois? The Chair hears none and appoints the following conferees: Messrs. PRICE of Illinois, HOLIFIELD, MCCORMACK, HOSMER, and HANSEN of Idaho.

ADJOURNMENT TO 11 A.M. FRIDAY, AUGUST 9, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a.m., on tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEPARTMENT OF AGRICULTURE, ENVIRONMENTAL PROTECTION AGENCY AND CERTAIN RELATED AGENCIES APPROPRIATIONS, 1975—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-331)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

The pressing need to control inflation compels me today to return to the Congress without my approval H.R. 15472, an appropriations bill for the Department of Agriculture, the Environmental Protection Agency and certain related agencies and programs.

Two weeks ago, I vowed to the American people that any appropriations bill substantially above my budget for fiscal year 1975 would be vetoed because it would otherwise contribute to inflationary forces in the economy. This legislation exceeds my budgetary recommendations by such a large amount—some $540 million—that it presents a clear and distinct threat to our fight against inflation and cannot be accepted.

Under this legislation, outlays for fiscal year 1975 would exceed our recommendations by $150 million in fiscal year 1975, $300 million in fiscal year 1976, and by additional amounts in fiscal year 1977. Water and sewer grants for the Department of Agriculture would be authorized at a level of about $345 million, a level more than eight times higher than any level in the past. Funding for agricultural conservation programs would be more than doubled, completely reversing recent efforts of this Administration to reform these programs. Furthermore, this bill would increase certain loan programs operated by the Department of Agriculture by $400 million more than we recommended, an increase which would further strain already over-stressed credit markets and would add to inflationary pressures.

I also oppose a provision in this bill transferring from the Department of Housing and Urban Development to EPA a $175 million program to clean up the Great Lakes. The feasibility of this cleanup program has not yet been proven. Further study is essential if we are to avoid ineffective Federal spending for these purposes.

My original budget recommendations to the Congress laid out program priorities as we see them in the executive branch. While differences have frequently existed between the Congress and the executive branch on priorities for particular programs, I firmly believe that our current fiscal situation demands national unanimity on the issues of a larger concern: namely, that we agree to enact appropriation bills which do not fuel the fires of inflation through excessive spending.

I would welcome Congressional reconsideration of this bill and the program priorities contained therein so that a more acceptable bill can be enacted. In keeping Federal spending under control, we do not intend, of course, to single out only farm or environmental programs. Indeed, I would hope that in considering all future appropriation measures, the Congress will assiduously avoid enacting measures which pose inflationary problems similar to the bill I am returning today.

RICHARD NIXON.

THE WHITE HOUSE, *August 8, 1974.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and the message and bill will be printed as a House document.

POSTPONING CONSIDERATION OF VETO MESSAGE UNTIL THURSDAY, AUGUST 22, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that further proceedings on the President's message be put over until Thursday, August 22, 1974.

The SPEAKER pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object—and I shall not object—did the gentleman say that there were two bills tomorrow, or are there three bills?

Mr. O'NEILL. No, there will be two bills tomorrow.

Mr. GROSS. There will be only two bills tomorrow?

Mr. O'NEILL. Only two bills on the program, yes. They are the two bills I mentioned. The third bill that would have been on the calendar is put over until next Wednesday.

Mr. GROSS. I thank the gentleman.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, with regard to the request I have made, may I say that I am making this unanimous-consent request at the request of the chairman of the Subcommittee on Appropriations for Agriculture. This has been agreed to by his counterpart on the committee, the minority leadership on the other side of the aisle.

Mr. GROSS. Mr. Speaker, does the gentleman have any idea when this veto message will come up?

Mr. O'NEILL. They have asked, and I am doing this, as I say, at the request of the leadership on the gentleman's side of the aisle. The chairman of the Subcommittee on Appropriations on Agriculture and his counterpart want to have an opportunity to study the whole matter. They asked for the date of Thursday, August 22. Whether it will come up at that time, or be further postponed, or whether it will be recommitted to the committee I have no knowledge at this time.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONFERENCE REPORT ON H.R. 15405, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1975

Mr. O'NEILL (on behalf of Mr. McFALL) filed the following conference report and statement on the bill (H.R. 15405) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 93-1270)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15405) "making appropriations for the Department of Transportation and Related Agencies for the fiscal year ending June 30, 1975, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 5, 10, 11, 12, and 34.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 19, 21, 22, 31, 33, and 35, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$618,144,448"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,375,500,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,250,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$60,000,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,700,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$129,200,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$30,600,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$11,000,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,575,840,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$73,445,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$29,130,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$34,800,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,250,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$45,000,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,445,250,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 8, 16, 18, 26, 28, 29, and 30.

JOHN J. McFALL,
SIDNEY YATES,
TOM STEED,
JULIA BUTLER HANSEN,
EDWARD P. BOLAND,
GEORGE MAHON,
SILVIO O. CONTE,
(except I do not agree with positions of conferees on amendments 20 and 30).
WILLIAM MINSHALL,
JACK EDWARDS,
(except I do not agree with positions of conferees on amendments 36, 30 and 29).
E. A. CEDERBERG,
Managers on the Part of the House.

ROBERT C. BYRD,
JOHN McCLELLAN,
WARREN MAGNUSON,
JOHN O. PASTORE,
ALAN BIBLE,
MIKE MANSFIELD,
THOMAS F. EAGLETON,
CLIFFORD P. CASE,
MILTON R. YOUNG,
NORRIS COTTON,
TED STEVENS,
CHARLES McC. MATHIAS, Jr.,
RICHARD SCHWEIKER,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15405) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Amendment No. 1: Appropriates $31,000,000 for salaries and expenses as proposed by the Senate instead of $31,300,000 as proposed by the House.

Under the conference agreement, 42 new positions are provided.

The conferees direct the Department to seek specific separate legislation before the end of this fiscal year to clarify the functions, powers, and duties of the Transportation Systems Acquisition Review Council.

Amendment No. 2: Appropriates $28,000,000 for transportation planning, research, and

REPORT OF COMMITTEE OF CONFERENCE

93D CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } { No. 93-1438

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

OCTOBER 7, 1974.—Ordered to be printed

Mr. HAYS, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 3044]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the Senate bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

TITLE I—CRIMINAL CODE AMENDMENTS

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 101. (a) Section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) (1) Except as otherwise provided by paragraphs (2) and (3), no person shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $1,000.

"(2) No political committee (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $5,000.

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Contributions by the national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States shall not exceed the limitation imposed by the preceding sentence with respect to any other candidate for Federal office. For purposes of this paragraph, the term 'political committee' means an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 for a period of not less than 6 months which has received contributions from more than 50 persons and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

"(3) No individual shall make contributions aggregating more than $25,000 in any calendar year. For purposes of this paragraph, any contribution made in a year other than the calendar year in which the election is held with respect to which such contribution was made, is considered to be made during the calendar year in which such election is held.

"(4) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate, in writing, to accept contributions on his behalf shall be considered to be contributions made to such candidate; and

"(B) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(5) The limitations imposed by paragraphs (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

"(6) For purposes of the limitations imposed by this section all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.

"(c) (1) No candidate shall make expenditures in excess of—

"(A) $10,000,000, in the case of a candidate for nomination for election to the office of President of the United States, except that the aggregate of expenditures under this subparagraph in any one State shall not exceed twice the expenditure limitation applicable in such State to a candidate for nomination for election to the office of Senator, Delegate, or Resident Commissioner, as the case may be;

"(B) $20,000,000, in the case of a candidate for election to the office of President of the United States;

"(C) in the case of any campaign for nomination for election by a candidate for the office of Senator or by a candidate for the office

of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 8 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) $100,000;

"(D) in the case of any campaign for election by a candidate for the office of Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 12 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) $150,000;

"(E) $70,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Representative in any other State, Delegate from the District of Columbia, or Resident Commissioner; or

"(F) $15,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Delegate from Guam or the Virgin Islands.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States; and

"(B) an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(i) an authorized committee or any other agent of the candidate for the purposes of making any expenditure; or

"(ii) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure.

"(3) The limitations imposed by subparagraphs (C), (D), (E), and (F) of paragraph (1) of this subsection shall apply separately with respect to each election.

"(4) The Commission shall prescribe rules under which any expenditure by a candidate for Presidential nomination for use in 2 or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(d)(1) At the beginning of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (c) and subsection (f) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1974.

"(e)(1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate within the meaning of subsection (c)(2)(B)) relative to a clearly identified candidate during a calender year which, when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds $1,000.

"(2) For purposes of paragraph (1)—

"(A) 'clearly identified' means—

"(i) the candidate's name appears;

"(ii) a photograph or drawing of the candidate appears; or

"(iii) the identity of the candidate is apparent by unambiguous reference; and

"(B) 'expenditure' does not include any payment made or incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610, would not constitute an expenditure by such corporation or labor organization.

"(f)(1) Notwithstanding any other provision of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committee of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in paragraphs (2) and (3) of this subsection.

"(2) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President of the United States who is affiliated with such party which exceeds an amount equal to 2 cents multiplied by the voting age population of the United States (as certified under subsection (g)). Any expenditure under this paragraph shall be in addition to any expenditure by a national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States.

"(3) The national committee of a political party, or a State committee of a political party, including any subordinate committee of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with such party which exceeds—

"(A) in the case of a candidate for election to the office of Senator, or of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 2 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) $20,000; and

"(B) in the case of a candidate for election to the office of Representative, Delegate, or Resident Commissioner in any other State, $10,000.

"(g) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, 18 years of age or older.

"(h) No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section. No officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate, or knowingly make any expenditure on behalf of a candidate, in violation of any limitation imposed on contributions and expenditures under this section.

"(i) Any person who violates any provision of this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.".

(b)(1) Section 608(a)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, is amended to read as follows:

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaigns during any calendar year for nomination for election, or for election, to Federal office in excess of, in the aggregate—

"(A) $50,000, in the case of a candidate for the office of President or Vice President of the United States;

"(B) $35,000, in the case of a candidate for the office of Senator or for the office of Representative from a State which is entitled to only one Representative; or

"(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner, in any other State. For purposes of this paragraph, any expenditure made in a year other than the calendar year in which the election is held with respect to which such expenditure was made, is considered to be made during the calendar year in which such election is held.".

(2) Such section 608(a) is amended by adding at the end thereof the following new paragraphs:

"(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or for election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

"(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid.".

(c)(1) Notwithstanding section 608(a)(1) of title 18, United States Code, relating to limitations on expenditures from personal funds, any individual may satisfy or discharge, out of his personal funds or the personal funds of his immediate family, any debt or obligation which is outstanding on the date of the enactment of this Act and which was

incurred by him or on his behalf by any political committee in connection with any campaign ending before the close of December 31, 1972, for election to Federal office.

(2) For purposes of this subsection—

(A) the terms "election", "Federal office", and "political committee" have the meanings given them by section 591 of title 18, United States Code; and

(B) the term "immediate family" has the meaning given it by section 608(a)(2) of title 18, United States Code.

(d)(1) The first paragraph of section 613 of title 18, United States Code, relating to contributions by certain foreign agents, is amended—

(A) by striking out "an agent of a foreign principal" and inserting in lieu thereof "a foreign national"; and

(B) by striking out ", either for or on behalf of such foreign principal or otherwise in his capacity as agent of such foreign principal,".

(2) The second paragraph of such section 613 is amended by striking out "agent of a foreign principal or from such foreign principal" and inserting in lieu thereof "foreign national".

(3) The fourth paragraph of such section 613 is amended to read as follows:

"As used in this section, the term 'foreign national' means—

"(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term 'foreign national' shall not include any individual who is a citizen of the United States; or

"(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).".

(4)(A) The heading of such section 613 is amended by striking out ***"agents of foreign principals"*** *and inserting in lieu thereof* ***"foreign nationals".***

(B) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 613 and inserting in lieu thereof the following:

"613. Contributions by foreign nationals.".

(e)(1) The second paragraph of section 610 of title 18, United States Code, relating to penalties for violating prohibitions against contributions or expenditures by national banks, corporations, or labor organizations, is amended—

(A) by striking out "$5,000" and inserting in lieu thereof "$25,000"; and

(B) by striking out "$10,000" and inserting in lieu thereof "$50,000".

(2) Section 611 of title 18, United States Code (as amended by section 103 of this Act), relating to contributions by firms or individuals contracting with the United States, is amended in the first paragraph thereof by striking out "$5,000" and inserting in lieu thereof "$25,000".

(3) The third paragraph of section 613 of title 18, United States Code (as amended by subsection (d) of this section), relating to con-

tributions by foreign nationals, is amended by striking out "$5,000" and inserting in lieu thereof "$25,000".

(f) (1) Chapter 29 of title 18, United States Code, relating to elections and political activities, is amended by adding at the end thereof the following new sections:

"§ 614. Prohibition of contributions in name of another

"(a) No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 615. Limitation on contributions of currency

"(a) No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or for election, to Federal office.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 616. Acceptance of excessive honorariums

"Whoever, while an elected or appointed officer or employee of any branch of the Federal Government—

"(1) accepts any honorarium of more than $1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or

"(2) accepts honorariums (not prohibited by paragraph (1) of this section) aggregating more than $15,000 in any calendar year;

shall be fined not less than $1,000 nor more than $5,000.

"§ 617. Fraudulent misrepresentation of campaign authority

"Whoever, being a candidate for Federal office or an employee or agent of such a candidate—

"(1) fraudulently misrepresents himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

"(2) willfully and knowingly participates in or conspires to participate in any plan, scheme, or design to violate paragraph (1);

shall, for each such offense, be fined not more than $25,000 or imprisoned not more than one year, or both.".

(2) Section 591 of title 18, United States Code, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"Except as otherwise specifically provided, when used in this section and in sections 597, 599, 600, 602, 608, 610, 611, 614, 615, and 617 of this title—".

(3) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"614. Prohibition of contributions in name of another.
"615. Limitation on contributions of currency.
"616. Acceptance of excessive honorariums.
"617. Fraudulent misrepresentation of campaign authority.".

(4) Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 310, relating to prohibition of contributions in the name of another.

CHANGES IN CRIMINAL CODE DEFINITIONS

SEC. 102. (a) Paragraph (a) of section 591 of title 18, United States Code, relating to the definition of election, is amended—

(1) by inserting "or" before "(4)"; and

(2) by striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States".

(b) Paragraph (2) of such section 591 relating to the definition of political committee, is amended to read as follows:

"(d) 'political committee' means any committee, club, association, or other groups of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;".

(c) Paragraph (e) of such section 591 relating to the definition of contribution, is amended to read as follows:

"(e) 'contribution'—

"(1) means a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business, which shall be considered a loan by each endorser or guarantor, in that proportion of the unpaid balance thereof that each endorser or guarantor bears to the total number of endorsers or guarantors), made for the purpose of influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

"(3) means funds received by a political committee which are transferred to such committee from another political committee or other source;

"(4) means the payment, by any person other than a candidate or a political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; but

"(5) *does not include*—

"(A) *the value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;*

"(B) *the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities;*

"(C) *the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor;*

"(D) *any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate, or*

"(E) *the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising;*

to the extent that the cumulative value of activities by any person on behalf of any candidate under each of clauses (B), (C), and (D) does not exceed $500 with respect to any election;".

(d) Paragraph (f) of such section 591, relating to the definition of expenditure, is amended to read as follows:

"(f) 'expenditure'—

"(1) *means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President of the United States;*

"(2) *means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; and*

"(3) *means the transfer of funds by a political committee to another political committee; but*

"(4) *does not include*—

"(*A*) *any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;*

"(*B*) *nonpartisan activity designed to encourage individuals to register to vote or to vote;*

"(*C*) *any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office,*

"(*D*) *the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities;*

"(*E*) *any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate;*

"(*F*) *any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office;*

"(*G*) *the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising;*

"(*H*) *any costs incurred by a candidate in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate in excess of an amount equal to 20 percent of the expenditure limitation applicable to such candidate under section 608(c) of this title; or*

"(*I*) *any costs incurred by a political committee (as such term is defined by section 608(b)(2) of this title) with respect to the solicitation of contributions to such political committee or to any general political fund controlled by such political committee, except that this clause shall not apply to exempt costs incurred with respect to the solicitation of contributions to any such political committee made through broadcasting stations, newspapers, magazines, outdoor advertising facilities, and*

other similar types of general public political advertising;

to the extent that the cumulative value of activities by any individual on behalf of any candidate under each of clauses (D) or (E) does not exceed $500 with respect to any election;".

(e) Section 591 of title 18, United States Code, relating to definitions, is amended—

(1) by striking out "and" at the end of paragraph (g);

(2) by striking out the period at the end of paragraph (h) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(i) 'political party' means any association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of such association, committee, or organization;

"(j) 'State committee' means the organization which by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the State level, as determined by the Federal Election Commission;

"(k) 'national committee' means the organization which, by virtue of the bylaws of the political party, is responsible for the day-to-day operation of such political party at the national level, as determined by the Federal Election Commission established under section 310(a) of the Federal Election Campaign Act of 1971; and

"(l) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 302(f)(1) of the Federal Election Campaign Act of 1971.".

POLITICAL FUNDS OF CORPORATIONS OR LABOR ORGANIZATIONS

SEC. 103. Section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, is amended by adding at the end thereof the following new paragraphs:

"This section does not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 610 of this title prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund.

"For purposes of this section, the term 'labor organization' has the meaning given it by section 610 of this title.".

EFFECT ON STATE LAW

SEC. 104. (a) The provisions of chapter 29 of title 18, United States Code, relating to elections and political activities, supersede and preempt any provision of State law with respect to election to Federal office.

(b) For purposes of this section, the terms "election", "Federal office", and "State" have the meanings given them by section 591 of title 18, United States Code.

TITLE II—AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971

CHANGES IN DEFINITIONS FOR REPORTING AND DISCLOSURE

SEC 201. (a) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended—

(1) by inserting "and title IV of this Act" after "title";

(2) by striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" in paragraph (a), and by inserting "and" before "(4)" in such paragraph;

(3) by amending paragraph (d) to read as follows:

"(d) 'political committee' means any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;";

(4) by amending paragraph (e) to read as follows:

"(e) 'contribution'—

"(1) means a gift, subscription, loan, advance, or deposit of money or anything of value made for the purpose of—

"(A) influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party, or

"(B) influencing the result of an election held for the expression of a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, expressed or implied, whether or not legally enforceable, to make a contribution for such purposes;

"(3) means funds received by a political committee which are transferred to such committee from another political committee or other source;

"(4) means the payment, by any person other than a candidate or a political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; but

"(5) does not include—

"(A) the value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;

"(B) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities;

"(C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a

candidate's campaign is at least equal to the cost of such food or beverage to the vendor;

"*(D) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate;*

"*(E) the payment by a State or local committee of a political party of the costs of preparation, display, mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising; or*

"*(F) any payment made or obligation incurred by a corporation or a labor organization whcih, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization;*

to the extent that the cumulative value of activities by any individual on behalf of any candidate under each of clauses (B), (C), and (D) does not exceed $500 with respect to any election;";

(5) by striking out paragraph (f) and inserting in lieu thereof the following:

"*(f) 'expenditure'—*

"*(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—*

"*(A) influencing the nomination for election, or the election, of any person to Federal office of presidential and vice-presidential elector; or*

"*(B) influencing the results of a primary election held for the section of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President of the United States;*

"*(2) means a contract, promise, or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure;*

"*(3) means the transfer of funds by a political committee to another political committee; but*

"*(4) does not include—*

"*(A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate,*

"*(B) nonpartisan activity designed to encourage individuals to register to vote or to vote,*

"(C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office;

"(D) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities if the cumulative value of such activities by such individual on behalf of any candidate do not exceed $500 with respect to any election;

"(E) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate if the cumulative amount for such individual incurred with respect to such candidate does not exceed $500 with respect to any election;

"(F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office; or

"(G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held, in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising; or

"(H) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization;";

(6) by striking "and" at the end of paragraph (h);

(7) by striking the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(8) by adding at the end thereof the following new paragraphs:

"(j) 'identification' means—

"(1) in the case of an individual, his full name and the full address of his principal place of residence; and

"(2) in the case of any other person, the full name and address of such person;

"(k) 'national committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the national level, as determined by the Commission;

"(l) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the State level, as determined by the Commission;

"(m) 'political party' means an association, committee, or organization which nominates a candidate for election to any Federal office, whose name appears on the election ballot as the candidate of such association, committee, or organization; and

"(n) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 302(f)(1).".

(b)(1) Section 401 of the Federal Election Campaign Act of 1971, relating to extension of credit by regulated industries, is amended by striking out "Aas such term is defined in section 301(c) of the Federal Election Campaign Act of 1971)".

(2) Section 402 of the Federal Election Campaign Act of 1971, relating to prohibition against use of certain Federal funds for election activities, is amended by striking out the last sentence.

ORGANIZATION OF POLITICAL COMMITTEE; PRINCIPAL CAMPAIGN COMMITTEE

SEC. 202 (a)(1) Section 302(b) of the Federal Election Campaign Act of 1971, relating to reports of contributions in excess of $10, is amended by striking out ". the name and address Aoccupation and principal place of business, if any)" and inserting in lieu thereof "of the contribution and the identification".

(2) Section 302(c) of such Act, relating to detailed accounts, is amended by striking out "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (2) and (4) and inserting in lieu thereof in each such paragraph "identification".

(3) Section 302(c) of such Act is further amended by striking out the semicolon at the end of paragraph (2) and inserting in lieu thereof "and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any);".

(b) Section 302(f) of such Act is amended to read as follows:

"(f)(1) Each individual who is a candidate for Federal office (other than the office of Vice President of the United States) shall designate a political committee to serve as his principal campaign committee. No political committee may be designated as the principal campaign committee of more than one candidate, except that the candidate for the office of President of the United States nominated by a political party may designate the national committee of such political party as his principal campaign committee. Except as provided in the preceding sentence, no political committee which supports more than one candidate may be designated as a principal campaign committee.

"(2) Notwithstanding any other provision of this title, each report or statement of contributions received or expenditures made by a political committee (other than a principal campaign committee) which is required to be filed with the Commission under this title shall be filed instead with the principal campaign committee for the candidate on whose behalf such contributions are accepted or such expenditures are made.

"(3) It shall be the duty of each principal campaign committee to receive all reports and statements required to be filed with it under paragraph (2) of this subsection and to compile and file such reports and statements, together with its own reports and statements, with the Commission in accordance with the provisions of this title."

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 203. Section 303 of the Federal Election Campaign Act of 1971, relating to registration of political committees and statements, is amended by adding at the end thereof the following new subsection:

"(e) In the case of a political committee which is not a principal campaign committee, reports and notifications required under this section to be filed with the Commission shall be filed instead with the appropriate principal campaign committee.".

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 204. (a) Section 304(a) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended—

(1) by striking out the second and third sentences and inserting in lieu thereof the following:

"The reports referred to in the preceding sentence shall be filed as follows:

"(A)(i) In any calendar year in which an individual is a candidate for Federal office and an election for such Federal office is held in such year, such reports shall be filed not later than the tenth day before the date on which such election is held and shall be complete as of the fifteenth day before the date of such election; except that any such report filed by registered or certified mail must be postmarked not later than the close of the twelfth day before the date of such election.

"(ii) Such reports shall be filed not later than the thirtieth day after the date of such election and shall be complete as of the twentieth day after the date of such election.

"(B) In any other calendar year in which an individual is a candidate for Federal office, such reports shall be filed after December 31 of such calendar year, but not later than January 31 of the following calendar year and shall be complete as of the close of the calendar year with respect to which the report is filed

"(C) Such reports shall be filed not later than the tenth day following the close of any calendar quarter in which the candidate or political committee concerned received contributions in excess of $1,000, or made expenditures in excess of $1,000, and shall be complete as of the close of such calendar quarter; except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.

"(D) When the last day for filing any quarterly report required by subparagraph (C) occurs within 10 days of an election, the filing of such quarterly report shall be waived and superseded by the report required by subparagraph (A)(i).

Any contribution of $1,000 or more received after the fifteenth day, but more than 48 hours, before any election shall be reported within 48 hours after its receipt."; and

(2) by striking out "Each" at the beginning of the first sentence of such section 304(a) and inserting in lieu thereof "(1) Except as provided by paragraph (2), each", and by adding at the end thereof the following new paragraphs:

"(2) Each treasurer of a political committee which is not a principal campaign committee shall file the reports required under this section with the appropriate principal campaign committee.

"(3) Upon a request made by a presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates set forth in paragraph (1) (other than the reporting date set forth in paragraph (1)(B)), and require instead that such candidate or political committee file reports not less frequently than monthly. The Commission may not require a presidential candidate or a political committee operating in more than one State to file more than 12 reports (not counting any report referred to in paragraph (1)(B)) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, such candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

(b)(1) Section 304(b)(5) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out "lender and endorsers" and inserting in lieu thereof "lender, endorsers, and guarantors".

(2) Section 304(b)(8) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total receipts less transfers between political committees which support the same candidate and which do not support more than one candidate".

(3) Section 304(b) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (9) and (10) and inserting in lieu thereof in each such paragraph "identification".

(4) Section 304(b)(11) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total expenditures less transfers between political committees which support the same candidate and which do not support more than one candidate".

(5) Section 304(b)(12) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon a comma and the following: ", together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefor".

(c) Such section 304 is amended by adding at the end thereof the following new subsections:

"(d) This section does not require a Member of the Congress to report as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him by the Senate Recording Studio, the House Recording Studio, or by an individual whose pay is disbursed by the Secretary of the Senate or the

Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee. This subsection does not apply to such recording services furnished during the calendar year before the year in which the Member's term expires.

"(e) Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by this section. Statements required by this subsection shall be filed on the dates on which reports by political committees are filed but need not be cumulative.".

(d) The heading for such section 304 is amended to read as follows:

"REPORTS".

(e) Notwithstanding the amendment to section 304 of the Federal Election Campaign Act of 1971, relating to the time for filing reports, made by the foregoing provisions of this section, nothing in this Act shall be construed to waive the report required to be filed by the thirty-first day of January of 1975 under the provisions of such section 304, as in effect on the date of the enactment of this Act.

CAMPAIGN ADVERTISEMENTS

SEC. 205. (a) Section 305 of the Federal Election Campaign Act of 1971, relating to reports by others than political committees, is amended to read as follows:

"REQUIREMENTS RELATING TO CAMPAIGN ADVERTISING

"SEC. 305. (a) No person who sells space in a newspaper or magazine to a candidate, or to the agent of a candidate, for use in connection with such candidate's campaign, may charge any amount for such space which exceeds the amount charged for comparable use of such space for other purposes.

"(b) Each political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"'A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.'".

(b) Title I of the Federal Election Campaign Act of 1971 is repealed.

WAIVER OF REPORTING REQUIREMENTS

SEC. 206. Section 306(b) of the Federal Election Campaign Act of 1971 (as so redesignated by section 207 of this Act), relating to formal requirements respecting reports and statements, is amended to read as follows:

"(b) The Commission may, by a rule of general applicability which is published in the Federal Register not less than 30 days before its effective date, relieve—

"(1) any category of candidates of the obligation to comply personally with the reporting requirements of section 304, if it determines that such action is consistent with the purposes of this Act; and

"(2) any category of political committees of the obligation to comply with the reporting requirements of such section if such committees—

"(A) primarily support persons seeking State or local office; and

"(B) do not operate in more than one State or do not operate on a statewide basis.".

FORMAL REQUIREMENTS FOR REPORTS AND STATEMENTS

SEC. 207. Section 306 of the Federal Election Campaign Act of 1971, relating to formal requirements respecting reports and statements, is amended by striking out subsection (a); by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c), respectively; and by adding at the end thereof the following new subsection:

"(d) If a report or statement required by section 303, 304(a)(1)(A)(ii), 304(a)(1)(B), 304(a)(1)(C), or 304(e) of this title to be filed by a treasurer of a political committee or by a candidate or by any other person, is delivered by registered or certified mail, to the Commission or principal campaign committee with which it is required to be filed, the United States postmark stamped on the cover of the envelope or other container in which such report or statement is so mailed shall be deemed to be the date of filing.".

REPORTS BY CERTAIN ORGANIZATIONS; FEDERAL ELECTION COMMISSION; CAMPAIGN DEPOSITORIES

SEC. 208. (a) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by redesignating sections 308 and 309 as sections 316 and 317, respectively; by redesignating section 311 as section 321; and by inserting immediately after section 307 the following new sections:

"REPORTS BY CERTAIN PERSONS

"SEC. 308. Any person (other than an individual) who expends any funds or commits any act directed to the public for the purpose of influencing the outcome of an election, or who publishes or broadcasts to the public any material referring to a candidate (by name, description, or other reference) advocating the election or defeat of such candidate, setting forth the candidate's position on any public issue, his voting record, or other official acts (in the case of a candidate who holds or has held Federal office), or otherwise designed to influence individuals to cast their votes for or against such candidate or to withhold their votes from such candidate shall file reports with the Commission as if such person were a political committee. The reports filed by such person shall set forth the source of the funds used in carrying out any activity described in the preceding sentence in the same detail as if the funds were contributions within the meaning of section 301(e), and payments of such funds in the same

detail as if they were expenditures within the meaning of section 301 (f). The provisions of this section do not apply to any publication or broadcast of the United States Government or to any news story, commentary, or editorial distributed through the facilities of a broadcasting station or a bona fide newspaper, magazine, or other periodical publication. A news story, commentary, or editorial is not considered to be distributed through a bona fide newspaper, magazine, or other periodical publication if—

"(1) such publication is primarily for distribution to individuals affiliated by membership or stock ownership with the person (other than an individual) distributing it or causing it to be distributed, and not primarily for purchase by the public at newsstands or by paid subscription; or

"(2) the news story, commentary, or editorial is distributed by a person (other than an individual) who devotes a substantial part of his activities to attempting to influence the outcome of elections, or to influence public opinion with respect to matters of national or State policy or concern.

"CAMPAIGN DEPOSITORIES

"Sec. 309. (a)(1) Each candidate shall designate one or more national or State banks as his campaign depositories. The principal campaign committee of such candidate, and any other political committee authorized by him to receive contributions or to make expenditures on his behalf, shall maintain a checking account at a depository designated by the candidate and shall deposit any contributions received by such committee into such account. A candidate shall deposit any payment received by him under chapter 95 or chapter 97 of the Internal Revenue Code of 1954 in the account maintained by his principal campaign committee. No expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on such account, other than petty cash expenditures as provided in subsection (b).

"(2) The treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or to make expenditures on his behalf) shall designate one or more national or State banks as campaign depositories of such committee, and shall maintain a checking account for the committee at each such depository. All contributions received by such committee shall be deposited in such accounts. No expenditure may be made by such committee except by check drawn on such accounts, other than petty cash expenditures as provided in subsection (b).

"(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $100 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission, and such statements and reports thereof shall be furnished to the Commission as it may require.

"(c) A candidate for nomination for election, or for election, to the office of President of the United States may establish one such depository for such State by this principal campaign committee and any other political committee authorized by him to receive contributions

or to make expenditures on his behalf in such State, under rules prescribed by the Commission. The campaign depository of the candidate of a political party for election to the office of Vice President of the United States shall be the campaign depository designated by the candidate of such party for election to the office of President of the United States.

"FEDERAL ELECTION COMMISSION

"SEC. 310.(a)(1) There is established a commission to be known as the Federal Election Commission. The Commission is composed of the Secretary of the Senate and the Clerk of the House of Representatives, ex officio and without the right to vote, and 6 members appointed as follows:

"(A) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the President pro tempore of Senate upon the recommendations of the majority leader of the Senate and the minority leader of the Senate;

"(B) 2 shall be appointed, with the confirmation of a majority of both Houses of Congress, by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House; and

"(C) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the President of the United States.

A member appointed under subparagraph (A), (B), or (C) shall not be affiliated with the same political party as the other member appointed under such paragraph.

"(2) Members of the Commission shall serve for terms of 6 years, except that of the members first appointed—

"(A) one of the members appointed under paragraph (1)(A) shall be appointed for a term ending on the April 30 first occurring more than 6 months after the date on which he is appointed;

"(B) one of the members appointed under paragraph (1)(B) shall be appointed for a term ending 1 year after the April 30 on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (1)(C) shall be appointed for a term ending 2 years thereafter;

"(D) one of the members appointed under paragraph (1)(A) shall be appointed for a term ending 3 years thereafter;

"(E) one of the members appointed under paragraph (1)(B) shall be appointed for a term ending 4 years thereafter; and

"(F) one of the members appointed under paragraph (1)(C) shall be appointed for a term ending 5 years thereafter.

An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the membership of the Commission shall be filled in the same manner as in the case of the original appointment.

"(3) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment and shall be chosen from among individuals who, at the time of their appointment, are not elected or appointed officers or employees in the executive, legislative, or judicial branch of the Government of the United States.

"(4) *Members of the Commission (other than the Secretary of the Senate and the Clerk of the House of Representatives) shall receive compensation equivalent to the compensation paid at level IV of the Executive Schedule (5 U.S.C. 5315.)*

"(5) *The Commission shall elect a chairman and a vice chairman from among its members (other than the Secretary of the Senate and the Clerk of the House of Representatives) for a term of one year. No member may serve as chairman more often than once during any term of office to which he is appointed. The chairman and the vice chairman shall not be affiliated with the same political party. The vice chairman shall act as chairman in the absence or disability of the chairman, or in the event of a vacancy in such office.*

"(b) *The Commission shall administer, seek to obtain compliance with, and formulate policy with respect to this Act and sections 608, 610, 611, 613, 614, 615, 616, and 617 of title 18, United States Code. The Commission has primary jurisdiction with respect to the civil enforcement of such provisions.*

"(c) *All decisions of the Commission with respect to the exercise of its duties and powers under the provisions of this title shall be made by a majority vote of the members of the Commission. A member of the Commission may not delegate to any person his vote or any decisionmaking authority or duty vested in the Commission by the provisions of this title.*

"(d) *The Commission shall meet at least once each month and also at the call of any member.*

"(e) *The Commission shall prepare written rules for the conduct of its activities, shall have an official seal which shall be judicially noticed, and shall have its principal office in or near the District of Columbia (but it may meet or exercise any of its powers anywhere in the United States).*

"(f)(1) *The Commission shall have a staff director and a general counsel who shall be appointed by the Commission. The staff director shall be paid at a rate not to exceed the rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315). The general counsel shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316). With the approval of the Commission, the staff director may appoint and fix the pay of such additional personnel as he considers desirable.*

"(2) *With the approval of the Commission, the staff director may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS–15 of the General Schedule (5 U.S.C. 5332).*

"(3) *In carrying out its responsibilities under this Act, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of other agencies and departments of the United States Government. The heads of such agencies and departments may make available to the Commission such person-*

nel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"POWERS OF COMMISSION

"SEC. 311. (a) *The Commission has the power—*

"(1) *to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such a reasonable period of time and under oath or otherwise as the Commission may determine;*

"(2) *to administer oaths or affirmations;*

"(3) *to require by subpena, signed by the chairman or the vice chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;*

"(4) *in any proceeding or investigation, to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;*

"(5) *to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;*

"(6) *to initiate (through civil proceedings for injunctive, declaratory, or other appropriate relief), defend, or appeal any civil action in the name of the Commission for the purpose of enforcing the provisions of this Act, through its general counsel;*

"(7) *to render advisory opinions under section 313;*

"(8) *to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act;*

(9) *to formulate general policy with respect to the administration of this Act and sections 608, 610, 611, 613, 614, 615, 616, and 617 of title 18, United States Code;*

"(10) *to develop prescribed forms under section 311(a)(1); and*

"(11) *to conduct investigations and hearings expeditiously, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities.*

"(b) *Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.*

"(c) *No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.*

"(d)(1) *Whenever the Commission submits any budget estimate or request to the President of the United States or the Office of Man-*

agement and Budget, it shall concurrently transmit a copy of such estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation, requested by the Congress or by any Member of the Congress, to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"REPORTS

"SEC. 312. The Commission shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Commission in carrying out its duties under this title, together with recommendations for such legislative or other action as the Commission considers appropriate.

"ADVISORY OPINIONS

"SEC. 313. (a) Upon written request to the Commission by any individual holding Federal office, any candidate for Federal office, or any political committee, the Commission shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of this Act, of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code.

"(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings of such advisory opinion shall be presumed to be in compliance with the provision of this Act, of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, with respect to which such advisory opinion is rendered.

"(c) Any request made under subsection (a) shall be made public by the Commission. The Commission shall, before rendering an advisory opinion with respect to such request, provide any interested party with an opportunity to transmit written comments to the Commission with respect to such request.

"ENFORCEMENT

"SEC 314. (a)(1)(A) Any person who believes a violation of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, has occurred may file a complaint with the Commission.

"(B) *In any case in which the Clerk of the House of Representatives or the Secretary of the Senate (who receive reports and statements as custodian for the Commission) has reason to believe a violation of this Act or section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, has occurred, he shall refer such apparent violation to the Commission.*

"(2) *The Commission, upon receiving any complaint under paragraph (1)(A), or a referral under paragraph (1)(B), or if it has reason to believe that any person has committed a violation of any such provision, shall notify the person involved of such apparent violation and shall—*

"(A) *report such apparent violation to the Attorney General; or*

"(B) *make an investigation of such apparent violation.*

"(3) *Any investigation under paragraph (2)(B) shall be conducted expeditiously and shall include an investigation of reports and statements filed by any complainant under this title, if such complainant is a candidate. Any notification or investigation made under paragraph (2) shall not be made public by the Commission or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.*

"(4) *The Commission shall, at the request of any person who receives notice of an apparent violation under paragraph (2), conduct a hearing with respect to such apparent violation.*

"(5) *If the Commission determines, after investigation, that there is reason to believe that any person has engaged, or is about to engage in any acts or practices which constitute or will constitute a violation of this Act, it may endeavor to correct such violation by informal methods of conference, conciliation, and persuasion. If the Commission fails to correct the violation through informal methods, it may institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person against whom such action is brought is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, the court shall grant a permanent or temporary injunction, restraining order, or other order.*

"(6) *The Commission shall refer apparent violations to the appropriate law enforcement authorities to the extent that violations of provisions of chapter 29 of title 18, United States Code, are involved, or if the Commission is unable to correct apparent violations of this Act under the authority given it by paragraph (5), or if the Commission determines that any such referral is appropriate.*

"(7) *Whenever in the judgment of the Commission, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, upon request by the Commission the Attorney General on behalf of the United States shall institute a civil action for relief, including a perma-*

nent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.

"(8) In any action brought under paragraph (5) or (7) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

"(9) Any party aggrieved by an order granted under paragraph (5) or (7) of this subsection may, at any time within 60 days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such order was issued for judicial review of such order.

"(10) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(11) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection or under section 315).

"(b) In any case in which the Commission refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Commission with respect to any action taken by the Attorney General regarding such apparent violation. Each report shall be transmitted no later than 60 days after the date the Commission refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Commission may from time to time prepare and publish reports on the status of such referrals.

"JUDICIAL REVIEW

"SEC. 315. (a) The Commission, the national committee of any political party, or any individual eligible to vote in any election for the office of President of the United States may institute such actions in the appropriate district court of the United States, including actions for declaratory judgment, as may be appropriate to construe the constitutionality of any provision of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code. The district court immediately shall certify all questions of constitutionality of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, to the United States court of appeals for the circuit involved, which shall hear the matter sitting en banc.

"(b) Notwithstanding any other provision of law, any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall

be brought no later than 20 days after the decision of the court of appeals.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter certified under subsection (a).".

(b) Until the appointment and qualification of all the members of the Federal Election Commission and its general counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as such titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its general counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within 30 days after the date on which all such members and the general counsel are appointed, of copies of all appropriate records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 and chapter 95 of the Internal Revenue Code of 1954.

(c) Title III of the Federal Election Campaign Act of 1971 is amended—

(1) by amending section 301(g), relating to definitions, to read as follows:

"(g) 'Commission' means the Federal Election Commission;";

"(g) 'Commission' means the Federal Election Commission;";

(2) by striking out "supervisory officer" in section 302(d) and inserting in lieu thereof "Commission";

(3) by amending section 303, relating to registration of political committees; statement—

(A) by striking out "supervisory officer" each time it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "he" in the second sentence of subsection (a) of such section and inserting in lieu thereof "it";

(4) by amending section 304, relating to reports by political committees and candidates—

(A) by striking out "appropriate supervisory officer" and "him" in the first sentence thereof and inserting in lieu thereof "Commission" and "it", respectively; and

(B) by striking out "supervisory officer" where it appears in paragraphs (12) and (13) of subsection (b) and inserting in lieu thereof "Commission";

(5) by striking out "supervisory officer" each place it appears in section 306 relating, to formal requirements respecting reports and statements, and inserting in lieu thereof "Commission";

(6) by striking out "Comptroller General of the United States" and "he" in section 307, relating to reports on convention financ-

ing, and inserting in lieu thereof "Federal Election Commission" and "it", respectively;

(7) by amending the heading for section 316 (as redesignated by subsectioin (a) of this section), relating to duties of the supervisory officer, to read as follows: "DUTIES";

(8) by striking out "supervisory officer" in section 316(a) as redesignated by subsection (a) of this section) the first time it appears and inserting in lieu thereof "Commission";

(9) by amending section 316(a) (as redesignated by subsection (a) of this section)—

(A) by striking out "him" in paragraph (1) and inserting in lieu thereof "it"; and

(B) by striking out "him" in paragraph (4) and inserting in lieu thereof "it"; and

(10) by amending subsection (c) of section 316 (as redesignated by subsection (a) of this section)—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission" and striking out "his" in the second sentence of such subsection and inserting in lieu thereof "its"; and

(B) by striking out the last sentence thereof; and

(11) by striking out "a supervisory officer" in section 317(a) of such Act (as redesignated by subsection (a) of this Act) and inserting in lieu thereof "the Commission".

DUTIES AND REGULATIONS

SEC. 209. (a)(1) Section 316(a) of the Federal Election Campaign Act of 1971 (as redesignated and amended by section 208(a) of this Act), relating to duties of the Commission, is amended by striking out paragraphs (6), (7), (8), (9), and (10), and by redesignating paragraphs (11), (12), and (13) as paragraphs (8), (9), and (10), respectively, and by inserting immediately after paragraph (5) the following new paragraphs:

"(6) to compile and maintain a cumulative index of reports and statements filed with it, which shall be published in the Federal Register at regular intervals and which shall be available for purchase directly or by mail for a reasonable price;

"(7) to prepare and publish from time to time special reports listing those candidates for whom reports were filed as required by this title and those candidates for whom such reports were not filed as so required;".

(2) Notwithstanding section 308(a)(7) of the Federal Election Campaign Act of 1971 (relating to an annual report by the supervisory officer), as in effect on the day before the effective date of the amendments made by paragraph (1) of this subsection, no such annual report shall be required with respect to any calendar year beginning after December 31, 1972.

(b)(1) Section 316(a)(10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the prescription of rules and regulations, is amended by insert-

ing before the period at the end thereof the following: ", in accordance with the provisions of subsection (c)".

(2) Such section 316 is amended—

(A) by striking out subsection (b) and subsection (d); by redesignating subsection (c) as subsection (b); and

(B) by adding at the end thereof the following new subsections:

"(c)(1) The Commission, before prescribing any rule or regulation under this section, shall transmit a statement with respect to such rule or regulation to the Senate or the House of Representatives, as the case may be, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If the appropriate body of the Congress which receives a statement from the Commission under this subsection does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. In the case of any rule or regulation proposed to deal with reports or statements required to be filed under this title by a candidate for the office of President of the United States, and by political committees supporting such a candidate both the Senate and the House of Representatives shall have the power to disapprove such proposed rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved under this paragraph.

"(3) If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Senator, and by political committees supporting such candidate, it shall transmit such statement to the Senate. If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Representative, Delegates or Resident Commission, and by political committees supporting such candidate, it shall transmit such statement to the House of Representatives. If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of President and by political committees supporting such candidate it shall transmit such statement to the House of Representatives and the Senate.

"(4) For purposes of this subsection, the term 'legislative days' does not include, with respect to statements transmitted to the Senate, any calendar day on which the Senate is not in session, and with respect to statements transmitted to the House of Representatives, any calendar day on which the House of Representatives is not in session, and with respect to statements transmitted to both such bodies, any calendar day on which both Houses of the Congress are not in session.

"(d)(1) The Commission shall prescribe suitable rules and regulations to carry out the provisions of this title, including such rules and regulations as may be necessary to require that—

"(A) reports and statements required to be filed under this title by a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, and by political committees supporting such candidate, shall be received by the Clerk of the House of Representatives as custodian for the Commission;

"(B) reports and statements required to be filed under this title by a candidate for the office of Senator, and by political committees supporting such candidate, shall be received by the Secretary of the Senate as custodian for the Commission; and

"(C) the Clerk of the House of Representatives and the Secretary of the Senate, as custodians for the Commission, each shall make the reports and statements received by him available for public inspection and copying in accordance with paragraph (4) of subsection a, and preserve such reports and statements in accordance with paragraph (5) of subsection (a).

"(2) It shall be the duty of the Clerk of the House of Representatives and the Secretary of the Senate to cooperate with the Commission in carrying out its duties under this Act and to furnish such services and facilities as may be required in accordance with this section.".

MISCELLANEOUS PROVISIONS

SEC. 210. Title III of the Federal Election Campaign Act of 1971 is amended by inserting immediately after section 317 (as so redesignated by section 208(a) of this Act) the following new sections:

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"SEC. 318. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his expenditures, and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by such candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954, or may be used for any other lawful purpose. To the extent any such contribution, amount contributed, or expenditure thereof is not otherwise required to be disclosed under the provisions of this title, such contribution, amount contributed, or expenditure shall be fully disclosed in accordance with rules promulgated by the Commission. The Commission is authorized to prescribed such rules as may be necessary to carry out the provisions of this section.

"PROHIBITION OF FRANKED SOLICITATIONS

"SEC. 319. No Senator, Representative, Resident Commissioner, or Delegate shall make any solicitations of funds by a mailing under the frank under section 3210 of title 39, United States Code.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 320. There are authorized to be appropriated to the Commission for the purpose of carrying out its functions under this Act, and

under chapter 95 and 96 of the Internal Revenue Code of 1954, not to exceed $5,000,000 for the fiscal year ending June 30, 1975.". following sections:

TITLE III—GENERAL PROVISIONS

EFFECT ON STATE LAW

SEC. 301. Section 403 of the Federal Election Campaign Act of 1971, relating to effect on State law, is amended to read as follows:

"EFFECT ON STATE LAW

"SEC. 403. The provisions of this Act, and of rules prescribed under this Act, supersede and preempt any provision of State law with respect to election to Federal office.".

PERIOD OF LIMITATIONS; ENFORCEMENT

SEC. 302. Title IV of the Federal Election Campaign Act of 1971, relating to general provisions, is amended by redesignating section 406 as section 408 and by inserting immediately after section 405 the following new sections:

"PERIOD OF LIMITATIONS

"SEC. 406. (a) No person shall be prosecuted, tried, or punished for any violation of title III of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, unless the indictment is found or the information is instituted within 3 years after the date of the violation.

"(b) Notwithstanding any other provision of law—

"(1) the period of limitation referred to in subsection (a) shall apply with respect to violations referred to in such subsection committed before, on, or after the effective date of this section; and

"(2) no criminal proceeding shall be instituted against any person for any act or omission which was a violation of any provision of title III of this Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on December 31, 1974, if such act or omission does not constitute a violation of any such provision, as amended by the Federal Election Campaign Act Amendments of 1974.

Nothing in this subsection shall affect any proceeding pending in any court of the United States on the effective date of this section.

"ADDITIONAL ENFORCEMENT AUTHORITY

"SEC. 407. (a) In any case in which the Commission, after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, makes a finding that a person who, while a candidate for Federal office, failed to file a report required by title III of this Act, and such finding is made before the expiration of the time within which the failure to file such report may be prosecuted as a violation of such title III, such person shall be dis-

qualified from becoming a candidate in any future election for Federal office for a period of time beginning on the date of such finding and ending one year after the expiration of the term of the Federal office for which such person was a candidate.

"(b) Any finding by the Commission under subsection (a) shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

TITLE IV—AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

POLITICAL ACTIVITIES BY STATE AND LOCAL OFFICERS AND EMPLOYEES

SEC. 401. (a) Section 1502 (a) (3) of title 5, United States Code (relating to influencing elections, taking part in political campaigns, prohibitions, exceptions), is amended to read as follows:

"(3) be a candidate for elective office.".

(b) (1) Section 1503 of title 5, United States Code, relating to nonpartisan political activity, is amended to read as follows:

"§ 1503. Nonpartisan candidacies permitted

"Section 1502 (a) (3) of this title does not prohibit any State or local officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected.".

(2) The table of sections for chapter 15 of title 5, United States Code, is amended by striking out the item relating to section 1503 and inserting in lieu thereof the following new item:

"1503. Nonpartisan candidacies permitted.".

(c) Section 1501 of title 5, United States Code, relating to definitions, is amended—

(1) by striking out paragraph (5);

(2) in paragraph (3) thereof, by inserting "and" immediately after "Federal Reserve System;" and

(3) in paragraph (4) thereof, by striking out "; and" and inserting in lieu thereof a period.

REPEAL OF COMMUNICATIONS MEDIA EXPENDITURE LIMITATIONS

SEC. 402. (a) Section 315 of the Communications Act of 1934 (relating to candidates for public office; facilities; rules) is amended by striking out subsections (c), (d), and (e), and by redesignating subsections (f) and (g) as subsections (c) and (d), respectively.

(b) Section 315 (c) of such Act (as so redesignated by subsection (a) of this section), relating to definitions, is amended to read as follows:

"(c) For purposes of this section—

"(1) the term 'broadcasting station' includes a community antenna television system; and

"(2) the terms 'licensee' and 'station licensee' when used with respect to a community antenna television system mean the operator of such system.".

APPROPRIATIONS TO CAMPAIGN FUND

SEC. 403. (a) Section 9006(a) of the Internal Revenue Code of 1954 (relating to establishment of campaign fund) is amended—

(1) by striking out "as provided by appropriation Acts" and inserting in lieu thereof "from time to time"; and

(2) by adding at the end thereof the following new sentence: "There is appropriated to the fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to the amounts so designated during each fiscal year, which shall remain available to the fund without fiscal year limitation.".

(b) In addition to the amounts appropriated to the Presidential Election Campaign Fund established under section 9006 of the Internal Revenue Code of 1954 (relating to payments to eligible candidates) by the last sentence of subsection (a) of such section (as amended by subsection (a) of this section), there is appropriated to such fund an amount equal to the sum of the amounts designated for payment under section 6096 of such Code (relating to designation by individuals to the Presidential Election Campaign Fund) before January 1, 1975, not otherwise taken into account under the provisions of such section 9006, as amended by this section.

ENTITLEMENTS OF ELIGIBLE CANDIDATES TO PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND

SEC. 404. (a) Subsection (a)(1) of section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended to read as follows:

"(1) The eligible candidates of each major party in a presidential election shall be entitled to equal payments under section 9006 in an amount which, in the aggregate, shall not exceed the expenditure limitations applicable to such candidates under section 608(c)(1)(B) of title 18, United States Code.".

(b)(1) Subsection (a)(2)(A) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(2) The first sentence of subsection (a)(3) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(c)(1) Section 9002(3) of the Internal Revenue Code of 1954 (relating to the definition of "Comptroller General") is amended to read as follows:

"(3) The term 'Commission' means the Federal Election Commission established by section 310(a)(1) of the Federal Election Campaign Act of 1971.".

(2) Section 9002(1) of such Code (relating to the definition of "authorized committee") is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(3) The third sentence of section 9002(11) of such Code (relating to the definition of "qualified campaign expense") is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(4) Section 9003(a) of such Code (relating to condition for eligibility for payments) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "he" each place it appears therein and inserting in lieu thereof "it".

(5) Section 9003(b) of such Code (relating to major parties) and section 9003(c) of such Code (relating to minor and new parties) each are amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

(6) The heading for section 9005 of such Code (relating to certification by Comptroller General) is amended by striking out "**COMPTROLLER GENERAL**" and inserting in lieu thereof "**COMMISSION**".

(7) Section 9005(b) of such Code (relating to finality of certifications and determinations) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "him" and inserting in lieu thereof "it".

(8) Section 9006(c) of such Code (relating to payments from the fund) and section 9006(d) of such Code (relating to insufficient amounts in fund) each are amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

(9) Section 9007(a) of such Code (relating to examinations and audits) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(10) Section 9007(b) of such Code (relating to repayments) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "he" each place it appears therein and inserting in lieu thereof "it".

(11) Section 9007(c) of such Code (relating to notification) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(12) Section 9009(a) of such Code (relating to reports) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "him" and inserting in lieu thereof "it".

(13) Section 9009(b) of such Code (relating to regulations, etc.) is amended—

(A) by striking out "Comptroller General" and inserting in lieu thereof "Commission";

(B) by striking out "he" and inserting in lieu thereof "it"; and

(C) by striking out "him" and inserting in lieu thereof "it".

(14) The heading for section 9010 of such Code (relating to participation by Comptroller General in judicial proceedings) is amended by striking out "**COMPTROLLER GENERAL**" and inserting in lieu thereof "**COMMISSION**".

(15) Section 9010(a) of such Code (relating to appearance by counsel) is amended—

(A) by striking out "Comptroller General" and inserting in lieu thereof "Commission";

(B) by striking out "his" and inserting in lieu thereof "its"; and

(C) by striking out "he" each place it appears therein and inserting in lieu thereof "it".

(16) Section 9010(b) of such Code (relating to recovery of certain payments) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(17) Section 9010(c) of such Code (relating to declaratory and injunctive relief) is amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

(18) Section 9010(d) of such Code (relating to appeal) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission" and by striking out "he" and inserting in lieu thereof "it".

(19) The heading for subsection (a) of section 9011 of such Code (relating to review of certification, determination, or other action by the Comptroller General) is amended by striking out "COMPTROLLER GENERAL" and inserting in lieu thereof "COMMISSION".

(20) Section 9011(a) of such Code, as amended by paragraph (19) (relating to review of certification, determination, or other action by the Commission) is amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

(21) Section 9011(b) of such Code (relating to suits to implement chapter) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(22) Section 9012(d)(1) of such Code (relating to false statements, etc.) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "him" and inserting in lieu thereof "it".

CERTIFICATION FOR PAYMENT BY COMMISSION

SEC. 405. (a) Section 9005(a) of the Internal Revenue Code of 1954 (relating to initial certifications for eligibility for payments) is amended to read as follows:

"(a) INITIAL CERTIFICATIONS.—Not later than 10 days after the candidates of a political party for President and Vice President of the

United States have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003, the Commission shall certify to the Secretary for payment to such eligible candidates under section 9006 payment in full of amounts to which such candidates are entitled under section 9004.".

(b) Section 9003(a) of such Code (relating to general conditions for eligibility for payments) is amended—

(1) by striking out "with respect to which payment is sought" in paragraph (1) and inserting in lieu thereof "of such candidates";

(2) by inserting "and" at the end of paragraph (2);

(3) by striking out ", and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(4) by striking out paragraph (4).

FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS

SEC. 406. (a) Chapter 95 of subtitle H of the Internal Revenue Code of 1954 (relating to the presidential election campaign fund) is amended by striking out section 9008 (relating to information on proposed expenses) and inserting in lieu thereof the following new section:

"SEC. 9008. PAYMENTS FOR PRESIDENTIAL NOMINATING CONVENTIONS.

"(a) ESTABLISHMENT OF ACCOUNTS.—The Secretary shall maintain in the fund, in addition to any account which he maintains under section 9006(a), a separate account for the national committee of each major party and minor party. The Secretary shall deposit in each such account an amount equal to the amount which each such committee may receive under subsection (b). Such deposits shall be drawn from amounts designated by individuals under section 6096 and shall be made before any transfer is made to any account for any eligible candidate under section 9006(a).

"(b) ENTITLEMENT TO PAYMENTS FROM THE FUND.—

"(1) MAJOR PARTIES.—Subject to the provisions of this section, the national committee of a major party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed $2,000,000.

"(2) MINOR PARTIES.—Subject to the provisions of this section, the national committee of a minor party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive under paragraph (1) as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the United States of the major parties in the preceding presidential election.

"(3) PAYMENTS.—Upon receipt of certification from the Commission under subsection (g), the Secretary shall make payments from the appropriate account maintained under subsection (a) to the national committee of a major party or minor party which elects to receive its entitlement under this subsection. Such payments shall be available for use by such committee in accordance with the provisions of subsection (c).

"(4) LIMITATION.—Payments to the national committee of a major party or minor party under this subsection from the account designated for such committee shall be limited to the amounts in such account at the time of payment.

"(5) ADJUSTMENT OF ENTITLEMENT.—The entitlements established by this subsection shall be adjusted in the same manner as expenditure limitations established by section 608(c) and section 608(f) of title 18, United States Code, are adjusted pursuant to the provisions of section 608(d) of such title.

"(c) USE OF FUNDS.—No part of any payment made under subsection (b) shall be used to defray the expenses of any candidate or delegate who is participating in any presidential nominating convention. Such payments shall be used only—

"(1) to defray expenses incurred with respect to a presidential nominating convention (including the payment of deposits) by or on behalf of the national committee receiving such payments; or

"(2) to repay loans the proceeds of which were used to defray such expenses, or otherwise to restore funds (other than contributions to defray such expenses received by such committee) used to defray such expenses.

"(d) LIMITATION OF EXPENDITURES.—

"(1) MAJOR PARTIES.—Except as provided by paragraph (3), the national committee of a major party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled under subsection (b)(1).

"(2) MINOR PARTIES.—Except as provided by paragraph (3), the national committee of a minor party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of the entitlement of the national committee of a major party under subsection (b)(1).

"(3) EXCEPTION.—The Commission may authorize the national committee of a major party or minor party to make expenditures which, in the aggregate, exceed the limitation established by paragraph (1) or paragraph (2) of this subsection. Such authorization shall be based upon a determination by the Commission that, due to extraordinary and unforeseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee.

"(e) AVAILABILITY OF PAYMENTS.—The national committee of a major party or minor party may receive payments under subsection (b)(3) beginning on July 1 of the calendar year immediately preceding the

calendar year in which a presidential nominating convention of the political party involved is held.

"(f) TRANSFER TO THE FUND.—If, after the close of a presidential nominating convention and after the national committee of the political party involved has been paid the amount which it is entitled to receive under this section, there are moneys remaining in the account of such national committee, the Secretary shall transfer the moneys so remaining to the fund.

"(g) CERTIFICATION BY COMMISSION.—Any major party or minor party may file a statement with the Commission in such form and manner and at such times as it may require, designating the national committee of such party. Such statement shall include the information required by section 303(b) of the Federal Election Campaign Act of 1971, together with such additional information as the Commission may require. Upon receipt of a statement filed under the preceding sentences, the Commission promptly shall verify such statement according to such procedures and criteria as it may establish and shall certify to the Secretary for payment in full to any such committee of amounts to which such committee may be entitled under subsection (b). Such certifications shall be subject to an examination and audit which the Commission shall conduct no later than December 31 of the calendar year in which the presidential nominating convention involved is held.

"(h) REPAYMENTS.—The Commission shall have the same authority to require repayments from the national committee of a major party or a minor party as it has with respect to repayments from any eligible candidate under section 9007(b). The provisions of section 9007(c) and section 9007(d) shall apply with respect to any repayment required by the Commission under this subsection.".

(b)(1) Section 9009(a) of such Code (relating to reports) is amended by striking out "and" in paragraph (2) thereof; by striking out the period at the end of paragraph (3) thereof and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraphs:

"(4) the expenses incurred by the national committee of a major party or minor party with respect to a presidential nominating convention;

"(5) the amounts certified by it under section 9008(g) for payment to each such committee; and

"(6) the amount of payments, if any, required from such committees under section 9008(h), and the reasons for each such payment.".

(2) The heading for section 9012(a) of such Code (relating to excess campaign expenses) is amended by striking out "CAMPAIGN".

(3) Section 9012(a)(1) by such Code (relating to excess expenses) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to incur expenses with respect to a presidential nominating convention in excess of the expenditure limitation applicable with respect to such committee under section

9008(d), unless the incurring of such expenses is authorized by the Commission under section 9008 (d) (3).".

(4) Section 9012(c) of such Code (relating to unlawful use of payments) is amended by redesignating paragraph (2) as paragraph (3) and by inserting immediately after paragraph (1) the following new paragraph:

> *"(2) It shall be unlawful for the national committee of a major party or minor party which receives any payment under section 9008(b) (3) to use, or authorize the use of, such payment for any purpose other than a purpose authorized by section 9008(c).".*

(5) Section 9012(e) (1) of such Code (relating to kickbacks and illegal payments) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expense incurred by such committee with respect to a presidential nominating convention.".

(6) Section 9012(e) (3) of such Code (relating to kickbacks and illegal payments) is amended by inserting immediately after "their authorized committees" the following: ", or in connection with any expense incurred by the national committee of a major party or minor party with respect to a presidential nominating convention,".

(c) The table of sections for chapter 95 of subtitle H of such Code (relating to the presidential election campaign fund) is amended by striking out the item relating to section 9008 and inserting in lieu thereof the following new item:

"Sec. 9008. Payments for presidential nominating conventions.".

(d) Section 276 of such Code (relating to certain indirect contributions to political parties) is amended by striking out subsection (c) and by redesignating subsection (d) as subsection (c).

TAX RETURNS BY POLITICAL COMMITTEES

SEC. 407. Section 6012(a) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended by adding at the end thereof the following new sentence: "The Secretary or his delegate shall, by regulation, exempt from the requirement of making returns under this section any political committee (as defined in section 301(d) of the Federal Election Campaign Act of 1971) having no gross income for the taxable year.".

PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

SEC. 408. (a) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Subtitle H. Financing of presidential election campaigns.".

(b) The analysis of chapters at the beginning of subtitle H of such Code is amended by striking out the item relating to chapter 96 and inserting in lieu thereof the following:

(c) Subtitle H of such Code is amended by striking out chapter 96, relating to Presidential Election Campaign Fund Advisory Board, and inserting in lieu thereof the following new chapter:

"CHAPTER 96—PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

"SEC. 9031. SHORT TITLE.

"This chapter may be cited as the 'Presidential Primary Matching Payment Account Act'.

"SEC. 9032. DEFINITIONS.

"FOR PURPOSES OF THIS CHAPTER—

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, any political committee which is authorized in writing by such candidates to incur expenses to further the election of such candidates. Such authorization shall be addressed to the chairman of such political committee, and a copy of such authorization shall be filed by such candidates with the Commission. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization.

"(2) The term 'candidate' means an individual who seeks nomination for election to be President of the United States. For purposes of this paragraph, an individual shall be considered to seek nomination for election if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

"(3) The term 'Commission' means the Federal Election Commission established by section 310(a)(1) of the Federal Election Campaign Act of 1971.

"(4) Except as provided by section 9034(a), the term 'contribution'—

"(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election

with respect to which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made, for the purpose of influencing the result of a primary election,

"(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose,

"(C) means funds received by a political committee which are transferred to that committee from another committee, and

"(D) means the payment by any person other than a candidate, or his authorized committee, of compensation for the personal services of another person which are rendered to the candidate or committee without charge, but

"(E) does not include—

"(i) except as provided in subparagraph (D), the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering such service to or for the benefit of the candidate, or

"(ii) payments under section 9037.

"(5) The term 'matching payment account' means the Presidential Primary Matching Payment Account established under section 9037(a).

"(6) The term 'matching payment period' means the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States will be held and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for the office of President of the United States, or, in the case of a party which does not make such nomination by national convention, ending on the earlier of (A) the date such party nominates its candidate for the office of President of the United States, or (B) the last day of the last national convention held by a major party during such calendar year.

"(7) The term 'primary election' means an election, including a runoff election or a nominating convention or caucus held by a political party, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

"(8) The term 'political committee' means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any person for election to the office of President of the United States.

"(9) The term 'qualified campaign expense' means a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value—

"(A) incurred by a candidate, or by his authorized committee, in connection with his campaign for nomination for election, and

"(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid.

For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

"(10) The term 'State' means each State of the United States and the District of Columbia.

"SEC. 9033. ELIGIBILITY FOR PAYMENTS.

"(a) CONDITIONS.—To be eligible to receive payments under section 9037, a candidate shall, in writing—

"(1) agree to obtain and furnish to the Commission any evidence it may request of qualified campaign expenses,

"(2) agree to keep and furnish to the Commission any records, books, and other information it may request, and

"(3) agree to an audit and examination by the Commission under section 9038 and to pay any amounts required to be paid under such section.

"(b) EXPENSE LIMITATION; DECLARATION OF INTENT; MINIMUM CONTRIBUTIONS.—To be eligible to receive payments under section 9037, a candidate shall certify to the Commission that—

"(1) the candidate and his authorized committees will not incur qualified campaign expenses in excess of the limitation on such expenses under section 9035,

"(2) the candidate is seeking nomination by a political party for election to the office of President of the United States

"(3) the candidate has received matching contributions which in the aggregate, exceed $5,000 in contributions from residents of each of at least 20 States, and

"(4) the aggregate of contributions certified with respect to any person under paragraph (3) does not exceed $250.

"SEC. 9034. ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS.

"(a) IN GENERAL.—Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such candidate is seeking nomination, or by his authorized committees, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person on or after the beginning of such preceding calendar year exceeds $250. For purposes of this subsection and section 9033(b), the term 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything of value or anything described in subparagraph (B), (C), or (D) of section 9032(4).

"(b) LIMITATIONS.—The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed 50 percent of

the expenditure limitation applicable under section 608(c)(1)(A) of title 18, United States Code.

"SEC. 9035. QUALIFIED CAMPAIGN EXPENSE LIMITATION.

"No candidate shall knowingly incur qualified campaign expenses in excess of the expenditure limitation applicable under section 608(c)(1)(A) of title 18, United States Code.

"SEC. 9036. CERTIFICATION BY COMMISSION.

"(a) INITIAL CERTIFICATIONS.—Not later than 10 days after a candidate establishes his eligibility under section 9033 to receive payments under section 9037, the Commission shall certify to the Secretary for payment to such candidate under section 9037 payment in full of amounts to which such candidate is entitled under section 9034. The Commission shall make such additional certifications as may be necessary to permit candidates to receive payments for contributions under section 9037.

"(b) FINALITY OF DETERMINATIONS.—Initial certifications by the Commission under subsection (a), and all determinations made by it under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 9038 and judicial review under section 9041.

"SEC. 9037. PAYMENTS TO ELIGIBLE CANDIDATES.

"(a) ESTABLISHMENT OF ACCOUNT.—The Secretary shall maintain in the Presidential Election Campaign Fund established by section 9006(a), in addition to any account which he maintains under such section, a separate account to be known as the Presidential Primary Matching Payment Account. The Secretary shall deposit into the matching payment account, for use by the candidate of any political party who is eligible to receive payments under section 9033, the amount available after the Secretary determines that amounts for payments under section 9006(c) and for payments under section 9008(b)(3) are available for such payments.

"(b) PAYMENTS FROM THE MATCHING PAYMENT ACCOUNT.—Upon receipt of a certification from the Commission under section 9036, but not before the beginning of the matching payment period, the Secretary or his delegate shall promptly transfer the amount certified by the Commission from the matching payment account to the candidate. In making such transfers to candidates of the same political party, the Secretary or his delegate shall seek to achieve an equitable distribution of funds available under subsection (a), and the Secretary or his delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received.

"SEC. 9038. EXAMINATIONS AND AUDITS; REPAYMENTS.

"(a) EXAMINATIONS AND AUDITS.—After each matching payment period, the Commission shall conduct a thorough examination and audit of the qualified campaign expenses of every candidate and his authorized committees who received payments under section 9037.

"(b) REPAYMENTS.—

"(1) If the Commission determines that any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount of payments to which such candidate was entitled under section 9034, it shall notify the can-

didate, and the candidate shall pay to the Secretary or his delegate an amount equal to the amount of excess payments.

"(2) If the Commission determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses,

it shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(3) Amounts received by a candidate from the matching payment account may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the matching payment account.

"(c) NOTIFICATION.—No notification shall be made by the Commission under subsection (b) with respect to a matching payment period more than 3 years after the end of such period.

"(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the matching payment account.

"SEC. 9039. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each matching payment period, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in such detail as the Commission determines necessary) incurred by the candidates of each political party and their authorized committees,

"(2) the amounts certified by it under section 9036 for payment to each eligible candidate, and

"(3) the amount of payments, if any, required from candidates under section 9038, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) REGULATIONS, ETC.—The Commission is authorized to prescribe rules and regulations in accordance with the provisions of subsection (c), to conduct examinations and audits (in addition to the examinations and audits required by section 9038(a)), to conduct investigations, and to require the keeping and submission of any books, records,

and information, which it determines to be necessary to carry out its responsibilities under this chapter.

"(c) REVIEW OF REGULATIONS.—

"(1) *The Commission, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Senate and to the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.*

"(2) *If either such House does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved by either such House under this paragraph.*

"(3) *For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.*

"SEC. 9040. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCE BY COUNSEL.—*The Commission is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.*

"(b) RECOVERY OF CERTAIN PAYMENTS.—*The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.*

"(c) INJUNCTIVE RELIEF.—*The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is approriate to implement any provision of this chapter.*

"(d) APPEAL.—*The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.*

"SEC. 9041. JUDICIAL REVIEW.

"(a) REVIEW OF AGENCY ACTION BY THE COMMISSION.—*Any agency action by the Commission made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for*

the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought.

"(b) REVIEW PROCEDURES.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code by the Commission.

"SEC. 9042. CRIMINAL PENALTIES.

"(a) EXCESS CAMPAIGN EXPENSES.—Any person who violates the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(b) UNLAWFUL USE OF PAYMENTS.—

"(1) It is unlawful for any person who receives any payment under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray qualified campaign expenses, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) FALSE STATEMENTS, ETC.—

"(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Commission under this chapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this chapter, or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this chapter.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d) KICKBACKS AND ILLEGAL PAYMENTS.—

"(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection

with any qualified campaign expense of a candidate, or his authorized committees, who receives payments under section 9037.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized committees shall pay to the Secretary for deposit in the matching payment account, an amount equal to 125 percent of the kickback or payment received.".

REVIEW OF REGULATIONS

SEC. 409. (a) Section 9009 of the Internal Revenue Code of 1954 (relating to reports to Congress; regulations) is amended by adding at the end thereof the following new subsection:

"(c) REVIEW OF REGULATIONS.—

"(1) The Commission, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Senate and to the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such House does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved by either such House under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.".

(b) Section 9009(b) of such Code (relating to regulations, etc.) is amended by inserting "in accordance with the provisions of subsection (c)" immediately after "regulations".

EFFECTIVE DATES

SEC. 410. (a) Except as provided by subsection (b) and subsection (c), the foregoing provisions of this Act shall become effective January 1, 1975.

(b) Section 104 and the amendment made by section 301 shall become effective on the date of the enactment of this Act.

(c)(1) The amendments made by sections 403(a), 404, 405, 406, 408, and 409 shall apply with respect to taxable years beginning after December 31, 1974.

(2) The amendment made by section 407 shall apply with respect to taxable years beginning after December 31, 1971.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the Senate bill.

WAYNE L. HAYS,
FRANK THOMPSON,
JOHN H. DENT,
JOHN BRADEMAS,
ED JONES,
ROBERT MOLLOHAN,
DAWSON MATHIS,
WILLIAM DICKINSON,
SAMUEL L. DEVINE,
JOHN WARE,
BILL FRENZEL,
Managers on the part of the House.

HOWARD W. CANNON,
CLAIBORNE PELL,
JOHN K. PASTORE,
RUSSELL LONG,
EDWARD KENNEDY,
DICK CLARK,
HUGH SCOTT,
WALLACE BENNETT,
ROBERT GRIFFIN,
TED STEVENS,
CHARLES MCC. MATHIAS,
Mangers on the part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendments struck out all of the Senate bill after the enacting clause and inserted a substitute text and provided a new title for the Senate bill, and the Senate disagreed to the House amendments.

The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House to the text of the bill, with an amendment which is a substitute for both the text of the Senate bill and the House amendment to the text of the Senate bill, and also recede from its disagreement to the House amendment to the title of the Senate bill.

The differences between the text of the Senate bill, the House amendment thereto, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The Senate bill, the House amendment, and the conference substitute provide that this legislation may be cited as the "Federal Election Campaign Act Amendments of 1974".

CRIMINAL CODE AMENDMENTS

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

A. CONTRIBUTIONS

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 615, relating to limitations on contributions.

Section 615(a)(1) provided that no individual may make contributions to a candidate with respect to his campaign for election which, in the aggregate, exceed $3,000.

Section 615(a)(2) provided that no person (other than an individual) may make contributions to a candidate with respect to his campaign for election which, in the aggregate, exceed $6,000.

Section 615(b)(1) provided that a candidate may not accept contributions from an individual which, in the aggregate, exceed $3,000, or from any person (other than an individual) which, in the aggregate, exceed $6,000.

Section 615(b)(3) provided that an officer or employee of a political committee or a political party may not accept any contribution which a candidate is prohibited from accepting by section 615(b)(1).

Section 615(d)(1) provided that no individual may make contributions during a calendar year which, in the aggregate, exceed $25,000.

Section 615(d)(2) provided that any contribution to a campaign of a candidate in a year other than the calendar year in which the election to which such campaign relates is held shall be considered, for purposes of section 615(d)(1), to be made during the calendar year in which such election is held.

Section 615(c)(2) provided that contributions made to a candidate of a political party for the office of Vice President shall be considered to be made to the candidate of such party for the office of President.

Section 615(c)(3) defined the term "campaign" to include all primary, primary runoff, and general election campaigns related to a specific general election, and all primary, primary runoff, and special election campaigns related to a specific special election.

Section 615(c)(1) provided that, for purposes of the contribution limitations established by section 615, all contributions made by a person directly or indirectly to a candidate, including any earmarked or otherwise encumbered contributions, shall be considered contributions from such person to such candidate.

House amendment

Section 101(a) of the House amendment amended section 608 of title 18, United States Code, by inserting a new subsection (b).

Subsection (b)(1) provided that, except as otherwise provided by the new subsection (b), no person may make contributions exceeding $1,000 to any candidate for Federal office in any election.

Subsection (b)(2) provided that no political committee (other than the principal campaign committee of a candidate) may make contributions exceeding $5,000 to any candidate for Federal office in any election.

Subsection (b)(2) also defined the term "political committee" to mean, for purposes of subsection (b)(2), an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 (hereinafter in this statement referred to as the "Act") for at least 6 months which has received contributions from more than 50 persons and has made contributions to at least 5 candidates for Federal office. Subsection (b)(2) also provided that State political party organizations shall not be required to make con-

tributions to at least 5 candidates for Federal office in order to be considered political committees for purposes of subsection (b)(2).

Subsection (b)(3) provided that no individual may make contributions exceeding $25,000 in any calendar year.

Subsection (b)(4) provided that, for purposes of subsection (b), the following rules shall apply: (1) if a contribution is made to a political committee authorized in writing by a candidate to accept contributions on his behalf, then such contribution shall be considered to be a contribution to such candidate; and (2) any contribution to the candidate of a political party for the office of Vice President shall be considered to be a contribution to the candidate of such party for the office of President.

Subsection (b)(5) provided that limitations imposed by subsection (b)(1) and subsection (b)(2) shall apply separately to each election.

Subsection (b)(6) provided that all contributions from a person to a particular candidate shall be treated as contributions from such person to such candidate, even if such contributions are made indirectly, are earmarked, or are directed through any intermediary or conduit. It should be noted that the provisions of subsection (b)(6) were not intended to apply to contributions from separate segregated funds maintained by corporations or labor organizations, because donors to such funds must relinquish control of their donation to the corporation or labor organization and such donors may not earmark or direct such donations to any specific candidate or political committee.

Subsection (b)(6) required any person acting as an intermediary or conduit to report to the supervisory officer the source of the contribution and the intended recipient of the contribution. Such person also shall report such contribution to the intended recipient.

It was the understanding of the Committee on House Administration (hereinafter in this statement referred to as the "House committee") that the following rule would apply with respect to the application of the contribution limitations established by subsection (b): if a person exercises any direct or indirect control over the making of a contribution, then such contribution shall count toward the limitation imposed with respect to such person under subsection (b), but it will not count toward such a person's contribution limitation when it is demonstrated that such person exercised no direct or indirect control over the making of the contribution involved.

A similar question was raised in the House committee regarding the possibility of circumventing the limit on contributions by political committees where a national committee of a political organization may contribute the maximum allowable amount to a candidate and a State or local sub-unit or subsidiary of that committee may also contribute to the same candidate. It was the intent of the House committee to allow the maximum contribution from each level of the organization if the decision or judgment to make such contributions is independently exercised within the separate levels of the organization. However, if the subsidiary or sub-unit organizations are under the control or direction of the parent organization with respect to their contributions to specific candidates, then the organizations acting

in concert would constitute one political committee for the purpose of the contribution limits included in the House amendment bill.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. With respect to the provision of the House amendment which prohibited any individual from making contributions in any calendar year exceeding $25,000, the conference substitute adopts the approach of the Senate bill which provided that any contribution to a campaign of a candidate in a year other than the calendar year in which the election to which such campaign relates is held shall be considered to be made during the calendar year in which such election is held.

2. The conference substitute adopts the provision of the Senate bill relating to the acceptance of illegal contributions by candidates and by officers or employees of political committees. Existing law prohibits a candidate or political committee from accepting an illegal contribution or authorizing an illegal expenditure. The conference substitute combines the prohibitions contained in existing law with those contained in the Senate bill and provides that no candidate or political committee may knowingly accept any contribution, or knowingly make any expenditure, in violation of the limits imposed by this legislation. The conference substitute also provides that no officer or employee of a political committee may knowingly accept a contribution made for the benefit of a candidate, or knowingly make any expenditure on behalf of the candidate, in violation of the limits imposed by this legislation.

The conferees agree with the analysis of the House report (as set forth in the statement relating to the House amendment) regarding the rule for application of contribution limitations and regarding the possibility of circumventing such limitations.

B. EXPENDITURES

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 614, relating to limitation on expenditures generally.

Section 614(a)(1) provided that no candidate may make expenditures in his campaign for nomination for election, or for election, to Federal office, which exceed the limitation established by section 504 of the Act if such candidate were receiving payments under title V of the Act.

Section 504 of the Act was added by section 101 of the Senate bill. Section 504(a)(1) provided that no candidate (other than a candidate for the office of President) who receives payments under title V with respect to his primary election campaign may make expenditures with respect to such campaign in excess of the greater of (1) 8 cents multiplied by the voting age population of the geographical area in which the election for such nomination is held; (2) $125,000, if the Federal office sought is that of Senator or Representative from a State with only one Representative; or (3) $90,000, if the Federal office sought is that of Representative from a State with more than one Representative.

Section 504(a)(2) provided that no candidate for nomination for the office of President may make expenditures in any State in which he is a candidate in a primary election which exceed 2 times the amount which a candidate for nomination for the office of Senator may spend in such State. No candidate for nomination for the office of President may make expenditures throughout the United States which exceed an amount equal to 10 cents multiplied by the voting age population of the United States.

Section 504(b) provided that no candidate who receives payments under title V with respect to his general election campaign may make expenditures with respect to such campaign in excess of the greater of (1) 12 cents multiplied by the voting age population of the geographical area in which such election is held; (2) $175,000, if the Federal office sought is that of Senator or Representative from a State with only one Representative; or (3) $90,000, if the Federal office sought is that of Representative from a State with more than one Representative.

Section 504(c) provided that no candidate who is unopposed in a general election may make expenditures with respect to his campaign which exceed 10 percent of the limitation in section 504(b).

Section 504(d) provided that the Federal Election Commission (hereinafter in this statement referred to as the "Commission") shall prescribe rules under which expenditures by a candidate for nomination for election to the office of President for use in 2 or more States shall be attributed to the expenditure limitation of such candidate in each State.

Section 504(e)(1) provided that expenditures made on behalf of a candidate shall be considered to be made by such candidate.

Section 504(e)(2) provided that expenditures made by a candidate of a political party for the office of Vice President shall be considered to be made by the candidate of such party for the office of President.

Section 504(e)(3) provided that an expenditure is made on behalf of a candidate if it is made by (1) an authorized committee or other agent of a candidate for the purposes of making expenditures; (2) any person authorized or requested to make an expenditure by a candidate, an authorized committee of a candidate, or an agent of a candidate; or (3) a national or State committee of a political party with respect to a primary or general election campaign of a candidate, if such expenditure exceeds the limitations of section 614(b) of title 18, United States Code, relating to limitation on expenditures generally. If any such expenditure does not exceed such limitations, it shall not be considered to be an expenditure made on behalf of such candidate.

Section 614(a)(2) was identical to section 504(e)(1) of the Act. Section 614(a)(3) was identical to section 504(e)(2) of the Act. Section 614(a)(4) provided that an expenditure is made on behalf of a candidate if it is made by (1) an authorized committee or other agent of a candidate for the purpose of making expenditures; or (2) any person authorized or requested to make an expenditure by a candidate, an authorized committee of a candidate, or an agent of a candidate. Section 614(a)(5) was identical to section 504(d) of the Act.

Section 614(b)(1) provided that a national committee or State committee of a political party may make expenditures with respect to general election campaigns of candidates for Federal office.

Section 614(b)(2) provided that a national committee of a political party may not make expenditures for the candidate of such party for the office of President which exceed an amount equal to 2 cents multiplied by the voting age population of the United States.

Section 614(b)(3) provided that a national committee or a State committee of a political party may not make expenditures for a candidate in a general election for Federal office which exceed (1) if the office involved is that of Senator or Representative in a State with only one Representative, the greater of (A) 2 cents multiplied by the voting age population of the State involved; or (B) $20,000; and (2) if the office involved is that of Representative in a State with more than one Representative, $10,000.

Section 614(b)(4) defined the term "voting age population" as the voting age population certified for the year involved under section 504(g) of the Act. Section 614(b)(4) also provided that the approval by a national committee of a political party of an expenditure by a candidate of such party for the office of President, as required by section 316 of the Act, shall not be considered an expenditure by such national committee.

Section 504(g) of the Act, as added by section 101 of the Senate bill, provided that, beginning in January 1975 and annually thereafter, the Secretary of Commerce shall certify to the Commission an estimate of the voting age population of the United States, of each State, and of each congressional district. The term "voting age population" was defined to mean resident population, 18 years of age or older.

Section 504(h) of the Act, as added by section 101 of the Senate bill, provided that the Commission shall, upon receiving certification from the Secretary of Commerce under section 504(g) and from the Secretary of Labor under section 504(f)(2), publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, each State, and each congressional district.

Section 504(i) of the Act, as added by section 101 of the Senate bill, provided that, in the case of a House candidate from a new district or from a district with new boundaries, the Commission shall determine the amount of payments to which such candidate is entitled and shall determine whether such candidate is a major party or a minor party candidate, based upon the number of votes cast in the preceding general election for the office involved by voters residing within the area encompassed in the new or altered congressional district.

House amendment

Section 101(a) of the House amendment amended section 608 of title 18, United States Code, by inserting a new subsection (c).

The new subsection (c) established the following expenditure limitations: (1) a candidate for nomination for election to the office of President may not make expenditures exceeding $10,000,000; (2) a candidate for election to the office of President may not make expendi-

tures exceeding $20,000,000: (3) a candidate for the office of Senator may not make expenditures which exceed the greater of (A) 5 cents multiplied by the population of the State involved; or (B) $75,000; (4) a candidate for the office of Representative, Delegate from the District of Columbia, or Resident Commissioner, may not make expenditures exceeding $60,000; and (5) a candidate for the office of Delegate from Guam or the Virgin Islands may not make expenditures exceeding $15,000.

Subsection (c) also provided that, for purposes of such subsection, the following rules shall apply: (1) any expenditure made by the candidate of a political party for the office of Vice President shall be considered to be an expenditure made by the candidate of such party for the office of President; (2) any expenditure made on behalf of a candidate by his principal campaign committee shall be deemed to have been made by such candidate; and (3) the population of a geographical area shall be the population according to the most recent decennial census.

Subsection (c) also provided that the expenditure limitations applied by subsection (c) to candidates for the office of Senator, Representative, Delegate, and Resident Commissioner, shall apply separately to each election. It also provided that, for purposes of the $10,000,000 expenditure limit on candidates for nomination to the office of President, all Presidential primary elections are considered one election.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. The conference substitute increases the expenditure limitation applicable to candidates for the office of Representative, Delegate from the District of Columbia, and Resident Commissioner, from $60,000 to $70,000.

2. The conference substitute adopts the provision of the Senate bill which provided that an expenditure is made on behalf of a candidate if it is made by (A) an authorized committee or other agent of a candidate for the purpose of making expenditures; or (B) any person authorized or requested to make an expenditure by a candidate, an authorized committee of a candidate, or an agent of a candidate. This change conforms with the decision of the conferees to permit authorized committees, as well as the principal campaign committee, to make expenditures on behalf of a candidate.

3. The conference substitute adopts the approach taken by the Senate bill with respect to expenditures applicable to candidates for the office of Senator or Representative from a State with only one Representative. In a primary election, such candidates may make expenditures which do not exceed the greater of (A) 8 cents multiplied by the voting age population of the State in which the election is held; or (B) $100,000 (the conference substitute reduces the floor of $125,000 which was contained in the Senate bill).

In a general election, such candidates may make expenditures which do not exceed the greater of (A) 12 cents multiplied by the voting age population of the State in which the election is held; or (B) $150,000

(the conference substitute reduces the floor of $175,000 which was contained in the Senate bill).

4. The conference substitute adopts the provision of the Senate bill which provided that no candidate for nomination for the office of President may make expenditures in any State in which he is a candidate in a primary election which exceed 2 times the amount which a candidate for the office of Senator may make in such State.

5. The conference substitute adopts the provision of the Senate bill which provided that the Commission shall prescribe rules under which expenditures by a candidate for nomination for election to the office of President for use in 2 or more States shall be attributed to the expenditure limitation of such candidate in each State.

6. The conference substitute adopts the provision of the Senate bill which provided that national committees and State committees of political parties may make expenditures with respect to general election campaigns of candidates for Federal office. The expenditure limitations made applicable to such committees by the Senate bill are adopted by the conference substitute.

C. COST-OF-LIVING ADJUSTMENTS

Senate bill

Section 504(f) of the Act, as added by section 101 of the Senate bill, provided that at the beginning of each calendar year (commencing in 1975) the Secretary of Labor shall certify to the Commission the percentage difference between the price index for the most recent calendar year and the price index for the base period. The expenditure limitations established by section 504(a) and section 504(b) shall be changed by such percentage difference.

Section 504(f) defined the term "price index" as the average over a calendar year of the Consumer Price Index (all items—United States city average), and the term "base period" as calendar year 1973.

House amendment

Section 608(d) of title 18, United States Code, as added by section 101(a) of the House amendment, was the same as section 504(f) of the Act, as added by the Senate bill, with the following differences: (1) certification was required to be made to the Comptroller General, and not to the Commission; and (2) the percentage difference would be taken into account only if it required an increase in expenditure limitations established by section 608(c) of title 18, United States Code.

Conference substitute

The conference substitute is the same as the House amendment, except that certification is required to be made to the Commission.

D. OTHER EXPENDITURE LIMITATIONS

Senate bill

Section 614(c) of title 18, United States Code, as added by section 304(a) of the Senate bill, provided that no person may make expenditures (other than an expenditure permitted under section 614(a)(4))

advocating the election or defeat of a clearly identified candidate during a calendar year which exceed $1,000.

Section 614(c) also contained definitions of terms used in such subsection. The term "clearly identified" was defined to mean (1) the candidate's name appears; (2) a photograph or drawing of the candidate appears; or (3) the identity of the candidate is apparent by unambiguous reference. The term "person" did not include a national committee or State committee of a political party. The term "expenditure" did not include any payment made by a corporation or labor organization which, under the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization.

House amendment

Section 608(e) of title 18, United States Code, as added by section 101(a) of the House amendment, was the same as section 614(c), as added by section 304(a) of the Senate bill, except that the provision added by the House amendment did not define the terms "person" and "expenditure".

Conference substitute

The conference substitute is the same as the Senate bill, except that the definition of person is omitted.

E. EXPENDITURES FROM PERSONAL FUNDS

Senate bill

Section 302(a)(1) of the Senate bill amended section 608(a)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, to provide that no candidate may make expenditures from his personal funds or the personal funds of his immediate family with respect to his campaigns for nomination for election, and for election, to Federal office which exceed during any calendar year (1) $50,000 in the case of a candidate for the office of President or Vice President; (2) $35,000 in the case of a candidate for the office of Senator; or (3) $25,000 in the case of a candidate for the office of Representative, Delegate, or Resident Commissioner.

Section 302(a)(2) of the Senate bill amended section 608(a) of title 18, United States Code, by adding at the end thereof a new paragraph (3) and paragraph (4). Paragraph (3) provided that no candidate or his immediate family may make loans or advances from their personal funds with respect to his campaigns for Federal office unless such loan or advance is evidenced by a written instrument disclosing the terms and conditions of such loan or advance. Paragraph (4) provided that any such loan or advance shall be included in computing expenditures under section 608(a) only to the extent of the balance of such loan or advance outstanding and unpaid.

House amendment

Section 101(b) of the House amendment amended section 608(a)(1) of title 18, United States Code, to provide that no candidate may make expenditures from his personal funds or the personal funds

of his immediate family with respect to his campaign for nomination for election, or for election, to Federal office, which exceed $35,000.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute permits candidates for the office of Representative from States with only one Representative to make expenditures of up to $35,000 from their personal funds or the funds of their immediate families. Under the conference substitute the limitation on the expenditure of personal funds and immediate family funds by a candidate applies to the entire campaign period during any calendar year, beginning with the primary election campaign running through any primary runoff campaign and the general election campaign. In determining the amount of such funds used in connection with the candidate's efforts to obtain election to Federal office during any calendar year all funds spent in calendar years other than the calendar year in which such campaigns are conducted are taken into account.

It is the intent of the conferees that members of the immediate family of any candidate shall be subject to the contribution limitations established by this legislation. If a candidate for the office of Senator, for example, already is in a position to exercise control over funds of a member of his immediate family before he becomes a candidate, then he could draw upon these funds up to the limit of $35,000. If, however, the candidate did not have access to or control over such funds at the time he became a candidate, the immediate family member would not be permitted to grant access or control to the candidate in amounts up to $35,000, if the immediate family member intends that such amounts are to be used in the campaign of the candidate. The immediate family member would be permitted merely to make contributions to the candidate in amounts not greater than $1,000 for each election involved.

F. DISCHARGE OF CERTAIN CAMPAIGN DEBTS

Senate bill

Section 302(d) of the Senate bill provided that, notwithstanding the provisions of section 608 of title 18, United States Code, any individual may satisfy out of his personal funds or the personal funds of his immediate family any debt or obligation outstanding on the date of the enactment of this legislation and incurred by him with respect to any campaign for election to Federal office ending before January 1, 1973. The term "immediate family" was defined by reference to the definition of such term contained in section 608.

House amendment

Section 101(c) of the House amendment was the same as section 302(d) of the Senate bill, with the following differences: (1) the House amendment, instead of making an exception to the provisions of section 608 of title 18, United States Code, generally, made the exception apply specifically to the provisions of section 608(a)(1) of title 18, United States Code, relating to limitations on expenditures from personal funds; and (2) the House amendment defined the

terms "election", "Federal office", and "political committee" by reference to the definitions of such terms contained in section 591 of title 18, United States Code.

Conference substitute

The conference substitute is the same as the House amendment.

G. CONTRIBUTIONS BY FOREIGN NATIONALS

Senate bill

Section 615(b)(2) of title 18, United States Code, as added by section 304(a) of the Senate bill, provided that no candidate may knowingly solicit or accept a contribution (1) from a foreign national; or (2) which is made in violation of section 613 of title 18, United States Code, relating to contributions by agents of foreign principals. The term "foreign national" was defined to mean a foreign principal, as such term is defined by the Foreign Agents Registration Act of 1938, or an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by the Immigration and Nationality Act.

House amendment

Section 101(d) of the House amendment amended section 613 of title 18, United States Code, relating to contributions by certain foreign agents, in order to make such section apply directly to foreign nationals instead of applying to agents of foreign principals. The term "foreign national" was defined in the same manner as in the Senate bill.

Conference substitute

The conference substitute is the same as the House amendment.

H. AMOUNT OF CRIMINAL FINES

Senate bill

Section 302(b) of the Senate bill amended section 608 of title 18, United States Code, relating to limitations on contributions and expenditures out of candidates' personal and family funds, by increasing the fine for violation of such section from a maximum of $1,000 to a maximum of $25,000, and by increasing the prison term from a maximum of one year to a maximum of 5 years.

The penalty for violation of section 614 of title 18, United States Code, as added by section 304(a) of the Senate bill, was a fine of $25,000, or imprisonment for not more than 5 years, or both. If a candidate was convicted of violating section 614 because of an expenditure made on his behalf by a political committee, then the treasurer of such political committee or any other person authorizing such expenditure was punishable by a fine of not more than $25,000, or imprisonment for not more than 5 years, or both, if such person knew or had reason to know that such expenditure was in violation of section 614.

The penalty for violation of section 615 of title 18, United States Code, as added by section 304(a) of the Senate bill, was a fine of not more than $25,000, or imprisonment for not more than 5 years, or both.

House amendment

Section 101(e)(1) of the House amendment amended section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, to increase the criminal fine which may be imposed under such section from $1,000 to $25,000.

Section 101(e)(2) amended section 610 of title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations, to (1) increase the criminal fine which may be imposed under such section against corporations or labor organizations from $5,000 to $25,000; and (2) increase the criminal fine which may be imposed under such section against officers or directors committing willful violations from $10,000 to $50,000. It was the desire of the House committee that the increased penalties of section 610, together with the existing prison penalties of such section, shall be enforced rigorously against officers and directors of corporations and labor organizations to the extent such officers and directors are responsible for violations of such section.

Section 101(e)(3) amended section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, to increase the criminal fine which may be imposed under such section from $5,000 to $25,000.

Section 101(e)(4) amended section 613 of title 18, United States Code (as amended by section 101(d)), relating to contributions by foreign nationals, to increase the criminal fine which may be imposed under such section from $5,000 to $25,000.

Conference substitute

The conference substitute is the same as the House amendment.

I. PROHIBITION OF CERTAIN CONTRIBUTIONS

Senate bill

Section 211 of the Senate bill amended section 310 of the Act, relating to prohibition of contributions in the name of another, to provide that no person may knowingly permit his name to be used to effect any contribution which is prohibited by such section.

House amendment

Section 101(f)(1) of the House amendment amended chapter 29 of title 18, United States Code, by inserting a new section 614, relating to prohibition of contributions in the name of another. Section 614 was the same as section 310 of the Act (which was repealed by section 101(f)(4) of the House amendment), except that the criminal fine was increased from a maximum of $1,000 to a maximum of $25,000.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute adopts that portion of the Senate bill which provided that no person may knowingly permit his name to be used to effect any prohibited contribution.

J. CONTRIBUTIONS OF CURRENCY

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 616, relating to form of contributions. Section 616 prohibited contributions to any candidate or political committee in excess of $100 in a calendar year unless such contributions are made by written instrument identifying the person making such contribution. Violation of section 616 is punishable by a fine of not more than $1,000, imprisonment for not more than one year, or both.

House amendment

Section 101(f)(1) of the House amendment amended chapter 29 of title 18, United States Code, by inserting a new section 615, relating to limitation on contributions of currency. Section 615 provided that no person may make contributions of currency of the United States or currency of any foreign country exceeding $100 to any candidate for Federal office in any election. Violation of section 615 is punishable by a fine of not more than $25,000, imprisonment for not more than one year, or both.

Conference substitute

The conference substitute is the same as the House amendment.

K. CONVERSION OF CONTRIBUTIONS

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 617, which prohibited the embezzlement or conversion of political contributions.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

HONORARIUMS

Senate bill

No provision.

House amendment

Section 101(f)(1) of the House amendment amended chapter 29 of title 18, United States Code, by inserting a new section 616, relating to acceptance of excessive honorariums. Section 616 provided that any elected or appointed officer or employee of any branch of the Federal Government who accepts any single honorarium exceeding $1,000, or who accepts honorariums exceeding $10,000 in a calendar year, shall be fined not less than $1,000 nor more than $5,000.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute prohibits honorariums exceeding $15,000 in a calendar year, thus increasing by $5,000 the figure contained in the House amendment.

VOTING FRAUD

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 618, relating to voting fraud. Section 618 prohibited any person in a Federal election from (1) casting a ballot in the name of another person; (2) casting a ballot if he is not qualified to vote; (3) forging or altering a ballot; (4) miscounting votes; (5) tampering with a voting machine; or (6) committing any other act (or failing to carry out a duty required by law), with the intent of causing an inaccurate counting of votes in any election.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

DISCLOSURE OF ELECTION RESULTS

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 619, which made it unlawful to make public information with respect to votes cast for the office of Presidential and Vice-Presidential elector before midnight, eastern standard time, of the day on which the election is held.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

FRAUDULENT MISREPRESENTATION OF CAMPAIGN AUTHORITY

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 620, which made it unlawful for any candidate, or any agent or employee of a candidate, to fraudulently misrepresent himself as speaking or otherwise acting for or on behalf of any other candidate or political party on a matter which is damaging to such other candidate or political party. Violation of the provisions was made punishable by a $50,000 fine or 5 years in prison, or both.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute reduces the fine from $50,000 to $25,000 and reduces the prison term from 5 years to 1 year.

Applicability of Definitions

Senate bill

Section 304(b) of the Senate bill amended section 591 of title 18, United States Code, relating to definitions, to make such section applicable to the new sections 614 through 620, which were added by section 304(a) of the Senate bill.

House amendment

Section 101(f)(2) of the House amendment amended section 591 of title 18, United States Code, relating to definitions, to clarify that the manner in which terms are defined in such section applies to the use of such terms in such section, and to make such section applicable to the new sections 614, 615, and 616, which were added by section 101(f)(1) of the House amendment.

Conference substitute

The conference substitute is essentially the same as the House amendment.

Changes in Definitions

A. ELECTION

Senate bill

Section 301(a) of the Senate bill amended section 591(a) of title 18, United States Code, relating to the definition of election, to indicate that such term does not include the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

B. POLITICAL COMMITTEE

Senate bill

Section 301(b) of the Senate bill amended section 591(d) of title 18, United States Code, relating to the definition of political committee, to read that such term means (1) any committee or other group of persons which receives contributions or makes expenditures during a calendar year exceeding $1,000; (2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State committee of a political party, whether or not any such entity receives contributions or makes expenditures during a calendar year exceeding $1,000; and (3) any committee, association, or organization administering a

separate segregated fund described in section 610 of title 18 United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations.

House amendment

Section 102(a) of the House amendment amended section 591(d) of title 18, United States Code, relating to the definition of political committee, to provide that such term shall be extended to include any individual, committee, association, or organization which commits any act for the purpose of influencing the outcome of any election for Federal office, except that such acts shall not include certain communications which are excluded from the definition of expenditure under section 591(f), as amended by the House amendment. Such communications include news stories and editorials distributed through the public media facilities (unless such facilities are owned or controlled by a political party or committee, or by a candidate), communications by a membership organization to its members (unless it is organized primarily for the purpose of influencing an election to Federal office), and any other communication which is not made for the purpose of influencing an election to Federal office.

Conference substitute

The conference substitute is the same as that portion of the Senate bill which provided that the term "political committee" means any committee or other group of persons which receives contributions or makes expenditures during a calendar year exceeding $1,000.

C. CONTRIBUTION

Senate bill

Section 301(c) of the Senate bill amended section 591(e) of title 18, United States Code, relating to the definition of contribution, in the following ways: (1) to indicate that the term includes assessments, fees, or membership dues, connected with subscriptions; (2) to provide that such term does not apply to any transaction in connection with the election of delegates to a constitutional convention or proposing amendments to the Constitution of the United States; (3) to provide that such term applies to financing the operations of a political committee, and to the payment of any debt or obligation of a candidate or a political committee; (4) to eliminate the applicability of such term to contracts, promises, or agreements to make a contribution; and (5) to clarify that such term includes funds received by a political committee which are transferred to such committee from another political committee.

House amendment

Section 102(b) of the House amendment amended section 591(e)(1) of title 18, United States Code, relating to the definition of contribution, to provide that a loan of money by a national or State bank shall be considered a loan by each endorser of such loan, in that proportion of the unpaid balance of such loan which each endorser bears to the total number of endorsers.

Section 102(c) of the House amendment amended section 591(e) of title 18, United States Code, relating to the definition of contribu-

tion, to provide that the following activities shall not be considered to be contributions: (1) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual on his residential premises for candidate-related activities, including the cost of invitations and food and beverages, to the extent that the cumulative value of such use does not exceed $500; (2) the sale of food or beverage by a vendor to a candidate at a reduced charge if such charge is at least equal to the cost of such food or beverage to the vendor, to the extent that such accumulated charges do not exceed $500; (3) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; and (4) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of 3 or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute adopts that portion of the Senate bill which deleted from the term "contribution" any transaction in connection with the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

The purpose of the provision exempting slatecards is intended to allow State and local parties to educate the general public as to the identity of the candidates of the party. It is the intention of the conferees that the slatecard exemption applies only to lists containing the names of all candidates of a party within the State, displayed with equal prominence.

D. EXPENDITURE

Senate bill

Section 301(d) of the Senate bill amended section 591(f) of title 18, United States Code, relating to the definition of expenditure, to provide that such term means (1) a purchase, loan (other than a loan of money by a national or State bank), or other described payment of money or anything of value made for the purpose of (A) influencing the nomination for election, or election, of any person to Federal office; (B) influencing the result of a Presidential primary election; (C) financing a political committee; or (D) paying any debt or obligation of a candidate or a political committee; and (2) the transfer of funds by a political committee to another political committee.

The amendment made by section 301(d) of the Senate bill provided that the term "expenditure" does not include the value of services rendered by volunteer workers on behalf of a candidate.

House amendment

Section 102(d) of the House amendment amended section 591(f) of title 18, United States Code, relating to the definition of expenditure, to provide that the following activities shall not be considered

to be expenditures: (1) any news story, commentary, or editorial of any broadcasting station, newspaper, or other periodical publication, unless such facilities are owned or controlled by a political party, political committee, or candidate; (2) nonpartisan get-out-the-vote activity; (3) communications by a membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily to influence the outcome of elections for Federal office; (4) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual on his residential premises for candidate-related activities, including the cost of invitations and food and beverages, to the extent that the cumulative value of such use does not exceed $500; (5) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; (6) communications which are not made to influence the outcome of elections for Federal office; (7) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of 3 or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards; (8) the costs of a candidate (including his principal campaign committee) with respect to his solicitation of contributions, except that this exception does not apply to costs which exceed 25 percent of the expenditure limitation applicable to such candidate under section 608(c) of title 18, as added by the House amendment; and (9) any costs incurred by a multicandidate committee which has been registered under the Act as a political committee for at least 6 months, has received contributions from at least 50 persons, and (except for State political party organizations) has made contributions to at least 5 candidates, in connection with soliciting contributions to itself or to a general political fund controlled by it, but this exclusion does not exempt costs of soliciting contributions through any public media facilities.

Conference substitute

The conference substitute is the same as the House amendment, except that the 25 percent exemption for fundraising costs is reduced to 20 percent and that portion of the Senate bill is retained which deleted the reference to transactions in connection with the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

E. POLITICAL PARTY

Senate bill

Section 301(e) of the Senate bill amended section 591 of title 18, United States Code, by inserting a new paragraph (i), relating to the definition of political party. Such term was defined to mean any association or other organization which nominates a candidate for election to Federal office whose name appears on the election ballot as the candidate of such association or other organization.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

F. STATE COMMITTEE

Senate bill

Section 301(e) of the Senate bill amended section 591 of title 18, United States Code, by inserting a new paragraph (j), relating to the definition of State committee. Such term was defined to mean the organization which is responsible for the day-to-day operations of a political party at the State level, as determined by the Commission.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

G. NATIONAL COMMITTEE

Senate bill

Section 301(e) of the Senate bill amended section 591 of title 18, United States Code, by inserting a new paragraph (k), relating to the definition of national committee. Such term was defined to mean the organization which is responsible for the day-to-day operations of a political party at the national level, as determined by the Commission.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

H. PRINCIPAL CAMPAIGN COMMITTEE

Senate bill

No provision.

House amendment

Section 102(e) of the House amendment amended section 591 of title 18, United States Code, by inserting a new paragraph (i), relating to the definition of principal campaign committee. Such term was defined to mean the principal campaign committee designated by a candidate under section 302(f)(1) of the Act, as added by the House amendment.

Conference substitute

The conference substitute is the same as the House amendment.

POLITICAL FUNDS

Senate bill

Section 303 of the Senate bill amended section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, to provide that such section shall

not prohibit the establishment or maintenance of a separate segregated campaign fund by a corporation or a labor organization unless such establishment or maintenance is prohibited under section 610 of title 18, relating to contributions or expenditures by national banks, corporations, or labor organizations.

House amendment

Section 103 of the House amendment was the same as section 303 of the Senate bill, except that the amendment to section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, made by the House amendment contained a definition of the term "labor organization". Such term was defined by reference to the definition of such term contained in section 610 of title 18, United States Code.

A question was raised in the House committee during the consideration of the amendment to section 611 as to whether doctors receiving payments under the so-called Medicare and Medicaid programs are prohibited from making political contributions as government contractors. The House committee was of the opinion that nothing in the existing section 611, nor in the amendment thereto included in the House amendments, would prohibit a doctor from making a political contribution solely because he was receiving payments for medical services rendered to patients under either the Medicare or Medicaid program. Under the Medicare program the basic contractual relationship is between the Federal Government and the individual receiving the medical services. The individual receiving the medical services may be reimbursed directly by the Federal Government for amounts paid for such services, or he may assign his claim against the Federal Government to the doctor who rendered the services, but in the latter case the doctor merely stands in the shoes of the claimant for payment. This relationship is not altered by the fact that a Federal agency may retain a right to audit the accounts of a medical practitioner to protect the Federal Government against fraudulent claims for medical services.

Under so-called Medicaid programs, it is true that doctors may have specific contractual agreements to render medical services, but such agreements are with State agencies and not with the Federal Government. Medicaid programs are administered by State agencies using Federal funds. The House committee did not believe that section 611 prohibiting political contributions by government contractors has any application to doctors rendering medical services pursuant to a contract with a State agency.

A separate question was raised in the House committee concerning the application of section 610 of title 18, relating to prohibitions against political contributions by corporations, banks, and labor organizations, as to whether a professional corporation composed of doctors, lawyers, architects, engineers, etc., would be prohibited from making political contributions. Whether or not a professional association is a corporation is a matter determined under State law. If, under State law, such an association is a corporation, it would be prohibited from making a political contribution as a corporation. However, noth-

ing in existing law, nor in the amendments contained in the House amendment prohibit an individual member of any corporation from making a political contribution as an individual. Existing law also permits corporations to establish a separate segregated fund to be utilized for political purposes so long as contributions to such fund are voluntary and not secured by force or job discrimination or financial reprisals, or threat thereof, or by money obtained in any commercial transaction.

Conference substitute

The conference substitute is the same as the House amendment.

The conferees agree with the analysis of the House report (as set forth in the statement relating to the House amendment) regarding political contributions by doctors and professional corporations.

Effect on State Law

Senate bill

No provision.

House amendment

Section 104 of the House amendment provided that chapter 29 of title 18, United States Code, relating to elections and political activities, supersedes and preempts provisions of State law.

Conference substitute

The conference substitute is the same as the House amendment.

The provisions of the conference substitute make it clear that the Federal law occupies the field with respect to criminal sanctions relating to limitations on campaign expenditures, the sources of campaign funds used in Federal races, the conduct of Federal campaigns, and similar offenses, but does not affect the States' rights to prohibit false registration, voting fraud, theft of ballots, and similar offenses under State law.

AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971

Principal Campaign Committees

A. DESIGNATION

Senate bill

Section 207(a) of the Senate bill amended title III of the Act by inserting a new section 310, relating to central campaign committees. Section 310(a) provided that each candidate shall designate one political committee as his central campaign committee. A candidate for nomination for election, or for election, to the office of President, also may designate State campaign committees in States in which he is a candidate.

Section 310(b) provided that no political committee may be designated as the central campaign committee of more than one candidate, except that a political committee described in section 301(d)(2) of the Act, as added by the Senate bill, may be designated as the central

campaign committee of more than one candidate in a general election campaign. The central campaign committee and each State campaign committee of a candidate of a political party for the office of President shall be considered the central campaign committee and the State campaign committee of the candidate of such party for the office of Vice President.

House amendment

Section 201 of the House amendment amended section 302 of the Act by striking out subsection (f), relating to notices with respect to fund solicitation and annual reports by supervisory officers, and by inserting in lieu thereof a new subsection (f), relating to principal campaign committees.

Subsection (f)(1) required that candidates for Federal office (other than candidates for the office of Vice President) designate a political committee as their principal campaign committee. No political committee which, supports more than one candidate may be designated as a principal campaign committee. Subsection (f)(1) as provided that no political committee may be designated as the principal campaign committee of more than one candidate, except that the Presidential candidate of a political party may, after he is nominated, designate the national committee of his political party as his principal campaign committee.

Conference substitute

Although the conference substitute is the same as the House amendment with respect to principal campaign committees, the conference substitute retains the provision of the Act deleted by the House amendment relating to notices with respect to fund solicitation. This provision requires political committees to have a notice on material soliciting contributions which states that copies of their reports filed under the Act are available for purchase from the Commission.

B. EXPENDITURES ON BEHALF OF CANDIDATE

Senate bill

No provision.

House amendment

Section 302(f)(2) of the Act, as added by the House amendment, provided that, except in the case of expenditures which may be made under section 608(e) of title 18, United States Code, relating to expenditures of not more than $1,000 in a calendar year made with respect to a clearly identified candidate, only the principal campaign committee of a candidate may make expenditures on behalf of such candidate.

Conference substitute

The conference substitute, like the Senate bill, permits authorized political committees other than the principal campaign committee to make expenditures on behalf of a candidate.

C. REPORTS

Senate bill

Section 310(c)(1) of the Act, as added by the Senate bill, provided that political committees, other than central campaign committees and State campaign committees, shall file required reports with the appropriate central campaign committee and not with the Commission. Any report filed with a central campaign committee shall be considered to have been filed with the Commission at the time it was filed with the central campaign committee.

Section 310(c)(2) provided that the Commission may require a political committee operating in a State on behalf of a candidate who has designated a State campaign committee for such State, to file required reports with such State campaign committee and not with the central campaign committee of such candidate.

Section 310(c)(3) provided that the Commission may require any political committee to file any report directly with the Commission.

Section 310(d) provided that each central campaign committee and State campaign committee shall consolidate reports filed with it by other political committees and furnish such reports, together with its own required reports, to the Commission.

House amendment

Section 302(f)(3) of the Act, as added by the House amendment, provided that political committees receiving contributions on behalf of a candidate shall report such contributions to the principal campaign committee of such candidate, instead of to the supervisory officer.

Subsection (f)(4) provided that the principal campaign committee shall compile and file reports which such committee receives from other political committees supporting the candidate involved, together with its own reports and statements, with the supervisory officer.

Conference substitute

The conference substitute follows the House amendment generally. Since the conference substitute permits expenditures to be made by other authorized political committees, it provides that political committees authorized to make expenditures with respect to a candidate must file reports relating to those expenditures with the principal campaign committee rather than with the Commission.

D. DEFINITION OF POLITICAL COMMITTEE

Senate bill

No provision.

House amendment

Section 302(f)(5) of the Act, as added by the House amendment, provided that, for purposes of subsection (f)(1) and subsection (f)(3), the term "political committee" does not include political committees supporting more than one candidate, except for the national committee of a political party designated by a Presidential candidate as his principal campaign committee. Therefore, a candidate may not

designate a multicandidate political committee as his principal campaign committee and multicandidate political committees shall continue to report directly to the supervisory officer under applicable provisions of the Act.

Conference substitute

Because of the conference substitute provisions permitting expenditures to be made for a candidate by political committees other than his principal campaign committee, the provision of the House amendment requiring multicandidate committees to report directly to the supervisory authority rather than to the principal campaign committee is not included in the conference substitute.

Campaign Depositories

Senate bill

Section 207(a) of the Senate bill amended title III of the Act by inserting a new section 311, relating to campaign depositories.

Section 311 provided that each candidate shall designate one or more national or State banks as his campaign depositories. Contributions received by or on behalf of a candidate shall be deposited in one of his campaign depositories. Expenditures, other than petty cash expenditures, made on behalf of a candidate shall be made by check from an account at one of the campaign depositories of such candidate.

Section 311 also provided that the treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or make expenditures on his behalf) shall designate one or more national or State banks as the campaign depositories of such political committee. Contributions received by such political committee shall be deposited in one of its campaign depositories. Expenditures, other than petty cash expenditures, made by such political committee shall be made by check from an account at one of its campaign depositories.

Section 311 also provided that political committees may maintain petty cash funds from which expenditures not in excess of $100 may be made in connection with a single purchase or transaction. Records of petty cash disbursements shall be kept in accordance with requirements established by the Commission.

Section 311 also provided that a candidate for nomination for election, or for election, to the office of President may establish one campaign depository in each State. The campaign depository of a candidate of a political party for the office of President shall be considered the campaign depository of the candidate of such political party for the office of Vice President.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Registration Requirements

Senate bill

Section 203(a) of the Senate bill amended section 303 of the Act (relating to registration of political committees; statements) by in-

serting a new subsection (a). The new section 303(a) provided that each candidate, within 10 days after becoming a candidate, shall file with the Commission a registration statement, which shall include (1) the identification of the candidate and any person he has authorized to receive contributions or make expenditures on his behalf; (2) the identification of his campaign depositories and the identification of each individual authorized to make any expenditure or withdrawal from accounts at such depositories; and (3) such additional relevant information as the Commission may require.

Section 303(b) of the Act (as so redesignated by the Senate bill) was amended by the Senate bill in the following ways: (1) the first sentence, relating to certain reporting requirements of political committees, was struck out; and (2) a new sentence was added which provided that the treasurer of each political committee shall file with the Commission a statement of organization within 10 days after such political committee is organized.

Section 303(c) of the Act (as so redesignated by the Senate bill) was amended by the Senate bill in the following ways: (1) it was made clear by the Senate bill that statements of organization shall be in such form as the Commission shall prescribe; (2) paragraph (3) was amended to provide that the statement of organization shall include information with respect to the geographical area or political jurisdiction within which the political committee will operate, and a general description of the authority and activities of such political committee; and (3) paragraph (9) was amended to provide that the statement of organization shall include the name and address of campaign depositories used by the political committee involved, and the identification of each individual authorized to make withdrawals or payments from accounts at such depositories.

House amendment

Section 202 of the House amendment amended section 303 of the Act, relating to registration of political committees and statements, by adding at the end thereof a new subsection (e) which provided that reports and notifications of political committees (other than principal campaign committees and multicandidate political committees) required to be filed under section 303 shall be filed with the appropriate principal campaign committee.

Conference substitute

The conference substitute is the same as the House amendment, except that multicandidate committees report to the appropriate principal campaign committee.

Reports by Political Committees and Candidates

A. FILING DATES

Senate bill

Section 204(a) of the Senate bill made the following changes in section 304 of the Act, relating to reports by political committees and candidates:

1. The provisions of section 304 were clarified in order to indicate that such provisions apply to campaigns for nomination for election as well as to campaigns for election.

2. The amendment made by the Senate bill established the following reporting dates: (A) the tenth day of April, July, and October of each year; (B) the tenth day before an election; (C) the tenth day of December in the year of an election; and (D) the last day of January of each year. In years in which no election is held, candidates may file reports on the twentieth day of April, July, and August, instead of on the tenth day of each such month.

3. The requirement that contributions of $5,000 or more received after the last report before an election must be reported within 48 hours after receipt, was eliminated by the amendment made by the Senate bill.

4. If the identity of an anonymous contributor becomes known, such identity shall be reported to the Commission.

5. The Commission may, upon request by a Presidential candidate or upon its own motion, waive reporting dates (other than January 31) and require that Presidential candidates report not less frequently than monthly. If the Commission acts upon its own motion, then the Presidential candidate involved is entitled to judicial review of the decision.

House amendment

Section 203(a) of the House amendment amended section 304(a) of the Act, relating to filing dates for reports of receipts and expenditures by political committees and candidates, to provide for the following new filing requirements:

1. In a calendar year in which an individual is a candidate for Federal office and an election is held for the particular Federal office which such individual is seeking, reports of receipts and expenditures must be filed 10 days before such election. Such reports shall be complete as of the fifteenth day before such election. Reports filed by registered or certified mail must be postmarked by the twelfth day before such election. In addition, such reports must be filed 30 days after the date of such election and be complete as of the twentieth day after the date of such election.

2. In other calendar years, reports of receipts and expenditures must be filed after the close of the calendar year and no later than January 31 of the following calendar year, and must be complete as of the close of the calendar year for which filed.

3. In addition to reports required to be filed in an election year or in any other calendar year, reports of receipts and expenditures must be filed for any calendar quarter in which the candidate or committee reporting received contributions exceeding $1,000 or made expenditures exceeding $1,000. In any case in which such a quarterly report would coincide with the annual report which is required for nonelection years, the amendment made by section 203(a) provided that the quarterly report be filed in accordance with provisions governing the filing of annual reports.

The amendment made by section 203(a) also provided that when the last day for filing a quarterly report occurs within 10 days of an election, then the quarterly report requirement shall be waived and superseded by the required election report. Such amendment also

provided that any contribution exceeding $1,000 which is received after the fifteenth day before an election but more than 48 hours before an election, shall be reported no later than 48 hours after its receipt.

Such amendment also provided that treasurers of political committees which are not principal campaign committees or multicandidate committees shall file reports required by section 304 of the Act with the appropriate principal campaign committee, instead of with the supervisory officer.

Conference substitute

The conference substitute follows the House amendment generally, but includes that provision of the Senate bill permitting monthly reporting in the case of presidential candidates and political committees supporting candidates in more than one State. The maximum number of reports in addition to the final report for the calendar year is increased in the conference substitute from 11 to 12 in order to permit the Commission to require such candidates and committees to file the report due 10 days before the date of the general election even if such candidates and committees are reporting on a monthly basis.

B. REPORTING OF LOANS

Senate bill

Section 204(b)(2) of the Senate bill amended section 304(b)(5) of the Act, relating to the reporting of loans, to provide that information with respect to the guarantors of loans shall be included in reports, as well as information with respect to lenders and endorsers.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

C. REPORTING OF DEBTS AND OBLIGATIONS

Senate bill

Section 204(c) of the Senate bill amended section 304(b)(12) of the Act, relating to the reporting of debts and obligations, to provide that reports filed with the Commission must include a statement with respect to the circumstances and conditions under which any debt or obligation is extinguished.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill. The conferees expect that this reporting requirement will eliminate the practice of reporting the expenditure of the expenditure of the proceeds of a loan as an "expenditure" two times—once when the funds are spent and again when the loan is paid off.

D. REPORTING OF EARMARKED CONTRIBUTIONS

Senate bill

Section 204(d) of the Senate bill added a new paragraph (13) to section 304(b) of the Act. Such paragraph provided that reports filed with the Commission shall contain such information as the Commission may require with respect to earmarked contributions or other special funds.

House amendment

No provision. See section 608(b)(6) of title 18, United States Code, as added by section 101(a) of the House amendment, which required the reporting of earmarked contributions.

Conference substitute

The conference substitute is the same as the House amendment.

E. CONTRIBUTION AND EXPENDITURE INFORMATION

Senate bill

No provision.

House amendment

Section 203(b) of the House amendment amended section 304(b) of the Act, relating to information required to be reported, to provide that, in addition to reporting total receipts and total expenditures, each report must show total receipts less transfers between political committees which support the same candidate and do not support any other candidate and total expenditures less such transfers. In some cases the total receipts and expenditures reported have presented a distorted picture because, under the Act, transfers of funds between committees are counted as contributions and expenditures. This amendment provided that where such transfers occur between single candidate committees supporting the same candidate the report must also show total receipts less such transfers and total expenditures less such transfers.

Conference substitute

The conference substitute is the same as the House amendment.

F. CUMULATIVE REPORTS

Senate bill

Section 204(e) of the Senate bill amended section 304(c) of the Act (1) to eliminate the option of reporting only the amounts of the previous reporting period when there has been no change in the amounts of items since the last report; and (2) to provide that the Commission may require cumulative reports with respect to periods other than the calendar year.

House amendment

No provision.

Conference substitute

The conference substitute omits the provissions of the Senate bill.

G. EXEMPTED TRANSACTIONS

Senate bill

Section 204(f) of the Senate bill amended section 304 of the Act by inserting a new subsection (d). Such subsection provided that Members of the Congress are not required to report as contributions or expenditures certain services furnished before the first day of January of the year before the year during which the term of the Member expires. Such services are (1) those furnished by the Senate Recording Studio; (2) those furnished by the House Recording Studio; (3) those furnished by employees whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives; and (4) those paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that there the Senate bill provided that certain photographic, matting, and recording studio services, if reportable under the Act, were only reportable to the extent utilized in the calendar year before the expiration of a Member's term, the conference substitute provides only for the reporting during that year of recording studio services to the extent that they are reportable under the Act.

CAMPAIGN ADVERTISEMENTS

Senate bill

Sections 204(f) and 205 of the Senate bill amended title III of the Act by striking out section 305, relating to reports by other than political committees, and by inserting the provisions of section 305 as a new section 304(e). Section 205 of the Senate bill amended title III of the Act by inserting a new section 305, relating to requirements relating to campaign advertising.

Section 305(a) of the Act required that persons seeking to publish political advertisements must furnish to the publisher their identification and the identification of any person authorizing the political advertisement.

Section 305(b) required that each published political advertisement contain a statement of the identification of any person authorizing such political advertisement.

Section 305(c) required that publishers maintain records with respect to the publication of political advertisements. Section 304(d) provided that persons selling newspaper or magazine space to candidates may not charge rates which exceed rates for comparable space used for other purposes.

Section 305(e) required political committees to print on all literature and advertisements soliciting contributions a notice with respect to reports of such political committees filed with the Commission. Section 305(f) defined the terms "political advertisement" and "published".

House amendment

No provision.

Conference substitute

The conference substitute, like the Senate bill, continues the provision of existing law prohibiting newspapers or magazines from charging a rate for political advertising which is higher than the rate charged for any comparable use of the newspaper or magazine for other purposes.

Waiver of Reporting Requirements

Senate bill

Section 206 of the Senate bill amended section 306(c) of the Act, relating to waiver of certain reporting requirements, to provide that the Commission may relieve any category of candidates from personally complying with the filing requirements of section 304(a) through section 304(e) of the Act, and that the Commission may relieve any category of political committees from complying with such provisions if such political committees primarily support persons seeking State office and do not operate in more than one State or do not operate on a statewide basis.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Determination of Date of Filing

Senate bill

No provision.

House amendment

Section 204 of the House amendment amended section 306 of the Act, relating to formal requirements respecting reports and statements, by adding at the end thereof a new subsection (e) which provided that if a report or statement required to be filed by a candidate or committee relating to contributions or expenditures or registration of a committee is delivered by registered or certified mail, then the United States postmark stamped on the envelope containing such report shall be deemed to be the date of filing.

Conference substitute

The conference substitute is the same as the House amendment.

Duties of Supervisory Officer

A. CUMULATIVE INDEX

Senate bill

Section 208 of the Senate bill amended section 308(a)(6) of the Act, relating to duties of the supervisory officer, to provide that it

shall be a duty of the Commission to compile and maintain a cumulative index of statements and reports filed with the Commission.

House amendment

The amendment made by section 205(a)(1) of the House amendment, which amended section 308(a)(6) of the Act, was essentially the same as the amendment made by section 208 of the Senate bill, with the following differences: (1) the amendment made by the Senate bill required the index to be published monthly, whereas the amendment made by the House amendment provided for publication at regular intervals; and (2) the amendment made by the Senate bill contained detailed requirements for identification of reports by the name of the candidate or committee, the dates of the reports, and the number of pages in the reports; these requirements were not specifically contained in the amendment made by the House amendment.

Conference substitute

The conference substitute is the same as the House amendment.

B. SPECIAL REPORTS

Senate bill

No provision.

House amendment

Section 205(a)(1) of the House amendment amended section 308(a) of the Act, relating to duties of the supervisory officer, by inserting a new paragraph (7), which required the preparation of special reports listing candidates for whom reports were filed as required by title III of the Act and candidates for whom such reports were not filed as so required.

Conference substitute

The conference substitute is the same as the House amendment.

C. ELIMINATION OF CERTAIN DUTIES

Senate bill

No provision.

House amendment

Section 205(a)(1) of the House amendment amended section 308(a) of the Act in order to eliminate the following duties of the supervisory officer: (1) the duty to compile and maintain a current list of statements relating to each candidate; (2) the duty to prepare and publish an annual report regarding contributions to and expenditures by candidates and political committees; (3) the duty to prepare special reports comparing totals and categories of contributions and expenditures; (4) the duty to prepare such other reports as the supervisory officer may deem appropriate; and (5) the duty to assure wide dissemination of statistics, summaries, and reports prepared under the Act.

Conference substitute

The conference substitute is the same as the House amendment.

D. ANNUAL REPORT FOR 1973

Senate bill

No provision.

House amendment

Section 205(a)(2) of the House amendment provided that the annual report which the supervisory officer is required to file under section 308(a)(7) of the Act (which is eliminated by the amendment made by section 205(a)) shall not be filed with respect to any calendar year beginning after December 31, 1972.

Conference substitute

The conference substitute is the same as the House amendment.

E. REVIEW OF REGULATIONS

Senate bill

No provision.

House amendment

Section 205(b) of the House amendment amended section 308 of the the Act by adding a new subsection (b), which required the supervisory officer, before prescribing any rule or regulation under section 308, to transmit a statement regarding such rule or regulation to the Senate or the House of Representatives, as the case may be. The new subsection (b) provided that such statement shall explain and justify the proposed rule or regulation.

Subsection (b) also provided that if the supervisory officer proposes to prescribe any rule or regulation with respect to candidates for the office of Representative, Delegate, or Resident Commissioner, he shall transmit such statement to the House of Representatives. If the supervisory officer proposes to prescribe any rule or regulation with respect to candidates for the office of Senator, he shall transmit such statement to the Senate. If the supervisory officer proposes to prescribe any rule or regulation with respect to candidates for the office of President, he shall transmit such statement to the Senate and to the House of Representatives.

If either House which receives a statement from the supervisory officer disapproves the proposed rule or regulation within 30 legislative days after it is received, then the supervisory officer may not prescribe such rule or regulation. In the case of a proposed rule or regulation with respect to candidates for the office of President, if only one of the two Houses disapproves the proposed rule or regulation, such disapproval by one House is sufficient to prevent prescription of the rule or regulation.

Subsection (b) also defined the term "legislative days". With respect to statements transmitted to the Senate, such term does not include any calendar day on which the Senate is not in session. With respect to statements transmitted to the House, such term does not include any calendar day on which the House is not in session. With respect to statements transmitted to both Houses, such term does not

include any calendar day on which both Houses of the Congress are not in session.

It should be noted that it was the intent of the members of the House committee that the Senate and the House of Representatives, in reviewing proposed rules and regulations under section 308(b) of the Act and under sections 9009(c) and 9039(c) of the Internal Revenue Code of 1954, as added by the House amendment, shall strive to achieve uniformity in such rules and regulations.

Conference substitute

The conference substitute is the same as the House amendment.

F. CUSTODIAL RECEIPT OF REPORTS

Senate bill

No provision.

House amendment

Section 205(b) of the House amendment amended section 308 of the Act by inserting a new subsection (c). Such subsection provided that the supervisory officer shall prescribe rules to carry out title III of the Act, including rules to require that (1) reports required to be filed by candidates for the office of Representative, Delegate, or Resident Commissioner, shall be filed with the Clerk of the House of Representatives as custodian for the Board of Supervisory Officers (hereinafter in this statement referred to as the "Board"); (2) reports required to be filed by candidates for the office of Senator shall be filed with the Secretary of the Senate as custodian for the Board; and (3) the Clerk of the House of Representatives and the Secretary of the Senate shall be required to (A) make such reports available for public inspection; and (B) preserve such reports.

Subsection (c) also required the Clerk of the House of Representatives and the Secretary of the Senate to cooperate with the Board in carrying out its duties under the Act.

Conference substitute

The conference substitute is the same as the House amendment.

G. COOPERATION WITH STATE OFFICIALS

Senate bill

No provision.

House amendment

Section 205(b) of the House amendment amended section 308 of Act by striking out subsection (b), which required the supervisory officer to develop procedures in cooperation with State election officials to permit filing of Federal reports to comply with State requirements.

Conference substitute

The conference substitute is the same as the House amendment.

H. NATIONAL CLEARINGHOUSE

Senate bill

No provision.

House amendment

Section 205(b) of the House amendment amended section 308 of the Act by striking out subsection (c), which required the Comptroller General to serve as a national clearinghouse for information regarding the administration of elections.

Conference substitute

The conference substitute is the same as the Senate bill, which retained the clearinghouse function, but it is vested in the Commission.

CHANGES IN DEFINITIONS

A. APPLICABILITY TO TITLE IV

Senate bill

No provision.

House amendment

Section 206(a) of the House amendment amended section 301 of the Act, relating to definitions, to provide that definitions contained in such section applied to title IV of the Act as well as to title III of the Act.

Conference substitute

The conference substitute is the same as the House amendment.

B. ELECTION

Senate bill

Section 202(a)(1) of the Senate bill amended section 301(a) of the Act, relating to the definition of election, in the same manner that section 301(a) of the Senate bill amended section 591(a) of title 18, United States Code, relating to the definition of election. The amendment made by section 202(a)(1) provided that such term does not include the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

C. POLITICAL COMMITTEE

Senate bill

Section 202(a)(2) of the Senate bill amended section 301(d) of the Act, relating to the definition of political committee, in the same manner that section 301(b) of the Senate bill amended section 591(d) of title 18, United States Code, relating to the definition of political committee. The amendment made by section 202(a)(2) provided that such term means (1) any committee or other group of persons

which receives contributions or makes expenditures during a calendar year exceeding $1,000; (2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State committee of a political party, whether or not any such entity receives contributions or makes expenditures during a calendar year exceeding $1,000; and (3) any committee, association, or organization administering a separate segregated fund described in section 610 of title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations.

House amendment

Section 206(b) of the House amendment amended section 301(d) of the Act, relating to the definition of political committee, in the same manner that section 102(a) of the House amendment amended section 591(d) of title 18, United States Code, relating to the definition of political committee. This amendment extended the definition of political committee to include any individual, committee, association, or organization which commits any act for the purpose of influencing the outcome of any election for Federal office, except that communications which are excluded from the definition of expenditure under section 301(f)(4), as added by the House amendment, are excluded. Such communications included news stories and editorials distributed through the public media facilities (unless such facilities are owned or controlled by a political party or committee, or by a candidate), communications by a membership organization to its members (unless it is organized primarily for the purpose of influencing an election to Federal office), and any other communication which is not made for the purpose of influencing an election to Federal office.

Conference substitute

The conference substitute follows the provisions of the Senate bill generally. A provision of the House amendment extended the duty to register as a political committee to any person committing any act to influence the outcome of any election. This provision is recast as a new section 308 of the Act, which will require any organization which expends any funds or commits any act directed to the public for the purpose of influencing the outcome of an election, or which publishes or broadcasts to the public material intended to influence public opinion with respect to candidates for Federal office to register with the Commission as a political committee and report the source and amount of its funds and of its expenditures. Since these organizations use their resources for political purposes, often having a direct and substantial effect on the outcome of Federal elections, it would be inappropriate to permit these organizations to conceal the interests they represent solely because the organizations are able to avoid reporting and disclosure under the technical definitions of political committee, contribution, and expenditure. The conference substitute does not apply to individuals acting on their own behalf or to news stories, commentaries, and editorials published in bona fide newspapers, magazines, or other periodical publications.

D. CONTRIBUTION

Senate bill

Section 202(a)(3) through section 202(a)(6) of the Senate bill amended section 301(e) of the Act, relating to the definition of contribution, in the same manner that section 301(c) of the Senate bill amended section 591(e) of title 18, United States Code, relating to the definition of contribution, except that the amendment made by section 202(a)(4) of the Senate bill provided that the term "contribution" shall not include payments made or obligations incurred by a corporation or labor organization which, under 610 of title 18, United States Code, would not constitute a contribution by such corporation or labor organization. The amendments made by section 202(a)(3) through section 202(a)(6) amended section 301(e) in the following ways: (1) to indicate that the term includes assessments, fees, or membership dues, connected with subscriptions; (2) to provide that such term does not apply to any transaction in connection with the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States: (3) to provide that such term applies to financing the operations of a political committee, and to the payment of any debt or obligation of a candidate or a political committee; (4) to eliminate the applicability of such term to contracts, promises, or agreements to make a contribution; and (5) to clarify that such term includes funds received by a political committee which are transferred to such committee from another political committee.

House amendment

Section 206(c) of the House amendment amended section 301(e)(5) of the Act, relating to an exception to the definition of contribution, in the same manner that section 102(b) of the House amendment amended section 591(e)(5) of title 18, United States Code, relating to an exception to the definition of contributions. Under this amendment, the following activities are not considered contributions: (1) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual on his residential premises for candidate-related activities, including the cost of invitations and food and beverages, to the extent that the cumulative value of such use does not exceed $500; (2) the sale of food or beverages by a vendor to a candidate at a reduced charge if such charge is at least equal to the cost of such food or beverage to the vendor, to the extent that such accumulated charges do not exceed $500; (3) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; and (4) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of 3 or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards.

Conference substitute

The conference substitute follows the provisions of the Senate bill generally except that the provisions including membership fees and payments to finance the operations of a political committee or pay the debts of a committee or candidate are omitted and the provisions of the House amendment relating to exceptions from the definition of contribution are included.

E. EXPENDITURE

Senate bill

Section 202(a)(7) of the Senate bill amended section 301(f) of the Act, relating to the definition of expenditure, in the same manner that section 301(d) of the Senate bill amended section 591(f) of title 18, United States Code, relating to the definition of expenditure, with the following differences: (1) the amendment made by section 202(a)(7) of the Senate bill did not exclude loans of money by a national or State bank from the definition of expenditure; and (2) the amendment made by section 202(a)(7) of the Senate bill did exclude from the definition of expenditure payments made or obligations incurred by a corporation or labor organization which, under section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization. The amendment made by section 202(a)(7) provided that such term means (1) a purchase, loan, or other described payment of money or anything of value made for the purpose of (A) influencing the nomination for election, or election, of any person to Federal office; (B) influencing the result of a Presidential primary election; (C) financing a political committee; or (D) paying any debt or obligation of a candidate or a political committee; and (2) the transfer of funds by a political committee to another political committee.

The amendment made by section 202(a)(7) of the Senate bill provided that the term "expenditure" does not include the value of services rendered by volunteer workers on behalf of a candidate.

House amendment

Section 206(d) of the House amendment amended section 301(f) of the Act, relating to the definition of expenditure, in the same manner that section 102(c) of the House amendment amended section 591(f) of title 18, United States Code, relating to the definition of expenditure, except that the amendment made by this section did not establish an exception for costs incurred by a candidate or political committee with respect to the solicitation of contributions by the candidate or political committee. Under this amendment, the following activities are not considered expenditures: (1) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, or periodical publication (unless such facilities are owned or controlled by a political party or committee, or by a candidate); (2) nonpartisan get-out-the-vote activity; (3) communications by a membership organization to its members (unless it is organized primarily for the purpose of influencing an election to Federal office); (4) the use of property by an individual who owns or

leases such property with respect to the rendering of voluntary services by such individual on his residential premises for candidate-related activities, including the cost of invitations and food and beverages, to the extent that the cumulative value of such use does not exceed $500; (5) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; (6) communications which are not made to influence the outcome of elections for Federal office; (7) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of 3 or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards; (8) the costs of a candidate (including his principal campaign committee) with respect to his solicitation of contributions, except that this exception does not apply to costs which exceed 25 percent of the expenditure limitation applicable to such candidate under section 608(c) of title 18, as added by the House amendment; and (9) any costs incurred by a multicandidate committee which has been registered under the Act as a political committee for at least 6 months, has received contributions from at least 50 persons, and (except for State political party organizations) has made contributions to at least 5 candidates, in connection with soliciting contributions to itself or to a general political fund controlled by it, but this exclusion does not exempt costs of soliciting contributions through any public media facilities.

Conference substitute

The conference substitute follows the provisions of the Senate bill generally except that it omits payments to finance a political committee or pay debts of a committee or candidate and includes the exemptions of the House amendment with a modification. Although the definition of expenditure contained in section 591 of title 18, United States Code, as amended by this legislation, contains an exception for certain amounts spent solely in connection with fund raising activities, that exception is not contained in the definition of expenditure which relates to reporting and disclosure. Under the conference substitute a candidate or political committee must report all expenditures to the Commission but, to the extent provided in section 591(f) of title 18, United States Code, those expenditures used in raising funds are not counted against expenditure limits contained in that title. Nothing in this provision of the conference substitute is intended to require multicandidate committees to allocate among candidates amounts spent for fund raising activities, or to relieve such committees of reporting the expenditure of such amounts.

F. IDENTIFICATION

Senate bill

Section 202(a)(10) of the Senate bill amended section 301 of the Act, relating to definitions, by inserting a new paragraph (j), relating to the definition of identification. Such term was defined to mean (1)

in the case of an individual, his name and the address of his principal place of residence; and (2) in the case of any other person, the name and address of such person.

Section 202(b) of the Senate bill amended section 302(b) of the Act, relating to reports of contributions in excess of $10, and section 302(c) of the Act, relating to detailed accounts, by inserting the term "identification" to clarify the nature of information which must be provided under each such subsection.

Section 204(b)(1) of the Senate bill amended section 304(b)(9) and 304(b)(10) of the Act, relating to reports by political committees and candidates, by inserting the term "identification" to clarify the nature of information which must be provided under each such paragraph. Use of the new term eliminated the requirement that information with respect to occupation and principal place of business must be provided.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

G. NATIONAL COMMITTEE

Senate bill

Section 202(a)(10) of the Senate bill amended section 301 of the Act, relating to definitions, by inserting a new paragraph (k), relating to the definition of national committee. Such term was defined to mean the organization which is responsible for the day-to-day operations of a political party at the national level, as determined by the Commission.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

H. POLITICAL PARTY

Senate bill

Section 202(a)(10) of the Senate bill amended section 301 of the Act, relating to definitions, by inserting a new paragraph (l), relating to the definition of political party. Such term was defined to mean any association or other organization which nominates a candidate for election to Federal office whose name appears on the election ballot as the candidate of such association or other organization.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

I. SUPERVISORY OFFICER; PRINCIPAL CAMPAIGN COMMITTEE; BOARD

Senate bill

No provision.

House amendment

Section 206(e) of the House amendment amended section 301(g) of the Act, relating to the definition of supervisory officer, to provide that such term means the Board of Supervisory Officers established by section 308(a)(1) of the Act, as added by the House amendment.

Section 206(f) of the House amendment amended section 301 of the Act, relating to definitions, by adding two new paragraphs. The new paragraph (j) defined the term "principal campaign committee" to mean the principal campaign committee designated by a candidate under section 302(f)(1) of the Act, as added by the House amendment.

The new paragraph (k) defined the term "Board" to mean the Board of Supervisory Officers established by section 308(a)(1) of the Act, as added by the House amendment.

Conference substitute

The conference substitute adds to the definitions contained in section 301 of the Act a definition of Commission, which relates to the Federal Election Commission established under the conference substitute, and the definition of principal campaign committee as in the House amendment.

CONTRIBUTION INFORMATION

Senate bill

Section 202(b)(3) of the Senate bill amended section 302(c) of the Act, relating to detailed accounts, to provide that if a person's contributions aggregate more than $100, then the treasurer of a political committee receiving such contributions shall furnish an account of the occupation and principal place of business of such person.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

FEDERAL ELECTION COMMISSION

A. ESTABLISHMENT; COMPOSITION

Senate bill

Section 207(a) of the Senate bill amended title III of the Act by inserting a new section 308, relating to Federal Election Commission. The new section 308(a)(1) established the Federal Election Commission.

Section 308(a)(2) provided that the Commission shall be composed of 7 members appointed by the President by and with the advice and consent of the Senate. Of the 7 members (1) 2 shall be chosen from

individuals recommended by the President pro tempore of the Senate, upon recommendation of the majority leader of the Senate and the minority leader of the Senate; and (2) 2 shall be chosen from individuals recommended by the Speaker of the House of Representatives, upon recommendation of the majority leader of the House and the minority leader of the House. The individuals chosen upon recommendation of the President pro tempore shall not be affiliated with the same political party. The same rule shall apply with respect to individuals chosen upon recommendation of the Speaker of the House. Of the 3 remaining members to be appointed by the President, no more than 2 may be affiliated with the same political party. The Comptroller General shall be a member of the Commission, in addition to the 7 other members, but he shall serve without the right to vote.

Members of the Commission, other than the Comptroller General, shall serve for terms of 7 years, except that section 308(a)(3) provided for staggering the terms of the initial members appointed to the Commission. Section 308(a)(4) provided that members shall be appointed on the basis of maturity, experience, and other similar factors, and that members may be reappointed only once.

Section 308(a)(5) provided that an individual appointed to fill a vacancy shall be appointed only for the unexpired term of the member he succeeds. Vacancies shall be filled in the same manner in which the office originally was filled.

Section 308(a)(6) provided that the Commission shall elect a chairman and vice chairman.

Section 308(b) provided that a vacancy shall not impair the exercise of powers of the Commission, and that 4 members shall constitute a quorum. Section 308(c) provided that the Commission shall have an official seal which shall be judicially noticed. Section 308(e) provided that the principal office of the Commission shall be at or near the District of Columbia, but that the Commission may meet or exercise its powers in any State.

Section 308(j) provided that section 7324 of title 5, United States Code (relating to influencing elections; taking part in political campaigns; prohibitions; exceptions) shall apply to members of the Commission.

House amendment

Section 207(a) of the House amendment amended title III of the Act by inserting a new section 308, relating to Board of Supervisory Officers.

The new section 308(a)(1) established the Board of Supervisory Officers and provided that the Board shall be composed of (1) the Clerk of the House of Representatives, who shall serve without the right to vote; (2) the Secretary of the Senate, who shall serve without the right to vote; (3) 2 individuals appointed by the President of the Senate, upon recommendation of the majority leader of the Senate and the minority leader of the Senate; and (4) 2 individuals appointed by the Speaker of the House of Representatives, upon recommendation of the majority leader of the House and the minority leader of the House.

The appointed members were required to be chosen, on the basis of their maturity, experience, integrity, impartiality, and good judgment, from among individuals who are not officers or employees in the executive, legislative, or judicial branch of the Federal Government (including elected and appointed officials). They serve for terms of 4 years, except that one of the members first appointed by the President of the Senate will be appointed for a term of 1 year and one will be appointed for a term of 3 years, and one of the members first appointed by the Speaker of the House will be appointed for a term of 2 years.

Section 308 also provided that the Board shall supervise administration of, seek to obtain compliance with, and formulate overall policy concerning, title I of the Act, title III of the Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code. Members of the Board shall alternate in serving as chairman. Decisions of the Board shall be made by majority vote and no member of the Board may delegate to any person his vote or any decisionmaking authority or duty. Section 308 provided that the Board shall meet once per month and at the call of any member of the Board.

Conference substitute

The conference substitute provides for the establishment of a Federal Election Commission to administer, seek to obtain compliance with, and formulate policy with respect to the Act and certain provisions of chapter 29 of title 18, United States Code, relating to offenses in connection with Federal election campaigns. The Commission is composed of the Secretary of the Senate and the Clerk of the House, both of whom serve without additional compensation and without the right to vote, and 6 other members. Of the other members, 2 are appointed by the President pro tempore of the Senate, 2 are appointed by the Speaker of the House of Representatives, and 2 are appointed by the President. All 6 are subject to confirmation by both Houses of the Congress. The appointed members serve terms of 6 years each. The terms are staggered so that one member's term expires on April 30 of each year. The 2 members appointed by each appointing officer may not be affiliated with the same political party.

The Commission elects a chairman and vice chairman from among its members for terms of 1 year each on a rotating basis. Members of the Commission must be chosen on the basis of their personal qualifications and no member may be appointed to the Commission who at the time of taking office as such a member is an elected or appointed official of any branch of the United States Government.

B. STAFF DIRECTOR; GENERAL COUNSEL; STAFF

Senate bill

Section 308(f) of the Act, as added by section 207(a) of the Senate bill, provided that the Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The Commission may, by rule or order, delegate duties and functions to the Executive Director, except that the Commission may not dele-

gate to the Executive Director the making of rules with respect to elections.

Section 308(g) provided that the Chairman of the Commission shall appoint and fix the compensation of personnel necessary to fulfill the duties of the Commission. Section 308(h) provided that the Commission may obtain the services of experts and consultants under section 3109 of title 5, United States Code (relating to employment of experts and consultants; temporary or intermittent).

Section 308(i) provided that the Commission shall seek the assistance of the General Accounting Office and the Department of Justice in carrying out its responsibilities under the Act. Such subsection also provided that the Comptroller General and the Attorney General may make available to the Commission, with or without reimbursement, personnel, facilities, and other assistance.

Section 207(b)(2) of the Senate bill amended section 5315 of title 5, United States Code, to provide that the General Counsel and Executive Director of the Commission shall be compensated under level IV of the Executive Schedule.

House amendment

Section 308(f) of the Act, as added by section 207(a) of the House amendment, provided that the Board shall appoint a Staff Director (whose rate of pay shall be the rate for level IV of the Executive Schedule, currently $38,000) and a General Counsel (whose rate of pay shall be the rate for level V of the Executive Schedule, currently $36,000). The Staff Director, with the approval of the Board, may appoint and fix the pay of additional personnel. At least 30 percent of such personnel shall be selected as follows: (1) one-half recommended by the minority leader of the Senate; and (2) one-half recommended by the minority leader of the House of Representatives. The Staff Director, with the approval of the Board, also may obtain temporary and intermittent services as provided by section 3109(b) of title 5, United States Code.

Conference substitute

The conference substitute is the same as the House amendment except that the privisons relating to minority staffing are omitted.

C. BUDGET REQUESTS; LEGISLATIVE RECOMMENDATIONS

Senate bill

Section 308(k) of the Act, as added by section 207(a) of the Senate bill, provided that whenever the Commission transmits any budget request to the President or to the Office of Management and Budget, it also shall transmit a copy of such request to the Congress.

Section 308(k) also provided that whenever the Commission transmits to the President or to the Office of Management and Budget any legislative recommendations or comments on legislation requested by the Congress or by any Member of the Congress, it also shall transmit a copy of such recommendations or comments to the Congress or to the Member of the Congress making such request. No officer or agency of the United States shall have authority to require the

Commission to submit legislative recommendations or comments on legislation to such officer or agency for approval before the Commission transmits such recommendations or comments to the Congress.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

D. POWERS

Senate bill

Section 309(a) of the Act, as added by section 207(a) of the Senate bill, provided that the Commission has the power to (1) require any person to submit in writing such reports or answers as the Commission may require; (2) administer oaths; (3) require by subpena, signed by the Chairman or Vice Chairman of the Commission, the attendance and testimony of witnesses and the production of documentary evidence; (4) order testimony to be taken by deposition in any proceeding or investigation; (5) pay the same witness fees and mileage expenses paid by courts of the United States; (6) initiate, prosecute, defend, or appeal any civil or criminal action in the name of the Commission in order to enforce the Act and sections 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, and 618 of title 18, United States Code; (7) delegate any of its functions or powers (other than the power to issue subpenas) to any officer or employee of the Commission; and (8) prescribe rules.

Section 309(b) provided that district courts of the United States may enforce subpenas issued by the Commission. Section 309(c) provided that no person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

House amendment

Section 309(a) of the Act, as added by section 207(a) of the House amendment, provided that the Board shall have the power to (1) formulate general policy regarding the administration of title I of the Act, title III of the Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code; (2) oversee the development of prescribed forms required under title III of the Act; (3) review rules and regulations prescribed under title I of the Act or title III of the Act, to assure that such rules and regulations are consistent with the appropriate statutory provisions and that such rules and regulations are sufficiently uniform; (4) render advisory opinions under the new section 313 of the Act, as added by section 208 of the House amendment; (5) carry out investigations and hearings, to encourage voluntary compliance with Federal election law provisions, and to report apparent violations to the appropriate law enforcement authorities; (6) administer oaths or affirmations; (7) issue subpenas, signed by the Chairman of the Board, to require the testimony of witnesses and the production of documentary evidence relevant to any investigation or hearing conducted by the Board; and (8)

pay the same witness fees and mileage expenses paid by courts of the United States.

Section 309 also provided that appropriate district courts of the United States shall have the power to issue orders enforcing subpenas issued by the Board.

Conference substitute

The conference substitute generally follows the provisions of the House amendment.

E. REPORTS

Senate bill

Section 308(d) of the Act, as added by section 207(a) of the Senate bill, provided that the Commission shall, at the close of each fiscal year, report to the Congress and to the President with respect to (1) actions it has taken; (2) the names, salaries, and duties of individuals employed by the Commission; and (3) money disbursed by the Commission. Section 308(d) also provided that the Commission may make such further reports and recommendations as may appear desirable.

House amendment

Section 310 of the Act, as added by section 207(a) of the House amendment, provided that the Board shall transmit annual reports to the President and each House of the Congress, which shall describe the activities of the Board and recommend any legislative or other action the Board considers appropriate.

Conference substitute

The conference substitute is the same as the House amendment.

F. INVESTIGATIONS AND HEARINGS

Senate bill

Section 309(d) of the Act, as added by section 207(a) of the Senate bill, provided that the Commission shall be the primary civil and criminal enforcement agency for violation of the provisions of the Act and sections 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, and 618 of title 18, United States Code. Violations of any such provision shall be prosecuted by the Attorney General or personnel of the Department of Justice only after the Commission is consulted and consents to such prosecution.

Section 309(e) of the Act established procedures for the imposition of civil penalties. The Commission shall have the power to assess a civil penalty of not more than $10,000 against any person who violates the Act or section 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, or 618 of title 18, United States Code. Such penalty may be assessed only after the person involved is given an opportunity for a hearing and the Commission has determined, through a decision which incorporates findings of fact, that a violation did occur.

Section 309(e) also provided that, if a person fails to pay a civil penalty, the Commission shall file a petition for enforcement in any appropriate district court of the United States. The district court may determine de novo all questions of law, but the findings of fact made by the Commission shall be conclusive, to the extent they are supported by substantial evidence.

House amendment

Section 207(b)(1) of the House amendment amended section 311(c) of the Act (as so redesignated by section 207(a)(1)), relating to duties of the supervisory officer, by striking out paragraph (1) and inserting a new paragraph (1). The new paragraph (1) provided that if any person who believes a violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred may file a complaint with the Board. If the Clerk of the House of Representatives, the Secretary of the Senate, or any other person receiving reports and statements as custodian for the Board, has reason to believe that any such violation has occurred, then he shall refer such apparent violation to the Board.

Paragraph (1) also provided that if the Board receives a complaint or referral, or if the Board has reason to believe that any person has committed a violation, then the Board shall notify the person involved and shall either report the apparent violation to the Attorney General of the United States or make an investigation of the apparent violation. If the complainant involved is a candidate for Federal office, then any investigation conducted by the Board shall include an investigation of reports and statements filed by the complainant. The Board may not disclose any notification or investigation unless it receives written permission to do so by the person notified or under investigation. Such person also may request the Board to conduct a hearing regarding the apparent violation.

Paragraph (1) also provided that the Board seek to correct apparent violations through informal methods of conference, conciliation, and persuasion, and that the Board must refer apparent violations to law enforcement authorities if the Board considers it appropriate or if the Board fails to correct the violations.

Paragraph (1) also provided that if the Board concludes, after affording notice and opportunity for a hearing, that a person has committed or is about to commit any violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, then the Attorney General shall bring a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order.

Conference substitute

The conference substitute generally follows the provisions of the House amendment with two modifications. First, the Commission is given power to bring civil actions in Federal district courts to enforce the provisions of the Act where its informal methods of obtaining compliance fail to correct violations. Second, the Commission is given primary jurisdiction for the enforcement of the provisions of the Act. Thus, any person must exhaust his admistrative remedies with respect to violations under this Act. The primary jurisdiction of the Commission to enforce the provisions of the Act is not intended to interfere in any way with the activities of the Attorney General or Department of Justice personnel in performing their duties under the laws of the United States.

G. REPORT BY ATTORNEY GENERAL

Senate bill

No provision.

House amendment

Section 207(b)(2) of the House amendment amended section 311 of the Act (as so redesignated by section 207(a)(1)), relating to duties of the supervisory officer, by adding a new subsection (d) which required the Attorney General to report to the Board regarding apparent violations referred to the Attorney General by the Board. The reports were required to be made no later than 2 months after referral and on a monthly basis thereafter until there is a final disposition of the apparent violation. The new subsection (d) also provided that the Board may publish reports on the status of referrals made by the Board to the Attorney General.

Conference substitute

The conference substitute is the same as the House amendment.

H. SALARIES

Senate bill

Section 207(b)(1) of the Senate bill amended section 5314 of title 5, United States Code, to provide that members of the Commission shall be compensated under level III of the Executive Schedule.

House amendment

Section 308(a)(1)(iv) of the Act, as added by section 207(a) of the House amendment, provided that members of Board (other than the Clerk of the House of Representatives and the Secretary of the Senate) shall receive compensation at a rate equivalent to the rate of compensation paid under level IV of the Executive Schedule.

Conference substitute

The conference substitute is the same as the House amendment.

I. TRANSITION

Senate bill

Section 207(c) of the Senate bill provided that the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I of the Act and title III of the Act until the appointmnt and qualification of members of the Commission and the General Counsel of the Commission. Upon such appointment, the Comptroller General, the Secretary of the Senate, and the Clerk of the House shall meet with the Commission to arrange the transfer, within 30 days after such appointment, of appropriate documents and records.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

J. CONFORMING AND TECHNICAL CHANGES

Senate bill

Section 207(d) of the Senate bill made conforming and technical amendments to title III of the Act required by the provisions of the Senate bill establishing the Commission.

House amendment

Section 206(e) of the House amendment, which amended section 301(g) of the Act, relating to the definition of supervisory officer, to provide that such term means the Board, eliminated any necessity for conforming or technical amendments to title III of the Act.

Conference substitute

The conference substitute is the same as the Senate bill.

K. JUDICIAL REVIEW

Senate bill

Section 214 of the Senate bill amended title IV of the Act by inserting a new section 407, relating to judicial review. Section 407 authorized the Commission, the national committee of any political party, and any individual eligible to vote in any election for the office of President to bring any appropriate action in the appropriate district court of the United States to implement or construe any provision of the Act or of chapter 29 of title 18, United States Code. The district court was required to certify all questions of constitutionality to the United States court of appeals for the circuit involved, which was required to hear the matter sitting en banc.

Section 407 also provided that any decision on a matter certified to a circuit court shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal must be brought within 20 days after the decision of the court of appeals. The court of appeals and the Supreme Court shall advance on the docket and expedite the disposition of any matter certified to the circuit court.

House amendment

The amendment made by section 207(c) of the House amendment was the same as the amendment made by section 214 of the Senate bill, with the following differences: (1) the amendment made by the House amendment was to title III of the Act, inserting a new section 315; and (2) section 315 was made applicable to sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code, and not to chapter 29 of title 18, United States Code.

Conference substitute

The conference substitute generally follows the House amendment and makes it clear that these special judicial review provisions are available only for actions directed at determining the constitutionality of provisions of the Act and of provisions of title 18, United States Code, related to the activities regulated by the Act.

JUDICIAL REVIEW OF AGENCY ACTION

Senate bill

Section 209 of the Senate bill amended title III of the Act by inserting a new section 313, relating to judicial review. Section 313(a) pro-

vided that an agency action of the Commission shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition by an interested person.

Section 313(b) provided that the Commission, the national committee of any political party, and individuals eligible to vote in an election for Federal office, may institute such actions as may be appropriate to implement the provisions of the Act. Section 313(c) provided that chapter 7 of title 5, United States Code, relating to judicial review, shall apply to agency action by the Commission.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Financial Assistance to States

Senate bill

Section 210 of the Senate bill amended section 309 of the Act, relating to statements filed with State officers, by inserting a new subsection (c). Such subsection authorized the appropriation of $500,000 to the Commission during each fiscal year, to be made available to the States by the Commission to assist the States in carrying out their responsibilities under section 309.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Statements Filed With State Officers

Senate bill

Section 210 of the Senate bill amended section 309(a)(1) of the Act, relating to statements filed with State officers, to provide that a candidate for the office of President or Vice President is required to file statements in each State in which he is a candidate or in which substantial expenditures are made by him or on his behalf.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Regulation of Certain Campaign Activities

A. APPROVAL OF CERTAIN EXPENDITURES

Senate bill

Section 316 of the Act, as added by section 212 of the Senate bill, provided that the national committee of a political party shall approve each expenditure in excess of $1,000 made by the candidate of such party for the office of President or Vice President. Each national committee approving expenditures was required to register under sec-

tion 303 of the Act and to report each such expenditure, together with the identity of each person requesting approval of the national committee for the making of expenditures. Section 316 also provided that no political party may have more than one national committee.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

B. CERTAIN USES OF CONTRIBUTIONS

Senate bill

Section 317 of the Act, as added by section 212 of the Senate bill, provided that excess contributions received by a candidate and moneys received by an individual holding Federal office for the purpose of supporting the activities of such individual as a holder of Federal office, may be used by such candidate or individual to defray ordinary and necessary expenses incurred in connection with his duties as a holder of Federal office, or may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954, relating to the definition of charitable contribution, or for any other lawful purpose.

Section 317 also provided that any such contributions, amounts contributed, or expenditures shall be fully disclosed by the candidate or individual holding Federal office, in accordance with rules prescribed by the Commission.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill. The provisions of this section do not affect any rule of the Senate or of the House of Representatives limiting the use of funds received as political contributions nor do they have any effect on the Federal tax treatment of any such contributions used by a candidate for personal purposes.

C. SUSPENSION OF USE OF FRANK

Senate bill

Section 318 of the Act, as added by section 212 of the Senate bill, provided that no Senator, Representative, Delegate, or Resident Commissioner may make any mass mailing of a newsletter or mailing with a simplified form of address under the frank during the 60-day period immediately before an election in which he is a candidate.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill. It is noted by the conferees that such provisions are similar to provisions in existing law.

D. PROHIBITION OF FRANKED SOLICITATIONS

Senate bill

Section 319 of the Act, as added by section 212 of the Senate bill, provided that no Senator, Representative, Delegate, or Resident Commissioner may make any solicitation of funds by a mailing under the frank.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

AUTHORIZATION OF APPROPRIATIONS

Senate bill

Section 320 of the Act, as added by section 212 of the Senate bill, authorized to be appropriated to the Commission for the purposes of carrying out its functions under title III of the Act, title V of the Act (as added by the Senate bill), and chapter 29 of title 18, United States Code, not to exceed $5,000,000 for fiscal year 1974, and not to exceed $5,000,000 for each fiscal year thereafter.

House amendment

Section 316 of the Act, as added by section 207(c) of the House amendment, provided that, notwithstanding any other provision of law, such sums as may be necessary may be appropriated to the Board to enable the Board to carry out its duties under the Act.

Conference substitute

The conference substitute authorizes an appropriation of $5,000,000 for fiscal year 1975.

PENALTIES

Senate bill

Section 212 of the Senate bill amended title III of the Act by striking out section 311, relating to penalty for violations, and by inserting a new section 321, relating to penalty for violations.

Section 321(a) provided that violation of any provision of title III of the Act is a misdemeanor punishable by a fine of not more than $10,000, imprisonment for not more than one year, or both.

Section 321(b) provided that violation of any such provision with knowledge or reason to know that the act committed or omitted is a violation of title III of the Act is punishable by a fine of not more than $100,000, imprisonment for not more than 5 years, or both.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill, but like the House amendment retains the penalty contained in existing law.

Advisory Opinions

Senate bill

Section 309(f) of the Act, as added by section 207(a) of the Senate bill, provided that, upon application by any individual holding Federal office, any candidate, or any political committee, the Commission shall provide an advisory opinion, within a reasonable time, with respect to whether a transaction or activity may constitute a violation of any provision of the Act or of title 18, United States Code, over which the Commission has primary jurisdiction.

House amendment

Section 208 of the House amendment amended title III of the Act by inserting a new section 313, relating to advisory opinions. The new section 313 provided for the rendering of advisory opinions by the Board. Section 313 provided that if an individual holding Federal office, a candidate, or a political committee, makes a written request to the Board, then the Board shall render a written advisory opinion regarding whether any activity of the individual, candidate, or political committee would constitute a violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614 615, or 616 of title 18, United States Code.

The new section 313 also provided that if a person acts in good faith in compliance with an advisory opinion rendered at his request, then the person shall be presumed to be in compliance with the statutory provision regarding which the advisory opinion is rendered. Section 313 also provided that any request for an advisory opinion shall be made public by the Board. The Board was required to provide interested parties with an opportunity to furnish written comments to the Board concerning any request before the Board renders an advisory opinion regarding the request.

Conference substitute

The conference substitute is the same as the House amendment, except that it is extended to Commission functions under chapters 95 and 96 of the Internal Revenue Code of 1954.

GENERAL PROVISIONS

Effect on State Law

Senate bill

Section 213 of the Senate bill amended section 403 of the Act, relating to effect on State law, to provide that the provisions of the Act preempt any provision of State law with respect to campaigns for election to Federal office.

House amendment

Section 301 of the House amendment amended section 403 of the Act, relating to effect on State law, in essentially the same manner as the amendment made by section 213 of the Senate bill.

Conference substitute

The conference substitute follows the House amendment. It is clear that the Federal law occupies the field with respect to reporting and

disclosure of political contributions to and expenditures by Federal candidates and political committees, but does not affect State laws as to the manner of qualifying as a candidate, or the dates and places of elections.

PERIOD OF LIMITATIONS

Senate bill

No provision.

House amendment

Section 406 of the Act, as added by section 302 of the House amendment, provided that no criminal action may be brought against a person for violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, unless such action is brought before the expiration of 3 years after the date of such violation. Under existing law the period of limitations is 5 years.

Section 406 also provided that (1) the new period of limitations shall apply to violations committed before, on, or after the effective date of such section; (2) no person shall be prosecuted, tried, or punished for any violation of title I of the Act, title III of the Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on the day before the effective date of this legislation, if the act or omission constituting such violation does not constitute a violation of any such provision as amended by this legislation; and (3) section 406 shall not affect any proceeding pending in any court of the United States on the effective date of section 406.

Conference substitute

The conference substitute is generally the same as the House amendment, but it provides that no criminal proceedings are to be instituted after December 31, 1974, for violations of the old law which do not constitute violations of the law as amended by the conference substitute.

ENFORCEMENT

Senate bill

No provision.

House amendment

Section 407 of the Act, as added by section 302 of the House amendment, provided that if the Board finds, after notice and opportunity for a hearing on the record, that a candidate failed to file a report required by title III of the Act, then the candidate shall be disqualified from becoming a candidate in any future Federal election for a period beginning on the date of the finding and ending one year after the expiration of the term of the Federal office for which the person was a candidate. Any such finding would be reviewable by the courts under chapter 7 of title 5, United States Code, in the same manner as in the case of any other final agency action under the administrative procedure provisions of title 5 of the United State Code.

It was the intent of the members of the House committee that the enforcement mechanism of section 407 shall not be applied in any case in which the candidate involved demonstrates that he did not receive timely notice from the Board advising him of an approaching filing date regarding reports he is required to file under title III of the Act.

Conference substitute

The conference substitute is the same as the House amendment.

AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

Political Activities by State and Local Officers and Employees

Senate bill

No provision.

House amendment

Section 401 of the House amendment amended section 1502 of title 5, United States Code (relating to influencing elections; taking part in political campaigns; prohibitions; exceptions) to provide that State and local officers and employees may take an active part in political management and in political campaigns, except that they may not be candidates for elective office.

Conference substitute

The conference substitute is the same as the House amendment.

It is the intent of the conferees that any State law regulating the political activities of State and local officers and employees is not preempted or superseded by the amendments to title 5, United States Code, made by this legislation.

Campaign Communications

A. REPEAL OF CERTAIN PROVISIONS

Senate bill

Section 201(e) of the Senate bill repealed title I of the Act relating to campaign communications.

House amendment

Section 402 of the House amendment amended title I of the Act, relating to campaign communications, by striking out section 104, relating to limitations of expenditures for use of communications media.

Under the amendment made by this section, a candidate is no longer restricted with respect to expenditures for use of communications media. The House amendment, however, established overall limitations on campaign expenditures, but left the candidate free to decide the purpose for which such expenditures will be made. The House committee also noted that, on November 14, 1973, the United States District Court for the District of Columbia decided, in the case of *American Civil Liberties Union* v. *Jennings* (366 F. 2d 1041), that the requirement of section 104(b) of the Act that a candidate certify that certain media advertising (newspapers, magazines, and billboards) did not violate the expenditure limitations repealed by this section was an unconstitutional prior restraint upon publication in violation of First Amendment rights.

Conference substitute

The conference substitute is the same as the Senate bill.

B. AVAILABILITY OF BROADCAST FACILITIES

Senate bill

Section 201(a) of the Senate bill amended section 315(a) of the Communications Act of 1934, relating to facilities for candidates for public office, by inserting a new paragraph (2) and paragraph (3).

Paragraph (2) provided that a licensee may meet the equal broadcast time requirements of section 315(a) with respect to a candidate seeking equal broadcast time if (1) the licensee makes available without charge to such candidate at least 5 minutes of broadcast time; (2) the licensee notifies such candidate of the availability of such time at least 15 days before the election involved; and (3) the broadcast will cover, in whole or in part, the geographical area in which such election is held.

Paragraph (3) provided that a candidate could not make use of broadcast time offered to him under paragraph (2) unless he notified the licensee of his acceptance within 48 hours after receipt of the offer.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

C. CHARGES FOR USE OF FACILITIES

Senate bill

Section 201(b) of the Senate bill amended section 315(b) of the Communications Act of 1934, relating to facilities for candidates for public office, to provide that rules established by section 315(b) governing charges made by broadcasting stations shall apply whether the candidate himself uses the facilities of the station, or such facilities are used by other persons on behalf of the candidate.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

D. EXPENDITURE CERTIFICATIONS

Senate bill

Section 201(c)(1) of the Senate bill amended section 315(c) of the Communications Act of 1934, relating to facilities for candidates for public office, to provide that the expenditure limitations applicable to such subsection shall be those in effect under section 504 of the Act, as added by the Senate bill, or under section 614 of title 18, United States Code, as added by the Senate bill.

Section 201(c)(2) of the Senate bill amended section 315(d) of such Act to provide that if a State imposes an expenditure limitation with respect to candidates for public office (other than Federal office), then a station licensee may not make a charge for the use of his facilities by or on behalf of any such candidate unless such candidate certifies

to such station licensee that payment of the charge will not violate the expenditure limitation established by the State.

House amendment

Section 402(c) of the House amendment amended section 315 of the Communications Act of 1934, relating to facilities for candidates for public office, by striking out subsections (c), (d), and (e). The effect of the amendment was to eliminate the requirement that licensees of broadcasting stations obtain certification from a candidate that his purchase of air time on the station involved does not exceed his expenditure limitations under title I of the Act or under any provision of State law.

Conference substitute

The conference substitute is the same as the House amendment.

E. POLITICAL ADVERTISEMENTS ON RADIO

Senate bill

Section 201(d) of the Senate bill amended section 317 of the Communications Act of 1934, relating to announcement of payment for broadcast, to provide that (1) a political broadcast soliciting funds shall include an announcement (the time for which shall be made available without charge by the licensee) that reports of the candidate involved filed with the Commission are available from the Commission; and (2) station licensees shall maintain records of political advertisements which are broadcast by such licensees.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

AUTOMATIC TRANSFERS TO CAMPAIGN FUND

Senate bill

No provision.

House amendment

Section 403 of the House amendment amended section 9006(a) of the Internal Revenue Code of 1954 (hereinafter in this statement referred to as the "Code"), relating to establishment of campaign fund, to provide that the Secretary of the Treasury (hereinafter in this statement referred to as the "Secretary") shall automatically transfer to the Presidential Election Campaign Fund, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to amounts designated under section 6096 of the Code, relating to designation of income tax payments to the Presidential Election Campaign Fund.

Conference substitute

The conference substitute is the same as the House amendment.

The conference substitute also provides that there is appropriated to the Presidential Election Campaign Fund all amounts designated

by taxpayers for payment under section 6096 of the Code, relating to designation by individuals to the Presidential Election Campaign Fund, before January 1, 1975, to the extent that such amounts are not otherwise taken into account under the provisions of section 9006 of the Code, relating to payments to eligible candidates, as amended by this legislation.

ENTITLEMENT TO PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND

Senate bill

No provision.

House amendment

Section 404 of the House amendment amended section 9004(a)(1) of the Code, relating to entitlement of eligible candidates to payments, to provide that eligible candidates of each major party in a Presidential election shall be entitled to equal payments in an amount not to exceed $20,000,000. The amendment eliminated the formula under which candidates of a major party would receive 15 cents multiplied by the number of residents of the United States who are 18 years of age or older.

Conference substitute

The conference substitute is the same as the House amendment.

DEFINITION OF AUTHORIZED COMMITTEE

Senate bill

No provision.

House amendment

Section 404(c) of the House amendment amended section 9002(1) of the Code, relating to the definition of "authorized committee", to provide that such term means, with respect to candidates for President or Vice President, the political committee designated under section 302(f)(1) of the Act, as added by the House amendment, by the candidate for President as his principal campaign committee. Section 404(c) also contained technical conforming amendments to various sections of the Code made necessary by the change made to the definition of "authorized committee".

Conference substitute

The conference substitute omits the provisions of the House amendment. This omission conforms with the decision of the conferees to permit authorized committees, as well as the principal campaign committee, to make expenditures on behalf of a candidate.

The conference substitute also amends section 9002(3) of the Code, relating to the definition of "Comptroller General", by eliminating such definition and inserting a new definition, relating to the Federal Election Commission established by section 310(a)(1) of the Act, as amended by this legislation. The conference substitute also contains technical conforming amendments to various sections of the Code made necessary by the decision of the conferees to substitute the Commission for the Comptroller General with respect to administration of the Code political financing provisions.

The conference substitute also repeals chapter 96 of the Code, relating to Presidential Election Campaign Fund Advisory Board. It is the opinion of the conferees that the Commission will be in a position to perform those functions which were assigned to such Board under chapter 96.

CERTIFICATION FOR PAYMENT BY COMMISSION

Senate bill

No provision.

House amendment

Section 405 of the House amendment amended section 9005(a) of the Code, relating to initial certifications for eligibility for payments, to provide that, not later than 10 days after candidates of a political party have established their eligibility to receive payments, the Comptroller General shall certify to the Secretary payment in full of the candidates' entitlements. The amendment, together with the amendment made by section 406(a) of the House amendment, eliminated the procedure under which candidates were required to submit records of expenses and proposed expenses in order to obtain certification from the Comptroller General for payments. Section 406(a) of the House amendment amended chapter 95 of subtitle H of the Code, relating to the Presidential election campaign fund, by striking out section 9008, relating to information on proposed expenses.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS

Senate bill

No provision.

House amendment

Section 406(a) of the House amendment amended chapter 95 of subtitle H of the Code, relating to the Presidential election campaign fund, by inserting a new section 9008, relating to payments for Presidential nominating conventions.

A. Establishment of accounts.—Section 9008(a) provided that the Secretary shall maintain in the Presidential Election Campaign Fund a separate account for the national committee of a major political party or a minor political party. The Secretary shall deposit in each account each national committee's entitlement under section 9008. These deposits shall be drawn from amounts designated under section 6096 of the Code, relating to designation of income tax payments to the Presidential election campaign fund, and the deposits shall be made before any transfer of funds to the account of any eligible candidate under section 9006(a) of the Code, relating to establishment of campaign fund.

B. Entitlement to payments.—Section 9008(b) provided that the national committee of a major party is entitled to payments not to exceed $2,000,000. The national committee of a minor party is entitled to payments not to exceed an amount which bears the same ratio to the entitlement of the national committee of a major party as the number of votes received by the candidate for President of the minor party in the preceding Presidential election bears to the average number of votes received by candidates for President of the major parties in the election. The national committee of a minor party could use additional private funds in the operation of a Presidential nominating convention, but only to the extent that the total expenditure (counting both public and private funds) does not exceed $2,000,000. A major party electing to receive its $2,000,000 entitlement could not use any additional private funds. The only exception to the $2,000,000 limitation would be an instance in which the Presidential Election Campaign Advisory Board permitted the expenditure of private funds under section 9008(d).

C. Use of funds.—Section 9008(c) provided that no part of payments made under section 9008 may be used to defray expenses of any candidate or delegate participating in any Presidential nominating convention. The payments are to be used only to (1) defray expenses incurred with respect to a Presidential nominating convention (including payment of deposits) by the national committee; or (2) repay loans which were used to defray such expenses.

D. Limitation of expenditures.—Section 9008(d) provided that the national committee of a major party or a minor party may not make expenditures which exceed the amount of the entitlement of the national committee of a major party under section 9008. Notwithstanding this limitation, the national committee of a major party or minor party may make expenditures from private sources in excess of this limitation if such expenditures are authorized by the Presidential Election Campaign Advisory Board. Before making any authorization, such Board shall determine that extraordinary and unforeseen circumstances have made necessary such expenditures to assure effective operation of the Presidential nominating convention. It was the intent of the House committee that such Board shall make authorizations only in cases in which events of a catastrophic nature overwhelmingly imperil the operation of a Presidential nominating convention.

E. Other provisions.—

1. Payments to the national committee of major parties and minor parties under section 9008 may be made beginning on July 1 of the calendar year before the calendar year in which the Presidential nominating convention is held.

2. If, after each national committee has been paid the amount to which it is entitled, there are moneys remaining in national committee accounts, then such moneys shall be transferred to the Presidential Election Campaign Fund.

3. In order to qualify for payments, any major party or minor party may file a statement with the Comptroller General designating the national committee of the party. After the Comptroller General

verifies the statement he shall certify to the Secretary payment in full of the entitlement of the national committee. Payments shall be subject to examination and audit, which the Comptroller General shall conduct before the close of the calendar year in which the nominating convention is held.

4. The Comptroller General may require repayments from the national committee of a major party or minor party in the same manner as he may require repayments from candidates under section 9007(b) of the Code, relating to repayments.

F. Conforming amendments.—Section 406(b) of the House amendment amended section 9009(a) of the Code, relating to reports, to require that reports of the Comptroller General include the following information: (1) expenses incurred by the national committee of a major party or minor party with respect to a Presidential nominating convention; (2) amounts certified by the Comptroller General for payment to such national committees; and (3) the amount of repayments required from such national committees, and the reason for any repayments.

Section 406(b) also amended section 9012(a)(1) of the Code, relating to excess campaign expenses, to make it unlawful for the national committee of a major party or minor party to incur convention expenses in excess of the applicable expenditure limitation, unless such expenses are authorized by the Presidential Election Campaign Fund Advisory Board.

Section 406(b) also amended section 9012(c) of the Code relating to unlawful use of payments, to make it unlawful for the national committee of a major party or minor party to use payments for any purpose which is not authorized by section 9008(c), relating to use of funds.

Section 406(b) also amended section 9012(e)(1) of the Code, relating to kickbacks and illegal payments, to make it unlawful for the national committee of a major party or minor party to give or accept any kickback or other illegal payment in connection with any convention expense incurred by such national committee.

Conference substitute

The conference substitute is the same as the House amendment, except for the following changes:

1. The conference substitute eliminates the role of the Comptroller General and the Presidential Election Advisory Board, and substitutes the Commission.

2. The conference substitute provides that the $2,000,000 payments limit and expenditure limit shall be subject to cost-of-living adjustments in the same manner as the expenditure limitations contained in title 18, United States Code, as amended by this legislation.

Participation in the convention financing program of this legislation is optional. The provisions of this legislation do not require the national committee of a major party or a minor party to seek to qualify for payments.

If the national committee of a major party chooses to participate and qualifies for payments, it will be limited to payments aggregating $2,000,000. If such national committee chooses not to participate in the

financing program, it still will be subject to the $2,000,000 spending limitation.

If the national committee of a minor party chooses to participate and qualifies for payments, it will be entitled to payments in amounts based on the voting strength of the minor party. If the national committee of a minor party participates in the financing program, it still could use additional private funds in the operation of a Presidential nominating convention, but only to the extent that the total expenditure (counting both public and private funds) does not exceed $2,000,000.

If the national committee of a minor party chooses not to participate in the financing program, it still will be subject to the $2,000,000 spending limitation.

Advertising in Convention Programs

Senate bill

No provision.

House amendment

Section 406(d) of the House amendment amended section 276 of the Code, relating to certain indirect contributions to political parties, by striking out subsection (c), relating to advertising in a convention program of a national political convention. The effect of the amendment was to eliminate any income tax deduction for any amount paid for advertising in a convention program.

Conference substitute

The conference substitute is the same as the House amendment.

Tax Returns by Political Committees

Senate bill

No provision.

House amendment

Section 407 of the House amendment amended section 6012(a) of the Code, relating to persons required to make returns of income, to provide that any political committee which has no gross income for a taxable year shall be exempt from the requirement of making a return for such taxable year.

Conference substitute

The conference substitute is the same as the House amendment.

Public Financing of Federal Election Campaigns

A. IN GENERAL

Senate bill

Section 101 of the Senate bill amended the Act by inserting a new title V. Title V provided that public financing would be available on a matching basis to all candidates for Federal office in primary election campaigns, and that complete public financing (up to the expenditure limitations established by the Senate bill) would be available to all

candidates of major parties in general election campaigns, with proportionate amounts available to all candidates of minor parties and other parties.

House amendment

Section 408 of the House amendment amended subtitle H of the Code by inserting a new chapter 97, relating to Presidential primary matching payment account. Chapter 97 provided that public financing would be available on a matching basis to all candidates for the office of President in primary election campaigns.

Conference substitute

The conference substitute is the same as the House amendment.

B. SHORT TITLE

Senate bill

No provision.

House amendment

Section 9031 of the Code, as added by section 408(c) of the House amendment, provided that chapter 97 of the Code may be cited as the "Presidential Primary Matching Payment Account Act".

Conference substitute

The conference substitute is the same as the House amendment.

C. DEFINITIONS

Senate bill

Section 501 of the Act, as added by section 101 of the Senate bill, contained the following definitions:

1. The terms "candidate", "Commission", "contribution", "expenditure", "national committee", "political committee", "political party", and "State" were given the same meanings as given them by section 301 of the Act.

2. The term "authorized committee" was defined to mean the central campaign committee of a candidate designated under section 310 of the Act, relating to central campaign committees, as added by the Senate bill, or any political committee authorized in writing to receive contributions or make expenditures for a candidate.

3. The term "Federal office" was defined to mean the office of President, Senator, or Representative.

4. The term "Representative" was defined to mean a Member of the House of Representatives, the Resident Commissioner from the Commonwealth of Puerto Rico, and the Delegates from the District of Columbia, Guam, and the Virgin Islands.

5. The term "general election" was defined to mean any regularly scheduled or special election held to elect a candidate to Federal office or to elect Presidential and Vice-Presidential electors.

6. The term "primary election" was defined to mean (A) an election, including a runoff election, held for the nomination of a candidate by a political party for election to Federal office; (B) a convention or caucus of a political party to nominate a candidate; (C) a convention, caucus, or election held to select delegates to a national nominating

convention of a political party; and (D) an election held for expression of a preference for nomination of persons for election to the office of President.

7. The term "eligible candidate" was defined to mean a candidate who is eligible under section 502 of the Act, relating to eligibility for payments, as added by the Senate bill, for payments under title V of the Act, as added by the Senate bill.

8. The term "major party" was defined to mean (A) a political party whose candidate for the Federal office involved in the preceding general election for such office received (as the candidate of such party) at least 25 percent of the votes cast in such election; or (B) if only one political party qualifies as a major party under the provisions of (A), the political party whose candidate for the Federal office involved in the preceding general election for such office received (as a candidate of such party) the second greatest number of votes cast in such election, if (i) such number is equal to at least 15 percent of the votes cast in such election; and (ii) in a State which registers voters by political party, the registration of such political party in such State or district is equal to at least 15 percent of the total number of voters registered in such State or district.

9. The term "minor party" was defined to mean a political party whose candidate for the Federal office involved in the preceding general election for such office received (as a candidate of such party) at least 5 percent but less than 25 percent of the votes cast in such election.

10. The term "fund" was defined to mean the Federal Election Campaign Fund established by section 506(a) of the Act, relating to payments to eligible candidates, as added by the Senate bill.

House amendment

Section 9032 of the Code, as added by section 408(c) of the House amendment, contained the following definitions:

1. The term "authorized committee" was defined to mean the political committee designated under section 302(f)(1) of the Act, as added by the House amendment, by the candidate of a political party for President as his principal campaign committee.

2. The term "candidate" was defined to mean an individual who seeks nomination for election to the office of President. An individual shall be considered to be seeking the nomination if he (A) takes actions necessary under State law to qualify for nomination; (B) receives contributions or incurs qualified campaign expenses; or (C) gives his consent for any other person to receive contributions or incur qualified campaign expenses on his behalf.

3. The term "Comptroller General" was defined to mean the Comptroller General of the United States.

4. The term "contribution" was defined to mean (A) a gift, subscription, loan, advance, or deposit of money or anything of value made for the purpose of influencing the result of a primary election, if payment is made on or after the beginning of the calendar year preceding the calendar year of the Presidential election with respect to which such primary election is held; (B) a contract, promise, or agreement to make a contribution; (C) a transfer of funds between politi-

cal committees; or (D) payment by any person, other than a candidate or his authorized committee, of compensation for personal services of another person which are rendered to the candidate or committee without charge. Such term did not include the value of personal services rendered on a voluntary basis by persons who receive no compensation for such services, or any payments made under section 9037, relating to payments to eligible candidates, as added by the House amendment.

5. The term "matching payment account" was defined to mean the Presidential Primary Matching Payment Account established under section 9037(a), relating to establishment of account, as added by the House amendment.

6. The term "matching payment period" was defined to mean the period beginning with the beginning of the calendar year in which a general election for the office of President is held and ending on the date which the party whose nomination a candidate seeks nominates its candidate for such office.

7. The term "primary election" was defined to mean an election, including a runoff election or a nominating convention or caucus held by a political party, for selection of delegates to a national nominating convention of a political party, or for expression of a preference for nomination of persons for election to the office of President.

8. The term "political committee" was defined to mean any individual, committee, association, or organization which accepts contributions or incurs qualified campaign expenses for the purpose of influencing the nomination for election of one or more individuals to be President.

9. The term "qualified campaign expense" was defined to mean a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value incurred by a candidate or his authorized committee in connection with his campaign for nomination for election, neither the incurring nor payment of which violates any Federal or State law.

10. The term "State" was defined to mean each State of the United States and the District of Columbia.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. The conference substitute defines the term "authorized committee" to mean any political committee authorized in writing by candidates for the office of President or Vice President to make expenditures on behalf of such candidates. The conference substitute requires such authorization to be addressed to the chairman of such political committee, with a copy filed with the Commission. Any withdrawal of such authorization also must be in writing, addressed to the chairman, and filed with the Commission.

This change conforms with the decision of the conferees to permit authorized committees, as well as the principal campaign committee, to make expenditures on behalf of a candidate.

2. The conference substitute omits the definition of "Comptroller General" and inserts a definition of the Federal Election Commission

established by section 310(a)(1) of the Act, as amended by this legislation. This change conforms with the decision of the conferees to substitute the Commission for the Comptroller General with respect to administration of the Code political financing provisions.

3. The conference substitute provides that, with respect to political parties which do not nominate their candidates for the office of President by holding national conventions, the end of the matching payment period shall be the earlier of (A) the date such parties nominate their candidate; or (B) the last day of the last nominating convention held by a major party during the calendar year of the general election for the office of President.

D. ELIGIBILITY FOR PAYMENTS

Senate bill

Section 502(a) of the Act, relating to eligibility for payments, as added by section 101 of the Senate bill, provided that, to be eligible to receive payments under title V of the Act, a candidate shall agree (1) to obtain and furnish to the Commission evidence with respect to his campaign expenditures and contributions; (2) to keep records, books, and other information; (3) to submit to an audit and examination by the Commission; and (4) to furnish statements of expenditures and proposed expenditures under section 508 of the Act, relating to information of expenditures and proposed expenditures, as added by the Senate bill.

Section 502(b) provided that every candidate shall certify to the Commission that (1) he and his authorized committees will not make expenditures in excess of the limitations established by section 504 of the Act, relating to expenditure limitations, as added by the Senate bill; and (2) no contributions will be accepted by him or his authorized committees in violation of section 615(b) of title 18, United States Code, relating to limitations on contributions, as added by the Senate bill.

Section 502(c)(1) provided that, to be eligible to receive payments for use in connection with his primary election campaign, a candidate shall certify to the Commission that (1) he is seeking nomination for election as a Representative and he has received contributions of more than $10,000; (2) he is seeking nomination for election to the Senate and he has received contributions equal to the lesser of (A) 20 percent of the maximum he may spend under section 504(a)(1) of the Act, relating to expenditure limitations, as added by the Senate bill; or (B) $125,000; or (3) he is seeking nomination for election to the office of President and he has received contributions of more than $250,000, with not less than $5,000 in matchable contributions having been received from residents of each of at least 20 States.

Section 502(c)(2) provided that, to be eligible to receive payments for use in connection with his primary runoff election campaign, a candidate shall certify to the Commission that he is seeking nomination for election as a Representative or as a Senator, and that he is a candidate for such nomination in a primary runoff election.

Section 502(d) provided that, to be eligible to receive payments for use in connection with his general election campaign, a candidate shall certify to the Commission that (1) he is the nominee of a major party

or a minor party; or (2) in the case of any other candidate, who is seeking election to Federal office and he has received contributions in a total amount not less than the amount of contributions required to be received under section 502(c) for the Federal office involved.

Section 502(e) provided that, in determining the amount of contributions received by a candidate for purposes of section 502(c) and section 502(d)(2), the following rules shall apply: (1) no contributions in the form of subscriptions, loans, advances, deposits, products, or services, shall be taken into account; (2) in the case of a candidate for nomination for election to the office of President, no contributions in excess of $250 from any person shall be taken into account; and (3) in the case of any other candidate, no contributions in excess of $100 from any person shall be taken into account.

House amendment

Section 9033(a) of the Code, as added by section 408(c) of the House amendment, required that a candidate seeking to become eligible for payments shall in writing (1) furnish to the Comptroller General evidence of qualified campaign expenses; (2) agree to keep and furnish to the Comptroller General records, books, and other information; and (3) agree to an audit and examination by the Comptroller General, and agree to make repayments required under section 9038 of the Code, relating to examinations and audits, repayments, as added by the House amendment.

Section 9033(b) required that a candidate seeking to become eligible for payments shall certify to the Comptroller General that (1) the candidate and his authorized committee will not incur qualified campaign expenses in excess of the limit imposed by section 9035 of the Code, relating to qualified campaign expense limitation, as added by the House amendment; (2) the candidate is seeking nomination by a political party for election to the office of President; (3) the candidate and his authorized committee have received contributions which exceed $5,000 from residents of each of at least 20 States; and (4) the aggregate of contributions certified with respect to any one such resident does not exceed $250.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

E. ENTITLEMENT TO PAYMENTS

Senate bill

Section 503(a) of the Act, relating to entitlement to payments, as added by section 101 of the Senate bill, provided that every eligible candidate is entitled to payments in connection with his primary election campaign in an amount equal to the amount of contributions received by such candidate, except that no contributions in the form of subscriptions, loans, advances, deposits, products, or services, shall be taken into account.

For purposes of section 503(a), the following rules shall apply: (1) in the case of a candidate for nomination for election to the office of

President, no contributions in excess of $250 from any person shall be taken into account; and (2) in the case of any other candidate, no contributions in excess of $100 from any person shall be taken into account.

Section 503(b)(1) provided that every eligible candidate nominated by a major party is entitled to receive payments for use in connection with his general election campaign in an amount equal to the amount of expenditures such candidate may make in connection with such campaign under section 504 of the Act, relating to expenditure limitations, as added by the Senate bill.

Section 503(b)(2) provided that every eligible candidate nominated by a minor party is entitled to receive payments for use in connection with his general election campaign in an amount equal to the greater of (1) an amount having the same ratio to the amount of payments to which a major party candidate is entitled as the total number of votes received by the candidate of such minor party in the preceding general election bears to the average number of votes received by major party candidates in such election; or (2) an amount having the same ratio to the amount of payments to which a major party candidate is entitled as the total number of votes received by such eligible candidate (other than votes he received as the candidate of a major party) in the preceding general election bears to the average number of votes received by major party candidates in such election.

Section 503(b)(3) provided that candidates, other than major party or minor party candidates, eligible under section 502(d)(2) of the Act, relating to eligibility for payments, as added by the Senate bill, shall receive payments in amounts determined as follows: if any such candidate received, in the preceding general election for the Federal office involved, 5 percent or more of the total number of votes cast, he is entitled to receive payments for use in his general election campaign in an amount (not in excess of the applicable expenditure limitation under section 504 of the Act, relating to expenditure limitations, as added by the Senate bill) equal to an amount having the same ratio to the amount of payments to which a major party candidate is entitled as the total number of votes received by such eligible candidate in the preceding general election for the Federal office involved bears to the average number of votes received by major party candidates in such election. Section 503(b)(3) also provided that the foregoing formula shall not apply in determining the entitlement of any candidate who was the candidate of a major party or minor party in the preceding general election for the Federal office involved.

Section 503(b)(4) provided that an eligible candidate nominated by a minor party or whose entitlement is determined under section 502(d)(2) of the Act, relating to eligibility for payments, as added by the Senate bill, and who receives at least 5 percent of the total number of votes in the current election, is entitled to payments under section 506 of the Act, relating to payments to eligible candidates, as added by the Senate bill, for expenditures made or incurred in connection with his general election campaign in an amount (not in excess of the applicable expenditure limitation under section 504 of the Act, relating to expenditure limitations, as added by the Senate bill) equal

to (1) an amount having the same ratio to the amount of payments to which a major party candidate was or would have been entitled to receive, as the total number of votes received by such eligible candidate in such election bears to the average number of votes received by major party candidates in such election, reduced by (2) any amount paid to such eligible candidate under section 506 before such election.

Section 503(b)(5) provided that, in applying the provisions of section 503 to a candidate for election to the office of President the following rules shall apply: (1) votes cast for electors affiliated with a political party shall be considered as cast for the candidate of such party for the office of President; and (2) votes cast for electors publicly pledged to cast their electoral votes for a candidate shall be considered as cast for such candidate.

Section 503(c) provided that no candidate is entitled to payments in excess of the expenditure limitation applicable to him for the election campaign involved under section 504 of the Act, relating to expenditure limitations, as added by the Senate bill.

House amendment

Section 9034(a) of the Code, as added by section 408(c) of the House amendment, provided that every eligible candidate is entitled to payments in an amount equal to contributions received by the candidate and his authorized committee on or after the beginning of the calendar year before the calendar year of the Presidential election with respect to which the candidate is seeking nomination. Contributions from any one person will qualify for matching only to the extent that such contributions do not aggregate more than $250.

For purposes of section 9033(b) of the Code (relating to expense limitation; declaration of intent; minimum contributions), as added by the House amendment, and section 9034(a), the term "contribution" was defined to mean a gift of money made by a written instrument which identifies the person making the contribution. Such term did not include a subscription, loan, advance, or deposit of money, or anything described in section 9032(4)(B), (C), or (D) of the Code, relating to the definition of contribution, as added by the House amendment.

Section 9034(b) provided that payments under section 9034(a) may not exceed 50 percent of the expenditure limitation for Presidential primaries established by section 608(c)(1)(A) of title 18, United States Code, relating to limitations on contributions and expenditures, as added by the House amendment.

Conference substitute

The conference substitute is the same as the House amendment.

With respect to candidates who elect to receive matching payments, all contributions (including those needed to meet the threshold requirements of $5,000 in each of 20 States) received on or after January 1 of the year preceding the year in which the Presidential election is held will be matched with payments from check-off funds under the financing program. A candidate may not receive matching payments for any contributions not raised on or after January 1 of the year preceding the year in which the Presidential election is held, and

such contributions may not be applied by such candidate to meet threshold requirements.

F. LIMITATION ON QUALIFIED CAMPAIGN EXPENSES

Senate bill

No provision.

House amendment

Section 9035 of the Code, as added by section 408(c) of the House amendment, prohibited any candidate from incurring qualified campaign expenses in excess of the expenditure limitation for Presidential primaries established by section 608(c)(1)(A) of title 18, United States Code, relating to limitations on contributions and expenditures, as added by the House amendment.

Conference substitute

The conference substitute is the same as the House amendment.

G. CERTIFICATION PROCEDURES

Senate bill

Section 505 of the Act, as added by section 101 of the Senate bill, provided that the Commission, on the basis of records furnished by each eligible candidate and before an examination and audit conducted by the Commission, shall certify from time to time to the Secretary for payment to each candidate the amount to which such candidate is entitled.

Section 505 also provided that certifications and all determinations made by the Commission under title V of the Act shall be final, except to the extent they are subject to examination and audit by the Commission and to judicial review under section 313 of the Act, as added by the Senate bill.

House amendment

Section 9036(a) of the Code, as added by section 408(c) of the House amendment, provided that, not later than 10 days after a candidate establishes his eligibility for payments, the Comptroller General shall certify to the Secretary payment in full to the candidate of amounts to which he is entitled.

Section 9036(b) provided that such certification and all determinations of the Comptroller General under chapter 97 of the Code are final and conclusive, except to the extent they are subject to examination and audit by the Comptroller General and to judicial review.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

The conference substitute provides that the Commission shall make such additional certifications as may be necessary to assure that candidates will receive payments for matchable contributions under section 9037 of the Code.

H. PAYMENTS TO ELIGIBLE CANDIDATES

Senate bill

Section 506(a) of the Act, as added by section 101 of the Senate bill, established within the Treasury of the United States a fund to be known as the Federal Election Campaign Fund. Section 506(a) also authorized the appropriation of funds in amounts equal to amounts designated under section 6096 of the Code, relating to designation by individuals of income tax payments to Presidential Election Campaign Fund, not previously taken into account for purposes of section 506 (a), together with such additional funds as may be necessary to carry out title V of the Act.

Section 506(b) provided that the Secretary shall, upon receipt of certification from the Commission, pay the amount certified to the candidate involved.

Section 506(c)(1) provided that, if the Secretary determines that amounts in such Fund are not sufficient to pay entitlements of all candidates, then he shall reduce the amount to which each candidate is entitled by a percentage equal to the percentage obtained by dividing (1) the amount of moneys in such Fund at the time of such determination by (2) the total amount which all eligible candidates are entitled to receive. The Secretary was required to make further reductions if additional candidates become eligible after such determination.

Section 506(c)(2) provided that if, as a result of reductions in the amount of entitlement, a candidate has received payments in excess of his entitlement, then such candidate is liable for repayment to such Fund of the amount of such excess.

Section 506(d) provided that no payment shall be made under title V of the Act to any candidate in connection with any election held before January 1, 1976.

House amendment

Section 9037(a) of the Code, as added by section 408(c) of the House amendment, required the Secretary to establish in the Presidential Election Campaign Fund a separate account to be known as the Presidential Primary Matching Payment Account (hereinafter in this statement referred to as the "matching payment account"). The Secretary was required to deposit into the matching payment account, for use by eligible candidates, amounts available after the Secretary determines that amounts for payments to candidates in the general election for the office of President and amounts for payments to national committees of major parties and minor parties for Presidential nominating conventions, are available for such payments.

Section 9037(b) required the Secretary to transfer certified amounts to candidates during the matching payment period. In making transfers to candidates of the same political party, the Secretary was required to seek an equitable distribution of funds, taking into account the sequence in which certifications are received. Transfers to candidates of the same political party may not exceed 45 percent of the total amount available in the matching payment account, and transfers to any candidate may not exceed 25 percent of the total amount available in the matching payment account.

Conference substitute

The conference substitute is the same as the House amendment, except that the percentage limitations on transfers to candidates and political parties are omitted.

I. EXAMINATION AND AUDITS; REPAYMENTS

Senate bill

Section 507(a) of the Act, as added by section 101 of the Senate bill, required the Commission to conduct an examination and audit of the campaign expenditures of every candidate receiving payments under title V of the Act after each Federal election.

Section 507(b)(1) provided that if the Commission determines that a candidate received payments in excess of his entitlement, then the candidate shall be required to repay the excess amount. Section 507(b)(1) also provided that if the Commission determines that payments made to a candidate were not used to make expenditures in connection with the election campaign of such candidate, such candidate shall be required to pay an amount equal to the unexpended portion of such payments to the Secretary. The Commission, in making such determination, was required to consider amounts received as contributions to have been expended before any amounts received under title V of the Act are expended.

Section 507(b)(2) provided that if the Commission determines that a candidate has used payments for any purpose other than to defray campaign expenses or to repay loans or restore funds which were used to defray campaign expenses, then the candidate shall be required to repay the amount involved.

Section 507(b)(3) provided that no payments shall be required from a candidate under section 507(b) in excess of payments received by such candidate under section 506 of the Act, relating to payments to eligible candidates, as added by the Senate bill.

Section 507(c) provided that the Commission may not make a notification of a required repayment by a candidate with respect to any election campaign more than 18 months after the day of the election involved.

Section 507(d) required the Secretary to deposit repayments received by him under section 507(b) in such Fund.

House amendment

Section 9038 of the Code, as added by section 408(c) of the House amendment, was the same as section 507 of the Act, as added by the Senate bill, with the following differences:

1. The responsibility for administering section 9038 was given to the Comptroller General, and not to the Commission.

2. The Comptroller General was required to conduct examinations and audits at the end of each matching payment period, and not after each Federal election.

3. Section 9038(a) specifically required examinations and audits of the authorized committee of each candidate, together with examinations and audits of each candidate.

4. With respect to the repayment by candidates of unexpended portions of payments, section 9038(b)(3) provided that payments to a candidate from the matching payment account may be retained to pay qualified campaign expenses for a period not exceeding 6 months after the close of the matching payment period. After a candidate has liquidated all obligations, that portion of any balance remaining in his account which bears the same ratio to the total balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's account, shall be repaid by the candidate to the matching payment account.

5. Section 9038 did not contain a provision that no payments shall be required from a candidate in excess of payments received by such candidate.

6. Section 9038(c) provided that notifications of required repayments could not be made more than 3 years after the end of the matching payment period involved.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

J. INFORMATION ON EXPENDITURES

Senate bill

Section 508(a) of the Act, as added by section 101 of the Senate bill, provided that every candidate shall, from time to time, furnish to the Commission a detailed statement of (1) campaign expenditures incurred by him and his authorized committees before the date of the statement; and (2) campaign expenditures which he and his authorized committees propose to incur on or after the date of the statement.

Section 508(b) provided that the Commission shall prepare and make available for public inspection summaries of statements received under section 508(a).

House amendment

No provision. Section 9036(a) of the Code, relating to initial certifications, as added by the House amendment, which required immediate certification of payment in full to candidates of all amounts to which they are entitled, made unnecessary any provision comparable to section 508 of the Act, as added by the Senate bill.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

K. REPORTS TO THE CONGRESS

Senate bill

Section 509(a) of the Act, as added by section 101 of the Senate bill, required the Commission, after the close of each calendar year, to transmit a report to each House of the Congress setting forth (1) campaign expenses of every candidate and authorized committee; (2) the amount of payments certified by the Commission; and (3) the amount of repayments required from every candidate, and the reason for any repayments.

Section 509(b) authorized the Commission to (1) conduct examinations and audits, in addition to examinations and audits required under sections 505 and 507 of the Act, as added by the Senate bill; (2) conduct investigations; and (3) require the keeping and submission of books, records, and information.

House amendment

Section 9039(a) and section 9039(b) of the Code, as added by section 408(c) of the House amendment, were the same as section 509 of the Act, as added by the Senate bill, with the following differences:

1. Section 9039(a) placed the reporting requirements on the Comptroller General, and not on the Commission.
2. Section 9039(a) required reports after each matching payment period, and not at the close of each calendar year.
3. Section 9039(b), in addition to authority granted by section 509(b) of the Act, as added by the Senate bill, gave the Comptroller General authority to prescribe rules and regulations. It should be noted that section 309(a)(8) of the Act, as added by section 207(a) of the Senate bill, gave the Commission general authority to prescribe rules to carry out all provisions of the Act.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

L. REVIEW OF REGULATIONS

Senate bill

No provision.

House amendment

Section 9039(c) of the Code, as added by section 408(c) of the House amendment, provided that the Comptroller General, before prescribing any rule or regulation, shall transmit the proposed rule or regulation, together with a detailed explanation and justification, to the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives. If either committee does not disapprove the proposed rule or regulation no later than 30 legislative days after receipt of the proposed rule or regulation, then the Comptroller General is authorized to prescribe such rule or regulation. Section 9039(c) prohibited the prescription of any rule or regulation which is disapproved by either committee.

Section 9039(c) also provided that the term "legislative days" does not include any calendar day on which both Houses of the Congress are not in session.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. The conference substitute eliminates the role of the Comptroller General and substitutes the Commission.
2. The conference substitute provides that proposed rules and regulations shall be transmitted to the Senate and to the House of Repre-

sentatives, instead of to the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House. This change conforms to the amendment to section 308 of the Act made by section 205(b) of the House amendment, which is adopted by the conference substitute.

M. PARTICIPATION IN JUDICIAL PROCEEDINGS

Senate bill

Section 510 of the Act, as added by section 101 of the Senate bill, provided that the Commission may initiate civil proceedings in any district court of the United States to seek recovery of amounts determined to be payable to the Secretary under title V of the Act.

House amendment

Section 9040(a) of the Code, as added by section 408(c) of the House amendment, authorized the Comptroller General to appear in and defend against any action brought under section 9040 of the Code.

Section 9040(b) authorized the Comptroller General to bring actions in the district courts of the United States for recovery of repayments required as a result of examinations and audits conducted by the Comptroller General.

Section 9040(c) authorized the Comptroller General to petition the courts of the United States for injunctive relief to implement the provisions of chapter 97 of the Code, as added by the House amendment.

Section 9040(d) authorized the Comptroller General to appeal any action in which he appears.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

N. JUDICIAL REVIEW

Senate bill

Section 313 of the Act, as added by section 209 of the Senate bill, provided for judicial review of the actions of the Commission under the provisions of the Act. Section 313(a) provided that any agency action of the Commission shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition by an interested person.

Section 313(b) provided that the Commission, the national committee of any political party, and individuals eligible to vote in any election for Federal office, may institute such actions as may be appropriate to implement the provisions of the Act. Section 313(c) provided that chapter 7 of title 5, United States Code, relating to judicial review, shall apply to agency action by the Commission.

House amendment

Section 9041(a) of the Code, as added by section 408(c) of the House amendment, provided that any agency action of the Comptroller General under chapter 97 of the Code, as added by the House amendment, is subject to review by the United States Court of Appeals for the Dis-

trict of Columbia Circuit upon petition filed no later than 30 days after the agency action involved.

Section 9041(b) provided that chapter 7 of title 5, United States Code, relating to judicial review, shall apply to any agency action by the Comptroller General. The term "agency action" was given the same meaning given it by section 551(13) of title 5, United States Code.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

O. CRIMINAL PENALTIES

Senate bill

Section 511 of the Act, as added by section 101 of the Senate bill, provided that violation of any provision of title V of the Act shall be punishable by a fine of not more than $50,000, or imprisonment for not more than 5 years, or both.

House amendment

Section 9042(a) of the Code, as added by section 408(c) of the House amendment, provided that any person who incurs qualified campaign expenses in excess of the expenditure limitation for Presidential primaries established by section 608(c)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, as added by the House amendment, shall be fined not more than $25,000 or imprisoned not more than 5 years, or both. Section 9042(a) also provided that any officer or member of a political committee who knowingly consents to an expenditure which violates such limitation shall be fined not more than $25,000 or imprisoned not more than 5 years, or both.

Section 9042(b) made it unlawful for any person who receives a payment from the matching payment account, or to whom a portion of such payment is transferred, to use such payment for any purpose other than to defray qualified campaign expenses or to repay loans or restore funds which were used to defray qualified campaign expenses. Any person who violates this provision shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

Section 9042(c) made it unlawful for any person to refuse to furnish information which may be required under chapter 97 of the Code, as added by the House amendment, or to furnish false information. Any person who violates this provision shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

Section 9042(d) made it unlawful for any person to give or accept any kickback or other illegal payment in connection with any qualified campaign expense of a candidate or authorized committee. Any person who violates this provision shall be fined not more than $10,000 or imprisoned not more than 5 years, or both. Section 9042(d) also provided that any person who accepts any kickback or other illegal payment shall pay to the Secretary for deposit in the matching payment account an amount equal to 125 percent of the kickback or other illegal payment received.

Conference substitute

The conference substitute is the same as the House amendment.

P. RELATIONSHIP TO OTHER FEDERAL ELECTION LAWS

Senate bill

Section 512 of the Act, as added by section 101 of the Senate bill, provided that the Commission shall consult with the Secretary of the Senate, the Clerk of the House of Representatives, the Federal Communications Commission, and other Federal officers charged with administering Federal election laws, in order to develop consistency and coordination in the administration of such laws. Section 512 also required the Commission to use, whenever possible, the same or comparable data as that used in the administration of such other Federal election laws.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

REVIEW OF REGULATIONS

Senate bill

No provision.

House amendment

Section 409 of the House amendment amended section 9009 of the Code (relating to reports to Congress; regulations) to establish a procedure for the review of regulations by congressional committees identical to the procedures established by the new section 9039(c) of the Code, relating to review of regulations, as added by section 408(c) of the House amendment.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. The conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

2. The conference substitute provides that proposed rules and regulations shall be transmitted to the Senate and to the House of Representatives, instead of to the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House. This change conforms to the amendment to section 308 of the Act made by section 205(b) of the House amendment, which is adopted by the conference substitute.

EFFECTIVE DATES

Senate bill

No provision. Section 506(d) of the Act, as added by section 101 of the Senate bill, provided that no payment shall be made under title V of the Act before January 1, 1976.

House amendment

Section 410(a) of the House amendment provided that the provisions of this legislation (other than amendments to the Code) shall take effect 30 days after the date of the enactment of this legislation.

Section 410(b)(1) of the House amendment provided that amendments to the Code made by sections 403, 404, 405, 406, 408, and 409 of the House amendment shall apply with respect to taxable years beginning after December 31, 1973.

Section 410(b)(2) of the House amendment provided that the amendment made by section 407 of the House amendment shall apply with respect to taxable years beginning after December 31, 1971.

Conference substitute

The conference substitute provides for the following effective dates:

1. Section 104 of this legislation, relating to effect on State law, and the amendment made by section 301 of this legislation, relating to effect on State law, are effective on the date of the enactment of this legislation. Except as already noted with respect to State laws regulating political activities of State and local employees, all State and local laws relating to criminal offenses referred to in chapter 29 of title 18, United States Code, and to registration, reporting, and disclosure requirements for Federal elections are preempted and superseded by Federal law immediately upon enactment of this legislation.

2. The amendment made by section 407 of this legislation, relating to tax returns by political committees, is made to apply with respect to taxable years beginning after December 31, 1971. This provision incorporates the provision of the House amendment.

3. The remaining provisions of this legislation are effective January 1, 1975. Although the conference substitute makes the provisions relating to political convention financing and Presidential election financing effective on January 1, 1975, moneys designated for deposit in the Presidential Election Campaign Fund before January 1, 1975, are appropriated for distribution to national committees and candidates in accordance with the provisions of this legislation.

OTHER PROVISIONS

Disclosure of Financial Interests

Senate bill

Title IV of the Senate bill established requirements for the disclosure of financial interests by certain Federal officers and employees.

Section 401(a) of the Senate bill required that reports shall be filed with the Commission by the following individuals: (1) any candidate for Federal office who does not occupy any Federal office at the time he becomes a candidate; (2) each Member of the Congress; (3) each officer and employee of the United States, including any member of the uniformed service, with an annual salary of at least $25,000; (4) each officer and employee of the United States performing duties of a type generally performed by an individual occupying grade GS–16 of the General Schedule or any higher grade or position; (5) the President; and (6) the Vice President. Individuals in the first category described above shall file reports within one month after be-

coming a candidate. Individuals in the other categories shall file annual reports.

Each report shall contain a statement of (1) taxes paid by the individual, or by the individual and his spouse filing jointly, for the preceding calendar year; (2) the amount and source of each item of income (other than gifts received from his spouse or his immediate family) received by the individual which exceeds $100 in amount or value, including honorariums and income in the form of goods or services; (3) the amount of each asset held by the individual worth more than $1,000, and the amount of each liability of more than $1,000 owed by the individual; (4) any securities transactions by the individual in amounts in excess of $1,000; (5) any commodities transactions by the individual in amounts in excess of $1,000; and (6) any purchase or sale of real property (other than his personal residence) by the individual if the value of the property involved exceeds $1,000.

Section 401(b) provided that annual reports shall be filed no later than May 15 of each year. Any person who, before such date, ceases to hold an office or position requiring him to file a report, shall file such report on the last day he holds such office or position, or within 3 months after such day, as the Commission may prescribe.

Section 401(c) authorized the Commission to prescribe rules governing the form of reports and provided that the Commission may allow the grouping of items of income and other related items.

Section 401(d) provided that any person who willfully fails to file a report or who willfully and knowingly files a false report shall be fined not more than $2,000, or imprisoned not more than 5 years, or both.

Section 401(e) provided that reports filed under section 401 shall be maintained by the Commission as public records.

Section 401(f) provided that an individual shall be considered to be in one of the categories described above with respect to a given calendar year if he holds the office or position involved for more than 6 months during such calendar year.

Section 401(g) contained the following definitions:

1. The term "income" was defined to mean gross income as defined in section 61 of the Code, relating to the definition of gross income.

2. The term "security" was given the same meaning as given it by section 2 of the Securities Act of 1933, relating to definitions.

3. The term "commodity" was given the same meaning as given it by section 2 of the Commodity Exchange Act, relating to definitions.

4. The term "transactions in securities or commodities" was defined to mean any acquisition, holding, or disposition involving any security or commodity.

5. The term "Member of Congress" was defined to mean a Senator, Representative, Resident Commissioner, or Delegate.

6. The term "officer" was given the same meaning as given it by section 2104 of title 5, United States Code, relating to the definition of officer.

7. The term "employee" was given the same meaning as given it by section 2105 of title 5, United States Code, relating to the definition of employee.

8. The term "uniformed service" was defined to mean (1) any of the Armed Forces; (2) the commissioned corps of the Public Health

Service; or (3) the commissioned corps of the National Oceanic and Atmospheric Administration.

9. The term "immediate family" was defined to mean the child, parent, grandparent, brother, or sister of an individual, and the spouses of such persons.

Section 401(i) provided that the first report required under section 401 shall be due 30 days after the date of the enactment of this legislation, and shall be filed with the Comptroller General.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

AMENDMENT TO ADMINISTRATIVE PROCEDURE ACT

Senate bill

Section 401(h) of the Senate bill amended section 554 of title 5, United States Code, relating to adjudications, by inserting a new subsection (f). The new subsection (f) provided that written communications stating the circumstances of oral communications made to an agency with respect to an adjudication subject to section 554 by any person who is not an officer or employee of such agency, shall be made part of the public record of the adjudication involved. This rule shall not apply to communications to any officer, employee, or agent of the agency who is performing the investigative or prosecutorial functions of such agency with respect to the adjudication involved.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

SIMULTANEOUS POLL CLOSING TIME

Senate bill

Section 501 of the Senate bill provided that on every national election day, beginning in 1976, the closing time of polling places in the several States shall be 11 p.m. in the eastern time zone, with simultaneous closing times in each of the other time zones. Section 501 also required that each polling place shall be open at least 12 hours.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

FEDERAL ELECTION DAY

Senate bill

Section 502 of the Senate bill amended section 6103(a) of title 5, United States Code, relating to holidays, to make the national election day (beginning in 1976) a legal public holiday. The amendment desig-

nated the first Wednesday next after the first Monday in November as the national election day.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

REVIEW OF INCOME TAX RETURNS

Senate bill

Section 503(a) of the Senate bill provided that on or before July 1 of each year the Comptroller General shall obtain from the Internal Revenue Service the income tax returns of Members of the Congress, and each officer or employee of the executive, judicial, or legislative branch of the Federal Government, for the 5 previous years. The Comptroller General was required to inspect and audit such returns.

Section 506(b) required the Comptroller General to report the results of each such inspection and audit to the Internal Revenue Service, and to provide a copy of each such report to the individual involved.

Section 503(c) required the Internal Revenue Service to assist the Comptroller General in carrying out section 503.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

WAYNE L. HAYS,
FRANK THOMPSON,
JOHN H. DENT,
JOHN BRADEMAS,
ED JONES,
ROBERT H. MOLLOHAN,
DAWSON MATHIS,
WILLIAM L. DICKINSON,
SAMUEL L. DEVINE,
JOHN H. WARE,
BILL FRENZEL,

Managers on the part of the House.

HOWARD W. CANNON,
CLAIBORNE PELL,
JOHN O. PASTORE,
RUSSELL LONG,
EDWARD KENNEDY,
DICK CLARK,
HUGH SCOTT,
WALLACE BENNETT,
ROBERT P. GRIFFIN,
TED STEVENS,
CHARLES McC. MATHIAS,

Managers on the part of the Senate.

SENATE
FLOOR DEBATE
ON
CONFERENCE
REPORT

The bill (H.R. 12993) was read the third time.

The PRESIDING OFFICER. All time having been yielded back, the question is, Shall the bill pass?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a 10-minute limitation on this vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HELMS (when his name was called). Present.

Mr. TAFT (when his name was called) Present.

Mr. METZENBAUM (after having voted in the negative). On this vote I have a pair with the distinguished Senator from Texas (Mr. BENTSEN). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. BIBLE), the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from Minnesota (Mr. MONDALE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Indiana (Mr. HARTKE), and the Senator from Kentucky (Mr. HUDDLESTON) are absent on official business.

I further announce that, if present and voting, the Senator from Indiana (Mr. HARTKE) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. AIKEN), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Hawaii (Mr. FONG), the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from Vermont (Mr. STAFFORD), and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY), and the Senator from Kansas (Mr. DOLE) would each vote yea."

The result was announced—yeas 69, nays 2, as follows:

[No. 464 Leg.]

YEAS—69

Abourezk	Buckley	Cranston
Allen	Burdick	Curtis
Baker	Byrd, Harry F., Jr.	Domenici
Bartlett	Byrd, Robert C.	Eagleton
Bayh	Cannon	Eastland
Beall	Case	Ervin
Biden	Chiles	Fannin
Brock	Clark	Griffin
Brooke	Gurney	Hansen
Haskell	McGee	Roth
Hatfield	McGovern	Schweiker
Hollings	McIntyre	Scott, Hugh
Hruska	Metcalf	Sparkman
Hughes	Montoya	Stennis
Humphrey	Moss	Stevens
Jackson	Muskie	Stevenson
Johnston	Nelson	Symington
Kennedy	Nunn	Talmadge
Long	Pastore	Thurmond
Magnuson	Pearson	Tower
Mansfield	Pell	Tunney
McClellan	Proxmire	Weicker
McClure	Randolph	
	Ribicoff	

NAYS—2

Hart	Hathaway

ANSWERED "PRESENT"—2

Helms	Taft

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Metzenbaum, against

NOT VOTING—26

Aiken	Dominick	Mathias
Bellmon	Fong	Mondale
Bennett	Fulbright	Packwood
Bentsen	Goldwater	Percy
Bible	Gravel	Scott, William L.
Church	Hartke	Stafford
Cook	Huddleston	Williams
Cotton	Inouye	Young
Dole	Javits	

So the bill (H.R. 12993) was passed.

Mr. PASTORE. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. MAGNUSON, Mr. PASTORE, Mr. HARTKE, Mr. BAKER, and Mr. STEVENS conferees on the part of the Senate.

Mr. PASTORE. Mr. President, I want to pay a special tribute to my colleague, Mr. BAKER, who worked with me on this legislation. It was a very difficult task, I must say, because the extremes were quite pronounced.

I want to compliment Mr. Nicholas Zapple and Mr. John Hardy on the Democratic side, the Commerce Committee, and also Mr. Ward White who is the assistant to Mr. BAKER.

Mr. BAKER. Mr. President, I thank the distinguished Senator from Rhode Island for his remarks, which I will most assuredly reciprocate.

It has been a great pleasure to work with the Senator from Rhode Island on this very difficult and complex subject and with the staff, to whom I have already paid my high respect and regards.

I think we have a good bill and I am pleased it was passed.

HARPERS FERRY NATIONAL MONUMENT

Mr. RANDOLPH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 605.

The PRESIDING OFFICER (Mr. BARTLETT) laid before the Senate the amendment of the House of Representatives to the bill (S. 605) to amend the act of June 30, 1944, an act to provide for the establishment of the Harpers Ferry National Monument and for other purposes, as follows:

Strike out all after the enacting clause, and insert: That the Act of June 30, 1944 (58 Stat. 645; 16 U.S.C. 450 bb), an Act "To provide for the establishment of the Harpers Ferry National Monument", is amended as follows:

(1) In section 1, the first sentence is amended to read: "That, in order to carry out the purposes of this Act, the Secretary of the Interior is authorized to acquire lands or interests in lands, by donation, purchase with donated or appropriated funds, or exchange, within the boundaries as generally depicted on the drawing entitled 'Boundary Map, Harpers Ferry National Historical Park', numbered 385-40,000D and dated April 1974, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior: *Provided*, That after advising the Committees on Interior and Insular Affairs of the Congress of the United States, in writing, the Secretary may make minor revisions in the boundary, when necessary, by publication of a revised drawing or other boundary description in the Federal Register, but the total acreage shall not exceed two thousand acres: *Provided further*, That nothing herein shall be deemed to authorize the acquisition, without consent of the owner, of a fee simple interest in lands within the boundaries in which a less than fee interest has previously been acquired by the Secretary of the Interior."

(2) In section 3, delete the word "and" at the end of paragraph (1); change the period at the end of paragraph (2) to a semicolon and add "and"; and add the following new paragraph:

"(3) Provide, directly or by contract, subject to the provisions of the Act of June 7, 1974 (88 Stat. 192; 16 U.S.C. 460 1-6a) an interpretative shuttle transportation service within, between, and among lands acquired for the purpose of this Act for such times and upon such terms as in his judgment will best accomplish the purposes of this Act."

(3) Revise section 4 to read as follows:

"In addition to such sums as have heretofore been appropriated, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but not more than $1,300,000 for the acquisition of lands and interests in lands, and not more than $8,690,000 for development."

Mr. RANDOLPH. Mr. President, S. 605, to expand and develop the Harpers Ferry National Historical Park, as amended by the House, contains two provisions which were not in the version passed by the Senate. The House placed a limit of $8,690,000 on development funds for the Harpers Ferry National Historical Park, which would include historical restoration projects, development needed for the transportation system, expansion of the interpretive design facilities within the park, and extension of the trials system within the area.

In connection with the shuttle transportation system which is contained in both bills, the House makes reference to the act of June 7, 1974, amending the Land and Water Conservation Fund Act, suggesting a method for the disposition of any fees which might be collected in operating such a transportation system.

Mr. President, for the most part, the provisions in the House-passed measure are not substantially different from those in Senate-passed S. 605. In the two respects mentioned previously, the changes are acceptable to the Senate.

This bill, S. 605, which I introduced last year, is urgently needed in order to preserve the characteristics of the Harpers Ferry National Historical Park

and to better accommodate the increasing number of tourists who visit the scenic and historic town of Harpers Ferry, located in the eastern panhandle of West Virginia. Three decades ago President Franklin Roosevelt signed the measure I sponsored in the House designating Harpers Ferry as a National Monument.

To have shared, Mr. President, in the 30-year progress of the unique Harpers Ferry Park has been rewarding.

This measure before us today is the culmination of the historic preservation and recreational and educational benefits of the park. The millions of park visitors will share a richer experience because of this measure.

Mr. President, on Monday of last week, I was privileged to join with the Harpers Ferry National Historical Park and the National Capital Parks in paying tribute to the very able chairman of the Parks and Recreation Subcommittee, my friend from Nevada, Senator ALAN BIBLE. His excellent leadership and personal commitment have brought many parks and recreation areas to the people of the United States to enjoy.

The end of this congressional session will mark 15 years during which about 100 areas have been made national parks under the leadership of Senator BIBLE. Senator BIBLE remarked on that enjoyable evening in Harpers Ferry:

> We must create, preserve, and maintain the open space, the heritage of our land, to make this land a better place to live.

The effective ranking minority member of the Subcommittee on Parks and Recreation, Senator CLIFFORD HANSEN, shares Senator BIBLE'S strong commitment in bringing parks to areas of this country which are heavily-populated. I commend Senators BIBLE and HANSEN on their leadership and support of this measure.

I think, also, the members of the Subcommittee on Parks and Recreation and the full Committee on Interior and Insular Affairs and their staffs for valuable assistance and cooperation for the progress of the Harpers Ferry legislation.

The Harpers Ferry Park is a "living park," not only because of the local interpreters dressed in midnineteenth-century-period clothing, who explain the town's heritage and contributions.

For the past two summers, the National Park Service has conducted a day camp for physically and mentally handicapped children. Also the Youth Conservation Corps is a progressive summer program for young men and women. There are many other examples of the social and educational benefits of the Harpers Ferry Park.

This park vividly tells the stories of Harpers Ferry as a center for firearms manufacturing in the mid-1800's and also John Brown's famous raid on the Federal armory.

I strongly feel that the combination of Harpers Ferry's current limited area and park layout with the increasing number of visitors confirms the additional acquisition of land and construction of development facilities such as an interpretive shuttle system, hiking trails, and picnic areas.

The costs of this bill are small in comparison to the long-range benefits and valuable preservation of Harpers Ferry. Harpers Ferry will be the first town to be restored, in large part, as it was in the Civil War period.

Traffic congestion on the narrow streets with cars and buses is not only noisy and distracting, but also dangerous to the safety of visitors. Visitation on peak days exceeds 20,000 people.

I agree with Senators BIBLE and HANSEN that we must continue to bring the parks to where the people are. The Harpers Ferry National Historical Park is within less than a 3-hour drive of 8½ million Americans. Last year 1.2 million people visited Harpers Ferry.

In my judgment, the needed improvements outlined in S. 605 must be brought into being so that Harpers Ferry can preserve its proud past as a basis for its future—to teach Americans about our heritage and also to provide a place that citizens can enjoy for posterity.

The provisions of the House-passed legislation are acceptable to me and Senator ROBERT C. BYRD, my distinguished colleague, who cosponsored S. 605, and to the members of the Committee on Interior and Insular Affairs.

Mr. President, I move that the Senate concur in the House amendment to S. 605.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Nevada.

Mr. CANNON. Mr. President, I ask unanimous consent that I be permitted to yield 30 seconds to the Senator from West Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT—DEEPWATER PORT ACT OF 1974

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Nevada (Mr. CANNON).

Mr. President, I ask unanimous consent that at such time as the bill (S. 4076), the deepwater ports bill, be laid before the Senate and made the pending business, there be a time limitation thereon of 2 hours to be equally divided between Mr. HOLLINGS and Mr. STEVENS, that there be a time limitation on any committee amendment of 2 hours, that there be a time limitation on any other amendments of 30 minutes, that there be a time limitation on any debatable motion or appeal of 20 minutes, and that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of S. 4076, the so-called "Deepwater Port Act of 1974," debate on any committee amendment shall be limited to 2 hours, to be equally divided and controlled by the mover of such and the manager of the bill; debate on any other amendment shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; and debate on any debatable motion or appeal shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from South Carolina (Mr. Hollings) and the Senator from Alaska (Mr. Stevens): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974—CONFERENCE REPORT

Mr. CANNON. Mr. President, I submit a report of the committee of conference on S. 3044, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of October 7, 1974, at pp. H10034-H10068.)

Mr. CANNON. Mr. President, I ask unanimous consent that Mr. Philip Reberger of Senator HARRY F. BYRD, JR.'s staff and Mr. James Duffy of my staff be permitted to be on the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, the conference report pending before the Senate on the Federal Election Campaign Act Amendments of 1974, S. 3044, represents many months of hearings, executive sessions, floor debate, and Senate and House conferences.

In my opinion this new law will constitute the most significant step ever taken in the area of election reform and one of the most important legislative actions taken by the Congress this year.

The Senate has been moving toward this action for many years and during each Congress since 1960 has been approving progressively stronger and more far reaching bills.

This bill, S. 3044, however, is more comprehensive than any of its predecessors. It provides for strict limits on contributions and expenditures. It provides for a Federal election commission to administer and oversee and even to enforce the various provisions of the act. It provides for the public financing of national conventions and for Presidential primary and general elections. Limitations on contributions are as follows:

Individuals cannot give to any candidate or political committee supporting that candidate more than $1,000 for each election in which the candidate participates, and no individual may give to all candidates and political committees more than $25,000 in any calendar year, and for purposes of that limitation, any contributions given in a year other than the election year shall be considered to have been given during the election year. No political committee, except a principal campaign committee may give more than $5,000 to a candidate or political committee supporting that candidate for each election in which he participates.

A principal campaign committee may contribute to the candidate up to his full spending limit. But, a principal campaign committee is one which has been designated by the candidate, in writing, to be his principal campaign committee and no other committee may be so designated.

Limitations on expenditures are also specifically set forth: A candidate for nomination to the office of President may not spend more in his entire nominating campaign than $10 million. And, he may not spend more in any given State than twice the amount which a candidate for nomination to the Senate may spend in that State. There is an exemption for the cost of fundraising equivalent to 20 percent of the overall spending limitation. In the general election a candidate for election to the office of President may not spend more than $20 million. Again there is a 20-percent exemption for the cost of fundraising.

In Presidential nominating elections, however, as well as in Presidential general elections, public financing is available. In order to become eligible for public financing during the campaign for nomination, a candidate must raise a threshold sum of $100,000. And that sum must be raised in amounts totaling $5,000 in each of 20 States. Only the first $250 of any contribution would be eligible for matching grants from the Government. Once having reached the threshold, the candidate would qualify to receive an equal amount from the Government and, thereafter, would be able to qualify for additional grants for eligible contributions received. The maximum Federal money to which a candidate would or could become eligible to receive for the nominating process would be 50 percent of the spending limit if a sufficient amount of money were designated for the dollar checkoff fund.

In the general election campaign a candidate of a major party could receive public funding up to the full $20 million limit, if there is sufficient money in the fund. If not, then the candidate would receive a reduced amount and would be allowed to solicit private contributions to make up the difference. For both nominating elections and general elections for the office of President, there would be a 20-percent exemption for the cost of fundraising only to the extent that private contributions are needed to reach threshold amounts or other qualifying amount or the difference in the general election between what is available and the spending limitation, assuming that the dollar checkoff fund might not be adequate.

A candidate for nomination or for election to the House of Representatives, except for Representative at Large, could spend $70,000 for the primary and another $70,000 for the general election. He could also spend up to 20 percent of that limit in each election for the costs of fundraising.

A candidate for nomination to the Senate or for Representative at Large could spend up to the greater of 8 cents times the voting age population of the geographic area—the State—or $100,000. And for the general election could spend the greater of 12 cents times the voting age population or $150,000. And, the 20 percent exemption for the cost of fundraising would also apply to each of those campaigns.

In order to preserve the role of the party committees the act allows the national committee of a political party to spend 2 cents times the voting age population of the United States for its candidate for election in the general election only, and 2 cents times the voting age population of a State for candidates for general election to the office of Senator or Representative at Large or $20,000, whichever is greater. Also, the national committee may spend the greater of 2 cents times the voting age population of the congressional district or $10,000 for each candidate for the House.

State committees of a political party, including all branches or subsidiaries, may spend up to 2 cents per voting age population in any given State or $20,000 for Senator or Representative at Large, whichever is greater, and 2 cents times the voting age population of the congressional district, in the case of those representatives who run in States having more than one representative, or $10,000, whichever is greater.

No person may make an independent expenditure advocating the election or defeat of a clearly identified candidate in excess of $1,000 other than those committees or agents authorized by the candidate.

Candidates must have principal campaign committee responsible for the control of receipts and expenditures and for the reports of those finances. Candidates must also designate campaign depositories where receipts and expenditures shall be accounted for.

A most important feature of the bill creates a Federal election commission having primary civil authority for violations of the act. The commission would be comprised of eight members. Two would be appointed by the Senate, two would be appointed by the House, and two would be appointed by the President. All six of these would be subject to confirmation by the Senate and the House. Not more than one of those appointed by the Senate, House, or the President would be of the same political party.

The remaining members would be the Secretary of the Senate and the Clerk of the House of Representatives, but they would serve without a vote.

The commission would have the power to examine all records, conduct investigations, and issue subpenas. It could go to court to obtain injunctive relief, declartory judgments and expedient review of constitutional issues.

The commission also would have the power to attempt to resolve matters by internal administrative procedures after which further remedy could be sought in the courts.

However, the Department of Justice would not be deprived of any of its power to initiate civil or criminal actions in response to referrals by the commission or complaints from other sources. These constitute the major provisions of the act as agreed upon by the Senate and House. There are many other lesser but still important provisions all of which were discussed by both bodies of the Congress and the conferees believe that the measure as reported by the conference to each House is well designed to eliminate the practices so prevalent during the 1972 campaigns and substitute new restrictive provisions covering all facets of Federal campaigns in such a manner as to renew public confidence in the Federal Government and in the elective process.

The act would become effective on January 1, 1975, but the preemption of State law which might be in conflict with the act would take place immediately upon passage, and public finances would not become available as payments to eligible candidates before January 1, 1976.

Mr. President, there are a great number of provisions in this that will require the attention of candidates for Federal office, their committee treasurers, and agents. The intent is to preserve the integrity of the elective process by applying strict controls over the flow of money in political campaigns. I believe that this bill will serve to clear the political atmosphere and will benefit candidates by setting reasonable ceilings on contributions and expenditures.

Mr. President, I urge my colleagues in the Senate to give their approval to this very important election reform legislation.

Mr. HUGH SCOTT. Will the distinguished chairman yield?

Mr. CANNON. I am delighted to yield to my colleague.

Mr. HUGH SCOTT. I thank the chairman of the committee who has done such a magnificent job in shepherding this bill through the conference. It has been a long and hard road. I think we have achieved a reasonably good bill. We have had to make concessions that we did not want to make. I think the Members of the other body felt the same way. I am personally delighted that my own original amendment to provide for an independent Federal Election Commission has been included as part of this bill. The regret I have principally is that we

did not extend Federal financing on a matching basis to congressional elections as proposed by the distinguished Senator from Massachusetts (Mr. KENNEDY) and myself. However, we will give the Presidential financing through matching funds a good try in the 1976 election.

I would like to pay tribute to all of the conferees: for the majority, besides the chairman, Senator PELL, Senator PASTORE, Senator LONG, Senator KENNEDY, Senator ALLEN, and Senator CLARK; and to the conferees for the minority: Senator BENNETT, Senator GRIFFIN, Senator STEVENS, and Senator MATHIAS.

I would like to ask a question as to the amount presently available, if the distinguished Senator has it, in the checkoff fund for Presidential elections where the voter can check $1 or if it is a joint return he and his wife can check off $2 to be used for this purpose.

Mr. CANNON. As of July 1 of this year, the amount was roughly $29.5 million. Of course, we would have two more taxpaying periods that would be up before the financing provision would become effective.

Mr. HUGH SCOTT. What projection do we have as to what can reasonably be anticipated as available in the 1976 election?

Mr. CANNON. I do not think we can really make a very accurate projection, but the best guesstimate that we have is roughly $75 million.

Mr. HUGH SCOTT. I thank the Senator.

I have been asked by one Senator to raise a question as regards publication of books as distinguished from magazine articles. There is a limitation here on honoraria of $1,000. I believe there is an exception that does permit Members of Congress to publish books and to receive compensation for that purpose. Is that correct?

Mr. CANNON. The intent is that the publishing of a book does not constitute an honorarium under the language used in the bill. The bill would cover magazine articles and speaking engagements, this sort of thing.

Mr. HUGH SCOTT. I also had a question as to speaking engagements. I think we ought to make some legislative history here, because we have imposed pretty severe restrictions on this matter in an effort to indicate that there is some sacrifice expected by those who enact the laws as well as others.

If a Member of Congress makes a speech before any sort of group or organization, he is restricted to the honorarium of $1,000, plus legitimate expenses. Is that correct?

Mr. CANNON. That is correct, $1,000 per occasion, plus the transportation expenses, accommodations, and meals.

Mr. HUGH SCOTT. I think it is public knowledge that heretofore honoraria have often been in the amounts of $2,000 or $3,000. I simply point that out.

If a Member of Congress makes two speeches on the same trip at different times, scheduled, programed, and published speeches, for example, to the same organization or to different organizations on the same trip, may those legitimately be considered as separate honoraria?

Mr. CANNON. If they were separate occasions, separate speaking engagements, there would be no reason to consider them other than separate engagements and the $1,000 limit would apply to each one.

I suppose if a person had gone on a particular trip where he had transportation expenses incurred, however, they would have to be prorated between the two.

Mr. HUGH SCOTT. As far as this particular Senator can recall, I do not believe I have even gone on a speechmaking tour of two, three, four, or five speeches. But I do think it is fair and proper that we should make that clear. I do not think we want to leave anything unrevealed. We do not want to mislead anybody.

I think that does clarify the concerns that have been expressed to me on that point.

I think the reporting functions of this bill have been simplified, and yet they are intended to be very tight as to requiring disclosures of all candidates, whether incumbents or not. Is that not correct?

Mr. CANNON. The Senator is correct. The details under the old law have proven to be quite onerous in that they were more than were really required.

We have tried to simplify that. Yet, the reporting is such that the public will have the full information available if they desire.

One of the ways in which we guarded that was by providing that a person can have only one principal campaign committee and that all the reports from subsidiary committees must come through that principal campaign committee, so that you have a funneling there of all the reports into one place.

Mr. HUGH SCOTT. This is designed to correct any past abuses or the potentiality of abuses.

Mr. CANNON. The Senator is correct.

Mr. HUGH SCOTT. As to the Republican and Democratic National Committees, or the national committees of the major parties, there is a provision for an allocation from the checkoff, if the funds are available, of $2 million to each political party for its quadrennial national convention. Is that correct?

Mr. CANNON. The Senator is correct. That also came out of the abuses in the past, where many charges have been made with respect to the raising of funds and the holding of conventions.

Mr. HUGH SCOTT. I want to make that clear, because there was a good deal of objection to that provision on the part of members of my party, some of them connected with the activities of the national committee and convention groups. I think it is a wise provision. It eliminates the necessity of these convention programs and $25,000 contributions from corporations, and so forth.

So I have to go against what was the view of a number of members of my own party in that regard. I think it is a very good provision.

I thank the distinguished Senator from Nevada.

Mr. PELL. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. PELL. Mr. President, I, too, congratulate the Senator from Nevada on the fine job he has done in chairing the Senate conferees. As contrasted with many conferences, he had a varied team of horses from several different committees, and he did a marvelous job in keeping them all driving toward the same goal.

I believe it would be valuable if both the basic purpose and the limits of section 308 of title III of the Federal Election Campaign Act, as amended, were stated for the RECORD in some detail.

Mr. CANNON. I say to my colleague that the thrust of this provision is to require organizations that communicate with the general public through advertisements, direct mailings, et cetera, in order to influence an election or to set forth a candidate's position on any public issue, his voting record, or other official acts, for the purpose of electing or defeating that candidate, to report as if that organization were a political committee.

But this section does not reach an organization that limits itself to activities along the following lines: issuing communications directed to its members, making its position known to members of the press and to public officials, or participating in conferences and meetings and other discussions devoted to public issues. In other words, section 308 will cover organizations that use their funds to propagandize the general public but does not restrict internal communications or restrict the flow of news or the discussion of public issues.

Mr. PELL. I thank the Senator.

Mr. CANNON. I thank my colleague for his kind remarks about my work.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Mr. Parker be permitted the privilege of the floor during the consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, first, I commend the chairman of the Committee on Rules and Administration, the chairman of the Senate conferees, the distinguished Senator from Nevada (Mr. CANNON), for his explanation and his successful effort in bringing this matter back to the Senate. I also commend him for the way in which the conference was handled. He was, as always, extremely considerate of the different viewpoints that were held by the conferees. As someone who is extremely interested in this legislation, I appreciated very much the honor of being appointed a member of the conference. As one who is not a member of the Rules Committee but who had been interested in this issue, it was through the support of the distinguished Senator from Nevada that I was included, and for that I am extremely grateful.

Mr. President, it is with mixed feelings that I support the conference report on S. 3044, the Federal Election Campaign Act Amendments of 1974.

There are many eminently worthwhile provisions in this bill. Public financing for Presidential primaries is a genuine breakthrough for decent government in the post-Watergate era, as are the strict limitations set for private campaign

contributions and expenditures, and the effective new Federal Election Commission established to oversee and enforce the law.

But there is also a glaring deficiency in the bill—its failure to adopt for Senate and House races the same important and basic reform it adopts for Presidential races—public financing of elections.

Abuses of campaign spending and private campaign financing do not stop at the other end of Pennsylvania Avenue. They dominate congressional elections as well. If the abuses are the same for the Presidency and Congress, the reform should also be the same. If public financing is good enough for Presidential elections, it should also be good enough for Senate and House elections, too.

The people understand the simple logic of that lesson, but the conference bill ignores it. Instead, it adopts a double standard for reform—public financing for Presidential elections, but only a patched-up version of private financing for congressional elections.

As a result, in plain view of the nation, Congress is now adopting a blatant "holier than Watergate" attitude to election reform, in spite of the common knowledge that the need for public financing is probably greater for congressional elections than it is for Presidential elections.

It is no secret that the Senate conferees, in a real bipartisan effort, worked hard to obtain a compromise acceptable to the House, a compromise that would establish at least a beachhead for public financing of congressional elections.

On every other provision in the bill, the conferees were able to hammer out a reasonable agreement on the various conflicting provisions of the bill. But on the overriding issue of public financing, the opposition of the House conferees was total and unyielding. Day after day, session after session, the Senate conferees sought progressively weaker compromises, until finally only token public financing for congressional elections was requested by the Senate.

But even this minimal compromise was refused.

In the end, to get a bill at all that the President would be obliged to sign or veto before election day, it was necessary for the Senate conferees to abandon public financing altogether for congressional elections, Reluctantly, we did so.

I like to think that, because we yielded on public financing, the Senate conferees fared better on two other very important issues in the bill—the spending limits for Senate and House races, and the enforcement powers of the new Federal Election Commission.

On the spending limits, the figures in the House bill were so low that, inevitably, the bill was widely stigmatized as an "Incumbents Protection Act." Left unchanged, it might well have prevented any challenger from making any effective race against any Senate or House incumbent.

But on this point, the House accepted a generous compromise that includes the best features from each bill. In essence, the compromise adopts the basic limits of the Senate bill for Senate races—12 cents a voter in general elections and 8 cents a voter in primaries—and it raises the limit for House races from $60,000 in the House bill to a compromise level of $70,000. In addition, a number of other significant provisions are added that affect the spending limit:

An extra 20 percent in spending is made available to offset fund-raising costs.

An extra 2 cents a voter in Senate races—or $10,000 in House races—may be spent by the national committee and also by the State committee of the candidate's party.

A cost of living escalator is included that will probably mean an extra 10 percent boost in spending for the 1976 elections, to offset the inflation likely to occur in 1975.

And, a so-called "meat and potatoes" exemption from the spending limit is also provided, allowing any individual to spend up to $500 per election for invitations, food and beverages for campaign functions at his residence. Any candidate worth his salt should be able to parlay that provision into the equivalent of $5,000 to $10,000 of additional spending for each election.

As a result of these various provisions, the spending levels in the conference bill are entirely adequate. I regard the bill as no longer vulnerable to the "incumbent's protection" label.

On the enforcement issue, the Senate obtained a significant compromise, in which a genuinely independent oversight agency, a new Federal Election Commission, will be established, with substantial civil enforcement powers of its own. This compromise ends one of the most serious loopholes in the existing election laws, the lax enforcement mechanism we have endured so long.

These two areas—the spending limits and the enforcement provisions—represent important victories for the Senate conferees. And they are not the only important provisions of the bill.

Therefore, in spite of our defeat on public financing, I give my support to the final action of the conferees, and I urge the Senate to approve the conference report.

Before closing though, I would like to return once more to the central issue of public financing.

Let there be no illusions about the half-a-loaf approach the conference bill applies to Senate and House elections. To those who say go slow, that limits on spending and private contributions are enough for now, that all we need is full reporting and disclosure, I reply that sunlight is too weak a disinfectant, that we should not be satisfied with timid steps today, when experience proves that bolder ones are clearly needed.

Already, before the ink is dry on the conferees' agreement, let alone before the bill is presented to the President for his signature, we read that big contributors and special interest groups have honed in on the contribution limits, searching for new loopholes and new ways to avoid the law.

I do not doubt they will succeed. To name but one provision, the $5,000 contribution limit for gifts to a candidate by broad-based political committees is an invitation to abuse. From one direction, special interest groups are likely to proliferate into smaller committees, to enable themselves to make multiple $5,000 contributions. From the other direction, individuals and narrow-based political committees—now limited to $1,000 contributions per candidate—are likely to take on new sources of contributions to their own warchests and new candidate beneficiaries in order to qualify for the $5,000 gifts allowed to be made by broad-based committees.

Undoubtedly, all the other restrictive provisions in the bill will receive similar microscopic scrutiny, and other "adjustments" will be made accordingly.

That is the history of the Federal election laws—the evaders are forever a step ahead of the enforcers, because the reformers are forever closing last year's loopholes. Nothing we do in this bill on congressional elections breaks that age-old cycle of corruption chasing reform chasing corruption.

The only effective way I see to break this insidious cycle is to adopt public financing for Congress, as we do today for the President.

Most, and probably all, of the things that are wrong with Congress have their roots in the way we finance campaigns for the Senate and the House. We get what we pay for. As a result, as Mark Twain liked to say, we have the best Congress that money can buy. And in this case, the "best" is obviously not good enough, if we believe in government responsive to all the people, not just the special interest groups.

For years, going back in some cases over many decades, on issue after issue of absolutely vital importance to the country, national policy has been made by Congress under the shadow of a mammoth dollar sign—a sign that is the symbol of the enormous private campaign contributions that are flooding Federal elections and corrupting American politics.

Who really owns America? Who owns Congress? Is it the people, or is it a little group of big campaign contributors and private interest groups? Take six examples that are obviously current today:

Does anyone doubt the connection between America's energy crisis and the campaign contributions of the oil industry?

Does anyone doubt the connection between America's reluctance to enforce effective price restraint and the campaign contributions of the Nation's richest corporations?

Does anyone doubt the connection between America's failure to enact decent tax reform and the campaign contributions by private interest groups who benefit from the endless loopholes in present law?

Does anyone doubt the connection between America's health crisis and the campaign contributions of the American Medical Association and the private health insurance industry?

Does anyone doubt the connection between the transportation crisis and the campaign contributions of the highway lobby?

Does anyone doubt the connection between the demoralization of the foreign service and the sale of ambassadorships for private campaign contributions?

These areas are only the beginning of the list. The problem is especially urgent and pervasive today, because of the soaring costs of running for Senator or Representative. But corruption or the appearance of corruption in campaign financing is not a new phenomenon. I would venture that for at least a generation, a few major pieces of legislation have moved through the House or Senate that do not bear the brand of large campaign contributions with an interest in the outcome.

Watergate did not cause the problem, but it offers the last clear chance to solve it. Through public financing, we can guarantee that the political influence of any citizen is measured only by his voice and vote, not by the thickness of his pocketbook.

A caveat is in order here. Public financing is not a panacea for America's every social ill. It is not a cure for corruption in public life. It is not a guarantee that those who enter public service will be any wiser in solving America's current problems.

What it does guarantee is that legislative decisions will be taken by Congress in the future by men and women beholden only to the public as a whole, free of the appearance of special influence and corruption that have done so much in recent years to bring all government to its present low estate.

Make no mistake. Those special interests will keep on corrupting decent government until we finally act.

Even now, the special interest groups are waiting in the wings. In this year of 1974, their campaign war chests are the fattest in their history—tens of millions of dollars of special interest money waiting to be spent, to buy the votes they want in Congress.

They can live with this arrangement. As the conference results make clear, Congress is also prepared to live with this arrangement—for now.

Sadly, the only ones who cannot live with this arrangement are the ones who should not have to—the ordinary people of this country, the 200 million American citizens who have a right to a Congress that represents them too, a Congress that speaks for the public interest, not just the private interest groups.

And so, this conference report turns out to be just a midway station on the climb to real reform. With this bill, we thought we would reach the top, but it turns out we were wrong. And so, as we regroup our forces, we recognize that our effort must go on in the new Congress that convenes next January.

This issue is not settled, as some would hope, until after the 1976 elections. January 1975 will bring a new Congress, and I shall do my best to insure that public financing of elections is one of our top priorities. We did not lose by much this time. Next year, we shall return, and let us hope the answer will be different.

One final word. There are many who deserve great credit for the substantial progress we have made so far in advancing the issue of public financing to its present stage. The history is worth recounting, because the issue is hardly new to the Senate. In fact, this is the 8th year in which public financing of elections has been a live issue for the Senate.

It was in 1966 that the concept of public financing was first enacted into law. Thanks to the brilliant leadership of Senator RUSSELL LONG, the father of public financing, the dollar checkoff for Presidential general elections was signed into law that year.

The year 1967 saw the act delayed and shelved, caught in the crossfire of the emerging passions of the 1968 Presidential campaign. But, in the aftermath of that defeat, the Senate Finance Committee, again under the remarkable leadership of Senator LONG, recommended a broad new version of the dollar checkoff, applicable not only to Presidential general elections, but to Senate general elections as well. No further action was taken on the Finance Committee report in that Congress, but the seed for public financing of congressional elections was clearly planted.

The year 1971 saw the 1966 act revived and again signed into law, under the leadership of Senator LONG and Senator MIKE MANSFIELD and Senator JOHN PASTORE. But, caught again in partisan crossfire, the decision was made in the Senate-House conference to defer the act past the 1972 elections, and the starting date was set at 1976. The "ifs" of history are fickle, but few would deny that there might have been no Watergate, if the decision had been made to allow public financing for the 1972 election.

Today's bill is yet another milestone on the road to full public financing of all Federal elections. In the aftermath of Watergate, it was clear that the present Congress would be an election reform Congress; the bill today is the result of our 2-year effort.

And the effort in this Congress has been genuinely bipartisan. Senator HART, MONDALE, STEVENSON, CRANSTON CLARK, PELL, and I were joined by Senators HUGH SCOTT, MATHIAS, SCHWEIKER and STAFFORD in introducing various forms of public financing legislation in this Congress and in working to keep the issue in the forefront of debate throughout both sessions.

Last November, as an amendment to the Debt Ceiling Act, we were initially successful in obtaining the approval of the Senate for public financing of Presidential primaries and congressional general elections, only to lose that victory to a Senate filibuster in the closing days of the session.

This year, under the able, leadership of Senator HOWARD CANNON, chairman of the Senate Rules Committee, the progress was even more significant. S. 3044, Senator CANNON's landmark Rules Committee bill, was approved by the Senate essentially intact. It boxed the public financing compass. It provided public financing, not only for Presidential primaries and Senate and House general elections, but also for Senate and House primaries. Most significant of all, the Senate actually broke a filibuster to get the bill to conference.

Thus, in repeated votes after full debate and committee hearings over the past 9 years, the Senate has gone on record again and again in favor of the principle of public financing for elections; specifically, in the past 2 years, it has gone on record again and again in favor of public financing for congressional elections.

By contrast, the present bill marks the first time the House has had full committee hearings and full floor debate on the issue of public financing.

So there is progress after all. The issue is still advancing, as we slowly begin to overcome the widespread reflex that asking Congressmen to accept public financing for their own elections is like asking them to walk the plank. If we did not persuade the House this time, I am confident that final victory will ultimately be achieved, and I am hopeful that "ultimately" means the next time around.

To Senator HOWARD CANNON of Nevada, I give special praise. As chairman of the Rules Committee, he skillfully guided the hearings that shaped this legislation. With equal skill, he successfully steered the bill through the Senate floor debate. Above all, in conference with the House, he led the Senate conferees with great ability and wisdom, negotiating effectively with the House where compromise was possible, and defending the cause of public financing for congressional elections until the cause was finally and clearly lost.

Senator CANNON's leadership in the conference was all the more impressive because he saw this conference through, while simultaneously shouldering the Rules Committee's enormous current responsibility in the Rockefeller confirmation hearings. Senator CANNON has done a brilliant job; he has demonstrated once again the reason for the high regard in which the Senate holds him.

In addition, I give special praise to Senator HUGH SCOTT of Pennsylvania. Without his strong cosponsorship, his distinguished leadership, and his vigorous support for public financing at every step of the debate in the present Congress, this vital election reform would probably not have succeeded in the Senate or fared as well in the House. Senator SCOTT's active and continuing participation was in the highest tradition of the bipartisan Senate at its best. He has ably performed this sort of valuable service on many other issues in the past. The fine record he has compiled over many years in other areas, especially on election reform and on civil rights, is a tribute to his wise and effective leadership. Pennsylvania has an outstanding Senator, the Senate has an outstanding minority leader, and the country is in his debt.

I also give great praise to Common Cause, the people's lobby. For the first time—at least in my service in the Senate, and perhaps for the first time in the history of Congress—a powerful and truly effective representative of the public interest has emerged to speak for the ordinary citizen in the halls of Congress. Now, on campaign financing and many other issues, there is a real countervail-

ing force against the narrow special interest groups that have held unchallenged sway for so long. Things are changing now in Congress, and Common Cause deserves the credit. I hope they keep the pressure on.

Finally, I praise WAYNE HAYS, the chairman of the House Administration Committee and the chairman of the House conferees. In his opposition to public financing, I think he fairly reflected the position of the House of Representatives as a whole. If he was immoveable in his opposition to public financing, he was also generous in the give-and-take on all the other issues in the conference. He was an able advocate and chairman on every aspect of the bill, and I respect his great ability. The measure we approved in conference is a good bill with many good provisions, and he deserves great credit for his effort.

Mr. CLARK. Will the Senator from Nevada yield?

Mr. CANNON. Mr. President, if I have the floor, I yield to the Senator from Iowa.

Mr. CLARK. Mr. President, I, too, wish to take this opportunity to express appreciation to a number of people who played important roles in the passage of this landmark legislation.

Chairman HOWARD CANNON of the Rules Committee, as leader of the Senate conferees, did a superb job of advocating the Senate bill. As the junior member of the conference committee, I am deeply grateful for the fairness that characterized his conduct of the proceedings. I particularly want to thank him for allowing me to serve on the conference, even though not a member of the Rules Committee.

Senator KENNEDY skillfully and relentlessly led the fight for congressional public financing. And while we lost this battle, I know he will be among those leading the fight in the next Congress.

This conference report could not have been pulled together without the tireless efforts of our staff, especially Jim Duffy of the Privileges and Elections Subcommittee, Lloyd Ator of the Legislative Counsel's office, and Carey Parker of Senator KENNEDY's staff.

In addition, a number of organizations provided valuable support and information, including the Center for Public Financing of Elections and especially Common Cause, whose representatives played a leading role in strengthening this legislation, as Senator KENNEDY has said.

Mr. President, it has been nearly 2½ years since five men were apprehended for breaking into the headquarters of the Democratic National Committee. That incident, and the events that followed, not only forced the first resignation of an American President—they also aroused an unparalleled outcry for overhauling the conduct and financing of American political campaigns.

The conference report on S. 3044, which we bring to the floor today, represents the major congressional response to that demand for reform. It is an historic piece of legislation—it insures that large private contributions will never again dominate Presidential politics, and that future Presidents will be free from dependence on, and obligation to, wealthy individuals and special interest groups.

Unfortunately, because of the intransigence of the other body, the legislation fails to encompass the one provision which could have cleaned up House and Senate campaigns as well—public financing of congressional elections. Our failure to take this opportunity to extend public financing to all Federal elections is a tragic shortcoming, one that will have to be corrected at the earliest possible occasion.

As I stated initially, however, there are still many positive aspects of this legislation. Building on the foundation laid by Senator RUSSELL LONG, this bill extends public financing of Presidential campaigns to cover nominating conventions and primary elections. The major political parties each will receive $2 million to operate their conventions in 1976. Candidates in the Presidential primaries, after demonstrating a broad base of support, will be able to receive Federal payments matching contributions of $250 or less. These candidates will be limited to spending $10 million in the primaries, and $20 million in the general election.

Funding for the public financing provisions will come from the dollar checkoff on Federal tax returns, and will be automatically appropriated to meet the needs of the program.

Another major accomplishment of S. 3044 is the establishment of an independent, bipartisan Federal Election Commission. This Commission, composed of appointees of the President and the congressional leadership, and confirmed by both Houses of Congress, will have broad administrative and supervisory powers. Of special significance is the Commission's civil enforcement authority, which will help insure that correction of election law violations will not depend entirely on action by a Department of Justice that has traditionally ignored such abuses.

The major changes in the conduct of congressional elections will come from the imposition of limitations on contributions and expenditures. In all Federal elections, individuals would be limited to contributions of $1,000 per candidate in each election. The so-called multicandidate committees would be restricted to contributions of $5,000. The bill also includes strict ceilings on the expenditures that can be made by or on behalf of each candidate's campaign.

These limits will help guard against some of the more flagrant abuses we have seen in the past few years. But, in and of themselves, the limitations will do little to correct the two most serious problems in elections for Congress: the tremendous influence and impact of special interest dollars and the almost complete domination of incumbent officeholders.

Let us face it—$5,000 is still a big chunk of money in most congressional campaigns, with limited applied separately for primaries, runoffs, and general elections, special interest contributions can easily climb as high as $10,000 or even $15,000. Recently, we have seen story after story in the press detailing the huge campaign coffers that these special interest groups have accumulated. With the contribution limits in this bill, there will be little change in their ability to dominate the field where congressional campaign finance is concerned.

Tightening the group contribution limit will not solve the problem—that would only serve to dry up campaign funds entirely, and guarantee incumbents a free ride. The only real solution is to replace these private funds with public financing.

The last few years have seen Members of Congress returned to office 95 percent of the time or more. The reason is simple—challengers have not been able to raise enough funds to be competitive. Incumbency domination has continued in this year's primaries. As reported on NBC News last night, of the 391 House Members in primaries, only 8 were defeated in their reelection bids. As John Chancellor put it, being a Congressman "is not only a good job, it is a job with great job security."

The expenditure limitations in S. 3044 will not solve this problem at all. In fact, by restricting what candidates can spend, the bill may well eliminate some of the effective challenges we have seen recently.

Again, the only real solution lies in guaranteeing that each serious candidate will have the funds necessary to take his case to the public—again, through public financing of elections.

As you know, the Senate version of this bill contained provisions for congressional public financing, but in the conference committee, the House was adamant—we were faced with a choice of this bill, with no public financing for Congress, or no bill at all. What we have been forced to do, in effect, is settle for a double standard in the conduct of Federal elections—public financing for the President but business as usual for ourselves.

The many important provisions of this legislation qualify S. 3044 as a major step on the road to free and open Federal elections. But further steps will be necessary, and soon. I certainly shall introduce legislation at the beginning of the next Congress to extend the excellent public financing program in S. 3044 to cover congressional elections as well.

Mr. President, will the Senator from Nevada yield for one question?

Mr. CANNON. I am delighted to yield for a question.

Mr. CLARK. This bill would impose a $5,000 limit for each election on contributions that a multicandidate political committee could make on behalf of one Federal candidate. Was it the intent of the conferees that the general administrative expenses of legitimate multicandidate committees are exempt from such limitation, so long as these expenditures are not made on behalf of a clearly identifiable Federal candidate?

Mr. CANNON. Yes. Those expenses incurred on behalf of a clearly identified candidate should be attributed to that candidate, obviously. Of course, expenses merely to defray the cost of operation,

rent, equipment, clerical salaries, et cetera, should not be counted against the candidates to whom the contributions are given.

In other words, if the candidate cannot be clearly identified—this relates to the multicandidate committees to which the Senator referred—the expenses of the committees to defray the costs of their operation, their rent, their equipment, and their clerical salaries would not be charged against the candidate to whom the contributions are finally given. I do not see that there is any way one could allocate them.

Mr. CLARK. I thank the Senator.

Mr. ALLEN. Mr. President, before I begin my remarks, I would like to ask if the distinguished Senator from Nevada would answer two or three questions that occur to me with respect to the conference report.

Mr. CANNON. Yes.

Mr. ALLEN. The Senator from Alabama understands that the bill would provide no subsidies to candidates except from funds going into the checkoff fund; is that correct?

Mr. CANNON. The Senator is correct. The public financing provision would go only to the extent that funds were in the pot, so to speak, from the checkoff provision under the income tax laws at the present time.

Mr. ALLEN. Then the first priority would be the Presidential election; is that correct?

Mr. CANNON. The Senator is correct. The first priority would be the Presidential election.

Mr. ALLEN. If there is not enough to go around.

Mr. CANNON. That is correct.

Mr. ALLEN. Then what would follow?

Mr. CANNON. The allocation, then, from that point on, would go to the primary elections and to the national committees on a prorata basis, because that is the lowest priority, and that is in the process of selecting the candidates for the general election.

Mr. ALLEN. And there would be no priority as between conventions and candidates? Would the convention come ahead of the candidates, the $2 million subsidies to each convention?

Mr. CANNON. I think the intent, as we have drawn it here and developed it, was that the conventions would come ahead of the primaries. The general election would come first, to the extent of the moneys available. If more than that is available, then the conventions would come next, and then, if there is more money available, the primaries would come next.

So, in the proration, the low end of the totem pole, so to speak, would be the primaries.

Mr. ALLEN. As I understand it, in the presidential primaries, the contributions, the amounts of which can be matched, must have been made in the year next preceding the year of the convention and the election; is that correct?

Mr. CANNON. That was the intent, that the matching period would be the year preceding the convention and the election for purposes of determining it.

Mr. ALLEN. Of course, taking in the election year as well.

Mr. CANNON. That is correct.

Mr. ALLEN. Then, of course, as to expenditures they are limited as well as are the contributions.

Mr. CANNON. The Senator is correct.

Mr. ALLEN. At what point do the expenditures become limited? Would they become limited as of the year next preceding the election year? In other words, looking forward to the next election, would the expenditures limit start on January 1, 1975?

Mr. CANNON. Yes. The effective date of the act for purposes of expenditures and for the purpose of contributions with the matching provisions of the contributions is January 1, 1975.

Now, the Senator went a little beyond that to speak in general terms as to when the effective date would be with respect to contributions on expenditures. That would be governed by the definition provisions under the act as to when he becomes a candidate. A person might become a candidate within the year prior to the election.

On the other hand, it is conceivable that a person might really become a candidate for Presidential office within 2 years prior to the election. So we would have to look at the definition of the candidate.

The term "candidate" means an individual who seeks nomination for election to the President of the United States. For purposes of this paragraph an individual shall be considered to seek nomination for election if he (a) takes the action necessary under the law of a State to qualify him for nomination for election.

Under that provision in all of the States that would fall in the year prior to the election.

(b) receives contributions—

Mr. ALLEN. No, that would be the year of the election, would it not, the primary?

Mr. CANNON. Excuse me, during the same year prior to the election.

Mr. ALLEN. Yes.

Mr. CANNON (continuing):

(b) receives contributions or incurs qualified campaign expenses; or (c) gives his consent for any other person to receive contributions or to incur qualified expenses on his behalf.

These conditions could exist longer than the immediate year prior to the election in the case of a Presidential campaign.

Mr. ALLEN. Yes, but he would have to be a declared candidate, would he not?

Mr. CANNON. He would have to either solicit contributions for that purpose or have made expenditures for that purpose or have declared that he was a candidate.

Mr. ALLEN. He would have to be an avowed candidate.

Mr. CANNON. Absolutely.

Mr. ALLEN. Yes.

Until that time, or until January 1 of the year preceding the election, the expenditures would not be charged against the total authorized expenditures.

Mr. CANNON. Well, if he had made expenditures for the purpose of seeking a nomination, if he had gone out and spent money for the purpose of getting the nomination as President, then it would go back to that time, except it would not go back beyond January 1, 1975, because that is the effective date of the act.

Mr. ALLEN. So then the expenditures prior to January 1, 1975, would not count.

Mr. CANNON. Those expenditures would not count.

Mr. ALLEN. I see. Very well.

I commend the distinguished Senator from Nevada, the chairman of the Rules Committee for his patience and his hard work with respect to this bill (S. 3044) and I commend him also for his hard work with respect to S. 372 which passed the Senate July 30 of last year and which had reform provisions similar to the reform provisions in this bill but did not have the public financing feature.

This bill, of course, had the House been so inclined, could have been used as the vehicle for the reform package, leaving out or adding to that bill the public financing feature. But that bill, passed long before S. 3044, expressed the will of the Senate at that time as to reform without taxpayer financing; is that not correct?

Mr. CANNON. The Senator is absolutely correct. S. 372 did go a long way down the road toward campaign reform but had no public financing features in it.

Mr. ALLEN. And during the course of consideration of that bill I believe the public financing was offered as an amendment here on the floor and was defeated. I believe that is correct, is it not?

Mr. CANNON. That is my recollection that it was.

Mr. ALLEN. That is correct. The Senator's recollection is correct on that point.

Now, Mr. President, I address my remarks to the conference report on S. 3044—and my remarks will not be overly lengthy, I might say to anyone who might be interested—the conference report on S. 3044, the public financing of elections bill, which is before the Senate and will unquestionably be approved, and probably be approved this afternoon, possibly not before recess for the President's address.

Due to a strong conviction on my part that taxpayer financing of elections is not in the public interest, I could not, in good conscience, sign the report even though I was a member of the conference on the part of the Senate. And yet the report, composing the differences between the Senate and House versions of the bill, contains much that is good, much that I support, and much that was shaped or influenced by positions that I have advocated—and other Senators on the floor have advocated—on and off the Senate floor and in committee.

There is no stronger advocate of campaign reform than I, for it is a fallacy to feel that anyone who opposes a raid on the Treasury to support political campaigns must be against campaign reform.

Public financing of elections re-forms the campaign laws, it does not reform them. True reform comes from strict limitations of the total amount of permissible campaign contributions and ex-

penditures, full disclosure of all contributions and expenditures, limitation of the size of contributions, limitation on amount of cash contributions and expenditures; and an independent election commission—and which was, of course, the Senate's position—and many other similar reforms in the private sector.

Throughout the time that election reform bills have been before the Senate, the record will show that I have steadfastly supported all of these principles and have afforded leadership in advocacy for them. I have invariably supported the lowest proposed figure, whether it was for an overall limit on contributions or expenditures, or limit on size of contributions or amount of cash contribution or expenditure permitted. And when disclosure provisions were considered, I have always stood for the strictest possible disclosure rule.

But to use the terms "public financing" and "campaign reform" interchangeably or as synonyms is erroneous.

So the conference report is really divided into two parts—the public financing part and the campaign reform part.

I would prefer that there could be two separate votes on these issues. I would vote for campaign reform and against public financing. But that is not to be, and I must vote for or against the report. There can be no division of the question.

But why do I oppose requiring the taxpayers to pay the cost of elections? Debates as reported in the record are full of reasons that I have assigned.

First, public financing of elections is a raid on the taxpayers' pocketbooks for the benefit of politicians. Subsidizing the candidates with funds from the Treasury only adds to the escalating costs of elections when we should be limiting and reducing election costs.

Second, much of the volunteer spirit of citizen participation in elections will be lost where the public treasury is required to pay the cost; and it deprives the citizens of first amendment rights in depriving them of freedom of expression implicit in the right to contribute to the candidate or candidates of their choice.

Third, it forces a person to contribute to a candidate whose views might be violently opposed to the views of the taxpayer. This objection cannot be met by the contention that only checkoff funds are being used, for these funds belong to all taxpayers and not just to those who participated in the checkoff.

Fourth, Presidential primaries already are spectacle enough without the Federal Treasury adding from $5 to $7½ million more to each candidate's funds.

I have been told that there are some 6, 8, or 10 candidates for the Presidency right here in this Chamber, not here on this floor at this time, but they are Members of this body. I have been told there are some 6, 8, or 10 Members of the Senate who will be candidates for the Presidency.

This bill, of course, would make them a present provided they get enough popular support to get in excess of $5 million, up to as much as $6 or $7½ million, which, if true, each of the candidates from this Senate or from the House, over $5 million for their campaign chest.

Now, the time approaches for the movement of the Senate over to the House Chamber, and I would ask unanimous consent that I might yield the floor at this time, in order that the majority leader may address the motion to the Chair, with the understanding that I retain the right to the floor when we come back.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MANSFIELD. Mr. President, with the proviso that the distinguished Senator from Alabama retains the floor, I shall make the following unanimous consent request.

JOINT SESSION OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF THE UNITED STATES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess for the purpose of proceeding in a body to the Hall of the House of Representatives to hear an address by the President of the United States to a joint session of Congress.

Immediately after that address has been concluded the Senate will once again resume its deliberations and, the Senate concurring, the distinguished Senator from Alabama will have the floor at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will now stand in recess subject to the call of the Chair, for the purpose of attending a joint session with the House of Representatives to hear the address by the President of the United States.

At 3:42 p.m., the Senate took a recess subject to the call of the Chair.

Thereupon, the Senate, preceded by the Secretary of the Senate, Francis R. Valeo; the Sergeant at Arms, William H. Wannall; and the President pro tempore of the Senate (Mr. JAMES O. EASTLAND), proceeded to the Hall of the House of Representatives to hear the address by the President of the United States, Gerald R. Ford.

(The address delivered by the President of the United States to the joint session of the two Houses of Congress appears in the proceedings of the House of Representatives in today's RECORD.)

At 4:57 p.m., on the expiration of the recess, the Senate, having returned to its Chamber, reassembled, and was called to order by the Presiding Officer (Mr. BARTLETT in the chair).

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator from Alabama yield to me without losing his right to the floor?

Mr. ALLEN. I yield.

IMPLEMENTATION OF THE PRESIDENT'S RECOMMENDATIONS

Mr. MANSFIELD. Mr. President, I would suggest that in line with the President's request this afternoon the Senate give consideration to the possibility of taking up on tomorrow, after the deepwater ports bill is disposed of, Calendar No. 1164, S. 3979, a bill to increase the availability of reasonably priced mortgage credit for home purchases.

The bill was offered by Messrs. CRANSTON and BROOKE, who were specifically singled out by the President. I believe the President indicated that he would like to have this legislation passed before the Senate recesses on Friday next, possibly.

It is my further understanding that action has been withheld on the Cranston-Brooke proposal until the President had sent up or made his recommendations. I would assume that, in part at least, he has made his recommendations this afternoon. I assure him that the joint leadership and the Senate stand ready to implement what he has said. Hopefully, if any additional information is needed from the White House, it will be forthcoming forthwith, so that we can give consideration to S. 3979, as the President specifically requested this afternoon.

I thank the distinguished Senator from Alabama for yielding to me for this purpose.

Mr. ALLEN. I am delighted to yield.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3044) to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ALLEN. Mr. President, I was discussing the reason why I opposed the conference report. I was discussing the item of the financial subsidy not only for the Presidential general election, to the candidates for President of the respective parties, but also to finance the literally dozens of candidates who will seek the nomination of the major parties as well as the minor parties, to some extent.

Mr. President, this bill would provide a subsidy of between $5 million and $6 million—up to that amount—for each candidate for Presidential nomination. Literally dozens of them will be encouraged by the subsidies provided by this bill, as well as any hope of obtaining the nomination.

It has been pointed out that it is reputed that there are some 6, 8, 10, or 12 Members of Congress who will seek the

Presidency, or will seek the Presidential nomination, and they will be able to receive $5 million or more each, provided they get the necessary contributions from the public generally. But far from cutting down on the spectacle of these Presidential preference primaries, this would escalate the cost by $5 million or $6 million for each candidate and would run up into astronomical terms.

In addition, it would provide $2 million each—this is something the Senate did not even think of in providing subsidies—for major parties to hold a convention. I suppose some of the conventions are worth $2 million to the public, as a show or as a spectacle. But I hate to see the taxpayer called on to pay $2 million to each party so that it can meet and hold nominating conventions. That is what this conference report would do. That is a new idea by the House, agreed to by the Senate conferees.

Mr. President, let us examine the record to see whether positions which I and many other Senators of similar views have advocated on and off the Senate floor have had an influence, with an assist from the House, in shaping the final provisions of the bill as set forth in the conference report, both on the true campaign reform and even on the public financing.

To do so it is necessary to go back to August 5, 1971, when the present campaign law—Public Law 92-225—was under consideration in the Senate as S. 372. That bill—that is, the present law—sought only to limit expenditures for media advertising, pretty skimpy proposals—TV, radio, newspapers, billboards—but placed no limit—and the present law does not— on the 101 other necessary expenditures in a campaign, expenditures for which are not covered under the present law and for which the sky is the limit: Brochures, handbills, printing, WATS lines, telephones, postage, stationery, automobiles, trucks, telegrams, campaign headquarters—State and various local ones, unlimited campaign workers, airplane rentals and tickets, buses, trains—special and regular, campaign newspapers—distinguished from the media—movie theatre film advertisements, campaign staffs, public relations firms, production expenses for broadcasts, public opinion polls, paid campaigners and poll watchers, novelties, bumper stickers, sample ballots, and many others that I did not think of. Those were not covered under the present law. Those were not covered when S. 372 was before the Senate.

It was quite obvious to me that this limitation was far from adequate and that there should be a limitation on total expenditures for all purposes. So, on that date I offered amendment No. 306, the purpose of which was to place a limitation on the total amount that could be spent by a candidate for any and all purposes. The amendment failed of passage by a vote of 31 to 60, but for the first time action had been taken on the Senate floor that would have put an effective limit on all expenditures by a candidate in an election. Embraced in the report now is the concept of limiting all expenditures, as provided in my amendment, and not limiting media advertising only. Mr. President, the concept of the amendment that was offered back in 1971 is now carried forward in the conference report, limiting the total expenditures for all purposes and not just media advertising, as the limit is now.

Next came the passage in the Senate on July 30, 1973, by a vote of 82 to 8, of S 372, which I supported in committee and on the floor. It had most of these desirable campaign reforms in it, but it did not have campaign financing. It did not have public financing. During the course of the consideration of this bill on the Senate floor, a public financing amendment was defeated. So just a little over a year ago, the Senate was voting down public financing. Mr. President, I voted for, and supported in committee and on the floor of the Senate, S. 372, which did provide true campaign reform.

Let us continue examining areas where the position of reform minded opponents of public campaign financing was upheld.

That is the category in which I put myself and those who opposed public financing. We are reform-minded opponents of public campaign financing. So let us continue examining to see where the position of reform-minded opponents of public campaign financing was upheld in the conference or where their efforts influenced the final shape of the bill.

By a vote of 39 yeas to 51 nays, the Senate rejected the Allen amendment—this is while S. 3044 was pending in the Senate—to strike the provisions for public financing of congressional elections. So the reform-minded opponents of public financing did win out.

The position of the 39 Senate opponents of congressional elections financing is now supported by the conference report in the final conference with regard to House and Senate financing and subsidizing of the campaigns of Members of the House and Senate.

I offered an amendment limiting contributions in Presidential contests to $250 and $100 in congressional contests. Of course, there is practically no limit now to the amount of contributions that can be made. There is a limit on the amount that can be contributed through one committee, but we are familiar with the practice, although the Senator from Alabama has never used it, of having multiple committees, with $5,000 payments made by each of those committees. In that way, hundreds of thousands of dollars can be contributed by one person, because the present law does not provide an effective limit on that.

Therefore, during the course of consideration of S. 3044, I offered that amendment.

The theory of that $250 in Presidential races, $100 in congressional races, would always be matched anyhow, so why authorize more? That amendment was voted down here on the Senate floor, that effort by those of us who oppose public financing but favor campaign reform to lower the amount of the permissible contributions. When that failed, I offered another amendment, thinking that surely this would satisfy the public financing supporters, which placed the figures and when this was defeated, I offered an amendment placing the figures at $2,000 for Presidential contests and $1,000 for Senate and House contests, but this also was defeated, and the Senate passed a $3,000 per election figure. However, the conference set the figure at $1,000 contribution per person per election, which is more in line with the views of the reform minded opponents of public financing.

Mr. President, those of us who have sought campaign reform and have opposed just turning the bill over to the taxpayer have had some little success in shaping the campaign reform aspects of the legislation that is now before us.

It is interesting to note that when the distinguished senior Senator from Tennessee (Mr. BAKER) offered his amendment to require candidates to disclose the size and source of all contributions and to provide that no contributions could be accepted after 10 days before the election, the reform-minded opponents of public financing supported this fine amendment that would have provided for disclosure.

By and large, whenever an opponent of public financing of taxpayer-subsidized financing, is found, one finds a person who advocates true campaign reform: cutting down the amount of authorized expenditures, cutting down on the amount of the permissible contribution, providing for more disclosure. This amendment of the distinguished Senator from Tennessee (Mr. BAKER) provided that a candidate had to disclose the size and source of all contributions and that he could not accept any contributions after 10 days before the election. During that period, he could not accept contributions.

It seems to me to be a fine disclosure provision, offered by an opponent of taxpayer-financed and subsidized elections, but a strong advocate of campaign reform.

Mr. President, while this bill S. 3044 was pending, I offered an amendment providing that no Member of the House or Senate could charge or receive any honorarium for speeches, appearances, or writings. The Senate defeated that amendment. They did not want any limitation on honoraria, the supporters of public financing, taxpayer-subsidized financing. They wanted the sky to be the limit, apparently, for contributions. So that was defeated, here, in the Senate.

However, the House grabbed hold of that idea, and provided that the honorarium limitation be $1,000 per appearance or writing or speech, with a total of $10,000 permissible. Well, the conference report comes here with $1,000 for each appearance or writing or speech, and a $15,000 limit. At any rate, there is some limit to it, rather than the sky being the limit, as at present. That is another area in which the reform-minded opponents of public financing did make their influence felt in the final conference report.

Mr. President, here, on the Senate floor, in a rare burst of economy for the taxpayer, the Senate adopted an amend-

ment that I offered reducing by 20 percent the amount which might be spent by each candidate—that is a 20-percent reduction. It was cut from 10 cents per person of voting age to 8 cents in primaries and from 15 cents to 12 cents per person of voting age as the amount that could be spent in a primary or a general election.

Let me hasten to add that the conference provided very well to nullify that fine step toward economy, that would have saved the taxpayers millions of dollars, by allowing as an exemption from this limit 20 percent of permissible expenditures, to be used for fundraising only. The effect of that amendment is to limit the figure to a candidate for the nomination of one of the major parties for the Presidency. The limit is $10 million in the primary for each candidate, half of which can be public. They topped that off with the cream of allowing $2 million, that is not counted, to be added to that for the expense of raising money.

Mr. CANNON. Will the Senator yield?

Mr. ALLEN. Yes.

Mr. CANNON. That is not quite correct. The amount of 20 percent for fund raising purposes would be limited only to the private contribution part.

Mr. ALLEN. It would be $1 million.

Mr. CANNON. Yes, sir; $1 million would be the limit.

Mr. ALLEN. Very well. I stand corrected on that.

Instead of adding $2 million to the pot, it would add $1 million, on the theory that the $5 million coming from the government, from the taxpayers, does not have any expense. That is a reasonable provision.

The fact remains that it did add 10 percent overall, 20 percent—on the amount of the individual contributions. So it raised the amount that a candidate for the nomination for the Presidency could spend to $11 million; $5 million of which would be paid by the taxpayers.

Another amendment that the Senator from Alabama offered which remains in the conference report is this: The way the Senate bill was drafted, before a candidate for nomination for the Presidency of one of the major parties could get any matching funds, he would have to receive $250,000 in contributions of $250 or less, but he could get them all from one State. There was no prohibition against that; a popular candidate from New York, Pennsylvania, or Illinois could raise the $250,000 from one State and get all of his funds, including that $250,000 and all other contributions up to the permissible limit, matched by the taxpayers.

It did not seem right to allow that, so I offered an amendment that provided that such a candidate for the nomination would have to get at least $5,000 in matchable funds from each of 20 States, to assure that the candidate would have a nationwide following, since otherwise it would be fairly difficult, in each of 20 States, to get contributions of $5,000 in each from contributors of $250 or less.

The amendment was accepted by the manager of the bill, the Senator from Nevada (Mr. CANNON), and it is a good provision, as I believe all will concede, and would assure that the candidates would have substantial nationwide support.

Another major defect that I pointed out in the Senate debate was that there was no time set prior to which contributions to Presidential nomination candidates would be ineligible for matching. In other words, contributions now or a year ago would be eligible for matching contributions, and next year a person could set his sights on running in 1980, and be receiving contributions now for matching in 1980. There was practically no limit on how far back you could go in getting contributions, making the Government subsidy that much easier to obtain.

That was pointed out here on the Senate floor, and it was conceded by the manager of the bill—I believe at that time the distinguished Senator from Rhode Island was on the floor—that contributions to a candidate would be eligible for matching even if the candidate was running for a Presidential term several years distant. The conference report provides that contributions will be matched only if received on and after January 1 of the year preceding the year of the Presidential election involved. So, taking the next Presidential election for example, a candidate for the Presidency can start out on January 1 of next year receiving contributions. He can work all next year getting these $250 and less contributions. He could receive more, but there is no matching for the amounts over $250. He could work all year getting these matchable contributions, and then, on January 1, or 2—I imagine they would be closed down here on January 1, and he would have to wait until January 2—he could collect matching funds for all the contributions he collected in 1975, and he could match, then, everything he collected in 1976 up to the time of the convention.

Thus there would be a whole year where the candidate would be on his own. He would be eligible for matching, but it would not occur until the first of the next year. Without that provision, as I say, it would be dependent upon years in the past for matching. This would make it a little more sensible.

Strong arguments were made on the floor of the Senate against the $15,000,000 limit allowed for expenditures for Presidential nomination candidates, up to half of which could be matching funds from the Treasury. The conference report cuts this figure to $10,000,000 plus 20 percent for fundraising as to the private contributions, and provides that it must come out of the checkoff rather than out of the General Treasury. I believe that is a step in the right direction. We did not succeed in eliminating the public financing, but this is an amendment that will save many millions of dollars to the taxpayers.

So these are some of the areas in which the opponents of public financing did contribute to making this a better bill. As I say, there is much in the conference report that I favor, much that is good, much that I helped to get put into the bill. But inasmuch as the bill contains the public financing feature, I feel that I must, as a matter of principle, vote "nay" on the adoption of the conference report when it comes to a vote.

I have no intention of engaging in extended debate as to the report. I think if we are to have a taxpayer-financed procedure as to the Presidential election, the general election, it would not be so bad, but adding the cost of the dozens of candidates for the nomination for the Presidency of the two major parties, paying $2 million to each of the parties to put on a convention which is sometimes little better than a vaudeville show, I feel is a pretty high expense for the taxpayers to be called on to pay, $2 million to each party, and then to pay up to $5 million to finance these dozens of candidates who go up and down the land seeking the Presidency. So when the conference report comes up for adoption, the Senator from Alabama plans to vote "nay."

Mr. BIDEN. Mr. President, I wish to congratulate the Senate conferees, and particularly Senator CANNON, the chairman of the Committee on Rules, for the exemplary job done in a very difficult several weeks of trying to work out a compromise bill with the House. There are many features of the bill that I support.

Mr. President, on the first day of this month, conferees of the Senate and the House of Representatives agreed on details of a public financing campaign bill that we hope will eliminate the influence of "big money" and allied ills that characterize our present system of electing Presidents and Members of Congress.

I wish to add my "thank you" to the many others deservedly awarded this afternoon to Senator CANNON, chairman of the Rules Committee, who helped in a major way to work out a compromise between the Senate and the House-passed version.

I share the disappointment of many here in the Senate Chamber that the conference report does not include public financing of congressional primaries and generals. However, it does provide public financing for presidential contests. The bipartisan, 8-member supervisory board, established to enforce the provisions of the bill that I hope President Ford will sign into law, is a key feature of this legislation.

Our political terrain has been sadly sullied these last few years, Mr. President. Abuses have occurred that have shaken the confidence of the American people. But, Mr. President, I think that this compromise bill is a showing on the part of the Congress that it does intend to make amends, does intend to repair the damage to our campaign-financing system, hitherto privately financed.

I, for one, applaud these goals of a financially sane and stable and aboveboard system of camapign financing. In my judgment, this compromise, despite its flaws, should be a major step in that direction.

I do have reservations, just as the Senator from Alabama does, but for almost totally different reasons.

The Senator from Alabama distinguished between the aspects of the bill, which he titles "reform," and public fi-

nancing which he characterizes as not being reform. I would like to speak to the reform act part which limits spending that candidates can expend in seeking Federal elective office, particularly with regard to the Senate and House races.

We have been noble in our discussions about the need to get new blood into the political process. We are told that one of the primary reasons for this campaign reform bill is to encourage new persons, women and men, to get involved in running for high public office.

Then we have gone ahead in this bill, it seems to me, Mr. President, and we have severely limited the possibilities of contenders, challengers, to unseat incumbents, which everyone recognizes is a very difficult thing to do at best.

Mr. President, I am very concerned that we not lose sight of the shortcomings of this bill. I may very well be singing a different tune 4 years from now about this bill, with some provisions that may favor incumbents, when I will be eligible for reelection. I, as an incumbent, would be very happy about the fact that a challenger is limited to the same amount of money that I am limited to expend, which is low especially for the most populous States. Yet, in addition, I have a significant weapon in incumbency with the amount that I have available for my staff paid for by the taxpayers; the franking privilege; and other benefits of being an incumbent, which translate directly into immense benefit in an election year in terms of waging a campaign.

I would hope the reformers outside of Congress, the common causes of the world, who spend a good deal of time beating their breasts about what, in fact, is in the best interests of the Nation, also not lose sight of the fact that we are, in my opinion, may be going to be locking in many of us on this floor under the terms of this bill.

This bill may perhaps have exactly the opposite effect of what it is designed to do—opening up the process to newcomers. This is because of what I consider, as opposed to the Senator from Alabama, excessively low dollar amounts that are able to be expended or contributed.

When we talk about 12 cents per voter in a general election, and 10 cents per voter in a primary, in a State like California where we have 20 million residents, I suspect unknown candidates are going to have to spend all of that money just to become known as I was when in 1972 I sought the office of U.S. Senator. At that time, I was known by less than 3 percent of the people of my State 6 months before the general election. So an unknown candidate will have to spend every cent of that public-financing money just to get his or her name known. This does not leave money to inform what positions one takes, or to know anything about him or her, but merely to get the voters of that State to identify who the candidate is and that, in fact, he or she is a challenger.

Mr. President, I still am an ardent supporter of partial public financing. I have also been a strong supporter of many other of the provisions that are contained in this bill.

But the American public should be made aware that there is a tendency in the bill to lock-in the incumbents.

For example if, in fact, I had been limited to spending the amount of money set out in this bill in the little State of Delaware for the 1972 general election when I ran, there is a possibility that I would not be standing here today taking the time of the Senate at 5:30 in the evening, when everyone is anxious for me to stop talking and to go home. This bill would have made it more difficult for me to have won that election—not impossible, but more difficult. The bill is much harder on candidates in more populous States. I see my good friend from New York (Mr. BUCKLEY) over there smiling, I am not sure why—but my good friend, the Senator from New York, if he were in the position of having an unknown challenger the next time up, I suspect it would be very difficult for a challenger to mount a campaign whereby he or she gets to the point of being able to be known by 50 percent of the voters in that State. I hope I am wrong about that, but I just want to put the Senate on notice. I have not heard much about this, that if, in fact, I am right about this, that the so-called reformers, and especially we, who call ourselves moderates and liberals, the so-called reformers, will come forward and rectify what may develop into an onerous situation. Good things can be abused as well as bad things remedied.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. BIDEN. I yield.

Mr. ALLEN. Well, does this unknown challenger not benefit sometimes by how well known the incumbent is, which sometimes aids the challenger?

Mr. BIDEN. That is true, that often occurs. But the percentages do not back that up. If we look at the numbers over the 70 years of this century it shows that, as bad as some of the incumbents have been, it is easier to perpetuate a bad incumbent than elect a good unknown challenger.

There is an old saying in football: "You have to have somebody to beat somebody." I am not sure you can even convince the voters to beat somebody if that somebody does not get a chance to become known at all.

In sum, I think these spending limits in the bill are low. I think they militate and are weighted in favor of incumbents.

I hope, if I am correct, that, as I said, those who talk most about reform in this body will be prepared to come forward and, at least, recognize the fact that low limits, in the larger States—not in Delaware—have the effect of diminishing the numbers of good women and men who might want to get into the political process but are unable to do so.

However, Mr. President, I do want to insist on the assets of the bill, too, amid my criticism.

I yield the floor.

The PRESIDING OFFICER (Mr. ABOUREZK). The Senator from New York.

Mr. BUCKLEY. Mr. President, I was smiling when the eloquent Senator from Delaware was talking about the advantages of incumbency and the stringent limits proposed by this bill because this is precisely one of my major complaints, but not the most major. I shall recite some of those later.

I addressed myself a week ago to the frustration of coming to this floor in order to debate legislation and then finding out that the report was not available.

When we began this debate at 3 o'clock the conference report was still not here. But I did, however, prepare some questions based on the earlier versions, and I would like to pose them to the distinguished sponsor of the bill so that I might have some clarification in my own mind and in the record. Perhaps these questions are not relevant to what has actually emerged from the conference and, if so, I am sure I will be so advised.

I would like to ask the distinguished sponsor whether he considers that the subsidy proposal and the limits on campaign contributions are independent proposals or are they integral parts of a comprehensive plan?

Mr. CANNON. I am sorry I was not in good enough attention so that I could hear what the Senator was saying.

May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will come to order.

Mr. BUCKLEY. Does the distinguished Senator consider that the subsidy proposal and the limits on campaign contributions are independent proposals or are they integral parts of a comprehensive plan?

Mr. CANNON. Well, no, they are certainly independent. They were arrived at in a completely independent manner.

Mr. BUCKLEY. Did the committee consider proposing these two independent parts as two independent bills?

Mr. CANNON. No. The committee made no such proposal. The bill was enacted here on the floor and contained in the Senate bill the proposal for the public financing for the Presidential elections and also for the congressional elections. In addition, the Senate wrote its will with respect to the limit on contributions and the limit on expenditures. Now, these were not parts of different bills. It was all in one bill, and it was so considered by the House and by the conferees.

It is quite a little different, I may say, as the distinguished Senator from Alabama just pointed out, than it was when it was passed by the Senate.

Mr. BUCKLEY. Do the sponsors of the conference committee bill agree that subsidies to candidates are more necessary in Presidential than in congressional elections to provide for opportunities for participation without regard to the financial resources of individual candidates?

Mr. CANNON. Well, that I assume is what they believed by signing the conference report. The distinguished Senator from Alabama did not sign it. Some who signed the conference report are not overly enthusiastic about the financing part. But it was quite evident that the public financing, at least for Presidential races, was more important than that for congressional races, else the conference would have so indicated.

Mr. BUCKLEY. Should we, therefore, conclude that, in the opinion of the conference, there is a greater need to reduce

the pressure on Presidential candidates from large campaign contributions than there is to reduce such pressure on congressional candidates?

Mr. CANNON. I do not know that that would necessarily follow. But I would say that the recent experiences in Watergate certainly pointed up the dangers of large contributions, of the use of large amounts of cash, and I am sure that had it not been for Watergate, the facts of Watergate, that we would not have been able to have a public financing provision in this bill, just as the distinguished Senator from Alabama pointed out a little earlier, that when this came up in S. 372 this body defeated the public financing features, and that was just a short time ago, the year before last.

Mr. BUCKLEY. I conclude, therefore, that in the opinion of the conference, individuals running for the Senate or House are less subject to these monetary pressures than someone running for the Presidency?

Mr. CANNON. Well, I do not know that that particular issue was considered, as such.

I would just say, the conferees were up against a situation where the House was adamantly opposed to any public financing for congressional races, whatever their reasons may have been.

Among the Senate conferees, a group of us favored public financing for congressional races, but with the House remaining adamant it was not possible to carry that out.

There was no decision made that the Members of Congress were less suspect, or more suspect. That decision was simply not met.

But the Senate conferees were not unanimous in support of public financing for congressional races, that did come out of the Senate bill.

Mr. BUCKLEY. It is my understanding when the Senate originally considered the limitations that it was the conclusion that $90,000 was required to run a minimal, competent House race, yet the bill before us would limit House expenditures to $70,000.

Did the sponsors consider the effect that this $70,000 limit on candidate expenditures in the House would have on the chances of incumbents seeking reelection?

Mr. CANNON. Yes, the conferees did consider that, and the Senator is correct that when we passed the bill in the Senate, we wrote in the $90,000 figure for House Members.

We wrote it in thinking that was probably about the right amount, but, more importantly, we felt that the House itself should make that determination as to what was the approximately correct amount, and we made our own determinations as to what it should be in the Senate.

The House came back with a bill that had only $60,000, and I, for one, thought that was too low, and a number of our conferees did. We thought it was an incumbent bill as far as House Members were concerned with that kind of limit, it favored incumbents.

This was part of our trading package, as we do in conference. We finally got the House to come up by reason of some concessions we had to make to $70,000, plus the fact that one can use up to 20 percent for fundraising purposes.

That means that the total amount that the House Member could then spend is $84,000, which is not much below the $90,000.

There has been some talk about this fund raising limit that was put in that the House had, and I did not think of it here or I would have had it in myself. I do not think it is a proper figure to be included to say that if we are going out to put on a fundraising dinner and it costs $10 a person to put the dinner on and we charge $25 a person, that that $10 we have to pay for the dinner is going to be charged against the overall expenditure allowance in the campaign, because that is not what it is doing. It is helping to raise money, but it has to be shown.

If we were to go out in a mail campaign to solicit funds, as many candidates do, the cost of that mailing is rather substantial. In a Presidential race it is terrifically high, but even in a congressional race it is quite substantial. To say that is part of the expenditure limit for getting elected, I do not think is quite proper.

Therefore, I was very happy to go along with the House provision that one could spend up to 20 percent for fund raising purposes.

We do not get that exemption if we do not spend it for those purposes, and it is all fully reportable.

Mr. BUCKLEY. I thank the Senator.

Do the sponsors of the bill believe, as the Common Cause legal memorandum states, that:

> Campaign contributions are all too often only an attenuated form of bribery.

Mr. CANNON. I am not familiar with that Common Cause memorandum and if the Senator wants to pose a question to me specifically as to what I think, I can give an answer to that, but I do not want to try to second-guess what somebody else is talking about.

Mr. BUCKLEY. Do the sponsors believe that certain forms of political advertising have become too persuasive? If so, do they regard the bill as a means of limiting the persuasiveness of such advertising?

Mr. CANNON. I cannot answer that in that context.

I would assume that all political advertising has some persuasive value, else it would not be used by candidates or by organizations.

I do not remember considering that precisely in the context in which the Senator has advanced it.

Mr. BUCKLEY. But it does not limit the amount of persuasiveness one can put into the atmosphere?

Mr. CANNON. Well, certainly, the amount one can spend, certainly, is going to limit the amount of persuasiveness one can put forward to the public, the overall amount.

That was the intention of these limitations, to limit the overall amount, because we felt that there ought to be a limit beyond which one cannot go in saturating the airways, the radio, the TV, newspapers, and the personnel expenditures, the hiring of people, billboards, and so on, and that is the basic reason to try to limit the cost somewhat and not get into a bought campaign.

Mr. BUCKLEY. Do the sponsors believe that financial contributions are an inherently more dangerous form of political activity than other forms of political action such as demonstrations, rallies, pamphleteering, doorbell ringing and telephone canvassing?

Mr. CANNON. I could not guess between them, I think all of those have some effect. It depends probably on the area one is in, the type, manner in which they are put forth, and the individuals involved.

We made no comparative judgment between those facts.

Mr. BUCKLEY. Do the sponsors believe that the bill will reduce the chances for third party candidates to make effective races for the Presidency?

Mr. CANNON. No. The intent precisely was to insure that this would not reduce the effectiveness of third-party candidates, that they should have a proper opportunity.

Now, all candidates, major and minor, independent or other, are treated alike with respect to matching grants for the primaries. Each must raise his threshold of $100,000 in each of 20 States, with only the first $250 of any contribution eligible for matching grants.

Of course, in the general election, candidates are treated in a different manner, depending upon whether they are the nominated candidates of a major party or a minor party.

A major party is one whose candidate received 25 percent or more of the vote at the last general election.

A minor party is one whose candidate received less than 25 percent but at least 5 percent of the vote at the last general election.

Major party candidates could receive full public financing up to $20 million limit. And minor party candidates could receive an amount reflecting the ratio of the votes cast for the minor party candidate to the average of the votes cast for all major party candidates.

In the case of minor party candidates and new party candidates, if the vote at the current general election is in excess of 5 percent and betters the percentage of votes cast at the last general election then the minor or new party candidate would be entitled to be reimbursed for expenditures made up to the difference as determined by the improved vote.

Now, we did this, specifically, to try to protect other than the major candidate.

Mr. BUCKLEY. But the fact is that, if one is a new party, until the ballots are actually cast there is no right of reimbursement or financing, therefore, to that extent, there is not equality treatment, is that correct?

Mr. CANNON. Well, if the Senator interprets it that way, the facts are correct. They would have to demonstrate a 5-percent appeal to the voters before they would be entitled to reimbursement. They would not be able to get any money before that time.

Mr. BUCKLEY. But they would have to finance the whole campaign before any rights of reimbursement?

Mr. CANNON. Correct.

Mr. BUCKLEY. The bill, therefore, does not enhance third-party efforts.

Mr. CANNON. I do not think one could say it either enhanced or did not enhance. It does not impose any penalty on them, just makes them prove they are bona fide candidates and have some voter appeal.

I think that should be true in the case of any candidate.

Mr. BUCKLEY. What distinction do the sponsors see between endorsing a candidate for the Presidency, on the one hand, and "discussing important issues" during the campaign on the other? I believe that distinction was made, or at least it was in an earlier version of this bill. I have no idea whether it applies to this bill.

Mr. CANNON. I do not quite follow what the Senator is referring to.

Mr. BUCKLEY. My understanding is that at least one version of this legislation—and I have not studied thoroughly this version—made a distinction between expenditures endorsing a candidate versus expenditures for the discussion of important issues during the course of a Presidential or congressional campaign.

Mr. CANNON. If I am interpreting what the Senator is asking correctly, if the question is whether or not the expenditure is made on behalf of the candidate, if its is made on behalf of a particular candidate, then it is going to be chargeable to him. Or, if it endorses a candidate, it is going to be chargeable to him in his overall limit.

On the other hand, if some organization comes out and discusses issues that are not related to an identifiable candidate, that is not chargeable to a candidate.

Mr. BUCKLEY. Let us assume that we were back in the days of the Vietnam war controversy, and in a given election one particular candidate—

The PRESIDING OFFICER. Will the Senator suspend so that we can have order in the Chamber? It is getting difficult to hear.

Mr. MANSFIELD. Mr. President, will the Senator yield briefly?

Mr. BUCKLEY. I will.

Mr. MANSFIELD. Does the Senator intend to make a motion to recommit?

Mr. BUCKLEY. Yes.

Mr. MANSFIELD. Does the Senator intend to ask for the yeas and nays?

Mr. BUCKLEY. Yes.

Mr. MANSFIELD. Mr. President, I ask that it be in order at this time to ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask that there be a yea and nay vote on final passage of the conference report if the Buckley amendment is defeated.

The PRESIDING OFFICER. That is understood.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BUCKLEY. You did not intend to suggest, I am sure, that my motion to recommit would be defeated.

[Laughter.]

The PRESIDING OFFICER. The Chair takes notice of that.

Mr. BUCKLEY. I am not sure we have the answer to the question I was posing, namely the distinguished sponsor stating that expenditures on a particular candidate obviously are chargeable. But if a particular candidate is the only one in a campaign identified with a particular issue, and there is a massive expenditure of money to advance that point of view, never mentioning the candidate but just talking about the desirability in the case of withdrawing from Vietnam, that, I understand, the sponsors have unrelated to a campaign and, therefore, not chargeable

Mr. CANNON. We have not tried to infringe on first amendment rights in this. We have tried to protect first amendment rights. We have permitted an individual himself to go out and spend $1,000 on his own assuming he does not have the authority of a candidate. There is no way that I can see that we could prohibit somebody from paying money to discuss issues. However, if it is either for the benefit of an identifiable candidate, or if it is to oppose an identifiable candidate there are requirements in here that would limit them, one, to charge the amounts of the expenditures to his overall limit, if it is for him, and the other to place a limit on what people can spend in attempting to oppose him.

Mr. BUCKLEY. May I ask whether the Senator has considered the case where there are three candidates and funds are used to oppose one candidate? How does one charge that expenditure?

Mr. CANNON. If funds are used to oppose one, I guess it would have to be allocated to the one who is more nearly in tune with the thoughts being advocated. But I cannot foresee that that situation is likely to occur.

Mr. BUCKLEY. I would like to respectfully suggest that it occurred in my campaign, and in the final weeks there were full-page ads and television spots saying, "Don't vote for Buckley." There were two other candidates whose views were indistinguishable. I am not sure how we would handle that situation.

Mr. CANNON. This would be for the commission to develop in their regulations after they are appointed, to develop this sort of thinking. I am sure a complaint to the commission would put a stop to that sort of thing, if it were not in violation of the first amendment rights.

Mr. BUCKLEY. I have just a final question. Do the sponsors regard the communication by an organization to its membership with regard to a particular candidate a different form of persuasion than a similar communication to nonmembers?

Mr. CANNON. Yes, because an organization can communicate with its members. That is quite different from communicating with the general public.

There is a provision in the bill, section 308, that permits an organization to communicate with its members.

Mr. BUCKLEY. Mr. President, This morning I attempted to obtain a copy of the conference committee report on the bill we are now debating. It was unavailable so I have not had a chance to study it. I question the wisdom of voting substantially in the dark on legislation that could alter the way we select our representatives without ever having a chance to see the bill.

When we debated the Senate version of this legislation early this spring, a number of us pointed out practical and constitutional deficiencies in the bill. I said at that time that the bill might accurately be described as the Incumbent Protection Act of 1974.

To offer this bill in the name of reform is an act of unprecedened cynicism.

It is hard to imagine a measure better designed to protect incumbents running for reelection. The artificially low spending limits are demonstrably inadequate and will keep challengers from getting off the ground in House, Senate and, yes, Presidential races. The advantages of incumbency are legendary. According to Common Cause figures, successful challengers for House seats in 1972 spent, on the average, well over $100,000. Yet this bill would limit candidates for the House to $70,000, a sum grossly inadequate to conduct a campaign on a basis of parity.

When enacting legislation that deals with the political activities of American citizens, the Congress is well advised to remember the words of Mr. Justice Holmes, dissenting in Abrams against United States:

> . . . when men have realized that time has upset many fighting faiths they may come to believe even more than they believe the very foundations of their own conduct that the ultimate good desired is better reached by free trade in ideas—that the best test of truth is the power of the thought to get itself accepted in the competition of the market. . . .

The campaign reform bill, as reported by the conference committee, does much to weaken the ideals of Holmes that have now become law. In Yale Law School Professor Ralph Winter's felicitous phrase, these "price controls in the marketplace of ideas" are necessarily violative of the freedoms guaranteed to the citizens by the first amendment. That amendment has long been used to defend the rights of unpopular groups to make their positions known, but it applies with no less force when the rights of the great majority of Americans are threatened and infringed.

Limiting the amounts that candidates can spend in election campaigns offends the first amendment in several ways. As Ralph Winter put it:

> Setting a limit on candidate expenditures sets a maximum on the political activities in which American citizens can engage and is thus unconstitutional. The reasoning that speech which costs money is too persuasive cannot be contained. For one can also argue that demonstrations of more than a certain number of people, extensive voter canvassing, or too many billboards with catchy slogans also "distort" public opinion and also ought to be regulated.

It is particularly disturbing that Senators who had heretofore been considered civil libertarians have rushed to support

this measure without considering alternative means, less drastic in their scope, of accomplishing their purposes. The fear of overly persuasive campaigns, particularly when expressed by incumbent members of Congress, strikes dangerously close to prohibited suppression of speech because of its content. It must certainly give the Supreme Court pause when they see officeholders with vested interests in remaining officeholders passing legislation that restricts the abiilty of potential opponents and average citizens alike to alter the political makeup of the Congress.

The Supreme Court in numerous cases has held that the first amendment includes within its ambit a freedom of association, and that such freedom is crucial to political activity. By setting limits on individual contributions, whether or not such contributions are to candidates or to independent groups, the conference committee bill directly infringes on the freedom of association. Are we really prepared to tell the American people that they may participate financially in elections only if they work through the candidates' existing organization? After learning of the activities of the Committee to Re-elect the President in 1972, this is truly an amazing "reform" to emerge from Watergate.

At the very least, Mr. President, we should seek equity between challenger and incumbent. To this end, I am moving to recommit the bill to the conference committee with instructions that I will set out. We must insure that elected officials are responsive to their constituents; incumbency—particularly as buttressed by the bill as presently written—does much to destroy responsiveness. At a time when many Americans question their basic political institutions, weakening the consent of the governed is the height of foolishness. As Prof. Alexander M. Bickel has recently noted:

> What is above all important is consent—not a presumed theoretical consent, but a continuous active one, born of continual responsiveness. There is popular sovereignty, and there are votes in which majorities prevail, but that is not nearly all. Majorities are in large part fictions. They exist only on election day and they can be registered on a very few issues. To be responsive and to enjoy consent, government must register numerous expressions of need and interest by numerous groups, and it must register relative intensities of need and interest.

As I have stated, this motion to recommit does not eliminate all of the problems inherent in the bill as written.

One of the several points I make is that there are still some very serious constitutional questions with this legislation and, secondly, with all due deference to the conferees, I believe this bill in the name of reform is an act of unprecedented cynicism.

It is hard to imagine a measure that is better designed to protect incumbents. I say this on the authority of Common Cause which presented figures showing that the only successful challenges in House races 2 years ago were those that spent in excess of $100,000 on the average, to overcome the notorious advantages of incumbency.

At least I shall try not to be negative.

Mr. President, I send to the desk a motion to recommit with instructions that are designed to inject into this some sort of equity as between incumbents and challengers.

Mr. MANSFIELD. Will the Senator yield for 1 minute?

Mr. BUCKLEY. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that while the first vote will take 15 minutes, that the second vote, which I understand may well follow, be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Vote.

Mr. BUCKLEY. I would like to say what this motion does, Mr. President. It would merely provide that challengers would be allowed to spend 30 percent more than the limitations that are applicable to incumbent candidates.

Mr. LONG. Mr. President, I wish to congratulate the Senator from Nevada (Mr. CANNON) and his associates for the very fine job that they did under the leadership of the distinguished chairman of our conferees, for their very fine work in moving forward in an attempt to assure that the person who is the President of the United States will be President because a majority of the people agree with the arguments that he has to make, and not because someone is better able to contribute to someone's campaign fund than those available to contribute to the other man.

I have been working in this area for a number of years now, Mr. President, since 1966.

I would like to discuss the background and the history of this, and the contribution made by a number of Senators.

The PRESIDING OFFICER. Does the Senator wish to call up his motion to recommit?

Mr. BUCKLEY. I call up my motion to recommit.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

MOTION TO RECOMMIT WITH INSTRUCTIONS

That the conference report on the bill (S. 3044) be recommitted to conference, with instructions to the Senate conferees to insert the following subsection at the appropriate place in section 608 of title 18, United States Code, as amended by the conference report:

"( )(1) The expenditure limitations under this section apply to incumbent candidates. Nonincumbent candidates are subject to an expenditure limitation of 130 percent of any limitation applicable to an incumbent candidate.

"(2) For purposes of this subsection, an incumbent candidate is a candidate who—

"(A) holds an office to which he seeks reelection, or holds public elective office for which the voting constituency is the same as, or includes, the voting constituency of the office to which he seeks election, or

"(B) has, within the 5 years preceding the election, held such an office.".

The PRESIDING OFFICER. The question is on agreeing to the motion to recommit with instructions. The yeas and nays have been ordered.

Mr. CANNON. Mr. President, I am sure that is subject to a point of order, but I am perfectly willing to have a vote on the matter, on the motion to recommit, because it does suggest matters that were not the subject of either of the bills and therefore could not be permitted for that purpose.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. BIBLE), the Senator from Idaho (Mr. CHURCH), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from North Carolina (Mr. ERVIN), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that the Senator from Indiana (Mr. HARTKE) is absent on official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN) and the Senator from Indiana (Mr. HARTKE) would each vote "nay."

Mr. HUGH SCOTT. I announce that the Senator from Vermont (Mr. AIKEN), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from Oregon (Mr. PACKWOOD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Hawaii (Mr. FONG), the Senator from Virginia (Mr. WILLIAM L. SCOTT), and the Senator from Vermont (Mr. STAFFORD) are absent on official business.

I further announce that, if present and voting, the Senator from Kansas (Mr. DOLE) would vote "nay."

The result was announced—yeas 17, nays 61, as follows:

[No. 465 Leg.]

YEAS—17

Allen	Chiles	Nunn
Bartlett	Cotton	Thurmond
Biden	Curtis	Tower
Brock	Gurney	Weicker
Buckley	Helms	
Byrd, Harry F., Jr.	Hruska	
	McClure	

NAYS—61

Abourezk	Huddleston	Nelson
Baker	Hughes	Pastore
Bayh	Humphrey	Pearson
Beall	Jackson	Pell
Brooke	Javits	Percy
Burdick	Johnston	Proxmire
Byrd, Robert C.	Kennedy	Randolph
Cannon	Long	Ribicoff
Case	Magnuson	Roth
Clark	Mansfield	Schweiker
Cranston	Mathias	Scott, Hugh
Domenici	McClellan	Stennis
Eagleton	McGee	Stevens
Eastland	McGovern	Stevenson
Fannin	McIntyre	Symington
Fulbright	Metcalf	Taft
Hansen	Metzenbaum	Talmadge
Hart	Mondale	Tunney
Haskell	Montoya	Williams
Hathaway	Moss	
Hollings	Muskie	

NOT VOTING—22

Aiken	Dominick	Inouye
Bellmon	Ervin	Packwood
Bennett	Fong	Scott, William L.
Bentsen	Goldwater	Sparkman
Bible	Gravel	Stafford
Church	Griffin	Young
Cook	Hartke	
Dole	Hatfield	

So Mr. BUCKLEY's motion to recommit the conference report with instructions was rejected.

The PRESIDING OFFICER. The question recurs on the adoption of the conference report. The yeas and nays have been ordered.

Mr. STEVENS. Mr. President, just 1 minute. I should like to clarify something, if I may, with the manager of the bill.

A provision of this bill amends section 1502 of title 5 relating to the activity of State or local employees in Federal campaigns. Specifically, it takes out subsection (a)(3), which prohibits a State or local officer or employee from taking an active part in political management or political campaigns, and substitutes for that a prohibition from being a candidate for Federal office.

It is my understanding, and I should like to ask the manager of the bill, my friend from Nevada (Mr. CANNON), if he agrees that this means that State laws which prohibit a State employee, or local laws which prohibit a local employee, from engaging in Federal campaign activities and Federal campaigns are still valid?

What we are doing is taking out of the Federal law the prohibition against State or local employees from taking an active part in political management or political campaign? Is that correct?

I think it is quite important, because many of our States have the so-called little Hatch Act, and it was not our intent to repeal those "little Hatch Acts," or to modify them, but to take it out of the Federal law so that Federal law does not prohibit those activities, leaving it up to the State to do so.

Mr. CANNON. The Senator is absolutely correct. Section 401 of the House amendment amended section 1502 of title 5, U.S. Code, relating to influencing elections, taking part in political campaigns, prohibitions, and exceptions, to provide that State and local officers and employees may take an active part in political management and in political campaigns, except that they may not be candidates for elective office.

The conference substitute is the same as the House amendment. It was the intent of the conferees that any State law regulating the political activity of State or local officers or employees is not preempted, but superseded. We did want to make it clear that if a State has not prohibited those kinds of activities, it would be permissible in Federal elections.

This would get away from the situation in which the Federal Government gives the State funds toward many different programs, and some of those employees have been fearful that they could not participate in Federal campaigns. This would eliminate that problem.

Mr. STEVENS. It is up to the State to determine the extent to which they may participate in Federal elections?

Mr. CANNON. The Senator is right. The States make that determination.

Mr. JAVITS. Mr. President, I believe S. 3044 represents a real step forward in campaign reform. However, I am disappointed that it does not provide public financing at the very least on a matching basis for Senate and House races. I remain convinced that this is the only way to truly reform political campaigns and I intend to work for that reform.

The bill provides limits on expenditures and on contributions which I support but I am going to work on measures to more nearly equalize incumbents and challengers than under the present bill. A most important feature of the bill is the independent Federal Elections Commission which will enforce the new law. The Commission will have the power to bring civil suits under the new law and will be a great improvement over the present weak system.

I also believe that the extension of the tax checkoff to the Presidential nominating system is useful and at least a step toward total public financing. Finally additional disclosure after an election has been added to the law and it was my amendment in the Senate which was incorporated in the final version in slightly different form.

Congress has now passed its second campaign reform bill in 3 years after no action in this area since 1925. I believe that is progress and shows that Congress is living up to its responsibilities and is trying to reform our campaign practices to avoid the tragedies of Watergate. I intend to dedicate myself to the further improvement of our political system through greater campaign financing changes in the future.

Mr. President, the concern of the legislative leaders of both parties in the State of New York that New York political campaigns be free from the "dirty tricks" and other regrettable incidents of Watergate led the legislature to appoint a Citizens Advisory Committee in 1973 to recommend a revision of the New York State campaign laws.

Among the recommendations of that committee was the enactment of a fair campaign code. Following the issuance of that report, New York State in 1974 adopted a strict new campaign law under the administration of a new State board of elections.

One of the first obligations of the State board of elections was to adopt a fair campaign code setting forth ethical standards of conduct for those engaged in election campaigns in the State. The code is subject to enforcement by the board of elections and includes civil penalties of up to $1,000 for violations of the code. I believe this code is of interest to the entire country.

The code was prepared by the new board of elections and under the chairmanship of former Supreme Court Justice Arthur Schwartz, Vice Chairman Remo J. Acito, and Commissioners Donald Rettaliata and William H. McKeon.

To insure that the proposed code had the broadest input from those best qualified to comment on these issues, the board established a special advisory committee representing a broad spectrum of experts. The advisory committee members were Congressman HERMAN BADILLO; Mrs. Myrna Baron of the New York City League of Women Voters; Ben Davidson, executive director of the liberal party; Seymour Graubard, national chairman of the Anti-Defamation League of B'nai B'rith; William Lawless, former State supreme court justice and former dean of Notre Dame School of Law; Cynthia Lefferts, New York State legislative director for Common Cause; Seraphin Maltese, executive director of the conservative party; Charles G. Moerdler, a New York City attorney; Whitney North Seymour, Jr., former U.S. attorney and president of the New York State Bar Association; Gary Sperling, executive director of the Citizens' Union; Cyrus R. Vance, former Deputy Secretary of Defense, Ambassador, and current president of the Association of the Bar of the City of New York; Charles E. Williams III, assistant counsel of NAACP Legal Defense and Educational Fund; and Judith T. Younger, dean of Syracuse University College of Law, all under the chairmanship of Robert M. Kaufman, my former legislative assistant, who is now chairman of the Special Committee on Campaign Expenditures of the New York City Bar Association.

Mr. President, I ask unanimous consent that the text of the State of New York fair campaign code, together with a foreword and related material, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE OF NEW YORK FAIR CAMPAIGN CODE

State board of elections: Arthur H. Schwartz, Chairman; Remo J. Acito, Vice Chairman; Donald Rettaliata, William H. McKeon.

SEPTEMBER, 1974.

FOREWORD

The State Board of Elections was changed by law with promulgating and adopting a "Fair Campaign Code" setting forth ethical standards of conduct for persons, political parties and committees engaged in election campaigns.

Publication of the Code, as set forth in this pamphlet, is the culmination of a lengthy developmental process, a process that has included: the holding of public hearings in New York City, Buffalo, and Albany, consultation with various state and national organizations interested in the area of election reform, including the Senate Select Committee on Presidential Campaign Activities, the Fair Campaign Practice Committee, both of which have had experience in the national area, the Secretary of the United States Senate, the Clerk of the United States House of Representatives and the Controller General; recent reports recommending action in the area of reforming campaign practices; examination of pertinent regulations and legislation adopted by our sister states; the aid and advice of a political science consultant of recognized experience and stature in this field; and finally, the opportunity for review and comment by a broad-based citizens' advisory panel.

This is the first Fair Campaign Code which is reinforced by regulations and compliance with which is mandated. It is one which carries with it an obligation by those involved in political campaigns to obey or else run the risk of criticism, denunciation, or a fine, in addition to other penalties, criminal and civil, which may be invoked depending upon the nature of the infraction.

A fundamental purpose of the Code is to protect the public against immoral and unethical activities, and as stated by the Legislature, "to maintain citizen confidence in and full participation in the political process of our state to the end that the government of this state be and remain ever regionable

to the needs and dictates of its residents in the highest and noblest traditions of a free society."

The Board believes that this Code provides an excellent vehicle through which to achieve this purpose. We are well aware, however, that for the Code to be successful, it must receive the active support of candidates, their committees and agents, as well as that of the people of this state. To that end, the Board shall exercise its power to ensure your cooperation and full compliance with both the latter and the spirit of the Code's provisions.

FAIR CAMPAIGN CODE

In order that all political campaigns be conducted under a climate promoting discussions of the issues, presentation of the records and policies of the various candidates, stimulating just debate with respect to the views and qualifications of the candidates and without inhibiting or interfering with the right of every qualified person and political party to full and equal participation in the electoral process, the following is hereby adopted by the New York State Board of Elections pursuant to section four hundred seventy-two of the election law as the Fair Campaign Code for the State of New York.

No person, political party or committee during the course of any campaign for nomination or election to public office or party position shall, directly or indirectly, whether by means of payment of money or any other consideration, or by means of campaign literature, media advertisements or broadcasts, public speeches, press releases, writings or otherwise, engage in or commit any of the following:

1. Practices of political espionage including, but not limited to, the theft of campaign materials or assets, placing one's own employees or agent in the campaign organization of another candidate, bribery of members of another's campaign staff, electronic or other methods of eavesdropping or wiretapping.

2. Political practices involving subversion or undermining of political parties or the electoral process including, but not limited to, the preparation or distribution of any fraudulent, forged, or falsely identified writing or the use of any employees or agents who falsely represent themselves as supporters of a candidate, political party or committee.

3. Attacks on a candidate based on race, sex, religion or ethnic background.

4. Misrepresentation of any candidate's qualifications including, but not limited to, the use of personal vilification, character defamation, whispering campaigns, libel, slander, or scurrilous attacks on any candidate or his staff or his personal or family life, use of the title of an office not presently held by a candidate, use of the phrase "reelect" when, in fact, the candidate has never been elected to the office for which he is a candidate.

5. Misrepresentation of any candidate's position including, but not limited to, misrepresentation as to political issues or his voting record, use of false or misleading quotations, attributing a particular position to a candidate solely by virtue of such candidate's membership in any organization other than his political party which might have issued a statement advocating or opposing any particular position.

6. Misrepresentation of any candidate's party affiliation or party endorsement or endorsement by persons or organizations including, but not limited to, use of doctored photographs or writings or fraudulent or untrue endorsements. In any case where a person or organization endorsing the candidate has been paid by the candidate or someone on his behalf, a statement signed by the candidate and stating the consideration for the endorsement shall be filed within twenty-four hours of the endorsement in the office in which the candidate is required to file his statements under section four hundred seventy-seven of the election law.

7. Misrepresentation of the content or results of a poll relating to any candidate's election; also, failure to disclose such information relating to a poll published or otherwise publicly disclosed by a candidate, political party or committee as required to be disclosed by rule or regulation of the New York State Board of Elections.

8. Any acts intended to hinder or prevent any eligible person from registering to vote, enrolling to vote or voting.

Statutory authorization:

"The State Board of Elections, after public hearings, shall adopt a 'fair campaign code' setting forth ethical standards of conduct for persons, political parties and committees engaged in election campaigns including, but not limited to, specific prohibitions against practices of political espionage and other political practices involving subversion of the political parties and process, attacks based on racial, religious or ethnic background, and deliberate misrepresentation of a candidate's qualifications, position on a political issue, party affiliation or party endorsement."

Penalties:

"In addition to any other civil or criminal penalty which may be provided for by law, the State Board may impose a civil penalty, not to exceed one thousand dollars, upon any person found by the Board, after a hearing, to have violated any of the provisions of such code."

For further information, Contact: New York State Board of Elections, 194 Washington Avenue, Albany, New York 12225.

Mr. HUMPHREY. Mr. President, the election of 1972, and the Watergate revelations since then, have hammered an indelible impression into the mind of every American citizen about the election process and how campaigns are financed. Secret funds, illegal contributions, slush funds, and laundered millions, only begin the long list of affronts to the American people. Mr. Jeb Stuart Magruder, when asked by the Senate "Watergate" Committee what he considered to be the major impetus for his and other questionable election activities, simply replied, "Too much money."

Mr. President, today this Congress has addressed that problem directly with the most comprehensive campaign finance reform measure in the history of the United States, the Federal Election Campaign Act of 1974. Some critics will say that too much money has been compromised by the conferees on this legislation. Personally, I would have preferred the stronger Senate version of the bill. But it is now time to focus upon the progress in reform which will be made through this act. No single piece of legislation before this Congress in this session has more potential for cleaning up American politics and restoring confidence in the integrity of our political system and the individuals who work for it.

All elected public officials know that scrounging for funds to bring your case to the electorate is a demeaning experience. We all dread asking people for money to help us finance our campaigns. As one who has run for mayor, Senator and President, I can appreciate, perhaps more than some others, the importance of the changes which we are making in the campaign finance process here today.

It was out of a strong concern for reform in our campaign finance system that I supported legislation initiating the dollar checkoff and authored the amendment which put it on the front of the income tax form where people could see it and use it.

The amount of money a politician can raise is no measure of democratic responsibility by a candidate for public office. With the passage of the Federal Election Campaign Act amendments, we can help restore the faith of the people in their Government. The linkage between the electorate and elected public officials will be improved by this bill.

Mr. President, it is gratifying for one who has labored long in the vineyard of public campaign finance to see such a progressive and creative reform in our system of election campaigns. I have been a vocal advocate of expanded public financing of Federal elections for many years. I strongly support the provisions of the legislation which calls for the use of public funds for the financing of Presidential election campaigns. I fully agree with provisions setting strict limits on spending and contributions. I also have been a strong advocate of the establishment of an independent supervisory board to administer the law, which is part of this bill.

I think the Federal Election Campaign Act Amendments of 1974 does the job that needs to be done. There is room for improvement, but it permits Congress to take a big step in the right direction of campaign finance reform.

ANOTHER STEP TOWARD A REFORMED POLITICAL SYSTEM

Mr. MATHIAS. Mr. President, I rise to support the conference bill on campaign reform reported by the conference committee on which I served.

This bill will conclude another chapter in our efforts toward a reformed political system for America. It cannot be the last chapter, unfortunately, for the bill before us is not as broad in scope as the problems which Watergate so starkly presented for all Americans.

But this bill does represent a major step forward. For the first time, we will have a strong and independent commission to oversee all Federal elections and enforce Federal laws pertaining thereto. For the first time, we will have reasonable limits on both campaign contributions and campaign spending. For the first time, we have insured that Presidential campaigns, both in the primaries and the general election, will not be dependent on huge gifts of money from special interests.

These are historic reforms. They are possible today only because thousands of Americans cared enough to devote their time and effort to the cause of bringing this bill before us today. Organizations such as Common Cause, the National Committee for an Effective Congress, the Center for Public Financing, the League of Women Voters, and business and labor organizations throughout the country, have all played a major role in giving us the opportunity to vote on this legislation today.

Nor should the earlier voices raised in

this cause be forgotten. President Theodore Roosevelt called for public financing in 1907 and a generation later Senator Henry Cabot Lodge renewed the fight that is being won today.

These organizations have been joined by thousands of individual citizens, who demonstrated that they are as dedicated as were our constitutional framers, to a system of free, vigorous, fair, and meaningful elections. Without the support of these citizens, we would not have this bill before us.

In 1971 I was pleased to join many of my colleagues in working for the Federal Elections Campaign Act of 1971. That bill, which contained some 13 amendments which I offered on the Senate floor, established for the first time the principle that all large contributions should be publicly disclosed—that campaigns were public business. It was followed by the "tax checkoff" amendment to the Revenue Act of 1971 which permitted an individual American to express support for a system of public financing for Presidential campaigns by designating $1 of his or her taxes for this purpose. The response to the checkoff has been very encouraging, and it is appropriate that this bill extends the scope of the checkoff to primary campaigns, and insures that all money designated by the taxpayer will be available for candidates, if needed.

In 1972, I cochaired, with Senator STEVENSON, the Ad Hoc Committee for Congressional Reform. During the public hearings of this informal committee, we focused on the need for legislation of the type which we will vote on shortly. As a result of these hearings, and of the widespread concern evidenced throughout Maryland, I introduced a bill with Senator STEVENSON, and another with Senator HART, which together contained the major features of the legislation before us.

The public response to these initiatives was strong and positive. I testified before the Senate Rules Committee last September in favor of this legislation, and joined with the distinguished members of that committee in supporting the bill, S. 3044, which was reported to the floor.

In one major area, however, I feel that the bill before us now is insufficient. That is the area of public financing for congressional campaigns. The Senate expressed its view overwhelmingly in support of such a system when S. 3044 was before us last spring. Gallup and other nationwide polls have demonstrated that the American people support public financing for Congressional races by a majority of almost 2 to 1. And I have found very strong support for this basic reform as I have talked to citizens throughout my State.

Unfortunately, however, the House conferees were adamant that this bill contain no such provisions. As conferees for the Senate, we explored every possible alternative with the House. We offered to reduce the extent of public financing, to limit it to general election campaigns only, to postpone the effective date to 1978 or 1980, and even to limit it to Senate campaigns only. Yet the House conferees unanimously rejected each of these attempts at compromise, and it became clear that the only way to enact the major reforms which this bill contains was to recede from the Senate's position in favor of Congressional public financing. I regret the necessity for such action, but I feel confident that our position will prevail in time.

Finally, I want to thank a number of my colleagues whose support of this legislation has been of vital importance. These include the Senator from Nevada (Mr. CANNON), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Louisiana (Mr. LONG), the Senators from Rhode Island (Mr. PELL and Mr. PASTORE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Illinois (Mr. STEVENSON), the Senator from Michigan (Mr. HART), the Senator from Vermont (Mr. STAFFORD), the Senator from Iowa (Mr. CLARK), and the Senator from California (Mr. CRANSTON). Appreciation should be extended as well to the committee staff headed by Mr. James Duffy.

Mr. PELL. Mr. President, I am pleased to add my firm support to the conference report we are considering.

As a conferee, I had the privilege of sharing in the deliberations between Senate and House which led to the agreements we have reached.

I am disappointed that the Federal Election Campaign Act Amendments of 1974 does not contain stronger provisions for public financing. I continue to believe in this goal as a most important priority for the future.

As chairman of the Senate Subcommittee on Elections, and as the one whose legislation formed the basis for committee consideration of public financing, I worked to extend this significant concept and reform to congressional elections. I believed that the time was especially propituous for this action.

The House conferees, however, were unanimous in their opposition. To me the question was between achieving a bill with some measure of truly meaningful reform and no bill at all.

I am pleased we have achieved some notable success:

First. We have extended public financing to Presidential primaries.

Second. We have agreed to a Federal Election Commission with an ability to act independently, and with some—if not all—of the enforcement authority recommended by the Senate.

Third. We have achieved new, realistic and salutory limits to campaign spending. In so doing we have reduced the possibilities of corruption by special interests, and the possibilities of abuse of power by those subject to such corruption.

The bill may not be a giant stride forward in election reform—I believe the Senate bill could have provided such a major advance. But the legislation which has emerged from our conference, nonetheless, takes very important and history-making new steps in the right direction.

A GIANT FIRST STEP

Mr. MONDALE. Mr. President, this is an historic day for the Senate. The campaign finance reform legislation we will vote on this afternoon represents months and years of work by many dedicated people, both in and out of the Congress. It is our best and most constructive response to the terrible abuses of Watergate.

I am especially pleased that the bill incorporates the provisions for public financing of Presidential primaries sponsored by Senator SCHWEIKER and myself in the Senate, and by Congressman JOHN BRADEMAS in the House.

This blended system of public and private financing of Presidential primaries will encourage small private contributions, and lessen the dependence of candidates on wealthy and powerful special interests. Candidates will be free, as they should be, to serve only their conscience and their constituents.

While I regret that public financing was not extended to House and Senate elections, I believe the legislation we will approve today has laid the needed groundwork for public financing of all Federal elections. It is only a first step, but it is a giant one.

Mr. CLARK. Mr. President, I ask unanimous consent to have printed in the RECORD the following material which has been prepared by the Center for Public Financing of Elections: A summary of the campaign reform bill; an article entitled "Public Financing of the Presidential Campaign"; and a chart showing the spending limits for Senate candidates.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE CAMPAIGN REFORM BILL—A SUMMARY (FEDERAL ELECTIONS CAMPAIGN ACT AMENDMENTS OF 1974)

CONTRIBUTION LIMITS

Limits on individual contributions

$1,000 limit on amount an individual may contribute to any candidate for U.S. House, Senate or President in primary campaign (Presidential primaries treated as single election).

$1,000 limit on contribution to any federal candidate in general election (run-offs and special elections treated as separate elections; separate $1,000 limit applies).

No individual may contribute more than $25,000 for all federal campaigns for entire campaign period (includes contributions to party organizations supporting federal candidates).

No more than $1,000 in independent expenditures on behalf of any one candidate for federal office per entire campaign is permitted.

Certain "in-kind" contributions (up to $500 per candidate per election) are exempt from contribution limits.

Limits on Organization Contributions (to qualify as an organization, must be registered with Elections Commission for six months, receive contributions from more than 50 persons and, except for state party organizations, make contributions to at least five candidates).

$5,000 limit on amount an organization may contribute to any candidate for U.S. House, Senate, or President in primary election campaign (Presidential primaries treated as single election).

$5,000 limit on contributions to any federal candidate in general election (run-offs and special elections treated as separate elections; separate $5,000 limit applies).

No more than $1,000 in independent ex-

penditures on behalf of any one federal candidate during entire campaign period.

No limit on aggregate amount organizations may contribute in campaign period, nor on amount organizations may contribute to party organizations supporting federal candidates.

Certain "in-kind" contributions (up to $500 per candidate per election) are exempt from contribution limits.

Limits on candidate contributions to own campaign

President: $50,000 for entire campaign.
Senate: $35,000 for entire campaign.
House: $25,000 for entire campaign.

Limits on party contributions

National and state party organizations limited to $5,000 in actual contributions to federal candidates, but may make limited expenditures on behalf of its candidate in general election [see spending limits].

Spending limits (Existing limits on media spending repealed. Total candidate spending limit includes basic limit, plus 20 percent additional permitted for fund-raising, plus limited spending by parties in general election.)

Party Conventions: $2 million for national nominating convention.

Presidential candidates

Primary: $10 million basic limit; in addition, candidate allowed to spend 20 percent above limit for fund-raising—total $12 million. In any presidential primary, candidate may spend no more than twice what a Senate candidate in that state is allowed to spend. [See chart for Senate limits.]

General: $20 million basic limit. (Presidential candidate not opting to receive public financing would be allowed to spend an additional 20 percent for fund-raising.)

Party: National Party may spend 2¢ times Voting Age Population, or approximately $2.9 million, on behalf of its Presidential nominee in general election.

Senate candidates

Primary: 8¢ x VAP of state or $100,000, whichever is higher. Additional 20 percent of basic limit allowed for fund-raising. [See attached chart for state by state amounts.]

General: 12¢ x VAP of state or $150,000, whichever is higher. Additional 20 percent of basic limit allowed for fund-raising.

Party: In general election, 2¢ x VAP or $20,000, whichever is higher, by national party, and 2¢ x VAP or $20,000 by state party. [See attached chart for state totals.]

House candidates

Primary: $70,000. Additional 20 percent of limit allowed for fund-raising. (Total—$84,000.) House candidates running at large permitted to spend same amount as Senate candidate in that state.

General: $70,000. Additional 20 percent allowed for fund-raising. (Total—$84,000.) House candidates running at large permitted to spend same as Senate candidate in that state.

Party: In general election, $10,000 by national party and $10,000 by state party on behalf of House candidates.

PRESIDENTIAL PUBLIC FINANCING (FROM DOLLAR CHECK-OFF FUND)

General election

$20 million in public funds; acceptance optional. Major party nominee automatically qualifies for full funding; minor party and independent candidate eligible to receive proportion of full funding based in past or current votes received. If candidate receives full funding, no private contributions permitted.

Conventions

$2 million; optional. Major parties automatically qualify. Minor parties eligible for lesser amount based on proportion of votes received in past or current election.

Primaries

Federal matching of private contributions up to $250, once candidate has qualified by raising $100,000 ($5,000 in each of 20 states) in matchable contributions. Only first $250 of any private contribution may be matched. The candidates of any one party together may receive no more than 45 percent of total amount available in the Fund; no single candidate may receive more than 25 percent of total available. Only private gifts raised after January 1975 qualify for matching for the 1976 election; no federal payments will be made before January 1976.

Enforcement

Creates 6-member Federal Elections Commission responsible for administering election law and public financing program, and vested with primary civil enforcement.

President, Speaker of House, and President Pro-Tem of Senate each appoint two members (of different parties), all subject to confirmation by both Houses of Congress. (Such members may not be officials or employees of any branch of government at time of appointment.)

Secretary of Senate and Clerk of House to serve as ex-officio, non-voting members of the Commission, and their officers to serve as custodian of reports for candidates for Senate and House.

Commissioners to serve full-time, six-year, staggered terms. Rotating one-year chairmanship.

Commission to receive campaign reports; make rules and regulations (subject to review by Congress within 30 days); maintain cumulative index of reports filed and not filed; make special and regular reports to Congress and President; serve as election information clearinghouse.

Commission has power to render advisory opinions; conduct audits and investigations; subpoena witnesses and information; initiate civil proceedings for relief.

Criminal violations to be referred to Justice Department for prosecution; provision for advancing cases under the Act on the court docket, and judicial review.

REPORTING AND DISCLOSURE

Candidate required to establish one central campaign committee; all contributions and expenditures on behalf of candidate must be reported through this committee. Also requires designation of specific bank depositories.

Full reports of contributions and expenditures to be filed with Commission 10 days before and 30 days after every election, and within 10 days of close of each quarter unless committee has received or expended less than $1,000 in that quarter. Year-end report due in non-election years.

Contributions of $1,000 or more received within last 15 days before election must be reported to Commission within 48 hours.

Cash contributions over $100 prohibited.

Contributions from foreign national prohibited.

Contributions in name of another prohibited.

Loans treated as contributions; must have co-signer or guarantor for each $1,000 of outstanding obligation.

Requires that any organization which spends any money or commits any act for the purpose of influencing any election (such as the publication of voting records) must report as a politcal committee. (This would require reporting by such lobbying organizations as Common Cause, Environmental Action, ACA, etc., and perhaps many other traditionally non-electoral organizations).

Every person who spends or contributes over $100, other than to or through a candidate or political committee, is required to report.

OTHER PROVISIONS

No elected or appointed official or employee of government may accept more than $1,000 in honorarium for speech or article, or $15,000 in aggregate per year.

Removes Hatch Act restrictions on voluntary activities by state and local employees in federal campaigns, if not otherwise prohibited by state law.

Corporations and labor unions which are government contractors are permitted to maintain separate, segregated voluntary political funds in accordance with 18 USC 610. (Formerly all contributions by government contractors were prohibited.)

Permits use of excess campaign funds to defray expenses of holding federal office or for other lawful purposes.

Prohibits solicitation of funds by franked mail.

Pre-empts state election laws for federal candidates. This section takes effect upon enactment.

PENALTIES

Increases existing fines to maximum of $50,000.

Candidate for federal offices who fails to file reports may be prohibited from running again for term of that office plus one year.

Effective Date: January 1, 1975 (except for immediate pre-emption of state laws).

PUBLIC FINANCING OF THE PRESIDENTIAL CAMPAIGN

Public financing of the 1976 Presidential election is provided under the new Campaign Reform Bill. Here is the way it works:

General election

Each candidate for President is limited to campaign expenditures of $20 million.

Nominees of the major parties are eligible to receive the full $20 million in public funds. Public financing is not mandatory; the candidate may solicit all donations privately. If the candidate "goes private," however, individual contributions are limited to $1,000; organization contributions, $5,000.

Candidates of minor parties (those receiving at least five percent of the vote in the preceding election) are eligible for partial funding based on the percentage of the vote received. A third party receiving at least five percent of the vote in 1976 will be eligible for partial reimbursement of their expenses.

Nominating conventions

Political parties are limited to expenditures of $2 million for their presidential nominating conventions. A major party is eligible to receive the full $2 million in public funds; however, a party may opt to fund its convention privately. The existing law permitting corporations to take a tax deduction for advertisements in conventions program books is repealed.

Presidential primaries

Each candidate for the Presidential nomination is limited to campaign expenditures of $10 million. In each state, he may spend no more than twice the amount permitted a Senate primary candidate. In other words, the candidate may spend no more than $200,000 in the New Hampshire primary; $928,000 in Florida.

To be eligible for public funds, a candidate must declare himself a candidate for his party's nomination and begin soliciting small contributions ($250 or less). When the Federal Elections Commission certifies that the candidate has received at least $5,000 from contributors in each of 20 states—for a total of $100,000 in matchable funds—the Secretary of the Treasury will authorize a matching payment of $100,000 from the Dollar Check-Off Fund. Subsequently, each eligible contribution of $250 or less will be matched from the Treasury.

While an individual may contribute $1,000 and an organization may give $5,000 during the pre-nomination period, only the first $250 will be eligible for matching. No cash contributions will be matched; all contributions must show the taxpayer's identification number.

In addition to the $10 million spending limit, the candidate is permitted to spend an additional 10 percent—$2 million—for fundraising costs.

Only contributions raised after January 1, 1975, will be eligible for matching. No public funds will be given out until January 1, 1976.

Source of public funds

The source of all public funding is the Presidential Election Campaign Fund. No additional appropriations legislation is required of Congress. The Fund was established in 1971 and is funded by taxpayers who check off Line 8 on IRS Form 1040, designating $1 of their taxes ($2 on a joint return) for this purpose.

This Dollar Check-Off Fund now contains $30.1 million. If taxpayers check off Line 8 at the same rate as last year, there will be a minimum of $64 million in the fund in time for the 1976 election, and very likely more.

Early in 1976, $44 million will be earmarked for the General Election and the Conventions. The remaining funds will be designated for the primaries. No more than 45 percent may go to candidates of any political party. No candidate is eligible to receive more than one-fourth of public funds available for primaries.

All spending limits are subject to cost-of-living increases, using 1974 as the base year.

The Fund will be under continuing review by the new Federal Election Commission to insure that eligible candidates receive equitable treatment and that adequate money is available to meet obligations required by the act.

SPENDING LIMITS FOR SENATE CANDIDATES

State	1974 projected voting age population	Primary limit (8 cents times VAP or $100,000, whichever is greater)	Additional spending for fundraising (primary)	General election limit (12 cents times VAP or $150,000 whichever is greater)	Additional spending for fundraising (general)	Party spending permitted in candidate's behalf [1]	Actual spending limit by candidate (general election)
Alabama	2,392,000	$191,360	$38,272	$287,040	$57,408	$95,680	$440,128
Alaska	206,000	100,000	20,000	150,000	30,000	40,000	220,000
Arizona	1,442,000	115,360	23,072	173,040	34,608	57,680	265,328
Arkansas	1,417,000	113,360	22,672	170,040	34,080	56,680	260,800
California	14,509,000	1,160,720	232,144	1,741,080	348,216	580,360	2,669,656
Colorado	1,719,000	137,520	27,504	206,280	41,256	68,760	316,296
Connecticut	2,124,000	169,920	33,984	254,880	50,976	84,960	390,816
Delaware	391,000	100,000	20,000	150,000	30,000	40,000	220,000
Florida	5,799,000	463,920	92,784	695,880	139,176	231,960	1,067,016
Georgia	3,227,000	258,160	51,632	387,240	77,448	129,080	593,768
Hawaii	571,000	100,000	20,000	150,000	30,000	40,000	220,000
Idaho	519,000	100,000	20,000	150,000	30,000	40,000	220,000
Illinois	7,646,000	611,680	122,336	917,520	183,504	305,840	1,406,864
Indiana	3,603,000	288,240	57,648	432,360	86,472	144,120	662,952
Iowa	2,002,000	160,160	32,032	240,240	48,048	80,080	368,368
Kansas	1,601,000	128,080	25,616	192,120	38,424	64,040	294,584
Kentucky	2,296,000	183,680	36,736	275,520	55,104	91,840	422,464
Louisiana	2,457,000	196,560	39,312	294,840	58,968	98,280	452,088
Maine	700,000	100,000	20,000	150,000	30,000	40,000	220,000
Maryland	2,781,000	222,480	44,496	333,720	66,744	111,240	511,704
Massachusetts	4,086,000	326,880	65,376	490,320	98,064	163,440	751,824
Michigan	6,037,000	482,960	96,592	724,440	144,888	241,480	1,110,808
Minnesota	2,634,000	210,720	42,144	316,080	63,216	105,360	484,656
Mississippi	1,495,000	119,600	23,920	179,400	35,880	59,800	275,080
Missouri	3,296,000	263,680	52,736	395,520	79,104	131,840	606,464
Montana	484,000	100,000	20,000	150,000	30,000	40,000	220,000
Nebraska	1,068,000	100,000	20,000	150,000	30,000	42,720	222,720
Nevada	382,000	100,000	20,000	150,000	30,000	40,000	220,000
New Hampshire	550,000	100,000	20,000	150,000	30,000	40,000	220,000
New Jersey	5,099,000	407,920	81,584	611,880	122,376	203,960	938,216
New Mexico	731,000	100,000	20,000	150,000	30,000	40,000	220,000
New York	12,700,000	1,016,000	203,200	1,524,000	304,800	508,000	2,336,800
North Carolina	3,635,000	290,800	58,160	436,200	87,240	145,400	668,840
North Dakota	431,000	100,000	20,000	150,000	30,000	40,000	220,000
Ohio	7,281,000	582,480	116,496	873,720	174,744	291,240	1,339,704
Oklahoma	1,879,000	150,320	30,064	225,480	45,096	75,160	345,736
Oregon	1,587,000	126,960	25,392	190,440	38,088	63,480	292,008
Pennsylvania	8,336,000	666,880	133,376	1,000,320	200,064	333,440	1,533,824
Rhode Island	691,000	100,000	20,000	150,000	30,000	40,000	220,000
South Carolina	1,831,000	146,480	29,296	219,720	43,944	73,240	336,904
South Dakota	464,000	100,000	20,000	150,000	30,000	40,000	220,000
Tennessee	2,881,000	230,480	46,096	345,720	69,144	115,240	530,104
Texas	8,050,000	644,000	128,800	966,000	193,200	322,000	1,481,200
Utah	746,000	100,000	20,000	150,000	30,000	40,000	220,000
Vermont	316,000	100,000	20,000	150,000	30,000	40,000	220,000
Virginia	3,331,000	266,480	53,296	399,720	79,944	133,240	612,904
Washington	2,377,000	190,160	38,032	285,240	57,048	95,080	437,368
West Virginia	1,238,000	100,000	20,000	150,000	30,000	49,520	229,520
Wisconsin	3,121,000	249,680	49,936	374,520	74,904	124,840	574,264
Wyoming	244,000	100,000	20,000	150,000	30,000	40,000	220,000

[1] State and national political parties are each permitted to spend in behalf of their nominee for the Senate an additional 2 cents times the voting age population or $20,000—whichever is greater.

Note: Voting age population estimates are taken from "Population Estimates and Projections," Department of Commerce, Social and Economic Statistics Administration, Bureau of the Census, Series P-25, No. 526, September 1974.

SPENDING LIMITS FOR HOUSE CANDIDATES

	Primary limit	Additional spending for fundraising	General election limit	Additional spending for fundraising	Party spending in candidate's behalf [1]	Actual spending limit by candidate (general election)
Each congressional district	$70,000	$14,000	$70,000	$14,000	$20,000	$104,000

[1] $10,000 from State party and $10,000 from national party.

Note: In States with a single congressional district, candidates for the House are subject to the same limits as candidates for the Senate.

Mr. LONG. Mr. President, the significance of this Federal Elections Campaign Act will be that this act moves us one long stride forward in the area of public financing.

The act, makes the appropriations of the money checked off on individual tax returns automatic and implements the action taken already with regard to the Presidential campaign checkoff proposal of $1 optional with each taxpayer. The bill provides also that $2 million would be made available to each of the two major parties, with a formula as is spelled out elsewhere in the checkoff system for

appropriate reimbursement for third parties, to provide for expenses of nominating conventions.

Now, the significant thing about this measure is that it provides that hereafter candidates seeking to be nominated for President of the United States may obtain Federal matching once they have achieved enough individual small contributions to merit the thought that they are serious candidates.

To be specific, a candidate must raise $100,000 in contributions of no more than $250, and that candidate must raise as much as $5,000 in 20 States to demonstrate, in effect, that he is a serious candidate and that he has support beyond the immediate State or region from whence he hails.

As I understand this provision, once a candidate had raised the first $100,000 as stipulated, the amount that is raised under the checkoff system and, thereafter, every small contribution of $250 or less is matched by an equal amount up to $5 million so that the candidate could raise a total of $5 million and have $5 million made available to him through Treasury financing.

Mr. President, that is an extension of what this Senator sought to initiate in 1966, almost 8 years ago now, when the then junior Senator from Louisiana brought in an amendment to a revenue bill suggesting that the general election of the President should be financed by a $1 tax checkoff-type proposal as is now the law. That proposal became law as an amendment to a major revenue measure. In time, I believe, the significance of that amendment will dwarf the bill itself and all other amendments that were on it.

I believe that was a bill which was subsequently referred to as the first Christmas tree bill because it came late in the year and it had so many amendments to it that one of the writers of the Washington Post said:

When the bill hit the floor it lit up like a Christmas tree.

There were many amendments on the bill that were wanted on behalf of many of their constituents.

In the year 1967 there were some Democrats who felt that they made a mistake in permitting the tax checkoff to finance the Presidential election to become law, and they joined forces with those Republicans who had opposed this proposal in what developed into a rather lengthy debate to prevent this new law from ever going into effect.

It was with considerable disappointment that the Senator from Louisiana saw that there were a lot of good people who should be supporting that first public campaign financing measure because of their liberal background and their political philosophy who were, for one reason or another, opposing it.

There was the then Senator from Tennessee, Mr. Gore, for example, who was one I would have thought would have favored this very strongly and who, in fact, had voted for it in the committee and then saw fit to lead the fight against the proposal.

There was the former Senator from New York, Mr. Robert Kennedy, who saw dangers that aroused his fears that this could be used in an improper manner.

There were quite a few on this side of the aisle who, at that time, had become disillusioned with the then President Lyndon Johnson, who felt that this was something that President Johnson wanted for his own advantage.

Now that, in my judgment, was not the truth. I had discussed this mater with President Johnson on occasion. He told me he thought I was right about it. He said he was capable of raising whatever campaign funds he cared to raise, but that the time would come when the Democrats would have another Harry Truman running for President of the United States. He recalled how difficult it was for President Truman, even as a dedicated President, to raise enough money to pay transportation expenses to move the Truman train around the country in order to take his message to the people in that very difficult election when he fought an underdog race and survived that race to become one of our great Presidents after his reelection.

So, Mr. President, after that long debate of about 7 weeks, the Senate finally voted for an amendment to say that this public financing proposal would not become effective until Congress has provided further guidelines.

Thereafter, President Nixon was elected President of the United States. I have oftentimes thought, had it not been for the support of a number of our liberal Democratic friends who thought this might be something that President Johnson wanted for his own advantage, and therefore voted to negate the provisions of that bill, Richard Nixon would not have been President of the United States because Senator HUMPHREY ran a very close race, very poorly financed, but very close.

Had HUBERT HUMPHREY had the funds to make an equally impressive presentation on television, as that available to his Republican opponent, it is fairly clear to all of us at this point that Hubert Humphrey then Vice President would have been elected President of the United States.

It was, in my judgment, largely because some of our good friends on the Democratic side of the aisle, and I am sure for good conscientious reasons, voted to prevent the public financing checkoff proposal from going into effect, that the Democrats lost the next Presidential election of 1968.

Now, a few years thereafter, with reference to campaign financing and reform proposals, our majority leader (Mr. MANSFIELD) proposed to some of us that we should initiate a proposal to make available equal time to the candidates for both sides running for President of the United States and that we should make some tax deductions and tax credits, to help encourage small contributions to political campaigns.

As chairman of the Committee on Finance at that time, I made it clear that I did not expect to support any proposal of that sort unless we made some forward progress toward justifying some form of public financing under the checkoff proposal, or some similar proposal, because, in my judgment, it is only when we finance campaigns in a way where the outcome of the campaign does not depend in any respect on who has the most money, or who has the greatest appeal to the vested interests, that one can feel that the voice of the public and the people are electing a man not because of the financial power behind him but because what he has to say makes the best sense and appeals most to the hearts and minds of the American people.

So I insisted that if I were to support something of that sort it ought to have at least a $1 checkoff proposal as part of the package.

So, in due course, in considering a debt limit bill, as I recall it, it was agreed that the Senator from Rhode Island (Mr. PASTORE) would offer this package of amendments which would provide a deduction and a tax credit for small contributions and would implement the tax checkoff approach which we had previously enacted and put on the statute books in 1966.

After a really heated and lengthy debate on the checkoff proposal, this provision finally passed. We were alerted at that time that the President of the United States expected to veto the debt limit bill if need be, rather than permit the tax checkoff to pay the expense of the two candidates making their campaigns and expressing their views, as they saw it, to the public in 1972.

So while the Senate had passed the measure intending that it should be effective in 1972, by threat of Presidential veto we were compelled to settle for an effective date in 1976.

Mr. President, the checkoff proposal is on the books and people are marking it in sufficient numbers to make the assurance of adequate financing for the 1976 election a certainty. So much so that we now find we can provide that more than the general election can be financed under a system whereby taxpayers mark their own tax returns that they would like to have $1 of their tax money spent in a fashion that would help to assure us a President beyond the reach of undue influence of large financial contributions.

We will have that kind of election for the first time in 1976.

Mr. President, there are some who have expressed disappointment and will continue to express disappointment that this bill did not extend the public financing concept to the election of Senators and Members of Congress. I voted for that proposal. In the long run, Mr. President, if I am around here another 6 years, I hope to be one of those who help put it on the statute books. It is just as well that it does not happen now.

I say that because these major issues should not be decided based on who is right; it should be decided because we agree on what is right.

We will best know how to implement a public financing approach when we have had experience with the checkoff in the election of a President in the year 1976.

Mr. President, the vote on this measure demonstrates the enormous for-

ward progress as an idea becomes understood by people.

In that long 7 weeks' fight in 1967, with the President of the United States supporting the checkoff approach, most of us who were supporting it, won about half of the votes. On seven rollcall votes one side won four times and the other side won three times.

It was a matter of who had the most troops in town that decided how each vote would go, and on every second vote one group would win and on every alternate vote the other group would win.

Now we see a measure that can muster a margin of approximately 4 to 1 in the U.S. Senate. Some of that margin now represnts those who did not think it was a good idea at the time. That is a mark of tolerance and a mark of ability of people to change with changing times and to recognize with experience that there is something to be said for the other fellow's side of the argument.

Undoubtedly, the Watergate scandal contributed to this. We now see, Mr. President, that not just a matter of disclosure that is needed to give us a government of the people and by the people in this country.

The disclosure provisions really have in fact made it difficult for challengers to challenge incumbents. It was well discussed in a very thoughtful article by David Broder a few days ago.

Disclosure has created as many problems as it has solved. While incumbents have been able to raise adequate funds to finance a campaign, the disclosure provisions have made it very difficult, and far more difficult than ever before, for the challengers to raise funds to finance their part of the campaign, but the public financing features properly implemented will, I am sure, make it possible for every Member who enjoys the benefit of the public financing approach to be completely the master of his own conscience; to reject those proposals which are lacking in logic, and to support instead those things which he believes to be best for his nation.

As I say, Mr. President, I am not at all dismayed that this Congress is not at this time implementing the public financing approach to the election of Senators and Members of the House of Representatives. I am satisfied that we will learn something from experience.

The experience that we will have in electing a President of the United States by a public financing approach, where each taxpayer indicates that he wants $1 to be spent in a way where the President will be equally obligated to all citizens and especially obligated to none, will lead us to finance, in time, our congressional campaigns in a way that will have equally as much merit.

With experience, the public will understand it better. In the last analysis, Senators and Congressmen want to do what the public wants. The public will be in a better position to advise us what it thinks about this type of campaign financing when it has had experience with the outcome and with the implementation of what we start in 1976, which, in my judgment, is a very appropriate time to implement the type of suggestion that was implicit in the $1 checkoff proposal. That is that every citizen should have an equal amount of influence, and every person elected to public office should be equally obligated to all citizens; that no one should have any greater influence because of his money, and that no public servant should be in any greater measure beholden to someone because of that money.

This is a red-letter day for our democracy Mr. President, and I am very pleased to have played a part in the implementation of something that we started 8 years ago.

Mr. CANNON. Mr. President, I would like to express my appreciation to the conferees for the tremendous assistance they gave to all of the conference during the subject under discussion.

We have very divergent views on the conference committee, and we had those who were opposed to public financing, those who favored it, those who wanted tighter disclosure provisions, and so on. However, despite the differing views we had very cooperative people and cooperative staff, and I want to express appreciation to all of the conferees and to our fine staff people who assisted us in developing what I think is a very fine campaign reform bill.

The PRESIDING OFFICER (Mr. ABOUREZK). The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BUCKLEY (when his name was called). Mr. President, on this vote I have a pair with the Senator from Oregon (Mr. HATFIELD). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. BIBLE), the Senator from Idaho (Mr. CHURCH), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that the Senator from Indiana (Mr. HARTKE) is absent on official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN) and the Senator from Indiana (Mr. HARTKE) would each vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Vermont (Mr. AIKEN), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from Oregon (Mr. PACKWOOD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Hawaii (Mr. FONG), the Senator from Virginia (Mr. WILLIAM L. SCOTT), and the Senator from Vermont (Mr. STAFFORD) are absent on official business.

I further announce, that if present and voting, the Senator from Tennessee (Mr. BAKER) and the Senator from Kansas (Mr. DOLE) would each vote "yea."

The result was announced—yeas 60, nays 16, as follows:

[No. 466 Leg.]

YEAS—60

Abourezk	Huddleston	Nelson
Bayh	Hughes	Nunn
Beall	Humphrey	Pastore
Biden	Jackson	Pearson
Brock	Javits	Pell
Brooke	Johnston	Percy
Burdick	Kennedy	Proxmire
Byrd, Robert C.	Long	Randolph
Cannon	Magnuson	Ribicoff
Case	Mansfield	Roth
Chiles	Mathias	Schweiker
Clark	McGee	Scott, Hugh
Cranston	McGovern	Stevens
Domenici	McIntyre	Stevenson
Eagleton	Metcalf	Symington
Fulbright	Metzenbaum	Taft
Hart	Mondale	Talmadge
Haskell	Montoya	Tunney
Hathaway	Moss	Weicker
Hollings	Muskie	Williams

NAYS—16

Allen	Eastland	McClellan
Bartlett	Fannin	McClure
Byrd, Harry F., Jr.	Gurney	Stennis
	Hansen	Thurmond
Cotton	Helms	Tower
Curtis	Hruska	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Buckley, against.

NOT VOTING—23

Aiken	Dole	Hatfield
Baker	Dominick	Inouye
Bellmon	Ervin	Packwood
Bennett	Fong	Scott, William L.
Bentsen	Goldwater	
Bible	Gravel	Sparkman
Church	Griffin	Stafford
Cook	Hartke	Young

So the conference report was agreed to.

Mr. HUGH SCOTT. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. CANNON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, the passage of S. 3044, the Federal Election Campaign Act amendments, represents another significant breakthrough in reforming the political processes of this Nation. So many in the Senate have been in the forefront of this great reform effort, but I wish at this time to pay tribute to those who worked so hard on this conference committee under the great leadership of the distinguished Senator from Nevada (Mr. CANNON). All members of that committee are to be commended, but Senator CANNON particularly for the broad representation he solicited even from outside his committee. The great breakthrough in public financing of Federal Presidential proceeds as well as general elections in truly the great first step toward creating a totally changed climate for future elections. The distinguished Senator from Louisiana (Mr. LONG) has been the real champion of the dollar checkoff over the past several years and played such an important role in the conference committee in re-

taining this provision. In future years, with his continued leadership, I am confident that this concept will be expanded to all Federal elections.

My colleague, the distinguished Republican leader (Mr. HUGH SCOTT) is to be commended for his great leadership on the bill and on the overall program of reforms of the political process. He and Senator KENNEDY have provided the leadership this Congress on public financing and their contributions have been immense. To Senators CLARK, MATHIAS, PASTORE, BYRD, GRIFFIN and STEVENS, the Senate owes its sincere thanks for the completion of this landmark legislation.

The country shall be better for the work the Senate has completed today on S. 3044.

TRANSPORTATION SAFETY ACT OF 1974

Mr. MANSFIELD. During the consideration of S. 4057 yesterday, Senator HARTKE withdrew an amendment to S. 4057. Inadvertently, the incorrect amendment was withdrawn. Thereafter, H.R. 15223 was considered by the Senate and the text of the Senate bill, as amended, was substituted for the language in the House bill. Therefore the bill as passed contains several mistakes. Section 208(d) of the bill should be deleted as should title 4 of the bill.

Therefore, I ask unanimous consent that the Senate reconsider the passage of H.R. 15223 including the third reading and that section 208(d) and all of title 4 of S. 4057 be deleted and that the bill as thus corrected be repassed.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRAVEL EXPENSE AMENDMENTS ACT OF 1974

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3341.

The Presiding Officer laid before the Senate the amendment of the House of Representatives to the bill (S. 3341) to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of employees and other individuals traveling on official business, and for other purposes, as follows:

Strike out all after the enacting clause, and insert: That this Act may be cited as the "Travel Expense Amendments Act of 1974".

SEC. 2. Section 5701(2) of title 5, United States Code, is amended to read as follows:

(2) "'Employee' means an individual employed in or under an agency including an individual employed intermittently in the Government service as an expert or consultant and paid on a daily when-actually-employed basis and an individual serving without pay or at one dollar a year;"

SEC. 3. Section 5702 of title 5, United States Code, is amended to read as follows:

"§ 5702. Per diem; employees traveling on official business

"(a) An employee while traveling on official business away from his designated post of duty is entitled to a per diem allowance for travel inside the continental United States at a rate not to exceed $35. For travel outside the continental United States, the per diem allowance shall be established by the Administrator of General Services, or his designee, for each locality where travel is to be performed. For travel consuming less than a full day, such rates may be allocated proportionately pursuant to regulations prescribed under section 5707 of this title.

"(b) An employee who, while traveling on official business away from his designated post of duty, becomes incapacitated by illness or injury not due to his own misconduct, is entitled to the per diem allowance and appropriate transportation expenses until such time as he can again travel, and to the per diem allowance and transportation expenses during return travel to his designated post of duty.

"(c) Under regulations prescribed under section 5707 of this title, the Administrator of General Services, or his designee, may prescribe conditions under which an employee may be reimbursed for the actual and necessary expenses of official travel when the maximum per diem allowance would be less than these expenses, except that such reimbursement shall not exceed—

"(1) $50 per day for travel within the continental United States when the maximum per diem otherwise allowable is determined to be inadequate (A) due to the unusual circumstances of the travel assignment, or (B) for travel to high rate geographical areas designated as such in regulations prescribed under section 5707; or

"(2) $20 per day plus the locality per diem rate prescribed for travel outside the continental United States.

"(d) This section does not apply to a Justice or judge, except to the extent provided by section 456 of title 28.".

SEC. 4. Section 5703 of title 5, United States Code, is hereby repealed.

SEC. 5. Section 5704 of title 5, United States Code, is hereby amended to read as follows:

"§ 5704. Mileage and related allowances

"(a) Under regulations prescribed under section 5707 of this title, an employee who is engaged on official business for the Government is entitled to not in excess of—

"(1) 9 cents a mile for the use of a privately owned motorcycle; or

"(2) 18 cents a mile for the use of a privately owned automobile; or

"(3) 24 cents a mile for the use of a privately owned airplane;

instead of actual expenses of transportation when that mode of transportation is authorized or approved as more advantageous to the Government. A determination of advantage is not required when payment of a mileage basis is limited to the cost of travel by common carrier including per diem.

"(b) In addition to the mileage allowance authorized under subsection (a) of this section, the employee may be reimbursed for—

"(1) parking fees;

"(2) ferry fees;

"(3) bridge, road, and tunnel costs; and

"(4) airplane landing and tie-down fees.".

SEC. 6. Section 5707 of title 5, United States Code, is hereby amended to read as follows:

"§ 5707. Regulations and reports

"(a) The Administrator of General Services shall prescribe regulations necessary for the administration of this subchapter.

"(b) The Administrator of General Services, in consultation with the Comptroller General of the United States, the Secretary of Transportation, the Secretary of Defense, and representatives of organizations of employees of the Government, shall conduct periodic studies of the cost of travel and the operation of privately owned vehicles to employees while engaged on official business, and shall report the results of such studies to Congress at least once a year.".

SEC. 7. The seventh paragraph under the heading "Administrative Provisions" in the Senate appropriation in the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b), is amended by striking out "$25" and "$40" and inserting in lieu thereof "$35" and "$50", respectively.

SEC. 8. Item 5707 contained in the analysis of subchapter 1 of chapter 57 of title 5 is amended to read as follows:

"5707. Regulations and reports.".

Mr. MANSFIELD. Mr. President, the Senate, after some effort, passed S. 3341 relating to per diem and mileage expenses on September 19. The House was scheduled to take up a similar bill, H.R. 15903, under suspension of the rules on Monday, October 7. Discussion with House staff indicates that the bill will pass in its present form, and it has passed in its present form.

I ask unanimous consent that the Senate disagree to the amendments of the House, and hereby request a conference on the disagreeing votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. On behalf of the Senator from Montana (Mr. METCALF) I ask unanimous consent that Mr. METCALF, the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Illinois (Mr. PERCY) be appointed as conferees.

There being no objection, the Presiding Officer appointed Mr. METCALF, Mr. HUDDLESTON, and Mr. PERCY conferees on the part of the Senate.

HOUSE JOINT RESOLUTION 898—NATIONAL LEGAL SECRETARIES' COURT OBSERVANCE WEEK

Mr. THURMOND. Mr. President, I send to the desk a joint resolution authorizing the President to proclaim the second full week in October 1974, as National Legal Secretaries' Court Observance Week, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be read for the information of the Senate.

The joint resolution (H.J. Res. 898) was read the first time by title and the second time at length, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the second full week in October, 1974, as "National Legal Secretaries' Court Observance Week", and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. THURMOND. Mr. President, yesterday the House of Representatives passed House Joint Resolution 898. It has come over to the Senate and is now pending before the Senate.

This resolution honors the secretaries of the Nation, an honor that is justly due.

I am very pleased that the House passed it, and I hope the Senate will see fit to pass it, too.

I have cleared this resolution with the majority leader, Mr. MANSFIELD, the assistant majority leader, Mr. BYRD, the minority leader, Mr. SCOTT, the assistant minority leader, Mr. GRIFFIN, the chairman of the Judiciary Committee Mr. EASTLAND, and the two members of the subcommittee of the Judiciary Committee who handle resolutions of this nature, Mr. MCCLELLAN and Mr. HRUSKA.

Mr. President, I hope that the Senate acts on it at this time.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the reading and passage of the joint resolution.

The joint resolution (H.J. Res. 898) was ordered to a third reading, was read the third time, and passed.

A PROGRAM TO CONTROL INFLATION IN A HEALTHY AND GROWING ECONOMY

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD a fact sheet relating to the program to control inflation in a healthy and growing economy which was referred to today in President Ford's address before the joint session of Congress.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A PROGRAM TO CONTROL INFLATION IN A HEALTHY AND GROWING ECONOMY

Although our economic system remains sound and strong, with its basic vitality intact, the economy is experiencing severe difficulties. Inflation is far too high. Too many people are having trouble finding employment. The financial markets are out of kilter. Interest rates are exorbitant. Housing is suffering badly. The productive capacity of the economy is expanding too slowly.

The origins of these problems are complex. Part of the problem grew out of several international shocks:

The disastrous world-wide drop in crop production in 1972, which sent food prices soaring.

Tow international devaluations of the dollar, which made the United States a more attractive source for other countries to buy scarce materials.

The tripling of crude oil prices, which exerted a powerful and pervasive effect on our entire price structure.

Here at home, a long period of excessively stimulative policies created inflationary pressures that gradually and inexorably mounted in intensity. With that condition prevailing, the economy could not absorb the outside shocks; rather, those have now been built into the system, deepening and extending our problem.

Twice within the past decade, in 1967 and in 1971–72, we let an opportunity to regain price stability slip through our grasp. Thus inflation has gathered momentum and has become the chronic concern of producers and consumers alike. Indeed, today inflation is the primary cause of our recession fears.

Consumer confidence has been shaken, causing most families to hold back on spending, as clearly indicated by the lack of growth in the physical volume of retail sales for the past year and a half.

An "inflation premium" has been added to "true" interest rates, so that we now have mortgages at 9–10 percent and corporate bonds at 10–12 percent. This was warped our financial markets, including the stock market, which were structured for an economy with a relatively stable price level.

Another development that has created serious economic imbalance is the fact that our civilian labor force has been expanding rapidly. For the size of our labor force, therefore, we are short on capital equipment. During this same period, the effectiveness of price controls in certain sectors—e.g., steel, paper and other basic materials—created specific bottlenecks that limited the production capacity of the entire economy. As a result unemployment was higher than it otherwise would have been. Also, the dampening impact of price controls on profits held back new capital expansion programs in some of these vital industries.

Thus, because our problems are complex, it is clear that our program to deal with them must be comprehensive. It is also clear that the solution cannot be achieved quickly. There are no simple, instantaneous cures for our difficulties. Discipline and patience are the watchwords.

We must, therefore, have a strong policy of budgetary and monetary restraint to work down the rate of inflation. At the same time we must provide the means for a healthy long-run growth in the capacity of the economy, correct the imbalances that have developed in recent years, and see to it that the burdens of this effort are shared on an equitable basis. Some further rise in unemployment appears probable, and we will take steps to deal with it. However, we can and will achieve our goals without a large increase in unemployment. There will be no economic depression in the United States.

AMENDING THE EMPLOYMENT ACT OF 1946

The Employment Act of 1946 makes it the policy of the Federal Government to "promote maximum employment, production and purchasing power." Although the words "purchasing power" have sometimes been interpreted as meaning price-level stability, it would nevertheless be helpful to clarify the term and make explicit in the Employment Act the goal of stability in the general price level. The American people have a right to receive from their government stronger assurance that policies will be followed to safeguard the purchasing power of their money in addition to policies that will provide abundant job opportunities and a rising level of living.

We, therefore, suggest that the section of the Act referred to above be amended to read as follows: ". . . for all those able, willing, and seeking to work, to promote maximum employment, maximum production, and stability of the general price level."

INTERNATIONAL COOPERATION

There is much that we and other nations can do to restore the health of the international economy. The economic problems of one nation, as well as its policies for dealing with them, affect other nations. Governments thus have the responsibility not only to maintain healthy economies but also to formulate policies in a way that complements, rather than disrupts, the constructive efforts of others.

This is particularly true for major economic powers such as the United States. Our policies to reduce inflation and restore satisfactory growth are intended to contribute to the strengthening of the international economy. We intend, further, to work with others so that:

We can ensure secure and reasonably priced goods, particularly food and fuel, for all nations.

We can minimize national policy conflicts or distortions that direct resources away from their most productive uses.

We can provide early warning of potential shifts in supply and demand so that nations can avoid potential disruptions.

We can try to harmonize national efforts in such areas as conservation, investment and balance of payments management.

A small delegation led by Ambassador Eberle departed today for Canada, Europe and Japan to discuss the policies described herein and to explore how we can better address and resolve common problems in a mutually supportive fashion.

A cornerstone of our international efforts is the multilateral trade negotiation scheduled to begin this fall. Passage of the Trade Reform Act will provide the United States with an opportunity to help improve the international trading order and to ensure that United States interests are well served therein. Without this bill, the United States will be regarded abroad as lacking the tools or the interest to build multilateral solutions to pressing economic problems. With it, the United States can play a leadership role in negotiating guidelines to reduce distortions of trade and investment that force workers or farmers in one nation to pay for the economic policies of another nation. We can also work toward a multilateral system of safeguards that provide for temporary—but only temporary—limits on imports when there is a need for certain industries to adjust smoothly to economic shifts.

FOOD AND FIBER

Food prices are of major concern in our fight against inflation. Because of weather problems and heavy demands from around the world, food prices are anticipated to increase at an annual rate of 10 percent or more over the next 18 months. Only by expanding farm production, improving productivity, and containing foreign demand can we hope to reduce the rate of increase.

Increased production offers our brightest hope for combating inflation, and we are committed to a program of all-out food production. There are presently no government restrictions on planting of wheat, feed grains, soybeans and cotton (excluding extra-long-staple cotton). To remove restrictions on rice production, we support pending legislation, but with a noninflationary target price. In addition, new legislation, which we support, has just been introduced to remove restrictions on the production of peanuts and extra-long-staple cotton.

Farmers must be assured of adequate supplies of fertilizers and fuel. The Secretary of Agriculture has been directed to work with the interagency Fertilizer Task Force to establish a reporting system. Fuel will be allocated if necessary. Authority will be sought to allocate fertilizer, if that is needed. We will work with fertilizer companies to initiate voluntary efforts to reduce nonessential uses of fertilizer.

Over the past weekend the Federal Government initiated a voluntary program to monitor grain exports. We can and shall have adequate supplies at home, and through cooperation meet the needs of our trading partners abroad. A committee of the Economic Policy Board will be responsible for determining policy under this program. In addition, in order to better allocate our supplies for export, the President has asked that a provision be added to Public Law 480, under which we ship food to needy countries, to waive certain of the restrictions on shipments under that Act on national interest or humanitarian grounds.

The U.S. Department of Agriculture and the National Commission on Productivity have been directed to help reduce the cost of food by improving efficiency in the agricultural sector. The Department and the Council on Wage and Price Stability will review marketing orders to insure that they do not reduce food supplies. Government regulations will be examined to eliminate those that interfere with productivity in the food processing and distribution industries.

HOUSE
FLOOR DEBATE
ON
CONFERENCE
REPORT

House of Representatives

THURSDAY, OCTOBER 10, 1974

The House met at 12 o'clock noon.

The Reverend Michael P. Regan, director of Christian education, the Cathedral Church School, Garden City, N.Y., offered the following prayer:

O God, the Lord of all kings and kingdoms, let Thy strong hand control the nations and order their doing unto the fulfillment of Thy purposes upon Earth. Strengthen, we pray Thee, those in leadership, especially in this House of Representatives, who strive after fellowship and brotherhood, and labor to establish righteousness and peace; guide the hearts and minds of rulers and statesmen, that they may seek first Thy kingdom of justice and freedom for all peoples, both great and small; for the sake of Jesus Christ our Lord. Into Thy hands, O Lord God of our fathers, we commend our Nation and people this day. Renew our hope and courage: deliver us from weakness and fear; and lift us up, a holy people, to Thy praise and honor, O God, Thou King of Earth and Heaven; through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on September 8, 1974, the President approved and signed a bill of the House of the following title:

H.R. 16243. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2348. An act to amend the Canal Zone Code to transfer the functions of the clerk of the U.S. District Court for the District of the Canal Zone with respect to the issuance and recording of marriage licenses, and related activities, to the civil affairs director of the Canal Zone Government, and for other purposes; and

S. 2362. An act granting the consent and approval of Congress to the Cumbres and Toltec Scenic Railroad Compact.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11510) entitled "An act to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions."

The message also announced that the Senate agrees to the amendments of the House with amendments to a bill of the Senate of the following title:

S. 2840. An act to authorize the Secretary of Commerce and the Secretary of the Treasury to conduct a study of foreign direct and portfolio investment in the United States, and for other purposes.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3841) entitled "An act to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of employees and other individuals traveling on official business, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. METCALF, Mr. HUDDLESTON, and Mr. PERCY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 3514. An act to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes;

S. 3619. An act to provide for emergency relief for small business concerns in connection with fixed price Government contracts; and

S. 3802. An act to provide available nuclear information to committees and Members of Congress.

REV. MICHAEL P. REGAN

(Mr. WYDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDLER. Mr. Speaker and my colleagues, the prayer was offered today by the Reverend Michael P. Regan, who is the director of Christian education at the Cathedral School in Garden City, N.Y. This, of course, is the church school which is associated with the Cathedral of the Incarnation, which is not only in my congressional district, but in the village in which I live. It also happens to be my own church.

It is a particular delight to have the Reverend Michael P. Regan here today. I know how proud his mother and father are of the fact that he has offered the opening prayer to this session of Congress.

When he asked me to arrange for him to give this prayer, he stated that he hoped he could do it on the day when the new Vice President was sworn in. I told him that was somewhat uncertain as to time, and he would have to settle for another date. It was arranged for today; and, of course, this is the day before I think we are going to recess, and it is an auspicious date for the House.

I will just say this about Reverend Regan: He is in charge of the Cathedral Church School. He is loved by the children of our cathedral and our young adults as well and has the respect of the parishioners.

I include in the RECORD the outstanding background of this fine man of God:

THE REVEREND CANON MICHAEL P. REGAN

Born on April 20, 1930, in Bridgeport, Connecticut, the son of John G. Regan and Helen Regan.

Graduate of the Carle Place Grammar School, and the Westbury High School in 1948. A graduate of Hofstra University 1952; a graduate of The General Theological Seminary 1955. Curate at St. Joseph's Church, Queens Village, New York; Rector of the Church of the Good Shepherd, Houlton, Maine; Director of Christian Education at the Church of St. James the Less, Scarsdale, New York; Assistant to the Editor of Tidings, Diocese of Long Island; Priest in charge of the Church of St. John the Baptist and Emmanuel, Brooklyn, New York.

A member of the staff of the Cathedral of the Incarnation, Garden City, New York, since 1964. Director of youth work and then appointed Canon by the Right Reverend Jonathan G. Sherman. Appointed Director of Christian Education by the Very Reverend Harold F. Lemoine, Dean.

A member of the Diocesan Council 1967–1970. A member of the Diocesan Department of Youth and the Diocesan Department of Christian Education.

Secretary-Treasurer of the Garden City Clergy Fellowship for two years. Past-President of the Garden City Lions Club, Garden City, New York; District Chaplain of Lions District 20 K–2 since 1970.

Chaplain to the Garden City Policemen's Benevolent Association since 1968 and Chaplain to the Nassau Police Conference since 1972.

Received a Master of Divinity Degree from the General Theological Seminary May 1972. Subject of thesis "Toward a More Effective Role for the Modern Church in Ministering in Death and to the Dying."

A member of the "Death and Dying Committee of the North Shore University Hospital."

MAKING IN ORDER CONSIDERATION OF CONFERENCE REPORT ON H.R. 14225, REHABILITATION ACT AMENDMENTS OF 1974, ON OCTOBER 10 OR OCTOBER 11, 1974

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that it be in order for the House to consider the conference

report on the bill H.R. 14225, Rehabilitation Act Amendments of 1974, either today, October 10, or tomorrow, October 11.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky.

There was no objection.

CALL OF THE HOUSE

Mr. SCHERLE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 596]

Alexander	Ford	Reid
Archer	Gibbons	Riegle
Armstrong	Gray	Roncallo, Wyo.
Ashley	Green, Oreg.	Rooney, N.Y.
Badillo	Hansen, Idaho	Rousselot
Biaggi	Harrington	Runnels
Blackburn	Hébert	Satterfield
Brasco	Horton	Shuster
Burke, Fla.	Huber	Snyder
Carey, N.Y.	Hunt	Staggers
Carter	Johnson, Colo.	Steele
Casey, Tex.	Karth	Stephens
Chamberlain	Kemp	Stratton
Chisholm	Kuykendall	Stubblefield
Clark	Long, Md.	Stuckey
Clawson, Del	McDade	Symington
Clay	McEwen	Symms
Collins, Ill.	McKinney	Teague
Conable	Madden	Tiernan
Conlan	Madigan	Towell, Nev.
Conyers	Mathias, Calif.	Treen
Corman	Michel	Udall
Danielson	Mills	Ullman
Davis, Ga.	Minshall, Ohio	Waldie
de la Garza	Moakley	Ware
Dellums	Montgomery	White
Dickinson	Moorhead, Pa.	Whitehurst
Diggs	Murphy, N.Y.	Williams
Donohue	O'Hara	Wilson,
Downing	Passman	Charles H.,
Drinan	Pepper	Calif.
Duncan	Podell	Wright
Eckhardt	Powell, Ohio	Young, S.C.
Erlenborn	Pritchard	
Evins, Tenn.	Rarick	

The SPEAKER. On this rollcall 333 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MEMORIAL SERVICES FOR THE LATE HONORABLE CLIFFORD McINTIRE

(Mr. COHEN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. COHEN. Mr. Speaker, I have been asked to announce that a memorial service will be held for former Congressman Clifford McIntire on Sunday, October 13, at 3 p.m., at the Calvary Baptist Church, 755 Eighth Street NW.

CONFERENCE REPORT ON S. 3044, FEDERAL ELECTION CAMPAIGN AMENDMENTS OF 1974

Mr. HAYS. Mr. Speaker, I call up the conference report on the Senate bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of October 7, 1974.)

Mr. HAYS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. The gentleman from Ohio (Mr. HAYS) and the gentleman from Minnesota (Mr. FRENZEL) will each be recognized for 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I have a brief explanation of what the conferees did if the Members are interested. If I detect they are not, I will be glad to sit down. I do not want to take up anybody's time. I know what is in the bill.

The conferees limited the contribution by any one person for a candidate for Federal office to $1,000 per election. Before somebody asks me what this "per election" means, that means a primary and a general, and if there are States that have a law and one is engaged in a runoff, it means a runoff.

No individual may contribute more than $25,000 to all Federal candidates for any election period. And an election period is 2 years. This includes contributions to party organizations.

A limit of $1,000 is also placed on independent expenditures by anyone on behalf of one candidate for Federal office for an entire campaign which includes campaigns, runoffs, special or general elections.

The conferees placed certain limits on multicandidate political committees and/or organizations making contributions.

To qualify they must be registered with the Election Commission for 6 months, receive contributions from 50 persons, and except for State party organizations make contributions to at least five candidates.

The conferees placed a $5,000 limit on the amount an organization may contribute to any candidate in any election. Here again all Presidential primaries are treated as a single election. The $5,000 limit is applicable to each primary, runoff, special or general election, as the case may be.

Candidates are limited to expenditures from their personal funds or the personal funds of their immediate families as follows:

Presidential candidate, $50,000 for an entire campaign.

Senatorial candidate, $35,000 for an entire campaign.

House candidate, $25,000 for an entire campaign.

I feel, Mr. Speaker, a little bit like the Duke of Devonshire when he was Queen Victoria's leader in the House of Lords and he was reading the budget and nobody was paying any attention and right in the middle of the speech he said, "Damn dull, isn't it?", and sat down. I have done everything but sit down and if I get too dull, I will do that in a minute or two. I thought some people might want to know what is in this before it goes into effect.

National and State party organizations are limited to $5,000 in actual contributions to Federal candidates, but may make limited contributions such as on slate cards, as follows:

The conferees limit Presidential candidates to $10 million for campaign expenditures in a primary and $20 million in a general election.

Candidates for the House are limited to $70,000 for each election, plus a 20-percent fundraising cost.

Mr. Speaker, I will yield to the gentlewoman from New York. She is making a louder speech than I am.

The conferees limit candidates for the Senate and Representatives at large to the greater of $100,000 or 8 cents times the voting age population in a primary, the greater of $150,000, or 12 cents times the voting age population in a general election.

They may also spend an additional 20 percent in fundraising expenses.

Public financing is provided for the 1976 Presidential election; in the general election each candidate is limited in campaign expenditures to $20 million and nominees of the major parties are eligible to receive the full $20 million in public funds.

Public financing is not mandatory. The candidate may solicit all donations privately. If the candidate "goes private," however, individual contributions are limited to $1,000 and organization contributions to $5,000. It seems to me under those circumstances any candidate that went public would have rocks in his head, but we have had some that I thought did have rocks in their heads.

Candidates of minor parties—those receiving at least 5 percent of the vote in the preceding election—are eligible for partial funding based on the percentage of the vote received. A third party receiving at least 5 percent of the vote in 1976 will be eligible for partial reimbursement of their expenses.

We allowed $2 million for nominating conventions and again they can take it or not as they like; however, if they decide to go public and not take the $2 million, we have repealed the increased deductions for advertisements and convention program books.

Each candidate for Presidential nomination is limited to campaign expenditures of $10 million and they have to raise matching funds by $5,000 from each of 20 States in amounts of not more than $250 before they will become eligible for matching funds. After raising the $100,000 they are eligible to have

$100,000 in matching money and each amount of $250 or less will be matched up to the limit from the Treasury.

The source of the funding for the Presidential election campaign is the $1 check-off fund. There will be no money picked out of the Treasury. If the fund provides enough money, they will get it on the basis which I have outlined. If there is not enough, then they can raise privately the difference between what they receive and the $20 million limitation.

The conferees agreed upon a Federal Election Commission composed of eight members: two to be appointed by the Speaker; two by the President pro tempore of the Senate; two by the President of the United States; and two nonvoting members, the Clerk of the House and the Clerk of the Senate. All six of the voting members would have to be confirmed by both Houses.

The Commission would receive reports, make rules and regulations, and I think the Members will be interested in this: Subject to review by the Congress within 30 days, they will also maintain a cumulative index of reports filed and not filed. Such special and regular reports to Congress will be prepared as the Congress may require. They also will serve as an election information clearinghouse. The Commission also has the power to render advisory opinions. If they give a Member an advisory opinion that he can do something, he cannot later be prosecuted because they have changed their minds.

We allow them to go to court independently on civil matters such as mandamus of a candidate to cease and desist from an illegal practice, but all criminal matters must still be handled by the Justice Department.

We require a single 10-day pre-election report instead of the present 15 and 5 days reports—because the 5-day report is meaningless anyway. A 30-day post-election report will also be required. We also require quarterly reports only if a candidate spends more than $1,000 in that quarter, so that on the off-year most Members would not have to report.

Contributions of $1,000 or more received in the last 15 days before election must be reported within 48 hours. Cash contributions over $100 are prohibited. All contributions from foreign nationals are prohibited. All contributions in the name of another are prohibited.

We also have a little thing in here which I think the Members might be interested in. That is, we require any organization which spends any money or commits any act for the purpose of influencing an election, must report as a political committee, except that if it only reports to its members, it is exempt; but if it goes national and issues reports purporting to condemn somebody for voting such a way, it has to report. We have to know the source of its income. If we want to know who that is aimed at, I do not want to say out loud, but their initials are C.C.

Those are about the main points of the agreement. I want to pay tribute to my colleagues on the House side for their steadfastness in trying to uphold the provisions of the House bill. I want to pay tribute to Senator CANNON, especially, who was very fine as chairman of the Senate side, and to the Senators who in varying degrees and varying amounts of time finally saw reason and agreed.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Speaker, I first want to compliment the Chairman for what I think is an excellent job in a very difficult area, and I support campaign reform.

I did not hear the Chairman comment on the issue of preemption. Is there a pre-emption clause?

Mr. HAYS. There is a preemption clause. It is the only part of the bill on these sheets which I tried to leave out in order to save time.

The pre-emption clause would become effective upon signature. The rest of the bill would become effective January 1, 1975.

Mr. ADAMS. Mr. Speaker, I thank the gentleman.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I rise in strong support of the conference report to S. 3044, the Federal Election Campaign Act Amendments of 1974.

Mr. Speaker, I would first like to pay a word of special tribute to the distinguished Chairman of the House Administration Committee, the Honorable WAYNE L. HAYS, Democrat of Ohio, for his outstanding leadership on this important legislation, as well as to other members of the committee, particularly the gentleman from New Jersey (Mr. THOMPSON) and the gentleman from Illinois (Mr. ANNUNZIO) and the chairman of the Elections Subcommittee, the gentleman from Pennsylvania (Mr. DENT) and the gentleman from Minnesota (Mr. FRENZEL).

Indeed, members of the committee on both sides of the aisle helped make possible what I believe will come to be regarded as a major accomplishment of the 93d Congress.

Many individuals and groups contributed to the shaping and passage of this legislation. In particular, I want to pay tribute to members of the majority staff of the House Administration Committee, John Walker and Bill Sudow, to Ralph Smith and Bill Loughery of the minority staff, and to our house legislative counsel, Bill Adams and John Cimko.

Although many groups who have worked on this legislation have, at times, had differing opinions regarding specific provisions of the campaign reform bill, they have all been most helpful and I would like to extend special thanks to the Center for Public Financing of Elections and Common Cause for their contributions.

Mr. Speaker, this measure is a historic advance in the reform of our campaign finance laws, one which will go a long way toward eliminating the influence of big money in our Federal elections and one which will make our system of financing campaigns for Federal office more fair and open.

Mr. Speaker, the conference report sets strict limits on campaign expenditures and contributions. To limit the influence of big money in the areas which I believe offer the greatest potential for abuse—all phases of election to the office of President—the conference report strengthens the existing dollar checkoff law with respect to presidential general elections and authorizes the use of checkoff funds for presidential nominating conventions and presidential primary elections.

To strengthen the enforcement of Federal election laws, the conference report improves the reporting requirements of the Federal Election Campaign Act, provides for principal campaign committees to centralize reporting requirements, and establishes an independent Federal Election Commission to supervise and enforce Federal election laws.

Mr Speaker, I would like briefly to summarize the major provisions of the Federal Election Campaign Act Amendments of 1974.

CONTRIBUTION LIMITS

The bill would limit contributions to candidates by persons to $1,000 per election—primary, runoff, special election and general election.

It would limit contributions to a candidate by multi-candidate committees to $5,000 per election. Multicandidate committees would be defined as committees which have: First been registered for 6 months pursuant to the Federal Election Campaign Act; Two, received contributions from more than 50 persons; and Three, contributed to at least five candidates for Federal office.

The bill would prohibit contributions by foreign nationals and would limit the aggregate of all contributions by any individual to $25,000 per year, except that, for purposes of this limit only, non-election year contributions would be counted as contributions in an election year.

EXPENDITURE LIMITS

Mr. Speaker, the report would also set strict limits on campaign spending.

Candidates for the office of President would be able to spend no more than $20 million; candidates for nomination to the office of President could spend no more than $10 million.

Candidates for the Senate and Representative-at-large would be able to spend, in primary elections, $100,000, or 8 cents times the voting age population, whichever is greater; and, in general elections, $150,000, or 12 cents times the voter population, whichever is greater.

Candidates for the House of Representatives would be able to spend $70,000 in each of the elections, primary, general, and, if any, a runoff.

In addition, the bill would allow candidates to spend up to 20 percent above these limits to meet the costs of fundraising. This provision is particularly important in view of the substantial cost of raising campaign funds through small contributions.

The bill would also allow the national party organizations and State and local party organizations to make additional

expenditures, in general elections only, on behalf of candidates for Federal office.

USE OF CASH

Mr. Speaker, the Federal Election Campaign Act amendments would impose strict limits on the use of cash by requiring that all cash contributions and cash expenditures in excess of $100 be by written instrument.

PRINCIPAL CAMPAIGN COMMITTEES AND DISCLOSURE REPORTS

To simplify reporting requirements and facilitate the dissemination of campaign finance information, the bill would eliminate the 15- and 5-day preelection reports and would substitute for them the single preelection report 10 days before each election.

In addition, the bill would require a report 30 days after each election. Candidates and committees would not be required to file quarterly reports if such a report should fall within 10 days of a pre- or post-election report or if in that quarter neither contributions nor expenditures exceed $1,000.

The bill also would provide for the designation of principal campaign committees to file consolidated reports of all expenditures and contributions of committees which support the candidate.

Conferees also agreed to a new provision that would require any organization which expends any funds or commits any act directed to the public for the purpose of influencing the outcome of an election or which publishes or broadcasts to the public any material referring to a candidate advocating the election or defeat of such candidate to file reports pursuant to the Federal Election Campaign Act, just as any other political committee must file. A question has been raised whether this section requires newspapers to file reports required therein, particularly with regard to advertising they may print favoring or opposing candidates. I wish to state that it is my understanding as a member of the Conference Committee that we did not intend to require broadcast stations or bona fide newspapers, magazines, or other periodical publications, as defined in this section, to file disclosure reports, but rather we intended to require the organizations who paid for the advertising to file.

FEDERAL ELECTION COMMISSION

Mr. Speaker, to assure full compliance with and effective enforcement of the election laws, the bill would establish an independent Federal Election Commission.

The Commission would be composed of eight members—six members of the public appointed on a bipartisan basis, two each by the Speaker of the House, the President pro tempore of the Senate and the President; and two ex-officio members, the Clerk of the House and the Secretary of the Senate, both of whom are to serve without a right to vote.

Under the bill, candidates for the House and Senate would continue to file disclosure reports with the Clerk of the House and the Secretary of the Senate. Any apparent violations of election laws which the Clerk or the Secretary discovers would have to be referred immediately to the Commission.

The Commission could then refer these apparent violations to the Department of Justice for appropriate enforcement action or could investigate these and any other complaints of alleged election law violations and encourage voluntary compliance through informal means.

The Commission would have civil enforcement authority but the Department of Justice would continue to have the sole authority to prosecute apparent violations of the criminal election laws.

Mr. Speaker, it was the intent of the conferees that the Federal Election Commission have primary jurisdiction in all election law matters and that persons or individuals or organizations who may have complaints about possible violations first exhaust their administrative remedies with the Commission. It was also the view of the conferees that the Commission should seek to effect voluntary compliance through informal administrative procedures before it initiates any civil enforcement action.

To assure expeditious enforcement action by the Department of Justice, the bill requires the Attorney General to report to the Commission on the status of referrals—60 days after the referral and at the close of every 30-day period thereafter.

To assure that regulations written by the Commission conform with the election laws, the Commission would be required to submit its regulations to the House and the Senate for review and approval.

PUBLIC FINANCING OF PRESIDENTIAL ELECTIONS

And finally, Mr. Speaker, the bill would provide a full package for public financing of Presidential elections.

The bill would strengthen the existing dollar checkoff fund established by the 1972 law Congress passed to finance Presidential general elections by providing that the amount of public money available from the checkoff fund conforms to the spending limit for general elections—$20 million—and, in order to assure that the dollars checked off by individual taxpayers are actually available, by providing that the dollar checkoff fund be self-appropriating.

In addition, the bill authorizes up to $ million of dollar checkoff funds to each of the major political parties for Presidential national nominating conventions.

Public financing for the national convention would be voluntary so that any political party that chose to continue to finance its convention with private resources could continue to do so. However, overall expenditures from both public and private sources would, under ordinary circumstances, be limited to $2 million for each party convention.

Finally, Mr. Speaker, the bill would provide for limited public financing of Presidential primary elections by authorizing matching payments from the dollar checkoff fund for small contributions.

Presidential primary candidates would receive matching payments for the first $250 or less received from each contribution. The maximum amount of public money a candidate would receive would be one-half the expenditure limit for Presidential primaries. Under this bill, that would mean that each candidate could receive up to $5 million. To prevent public financing of frivolous candidates, the bill would require a candidate to accumulate at least $5,000 in matchable contribtuions—$250 or less—in each of 20 States.

Mr. Speaker, all public funds would come from the surplus in the dollar checkoff fund after funds have been set aside to meet the estimated obligations of Presidential general elections and nominating conventions. Because experts estimate that the checkoff fund will contain approximately $64 million by 1976 and that some $46 million would be used for general elections and conventions, approximately $18 million should be available for primary elections.

Mr. Speaker, I regard public financing of presidential campaigns as one of the most important features of the bill. Clearly, the potential for the abuse of big money is the greatest in the area of presidential elections, and public financing would, in my view, drastically reduce the possibilities of abuse.

Mr. Speaker, the Federal Election Campaign Act Amendments of 1974 is solid, constructive campaign reform legislation. If passed, this bill, I am confident, will prove to be a major advance in the financing of campaigns for Federal office. I urge the adoption of the conference report.

Mr. Speaker, I include in the RECORD a summary of the campaign reform bill prepared by Susan King and Neal Gregory of the Center for Public Financing of Elections:

THE CAMPAIGN REFORM BILL—A SUMMARY

(Federal elections campaign act amendments of 1974

CENTER FOR PUBLIC FINANCING OF ELECTIONS,
October 8, 1974.

CONTRIBUTION LIMITS

Limits on individual contributions

$1,000 limit on amount an individual may contribute to any candidate for U.S. House, Senate, or President in primary campaign (Presidential primaries treated as single election).

$1,000 limit on contribution to any federal candidate in general election (run-offs and special elections treated as separate elections; separate $1,000 limit applies).

No individual may contribute more than $25,000 for all federal campaigns for entire campaign period (includes contributions to party organizations supporting federal candidates).

No more than $1,000 in independent expenditures on behalf of any one candidate for federal office per entire campaign is permitted.

Certain "in-kind" contributions (up to $500 per candidate per election) are exempt from contribution limits.

Limits on organization contributions

(To qualify as an organization, must be registered with Elections Commission for six months, receive contributions from more than 50 persons and, except for state party organizations, make contributions to at least five candidates.)

$5,000 limit on amount an organization may contribute to any candidate for U.S. House, Senate, or President in primary election campaign (Presidential primaries treated as single election).

$5,000 limit on contributions to any federal

candidate in general election (run-offs and special elections treated as separate elections; separate $5,000 limit applies).

No more than $1,000 in independent expenditures on behalf of any one federal candidate during entire campaign period.

No limit on aggregate amount organizations may contribute in campaign period, nor on amount organizations may contribute to party organizations supporting federal candidates.

Certain "in-kind" contributions (up to $500 per candidate per election) are exempt from contribution limits.

Limits on candidate contributions to own campaign

President: $50,000 for entire campaign.
Senate: $35,000 for entire campaign.
House: $25,000 for entire campaign.

Limits on party contributions

National and state party organizations limited to $5,000 in actual contributions to federal candidates, but may make limited expenditures on behalf of its candidate in general election [see spending limits].

SPENDING LIMITS

(Existing limits on media spending repealed. Total candidate spending limit includes basic limit, plus 20 percent additional permitted for fund-raising, plus limited spending by parties in general election.)

Party conventions: $2 million for national nominating convention.

Presidential candidates

Primary: $10 million basic limit; in addition, candidate allowed to spend 20 percent above limit for fund-raising—total, $12 million. In any presidential primary, candidate may spend no more than twice what a Senate candidate in that state is allowed to spend. (See chart for Senate limits.)

General: $20 million basic limit. (Presidential candidate not opting to receive public financing would be allowed to spend an additional 20 percent for fund-raising.)

Party: National party may spend 2¢ times Voting Age Population, or approximately $2.9 million, on behalf of its Presidential nominee in general election.

Senate candidates

Primary: 8¢ x VAP of state or $100,000, whichever is higher. Additional 20 percent of basic limit allowed for fund-raising. (See attached chart for state by state amounts.)

General: 12¢ x VAP of state or $150,000, whichever is higher. Additional 20 percent of basic limit allowed for fund-raising.

Party: In general election, 2¢ x VAP or $20,000, whichever is higher, by national party, and 2¢ x VAP or $20,000 by state party. [See attached chart for state totals.]

House candidates

Primary: $70,000. Additional 20 percent of limit allowed for fund-raising. (Total—$84,000.) House candidates running at large permitted to spend same amount as Senate candidate in that state.

General: $70,000. Additional 20 percent allowed for fund-raising. (Total—$84,000.) House candidates running at large permitted to spend same as Senate candidate in that state.

Party: In general election, $10,000 by national party and $10,000 by state party on behalf of House candidates.

PRESIDENTIAL PUBLIC FINANCING

(From Dollar Check-Off Fund)

General election

$20 million in public funds; acceptance optional. Major party nominee automatically qualifies for full funding; minor party and independent candidates eligible to receive proportion of full funding based on past or current votes received. If candidate receives full funding, no private contributions permitted.

Conventions

$2 million; optional. Major parties automatically qualify. Minor parties eligible for lesser amount based on proportion of votes received in past or current election.

Primaries

Federal matching of private contributions up to $250, once candidate has qualified by raising $100,000 ($5,000 in each of 20 states) in matchable contributions. Only first $250 of any private contribution may be matched. The candidates of any one party together may receive no more than 46 percent of total amount available in the Fund; no single candidate may receive more than 25 percent of total available. Only private gifts raised after January 1975 qualify for matching for the 1976 election; no federal payments will be made before January 1976.

ENFORCEMENT

Creates 6-member Federal Elections Commission responsible for administering election law and public financing program, and vested with primary civil enforcement.

President, Speaker of House, and President Pro-Tem of Senate each appoint two members (of different parties), all subject to confirmation by both Houses of Congress. (Such members may not be officials or employees of any branch of government at time of appointment.)

Secretary of Senate and Clerk of House to serve as ex-officio, non-voting members of Commission, and their offices to serve as custodian of reports for candidates for Senate and House.

Commissioners to serve full-time, six-year, staggered terms. Rotating one-year chairmanship.

Commission to receive campaign reports; make rules and regulations (subject to review by Congress within 30 days); maintain cumulative index of reports filed and not filed; make special and regular reports to Congress and President; serve as election information clearinghouse.

Commission has power to render advisory opinions; conduct audits and investigations; subpoena witnesses and information; initiate civil proceedings for relief.

Criminal violations to be referred to Justice Department for prosecution; provision for advancing cases under the Act on the court docket, and judicial review.

REPORTING AND DISCLOSURE

Candidate required to establish one central campaign committee; all contributions and expenditures on behalf of candidate must be reported through this committee. Also requires designation of specific bank depositories.

Full reports of contributions and expenditures to be filed with Commission 10 days before and 30 days after every election, and within 10 days of close of each quarter unless committee has received or expended less than $1,000 in that quarter. Year-end report due in non-election years.

Contributions of $1,000 or more received within last 15 days before election must be reported to Commission within 48 hours.

Cash contributions over $100 prohibited.

Contributions from foreign national prohibited.

Contributions in name of another prohibited.

Loans treated as contributions; must have co-signer or guarantor for each $1,000 of outstanding obligation.

Requires that any organization which spends money or commits any act for the purpose of influencing any election (such as the publication of voting records) must report as a political committee. (This would require reporting by such lobbying organizations as Common Cause, Environmental Action, ACA, etc., and perhaps many other traditionally non-electoral organizations).

Every person who spends or contributes over $100, other than to or through a candidate or political committee, is required to report.

OTHER PROVISIONS

No elected or appointed official or employee of government may accept more than $1,000 in honorarium for speech or article, or $15,000 in aggregate per year.

Removes Hatch Act restrictions on voluntary activities by state and local employees in federal campaigns, if not otherwise prohibited by state law.

Corporations and labor unions which are government contractors are permitted to maintain separate, segregated voluntary political funds in accordance with 18 USC 610. (Formerly all contributions by government contractors were prohibited.)

Permits use of excess campaign funds to defray expenses of holding federal office or for other lawful purposes.

Prohibits solicitation of funds by franked mail.

Pre-empts state election laws for federal candidates. This section takes effect upon enactment.

PENALTIES

Increases existing fines to maximum of $50,000.

Candidate for federal offices who fails to file reports may be prohibited from running again for term of that office plus one year.

EFFECTIVE DATE

January 1, 1975 (except for immediate preemption of state laws).

Mr. HAYS. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I started to say that I wanted to pay tribute to Senator CANNON and to the other Senators. Although Senator KENNEDY argued long and hard for total public financing, he decided—I think rightly, and he was reasonable—that we ought to have a bill, and that since the House was adamant, he and his colleagues and the Senate were split on that, and decided to go along. I want to pay tribute to him.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from California.

Mr. KETCHUM. I thank the gentleman for yielding.

Mr. Speaker, I thank the gentleman for attempting to explain this bill under very adverse conditions.

I just have two questions. One is on the financing of the national conventions and the provisions for public financing of Presidential campaigns. If the check off of finances does not have sufficient funds, is there some sort of formula so that both of the major parties and minor parties can qualify?

Mr. HAYS. If the check off does not have sufficient funds, the money will be provided equally, according to what is there, and both parties may raise the difference publicly, subject to the limitations of the bill. In other words, the Internal Revenue says there will be plenty of money. But should there not be, and each party was to get $17 million, they could raise $3 million in the regular way.

Mr. KETCHUM. Mr. Speaker, would the gentleman yield further?

Mr. HAYS. I yield to the gentleman.

Mr. KETCHUM. Mr. Speaker, did I understand correctly that deductions on the part of corporations or companies or

individuals advertising in, say, a program for the convention, to either party, those will no longer be deductible?

Mr. HAYS. No longer tax deductible.

Mr. KETCHUM. One final question. Is there a provision in the bill that provides some form of restriction on in-kind contributions?

Mr. HAYS. Well, not specifically. We tried to deal with that in a general way by giving some small exemptions. I will just give the gentleman one example. If somebody sells food and beverages for a fund raiser at not less than his cost, the difference between the wholesale price and retail price is not considered to be a contribution. We tried to spell out those various gray areas as best we could.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. HAYS. Yes, I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, I certainly want to commend the chairman of the committee for the outstanding job he has done, and particularly in view of the existing pressures, for having worked out a bill that I think protects the public interest against improperly influenced elections and at the same time prevent the bill itself from being used to influence elections improperly. Particularly I am referring to the chairman's stand against a Presidentially appointed elections commission. In light of Watergate, such a commission could have opened the door to gross abuses. We all owe the gentlemen a debt of gratitude. He and the other members of the conference committee deserve our gratitude.

Mr. HAYS. I thank the gentleman.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HAYS. Mr. Speaker, I prefer that the other side use some of their time. I am down to very little time left. Perhaps they can answer the questions I have not. Perhaps I will get some time and yield later.

Three important aspects of the legislation should be underlined. First, the House conferees successfully insisted that the Federal Election Commission created by the act have "primary jurisdiction with respect to the civil enforcement" of the act's provisions. The current provisions of the United States Code regulating Federal elections, with one minor exception, state that violations shall be punished through the criminal law. The bill before the House while retaining and strengthening these criminal sanctions provides also for a comprehensive system of civil enforcement. In order to assure that civil suits are not misused in a partisan manner, and that the complex and sensitive rights and duties stated in the act are administered expertly and uniformly, the act provides that all civil complaints predicated upon or pertaining in any manner to titles I and III of the act or sections 608 through 617 of title 18 United States Code shall be channeled to the Commission. Under section 315 persons challenging the constitutionality of any provision of the act, retain their right to do so in court without exhausting administrative remedies to the extent the courts have jurisdiction under established principles. The delicately balanced scheme of procedures and remedies set out in the act is intended to be the exclusive means for vindicating the rights and declaring the duties stated therein. It should also be noted that while judicial review is provided by section 314(a) when the Commission "grants" certain orders, a determination that there is no probable cause to believe that a violation charged has occurred, whether made by the Commission or the Attorney General, is not reviewable.

Second, the bill reported by the conferees follows the House bill in setting out a few carefully limited exemptions to the terms "contribution" and "expenditure" as defined in sections 591 (e) and (f) of title 18, United States Code. There are certain exemptions made to one term that are not also made to the other. This is because "contribution" standing alone refers to a donation to a candidate or other person for the latter's independent use, while an "expenditure" is the use of money and other things of value by a candidate or other person in his own name. Thus, the bill exempts communications by membership organizations to their members and by corporations to their stockholders from the definition of expenditure. That exemption, of course, includes communications by a federated organization to its members on behalf of its affiliates utilizing its own or its affiliate's resources and personnel, and by a parent corporation on behalf of its subsidiaries. No such exemption is provided to the term "contribution" because such communications plainly do not fall within the meaning of that term.

Finally, the conferees, again at the insistance of the House, developed a new section 308 to be added to title III of the act. That section requires organizations that buy space or time in the mass media or utilize such means as mailings to non-members in order to influence the outcome of an election or to state a candidates position on any public issue, voting record or other official act, to report in essentially the same manner as a political committee. This section does not require an organization to report simply because it directs communications to its members even if a small number of those communications are provided to others at their request; because an official responds to requests for information by the press or participates in a conference or meeting devoted to the discussion of issues of public importance; or because, as permitted by law, the organization establishes a political committee.

Mr. FRENZEL. Mr. Speaker, I yield five minutes to the gentleman from Ohio (Mr. DEVINE).

(Mr. DEVINE asked and was given permission to revise and extend his remarks.)

Mr. DEVINE. Mr. Speaker, I rise not to discuss the technical aspects of the bill, but to speak particularly to my colleagues from this side of the aisle who have had a great deal of concern about the public financing aspects of this legislation.

I was one of about 45 Members who voted against this bill when it came through the House, on the basis of my concern on the public financing features of it, and knowing the strong position of the other body on Presidential, Vice Presidential, senatorial, and congressional public financing, I must compliment the chairman of the Committee on House Administration, who was also chairman of the conference, on the tremendous amount of work and patience he exhibited during the conference. The gentleman had some rather strong persons from the other body, such as Senator KENNEDY, Senator SCOTT, Senator GRIFFIN, Senator CANNON, and others, and they were almost adamant in their position of public financing across the board, including the House and the Senate.

Our chairman and the House conferees stood steadfast against the conferees on the other side, and it was not easy.

Our chairman, the gentleman from Ohio (Mr. HAYS), was unjustly accused by the organization he identified as "C.C." I will call it Common Cause. It was no surprise. It accused him of throwing a roadblock in this legislation.

He worked hard to get a bill out that he thought meaningful and which we all felt meaningful, to the point where I, as one of the conferees who voted against this bill when it came through, intend to vote for the conference report.

Mr. HAYS. Will the gentleman yield?

Mr. DEVINE. Yes, I yield to the gentleman from Ohio.

Mr. HAYS. Speaking of roadblocks, one thing that slowed the conference down is the fact that the Common Cause lobby was outside the door all the time sending messages in to staff people, which went to conferees, and that took several hours. Otherwise, we would have gotten through a lot quicker.

Mr. DEVINE. As far as the House is concerned, the House and Senate no longer are included in the public financing feature.

The limitation on the amount for primary and elections of representatives was increased from $60,000, plus 25 percent for fundraising expenses, to $70,000, plus 20 percent, which totals roughly $84,000.

If one adheres to the exact language of the bill, this, I think, is a compromise between the Senate position, where they wanted to guarantee $90,000 to every single congressional candidate who wanted to file for office and who could then qualify under the Senate version.

By and large, in my opinion, the conference report is good, and I intend to vote for it.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I wonder if I might get the attention of the chairman of the Committee on House Administration so that I can pursue the question I wanted to ask the chairman of the Committee on House Administration earlier.

I should like to ask about the qualification of minor parties for public financing, as provided for in this conference report.

Let us assume, if we can, that parties

qualify under the laws of each State, and in one State we have a third party listed on the ballot as the American Party; in another State, the third party listed is the Independent Party; in another State, it is the American-Independent Party, each nominating the same candidate or the same candidates for President and Vice President. How is the 5 percent of the vote figured which would qualify a party or the candidate for some share of public financing?

Mr. HAYS. To answer the gentleman, the preceding election would be the qualifier. If somebody purporting to be a candidate of one party ran in different States under different labels, I do not see what we can stretch the law to prevent it. They have to get more than 5 percent and less than 15 percent of the vote to be qualified as a minor party.

Mr. BROWN of Ohio. Under the same party label in all States and with the same party trustees, as it were, in all States?

Mr. HAYS. The Commission can issue regulations.

It would be, I believe, the intent of the House conferees—and I am not speaking for the Senate—that they would actually vote under the same label.

Mr. BROWN of Ohio. So that the same party would have to qualify in several different States in order to qualify under the 5-percent provision?

Mr. HAYS. I would think they would have to qualify in several different States in order to accumulate the 5 percent.

The SPEAKER. The time of the gentleman from Ohio (Mr. DEVINE) has expired.

Mr. FRENZEL. Mr. Speaker, I yield 2 additional minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's yielding.

Just so the record is clear, and I am sure we all understand this, even though the so-called income tax form checkoff system, has been validated so that individuals may participate on a voluntary basis, those "checkoff" dollars still have to come out of the Treasury, and it is an add-on cost to all other appropriations that we have made; is that not true?

Mr. DEVINE. Mr. Speaker, the checkoff system is a voluntary effort on the part of the taxpayer who feels he would like to participate in public funding of a Presidential and Vice-Presidential campaign. It does not mean he is charged the dollar out of his income tax return; it means the dollar he pays into the Treasury is earmarked for the campaign, the first $2 million of which goes to each party for the convention and the balance of which, up to $20 million, goes to each major party.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield further?

Mr. DEVINE. I yield to the gentleman from California.

Mr. ROUSSELOT Those dollars are still add-on dollars, dollars that have to come out of the Federal Treasury?

Mr. DEVINE. They constitute a net loss to the Treasury, that is correct.

Mr. ROUSSELOT. Even though it could be considered indirect, this means that this bill establishes another way by which we will be contributing to deficit financing?

Mr. DEVINE. Yes. We are talking in the area of about $44 million each 4 years.

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield further, I will ask this:

So this great belief and myth that has been promoted by several organizations that this is kind of "free money" clearly is not true?

Mr. DEVINE. Mr. Speaker, the gentleman well knows there is no such thing as free money. We in Washington are merely distributors; we are not producers. It all must come from the taxpayers.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman for his response.

Mr. FRENZEL. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

(Mr. ARMSTRONG asked and was given permission to revise and extend his remarks.)

Mr. ARMSTRONG. Mr. Speaker, I am grateful to my friend, the gentleman from Minnesota, for yielding time to me. I commend the gentleman and other Members who have worked to bring this conference report before the House. I congratulate them on their effort. But I disagree with the result.

As I have told Members of the House before, I think there are many mischievous provisions in this legislation.

Mr. Speaker, there is some good in this legislation. I am particularly pleased that the conference report provides a strong independent commission to enforce provisions of this act.

But I would be remiss if I did not voice my objection to Federal financing of conventions and to the failure of this bill to adequately define and outlaw certain improper in-kind contributions, and for the fact that it is in tone and in detail a proincumbent bill. It is really a "sweetheart" bill, one that will serve primarily to reelect incumbents and make it harder than ever for challengers to unseat an entrenched incumbent.

But, Mr. Speaker, the part of this bill that make it most objectionable, the part that makes an antireform bill, is the provision that limits the right of voters to speak out on candidates who are running for public office.

It is one thing to limit candidates expenditures. But it is completely wrong to limit the rights of citizens in this regard.

Although it is probably unconstitutional to do so, it may be a good policy to restrict candidate spending.

However, when that same limitation is applied to people who are not running for office, people who are simply attempting to comment on the election process, it is a different matter. When we give to candidates for public office the veto power over other persons rights, those who wish only to comment, those who may want to support a candidate, those who may want to oppose one candidate and support another, and those who may want to take out a newspaper advertisement to say, "A pox on both candidates," then we are tinkering with a fundamental right of the American people.

We are introducing a concept that is probably unconstitutional, as indeed a 3-judge court in New York said not too long ago in the case of ACLU against Jennings. I believe the Supreme Court will affirm the lower court's ruling in that case.

But it is not my purpose to argue the narrow legal question. I am simply telling the Members it is wrong. I think in our hearts we know it is wrong; we know it is contrary to the American system and it is contrary to the spirit of the election process. I believe the day will come when we will reverse this unwise act we are about to take.

So with regret I am going to vote against this conference report. Not regret because I am taking what I know will be an unpopular position, but regret that the House has once again failed to institute true reform in legislation and has, instead, brought to us legislation that is reform in name only and which is, in fact, antireform.

Mr. FRENZEL. Mr. Speaker, I yield myself 5 minutes.

(Mr. FRENZEL asked and was given permission to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, I rise in strong support of the conference report to the bill S. 3044, the Federal Election Campaign Act Amendments of 1974.

The conferees have adopted most of the best provisions of the House and Senate bills. The final results is a bill with numerous strengths and few weaknesses. Perhaps the greatest weakness is the low spending limit which makes the bill to some extent, an "incumbent protection bill." Also, the bill does not repeal the equal time provision and fails to stringently regulate special interest giving, but it does have the following positive features:

First, and most importantly, the bill establishes an independent Federal Elections Commission with the power and authority to oversee all Federal election law. Commissioners will be full-time and serve 6-year terms. Two will be appointed by the President, two by the President pro tempore upon the recommendations of the majority and minority leaders of the Senate, and two by the Speaker upon the recommendations of the majority and minority leaders of the House. The Commission will have both subpena and civil enforcement powers. Criminal enforcement remains with the Justice Department, but the Attorney General is held accountable to the Commission for reporting on the disposition of violations referred to him. The establishment of an independent Commission is the key provision in the bill. It will assure judicious, expeditious enforcement of the law, while reversing the long history of nonenforcement.

Second, the conference report sets limitations on contributions. No individual will be allowed to give more than $1,000 per election per candidate. No political committee more than $5,000. Individuals will be limited to $25,000 in contributions to all candidates and committees every 2 years. The $25,000 provision will be the

death knell of the "fat cat". It will take not 1 year, but 160 years for the Stewart Motts and Clement Stones and other big spenders to give $2 million to all Federal candidates, and 2,000 years to give $2 million to one candidate.

Third, expenditures are limited to $70,000 per House race plus 20 percent for fund raising or $84,000. In Senate races and races for Representative in States with only one Representative, a candidate can spend the greater of $100,000 or 8 cents per voter in the primary election and $150,000 or 12 cents per voter in the general election. A candidate for President can spend up to $10 million for the nomination and $20 million in the general election. Coupled with the cost of living index and the provisions which allow parties to spend independently of candidates, the bill will eliminate the worst spending abuses, while assuring that a challenger has at least some chance to defeat an incumbent.

Fourth, the bill increases the role of political parties in campaign financing. Both the national committee and the State committee of a political party will be able to make expenditures of $10,000 to candidates for the House in addition to the expenditure limitations imposed on the candidate. By contributing to a candidate, the party can increase his spending limit by $20,000. The comparable figures for Senate races and races for Representative in a State with only one Representative will be the greater of $20,000 or 2 cents per voter.

Fifth, candidates will be encouraged to raise funds from small contributors through the 20 percent allowance for fund raising.

Sixth, the bill limits cash contributions to $100.

Seventh, the bill prohibits contributions by foreign nationals.

Eighth, expenditures from the candidate's personal funds and the personal funds of his immediate family are reduced to $25,000 for the House, $35,000 for the Senate and $50,000 for the President.

Ninth, the conference agreement limits honorariums to $1,000 per appearance and $15,000 per calendar year.

Tenth, the bill makes it unlawful for a candidate or any agent or employee of a candidate to fraudulently misrepresent himself as acting for or on behalf of any candidate or political party.

Eleventh, it requires rating groups and other organizations which attempt to influence public opinion to register with the Commission as a political committee and report the source and amount of its funds and its expenditures.

Twelfth, it requires all candidates to designate a principal campaign committee and depository. All reports by committees supporting a candidate must be compiled by the principal campaign committee and all expenditures must be made by a check drawn on the depository, except for petty cash expenditures of less than $100.

Thirteenth, the bill reduces the 5- and 15-day preelection reports to one 10-day report. Also, candidates will not have to file reports in any calendar quarter in which they receive contributions or make expenditures of less than $1,000.

Fourteenth, the Commission can give candidates advisory opinions which determine whether specific transactions or activities are violations of the law. Any candidate who complies with an advisory opinion shall be presumed to be in compliance with the law.

Fifteenth, the bill provides for expeditious review of constitutional questions. Unlike at present, we will not be left in limbo for a prolonged period of time because of the failure of the courts to expeditiously review the constitutionality of election law.

Sixteenth, the bill preempts State laws. Candidates will no longer have to worry about complying with 51 different sets of standards and reporting requirements.

Seventeenth, the media expenditure limitations are repealed. Candidates will have the flexibility to spend their money as they see fit.

Eighteenth, State and local employees are allowed to participate in political campaigns.

Nineteenth, public financing is limited to Presidential races. While there is too much public financing in the bill to suit my taste, we will at least get a chance to see how it works in the 1976 elections. The conferees wisely decided that it was better to risk disaster in only one race rather than 469 races.

Twentieth, the bill becomes effective on January 1, 1975 after the campaign has ended and before special interests and other persons have time to invent schemes to use the period before the effective date to carry out activities that are legal presently, but illegal under the new act.

The House Republican Task Force on Election Reform, of which I am chairman, has enthusiastically endorsed this bill as a major step forward in the cleaning up of the electoral process. I urge Members on both sides of the aisle to give overwhelming support to final passage of this bill.

Mr. Speaker, passage of this legislation will end the American people's long wait for a positive response to the events of the past few years. No other practical concrete action can do more to restore public confidence than the passage of a meaningful campaign reform bill. By giving overwhelming support to this landmark legislation, we will send a clear message to the American people that Congress is concerned about, and responsive to the need to restore public confidence in our democratic system of government.

The conferees have agreed to a far-reaching set of reforms which will place limitations on contributions and expenditures, create an independent administration and enforcement mechanism, publicly finance presidential elections, and maintain and strengthen the disclosure provisions of the 1971 law.

While the conferees were most careful in their deliberations and spent considerable time and effort in coming to an agreement, there were some finer points that have not been covered in either the bill or the conference report. There was not sufficient time in the conference to deal with these problems. I would like to comment on them briefly today.

PROLIFERATION LANGUAGE

A major problem with the limitations on contributions is that organizations that contribute to candidates may attempt to proliferate their political committees to circumvent the limitations. Thus, an organization could subdivide into 20 committees each able to give $5,000 or a total of $100,000 to a candidate. This subterfuge would be clearly a violation of the law.

The conference accepted the House version on committee limits. The House report contained language in two places dealing with this problem. Unfortunately, due to an oversight, the conference report only included the lanugage on page 16 of the House report. It should have also included the language on page 5, which reads as follows:

A question was raised in the committee regarding possibility of circumventing the limit on contributions by political committees where a national committee of a political organization may contribute the maximum amount to a candidate and a state or local sub-unit or subsidiary of that committee may also contribute to the same candidate. It is the intent of the committee to allow the maximum contribution from each level of the organization if the decision or judgment to make such contribution is independently exercised within the separate levels of the organization. However, if the subsidiary or sub-unit organizations are under the control or direction of the parent organization with respect to their contributions to specific candidates, then the organizations acting in concert would constitute one political committee for the purpose of the contribution limits included in this bill.

In my judgment, the conferees agreed with the House analysis.

MULTICANDIDATE COMMITTEE ADMINISTRATIVE EXPENSES

A second major problem is that of the administrative expenses of multicandidate committee. The conferees generally agreed that it would be difficult, if not impossible to attempt to prorate the normal day-to-day administrative expenses of multicandidate committees to each individual candidate. Any effort to attribute these costs to the contribution and expenditure limitations of any candidate would be unfair to both the candidate and the committee. Language that would clear up this issue was inadvertently left out of the report.

However, there is general agreement among the conferees that the provisions placing limitations on contributions and expenditures should not require a multicandidate committee, a national committee of a political party, the senatorial campaign committees, the congressional campaign committees, and a State committee of a political party to credit to a candidate's limitations on expenditures and contributions or to otherwise attribute to any political candidates or his political committees a portion of their normal day-to-day expenses.

Any other interpretation would create an enormous amount of administrative busy work for all candidates and might cause wholesale violations of the law. For example, a congressional campaign com-

mittee might spend approximately $14,000 per year per Member in administrative expenses for staff and services. If these expenses were credited to each Member's contribution limitations, every Member would be in violation of the law. If they were credited to candidates' spending limitations, how would the costs be apportioned to each candidate?

If a candidate was not offered any services by the committee or did not want any staff or services credited to his campaign, how could he be forced to attribute them to his limitation? The best solution seems to be to exempt normal, administrative expenses from the limitations.

These day-to-day expenses should be defined to include such items as research, speech writing, general party organization and travel, party publications, fund raising expenses, staff at various party headquarters in the field and national convention expenditures, provided that such expenses do not contribute directly to any candidate's campaign effort.

The Federal Elections Commission will have to publish specific regulations on these and other matters that are not completely clear in either the law or the report.

NEWSLETTERS

Questions have been raised as to whether or not congressional newsletters and other similar publications would be considered expenditures under the provisions of this bill. The congressional franking law passed last spring clearly states that such newsletters and other similar publications are legitimate expenses and can be sent under the frank. In general, I believe the Commission should follow the following guideline: if any item or publication can be sent under the frank, it should not be counted as an expenditure for the purpose of influencing an election. Hence, congressional newsletters and other similar publications need not be credited to the contribution or expenditures limits of congressional candidates.

EXPENDITURES AND CONTRIBUTIONS INFLUENCING ELECTIONS

In attempting to ascertain whether or not a contribution or expenditure by a group or organization is made for the purpose of influencing an election, the Commission should take into account the nature and goals of the organization making such expenditure. For example, a party committee might stage a seminar or workshop for party workers on campaign methods or techniques. It would be difficult to compute how much such seminars or workshops aid a candidate. Even if this could be computed, it would be incidental to the primary purpose of the program, because the main goal of such party activities is to strengthen the party, not to benefit the candidate.

On the other hand, if a special interest committee were to conduct the same type of activity, especially in an area in which there are candidates which it supports, there might be a significant difference. Special interest committees often conduct such affairs for the purpose of aiding friendly candidates. The main goal of special interest political activity is usually to influence leigslators and campaigns, while that of the party is usually to build a strong party organization.

The Commission should also investigate the differences between party publications and special interest publications, and party field workers and special interest field workers. The goal of the party in each instance is generally not, like in the case of many special interest groups, directly influencing elections and legislation, but building a strong party organization.

SECTION 308

The bill inserts a new section in the Federal Election Campaign Act—section 308) which will require groups and organizations which expend any funds or commit any act directed to the public for the purpose of influencing the outcome of an election, or which publishes or broadcasts to the public material intended to influence the public opinion with respect to candidates for Federal office to register with the commission as a political committee and report the source and amount of its funds and of its expenditures.

During the Senate debate—on page S 18526 of the October 8, 1974, CONGRESSIONAL RECORD, the Senator from Nevada (Mr. CANNON) is quoted as saying:

> But this section does not reach an organization that limits itself to activities along the following lines: issuing communications directed to its members, making its position known to members of the press and to public officials, or participating in conferences and meetings and other discussions devoted to public issues. In other words, section 308 will cover organizations that use their funds to propagandize the general public but does not restrict internal communications or restrict the flow of news or the discussion of public issues.

As a House conferee on this bill, I disagree with that statement. This section is clearly intended to include rating sheets, press releases, press conferences, communications to the press, seminars, and other similar activities which are directed at the public or which attempt to influence public opinion with respect to officeholders or candidates. It specifically includes publications "primarily for distribution to individuals affiliated by membership or stock ownership with the person distributing it."

The purpose of this provision is not to discourage such activity, but to insure that the public is aware of the persons who contribute to and are responsible for these activities.

The Senator's statement might exclude Common Cause, the American Conservative Union, the American Civil Liberties Union and the environmental groups which sponsor the "dirty dozen" list. No one would argue that it is the purpose of this provision to exempt these groups, nor is it intended to exempt any other particular group.

This provision is intended to apply indiscriminately and will bring under the disclosure provisions many groups, including liberal, labor, environmental, business and conservative organizations. Section 308 does not make any exceptions. While there are exemptions made to other provisions of the law—such as section 610, no exemptions are made to this provision. The Commission and the courts should not allow what is clear from the legislative language of the bill and the report of the conferees to be changed by legislative history on the floor. The language of the bill and the report must take precedence over legislative history made on the floor.

SEPARATE ELECTIONS

Under the 1971 law, considerable confusion was created by the use of the phrase "nomination for election, or election." The courts, candidates and administrators and enforcers of the law frequently made different interpretations of its meaning.

Under the new law, such confusion should be avoided. In the case of limitations on the use of a candidate's personal funds and the personal funds of his immediate family, it is clear that during the course of the entire campaign, a candidate for House may spend $25,000, a candidate for the Senate $35,000, and a candidate for President $50,000.

In the case of contribution limitations, an individual can contribute $1,000 for the primary campaign and $1,000 for the general election. If there is a primary runoff, an individual can contribute an additional $1,000. If, as may be the case in the State of Georgia, there is a runoff in the general election, an individual can contribute another $1,000. This same principle applies to multicandidate committees.

In the case of expenditure limitations, a candidate for the House may spend $70,000 for the primary campaign and $70,000 for the general election—plus fundraising and party expenditures. If the candidate is forced into a primary runoff, he can spend an additional $70,000—plus fundraising. If, as may be the case in the State of Georgia, there is a runoff in the general election, he may spend an additional $70,000—plus fundraising. Without allowance for these additional amounts, a candidate might find himself unable to spend anything in a primary or general election runoff. This would make a mockery of the election process. Instead, the candidate must be allowed to spend up to the $70,000 limit in the primary, primary runoff, the general election and the general election runoff.

In some States, the party convention is tantamount to the primary election. In some of these cases, a candidate might invest $70,000 to win the nomination at the convention. However, an opponent might receive enough of the convention votes to force a primary. If one or both of the candidates spent up to the $70,000 limits for the convention, they would be unable to spend anything for the primary. In such cases, the Commission should use its discretion to determine whether one or more candidates should be allowed to spend additional funds. These same principles should apply to Senate races and races for Representative in a State with only one Representative.

MULTICANDIDATE COMMITTEE FUNDRAISING LOOPHOLE

I believe that the conferees intended that the provision which exempts multicandidate committee fundraising costs

from being credited to the candidates' spending and contribution limits—section 102(d)—should not allow five or more candidates—especially in large metropolitan areas—to join together in setting up dummy fundraising committees which would spend large sums of money allegedly raising funds for those candidates, but actually using fundraising techniques to increase the candidates' name recognition and expenditure limitation. Rather, it is intended to cover those groups which raise money genuinely independent of each candidate's campaign and which would be put at a disadvantage if the money they spend raising funds had to be prorated and added to the actual contribution given to each candidate.

SLATECARD EXEMPTION

I believe that the purpose of the provision which exempts slatecards and printed listings of three or more candidates for public office from the definitions of contribution and expenditure is not to allow candidates or political committees to circumvent the disclosure provisions and the limitations on contributions and expenditures by waging extensive campaigns using sample ballots, slatecards, and other similar devices, but rather to allow State and local parties to educate the general public.

IN-WRITING LOOPHOLE

The conference substitute states that if a contribution is given to a political committee authorized by the candidate in writing to accept contributions for that candidate, then that contribution is treated as a contribution to the candidate. This provision is not intended to allow a candidate to receive contributions in excess of the limits simply by having the contributions go to a political committee which is not authorized in writing to accept contributions for the candidate. Paragraph (6) of subsection 608(b) states that all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to the candidate, shall be treated as contributions from the original donor to the candidate.

HONORARIUMS

The conference substitute limits honorariums to $1,000 per appearance and a total of $15,000 per calendar year. I concur with the discussion by Senators SCOTT and CANNON on page S18526 of the October 8, 1974, CONGRESSIONAL RECORD, except that I believe a candidate or Federal Government official cannot accept more than one $1,000 honorarium from the same organization in the same calendar year. I do not feel that it was the intent of the conferees to allow circumvention of the limitations on honorariums by accepting more than one honorarium from the same organization on the same trip or from the same organization during the same calendar year.

PRESIDENTIAL AND VICE-PRESIDENTIAL CAMPAIGN TRIPS

The President and Vice President often must fly an official plane to political events. The cost of such trips often runs into the tens of thousands of dollars and is sometimes paid for by the national committee of the President's party. Questions have arisen as to whether the cost of the trip should be counted as a contribution and/or expenditure. Certainly it should not. Any other interpretation would be contrary to the spirit of the law. If these costs were to count as contributions, the President and Vice President would be faced with the choice of either violating the law by exceeding the $1,000 limit on contributions by individuals to a candidate or forgoing any political activity outside the Washington area.

These costs should not count against the candidate's expenditure limitation because it would be unfair to both the President and the candidate to require the candidate to use up to $30,000 out of a $70,000 limitation just to fly with the President. The President has the same constitutional rights of free movement and free speech as other citizens. For the purposes of the limitations, the cost of such trips must be considered what it would normally cost a person to travel by commercial airline.

PREEMPTION OF STATE LAW

The conference bill specifically preempts State law. It is the intent of the conferees to preempt local laws as well. The legislative counsel informed members of the conference that to specifically mention local law in the bill would jeopardize the intent of the United States Code where reference to State law is also meant to include local law.

FULL-TIME COMMISSION

The bill provides that the Commission meets at least monthly and at the call of any Member. Fears have been expressed that the Commissioners will construe this provision to mean that, except for election time, they need only sweep into Washington once a month to meet the requirements of the job. To the contrary, the Commissioners should be continually on the job and ready to deal with the important, complex provisions of election law. The Congress intends that the Commission be genuinely full-time and that the Members meet frequently—daily or continually all year around if necessary—to oversee and supervise Federal elections.

CORPORATE CONTRIBUTIONS

Recently, several corporate consulting firms and other similar corporate entities have attempted to circumvent the prohibition on contributions by corporations by using the following device or a variation thereof. A candidate contracts with a corporate firm to have the firm perform certain services for the candidate. In turn, the contract stipulates that the candidate will reimburse the firm for its services. However, if the candidate fails to raise sufficient funds to pay for the services, the corporate firm will absorb the difference. Sometimes, by incurring the difference between the amount raised and the cost of the services provided, the corporate firm takes a large loss, even totaling in the hundreds of thousands of dollars. Since all of this exchange occurs under a contract, candidates and corporate consulting firms have even claimed that there is no debt involved and that nothing need be reported to the supervisory officer.

This is clearly a subterfuge and should be considered an illegal effort to circumvent the prohibition on corporate giving.

CONTRIBUTIONS "IN-KIND"

The definition of contribution includes the phrase "anything of value." The purpose of this phrase is to include donations that cannot be classified as deposits of money, loans, cash, and so forth, but which help influence elections. Such donations include cars, storefronts, airplanes, trucks, food and other items that are given to a candidate or committee in an effort to aid or abet his or its campaign. Clearly, all such donations and contributions must be reported and credited to a candidate's contribution and expenditure limitations. Charges have been recently made that donations of these types—contributions "in-kind"—are not and have not been reported. If the charges are true, such activities are in violation of the law.

For example, accusations have been made that individuals have been working, allegedly voluntarily, for a candidate when they are on the payroll of a political committee, group or organization which does not exclusively support the candidate. In the future, when such complaints are made, the Commission shall immediately and expeditiously make an investigation of such charges. If the Commission determines that a person is on the payroll of another organization or group, then the candidate or organization must be held responsible and liable for violation of the law and the value of his or its services must be credited to the candidate's limitation.

Similarly, if a complaint is filed that a candidate is receiving, free of charge, fleets of buses, cars or trucks or other goods and services from a committee, organization, or group that is not exclusively supporting that candidate, the Commission shall immediately and expeditiously make an investigation of such charge and make sure that any such donation is credited to the candidate's limitation and that any candidate or committee that violates this principle is held liable for his or its actions.

The Commission should also promulgate regulations requiring all contributions "in-kind" to be disclosed. Such regulations should also require that these donations be credited to the contribution and expenditure limitations of the candidate who benefits from such donations and expenses. The Commission should stipulate that any violation of these regulations will be treated as a violation of the law.

This interpretation of the phrase "contribution means anything of value" is necessary so that the letter and intent of the law will not be nullified.

Mr. Speaker, I am here urging everyone to support the conference on the bill S. 3044, the Federal Election Campaign Act Amendments of 1974 and to urge each of the Members to read the conference report and the bill itself. It is a monumental change over the way we have operated. It will change the way the Members campaign, the way they raise money, the way parties conduct

themselves. It will be the greatest change in our political lifetime.

So I repeat that it is extremely important that each Member be very attentive to all of the provisions of the law.

There is, for instance, the limitation on honorariums. There is the removal of the Hatch Act restrictions for local and State employees.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I am happy to yield to my friend, the gentleman from Illinois.

Mr. ANNUNZIO. I thank my friend, the gentleman from Minnesota.

The gentleman mentioned honorariums, and then stopped. Is the gentleman for the limitation on honorariums? I would like to know his position in explaining this particular provision of the conference report.

Mr. FRENZEL. Mr. Speaker, the conference report provides that Members shall not accept honorariums of more than $1,000 nor more than $15,000 in a single year. I am strongly for that, although I like the House proposal of $10,000 even better. We were negotiated up to $15,000. I think all Members should be proud of that feature of the bill.

I would like to state further, Mr. Speaker, that the idea for this originated from the gentleman from Illinois (Mr. ANNUNZIO) and that gentleman deserves the plaudits of the whole House for presenting this idea, and in getting it carried through.

Mr. ANNUNZIO. If the gentleman will yield further, I am hoping that the people in the other body, who will not be earning the $80,000 to $90,000 that they had been earning previously, will now come along to acting more wisely when the measure of a pay raise comes up.

Mr. FRENZEL. I thank the gentleman for his contributions.

Mr. BAKER. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, when the previous gentleman was speaking, the question was asked about the qualifications of a national party for the 5-percent vote in the previous election. Now my question is: If a candidate runs, as happens in New York and Ohio, as a member of the Conservative Party or the Liberal Party and the Democrat or Republican Party, who would get the 5-percent credit in the next election, so far as the votes that were cast?

Mr. FRENZEL. I support the explanation which the chairman, the gentleman from Ohio (Mr. HAYS), gave, and that is that the allocation goes to the party.

Mr. BAKER. Which party?

Mr. FRENZEL. Whichever one got the 5 percent.

Mr. BAKER. But he was running as a member of the Conservative Party, and in the Democrat Party, dually.

Mr. FRENZEL. The party is not running dually; the candidate is running dually. The allocation goes to the party that got the votes. If the Conservative Party got 5 percent in the last election, their nominee, whoever he or she is in the next election, would qualify for his proportion because of that party's success in getting 5 percent.

Mr. BAKER. But if one individual is running under the dual-party label in the Conservative Party and Democrat Party, who will get credit for his votes when you calculate the 5 percent, the Conservative Party or the Democrat Party?

Mr. FRENZEL. In my judgment under this bill he would qualify for both.

Mr. BAKER. I thank the gentleman.

Mr. HAYS. Mr. Speaker, if the gentleman will yield, I think that we ought to make it crystal clear, at least, that my interpretation is if he is running in one State as a dual candidate, this applies only to national parties in the national election, and if a candidate is running as a liberal conservative or a Democratic liberal in New York, his vote in the conservative line and liberal line would have to equal 5 percent of the total national vote or he could not qualify.

I would like to know if the gentleman does not agree with that.

The SPEAKER. The time of the gentleman has expired.

Mr. FRENZEL. Mr. Speaker, I yield myself 6 additional minutes.

I do agree with the chairman's explanation.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I thank the gentleman for yielding.

On that same question, may I say I am very concerned that we are creating a problem that will beset our two great major parties. I believe very strongly in our two-party system, but we have, as I understand it, in this bill no restriction on funding of third parties except for a 5-percent vote. There is not any minimum number of States to qualify. In other words, if "A" gets more than 5 percent of the national vote in two or three States, we would have a national party.

Mr. FRENZEL. That is correct.

Mr. DERWINSKI. So that a regional party in effect, merely by gaining 5 percent of the national vote, qualifies for funding under provisions that apply.

Mr. FRENZEL. That is correct.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. HAYS. I thank the gentleman for yielding.

I would like to have the attention of the gentleman from Illinois. They could qualify, and if they get merely 5 percent of the vote, they would get merely 5 percent of the maximum in the next election, so they would not get the full $20 million.

Mr. FRENZEL. Correct.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I thank the gentleman for yielding.

Under section 318 of the conference report, which is entitled "Use of Contributed Amounts for Certain Purposes," without reading all of section 318, says that:

> . . . ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, may be contributed by him to any organization . . . or may be used for any other lawful purpose.

My question of either the gentleman from Minnesota or the gentleman from Ohio is, What is "any other lawful purpose"? If a Member of Congress happens to have $25,000 that is not spent in excess of the full limit of $70,000, are such lawful purposes entertaining constituents in the House Restaurant; maintaining a standing supply of coffee, Cokes, and snacks in the individual Member's offices; employing extra staff, such as a personal page; or paying for a life membership in the National Democratic Club or the neighboring Capitol Hill Club?

Mr. FRENZEL. I think some of those would qualify and some would not. The reason we put "lawful purposes" in there is because there was some existing law, and some IRS regulations which does allow some expenses. Typical would be a contribution back to a political party, or a contribution to another candidate, or a contribution to charity. We did intend that the money could be used for expenses for running one's office, and I expect that that qualification might be amplified further by rule, as we could define particular kinds of office expenses that we had in mind.

Mr. STEIGER of Wisconsin. If the gentleman will yield further, could the gentleman from Ohio indicate his own view?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. HAYS. I generally tend to agree with what the gentleman said, that one could use it for necessary office expenses: A newsletter, or extra stamps, if he needs them, or an automobile, the leasing of a car for his district office. If some Members do that, it might be, in my judgment, a legitimate expense for official business. Those are the kinds of things we had in mind, things that Members in general do—buying tickets to charitable fundraisers, which takes a lot of money in the off-year from my fund. Those are things that we considered legitimate expenses.

Mr. STEIGER of Wisconsin. I thank both gentlemen for their explanations.

Mr. HAYS. If the gentleman will yield further, let me say to the gentleman from Wisconsin whatever those expenses are, one will ultimately have to disclose them. In other words, if one does not spend over $1,000 a quarter in the off year, he will not disclose it in the quarter, but at the end of the year he will have to, so that it will be the subject of public scrutiny in any case.

Mr. FRENZEL. Mr. Speaker, I would urge all Members of this House to vote for what I think is a positive election reform bill. I believe that passage of this legislation will end the American people's long wait for a positive response to the events of the past few years. No other practical, concrete action can do more to restore public confidence than the passing of a meaningful campaign reform bill. This is a meaningful cam-

paign reform bill. By giving overwhelming bipartisan support to this landmark legislation, we can send a clear message to the American people that Congress is concerned about and responsive to the need to restore public confidence in our democratic system of government.

Mr. Speaker, I do not see the minority leader on the floor. He indicated his willingness to speak in support of the conference report, although certainly his enthusiasm for it would be less than mine.

I would like, before yielding, to say a word about the chairman of the House Committee on Administration. As many Members know we have had strongly differing opinions about many of the features of this bill. I cannot let the occasion pass without giving him great, overwhelming credit for the production of this conference report. It is very seldom in the course of the passage of a bill that one man dominates or controls, and without whom there would be no bill. But such was the case with the gentleman from Ohio (Mr. HAYS). His defense of the House position in the conference was outstanding, and his determination and his patience to move this bill along have been equally outstanding. I congratulate him for his work on this bill and in this field. His performance occasionally has been maligned in certain quarters. I would like to say as one who has opposed him on many, if not most, of the substantive issues that I have never doubted his motivation nor his desire. He has proven to us today what they were and how important they were. So I do congratulate the gentleman for his outstanding achievement.

Mr. SANDMAN. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman.

Mr. SANDMAN. Mr. Speaker, I intend to support this bill because it has some improvements over the system we have.

One thing disturbs me about this, and this is again only for my own information, but has anybody bothered to check into the constitutionality of what we are doing? Does the gentleman believe we are meeting the requirements of the 14th amendment when we set particular standards on what a candidate has to raise before he qualifies to get so much money, because we are not giving all candidates the same amount of money?

Mr. FRENZEL. Yes; the gentleman makes a valid point.

There are many members of the conference committee, including, I believe, the chairman, who believe that this feature may be unconstitutional.

I believe within this conference report there are at least 100 items questionable from a constitutional standpoint. Any time we pass legislation in this field we are causing constitutional doubts to be raised. I have many myself. I think the gentleman has pointed out a good one. We have done the best we could to bring out a bill which we hope may pass the constitutional test. But, we do not doubt that some questions will be raised quickly.

I do call the attention of the gentleman to the fact that any individual under this bill has a direct method to raise these questions and to have those considered as quickly as possible by the Supreme Court.

Mr. SANDMAN. Is there any decision that supports what we are doing?

Mr. FRENZEL. I know of no decision that supports the raising of this amount of money.

I yield to the gentleman from Ohio for his response.

Mr. HAYS. Mr. Speaker, I am not a lawyer but I rely on the best counsel we can get. Counsel says since this money is being given out of the Federal Treasury that the Congress can put any conditions or requirements on the person that Congress wants to before the person receives that gift from the Federal Treasury.

I do not know whether it is constitutional or not.

Let me say one more thing to the gentleman and that is all I have to say on the subject. I have been here 26 years and I must have heard the question of constitutionality raised on at least 2,000 bills, and I suppose if I had voted against a bill every time somebody had a question of constitutionality on it, I would have had an almost complete voting record of "No." I think we have to let the courts decide.

Mr. SANDMAN. I do intend to vote for the legislation. I think a good job has been done in producing it and it is a good improvement over what we have. However I have serious reservations as to whether what we are doing meets the provisions of the 14th amendment.

Mr. FRENZEL. I thank the gentleman from New Jersey.

Mr. Speaker, I yield to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I thank my good friend, the gentleman from Minnesota, for yielding.

Mr. Speaker, I intend to support the conference report. I congratulate the chairman and the gentleman from Minnesota and the other conferees on what I think is a really Herculean task well performed.

I do not want to leave the impression that I am completely satisfied with the bill. I still think it is a bill to preserve the Democratic majority in Congress; but I do think my good friend, the gentleman from Ohio (Mr. HAYS) did as good a job as anybody could have done in wearing the hat of the chairman of the House Administration Committee, instead of the hat of the chairman of the Democratic Campaign Committee; but I do think in the future it is going to be necessary to look at the provisions of this bill which have to do with a limitation on total spending for candidates for the House and for the Senate.

I think everybody knows it is usually the challenger who has to spend more in his campaign to be successful than an incumbent does. Since there are more Democratic incumbents than there are Republican incumbents, it is obvious that the spending limitation would work to the benefit of the Democratic majority of Congress. I can understand why that is the situation; but nevertheless, the bill is as good a bill as we can get. I suggest we adopt the conference report and then as time goes by, with legislative oversight, do whatever is necessary to make it more just.

(Mr. FRENZEL asked and was given permission to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, as this bill passed the House, I believe there was a limitation of $5,000 on contributions by the National Republican and Democratic Committees. Is that provision changed in the conference report?

Mr. FRENZEL. They can still contribute $5,000, but they have an extra ability to spend up to $10,000.

Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. TREEN).

(Mr. TREEN asked and was given permission to revise and extend his remarks.)

Mr. TREEN. Mr. Speaker, my colleagues of the House, I rise in opposition to adoption of the conference report on S. 3044. My opposition is based primarily on one significant feature of the legislation.

First, however, I want to make it clear that my criticism is not intended to suggest that the House conferees did not do a good job. Indeed, I think they did an outstanding job in having most of the important provisions in the House bill accepted by the conferees from the other body. I commend the chairman of our committee for his leadership and for standing fast against such items as public financing of congressional campaigns.

Nor do I intend to suggest, by my opposition to the bill, that the proponents of this legislation are not motivated by a sincere desire to end campaign abuse. I concur wholeheartedly with the general purpose of the bill and I find most of its provisions quite acceptable.

But I feel strongly, Mr. Speaker, that the bill contains a defect which is so substantial that it outweighs the good features of the bill. I refer to the aggregate spending limit for a congressional campaign, and particularly the limit for campaigns for House seats which the conferees have set at $70,000.

I opposed this bill in the House because of the limitation, which we established at $60,000, and I oppose final passage for the same reason.

We have heard it said in this Chamber that the spending limit for campaigns for the House should bear relationship to the salary of House Members of $42,500 per year; we have heard it argued that it is unconscionable to spend $100,000 or $150,000 in a campaign for a job that pays only $42,500.

To me these arguments are patently illogical and falacious. It is the importance of the job from the point of view of the constituents that should be the fundamental consideration. The power and responsibility that each of us has—the great magnitude of that power over the well-being of every citizen and, indeed, the very security of this Nation and the free world—suggest to me that the election of a single Member of this House cannot be valued at $70,000. Especially is this so since election to this House usual-

ly results in a Member serving several terms and not just one term.

Certainly we do not relate the amount of money to be spent in the Presidential campaign to the salary of the President. We are providing in this legislation $20 million to finance Presidential campaigns, and yet the salary of the President is $200,000.

My quarrel is not with the individual limitation of $1,000 per person and $5,000 per organization to any single campaign. In my personal opinion, few if any Members of this body are influenced in their decisions by the financial support they receive. But I recognize that the public may feel that some are so affected, and indeed, it may have some influence, in some instances, on some Members. But suppose a candidate for Congress was attractive enough, and had good enough ideas, to be able to raise $100 per person from a thousand people. This would give him a campaign fund of $100,000. His maximum contribution would be one-tenth of that which is allowed under this bill. Yet, he would be in violation because his fund would exceed by $30,000 the limitation in this bill.

I have run as a challenger several times and I know it is possible to raise $100,000 or more without receiving large contributions from any single source.

Mr. Speaker, my concern is not for incumbents but for challengers. I feel that if a challenger can raise $100,000, or $150,000, especially if he can do so without receiving large sums from any single source, he should be able to do so. I know that in many districts the amount spent is considerably less than $70,000. But in other districts this is not so. We who are incumbents have all of the advantages save one. That exception being that we have a record which always affords a basis for attack, because a Member cannot possibly vote on all the issues and please everyone.

But the incumbent has all the other advantages. Because he is in office he automatically receives coverage by the news media. If he wants to, he can be in the news regularly during his term through the introduction of bills, testifying before committees, and just by visiting his district—as we are financed to do 36 times in each Congress.

We can send out newsletters postage free every month if we desire, right up to 1 month before the election. The postage value alone of sending out a newsletter once every 3 months approximates the $70,000 which we limit a challenger to spending for his campaign.

I am not suggesting that travel to the district or the franking privilege should be eliminated. I think it is important to stay in communication with your constituents and I believe that these are legitimate ways.

What I am saying is this: let's make the system fair for the challenger. In many districts the news media does not give much play to a challenger. He must depend upon newspaper advertising, radio, and in many districts, television. All of this can be very expensive for a fairly modest advertising campaign. In order to be able to discuss the incumbent's record on a scope sufficient to really get through to a sizable portion of the constituency will require, in most instances, sums in excess of $70,000.

Mr. Speaker, in my sincere judgment the aggregate spending limit of $70,000 per House campaign is an incumbent protection provision, although it is certainly not going to guarantee continuity for all Members.

I recognize that there are abuses in campaigns; these will continue regardless of what we do here today. But I believe that we have over-reacted in this instance, and I predict that when the effect of this becomes fully known to the public, we will be back here to amend at least this particular provision of the bill before us.

Mr. HAYS. Mr. Speaker, I yield myself 1 minute.

I would hope I can get the attention of the distinguished minority leader. I thank the gentleman for what he said.

I just want to say, since the gentleman alluded to my two hats, to say it has become unnecessary for me to put my hat on as chairman of the Democratic Campaign Committee up to now, because the other party has been doing all of the work for us.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the distinguished minority leader.

Mr. RHODES. I think what the gentleman says is an appropriate remark and I shall exert myself to make sure that it does not happen in the future; but I suggest to the gentleman that he keep out his hat. He may need it.

Mr. HAYS. Mr. Speaker, I yield seven minutes to the distinguished gentleman from Pennsylvania (Mr. DENT) who is chairman of the Election Subcommittee, and who did a lot of hard work in holding the hearings on the bill in the beginning.

(Mr. DENT asked and was given permission to revise and extend his remarks.)

Mr. BINGHAM. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Speaker, I would like to join in commending and congratulating the Chairman of the committee and the conferees for an outstanding piece of work. I know how difficult this type of legislation is, and I think this is a far better bill than anyone would have believed possible at the beginning of the year.

Mr. DENT. I thank the gentleman very kindly. There was a lot of work done in the earlier days on the subcommittee. We held hearings, and then we came to a decision in the subcommittee that inasmuch as the full committee would have a broader view of what would be the proper view to come to the House with, we moved it up unanimously to the full committee, so that the full committee could have a broader view of the whole matter.

Mr. GUNTER. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Florida.

Mr. GUNTER. Mr. Speaker, I thank the gentleman for yelding.

I too would like to join those many colleagues who offered congratulations for the able effort and work of the gentleman from Pennsylvania, the chairman of the House Administration Committee, and all others who brought this conference report to us.

I support that report.

(Mr. GUNTER asked and was given permission to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, I wish the Members would pay some attention to what I am gong to say. I am going to talk to the Members now as Members of the Congress of the United States, not as candidates or politicians, but men and woman representing the people in all the various districts in the Nation.

Campaign reform sometimes gets into a situation where interests take it upon themselves to write what they think is the perfect law. By the manner in which they behave and treat themselves and treat the Members of this Congress, they would lead the American people to believe that we Members either do not have the necessary intelligence nor the honesty and good intentions to write a law which allows, as the Constitution prescribes, every person the right to run for public office.

No single individual in my lifetime in politics has had to take more heat, more unfair criticism, more outright lies and distortions of his actions in full paid advertisements and thousands of series of pamphlets and circulars sent out to the people of the United States and to the Congress, than the gentleman from Ohio, Mr. WAYNE HAYS.

I want to say to all the Members that the trouble with it all is that this so-called reform group has only one idea which would ever really satisfy them as to what reform would be. That would be to defeat every Member of this Congress who does not call up on the telephone and give them all the little inside things that might happen in the committee, so that they may malign and try to destroy members of committees who have to say things in the committee room which do not always mean that is where they stand ultimately.

We have to probe, and we have to fish, and we have to question, but in this particular case, because they have one issue that they have before the public, they have to try to have that particular issue determined to the letter; to the crossed "T" and to the dotted "I" exactly the way they want it.

I say to this House today that the cause of Watergate rested in the 1972 act, which was a substitute for the work of this committee, where we had worked for over 3½ years to come up with what we thought was a reasonable approach to reform.

The only thing they had in mind was spending money during the whole campaign, spending money.

Let me show the Members something here. One campaign in 1972 cost $420,000. Another one cost $472,000. The average of all of the spending in the whole country was $47,000, and yet the incum-

bents spending between 75 and 100,000 dollars or over were only 5 or 10 percent, and 21 percent of the challengers spent over $75,000 and up to an amount of $321,000 for one candidate, a winner; $316,000, another candidate, a loser.

Throughout this whole issue, if one takes all of those who spent over the amount that is allowed in this act, one would find, if we take them off of the top, that the average spending in this Congress of the men who were elected to office was less than $28,000 per member. I say to the Members that the advantage that the gentleman cited here a minute ago, saying we ought to give a nonincumbent more advantage to spend more money, is not what needs to be done. Spend less.

I am going to lay out to the Members what has to be done before the people will ever have confidence in this Congress, because they do not know all of the inside workings that have to be put in reform. All they know is how much money is spent.

I have here a candidate who received $163,324. He spent $163,324. Here is one who received $38,174. He spent $38,174. Is there any doubt in the Members' minds that if this one would have received $500,000 he would not have spent $500,000? And the one who received $38,000, if he would have received $60,000 is there any question that he would not have spent it?

One cannot reasonably spend more than $50,000 in a campaign without doing things that are wasteful. I repeat what I have said earlier. You cannot do it. I say to the Members that I have run for office as many times as any Member in this House, and I know something about what it takes to win elections, I believe. Some day we will receive enough salary so that we will be permitted to spend the limit and have a tax deduction for it, and we will also allow our opponents, challengers, to spend that amount of money out of their own pocket and have a tax deduction. If they do not have the money, they can solicit funds, and those who contribute to it can take it out of their tax returns. This way one cannot say the incumbent has the advantage, because if he does not waste this money, he will have a salary closer to what he needs to live on. If we do not do that, the people of America will never believe you can spend $350,000 in a primary election and $420,000 in a general election.

Mr. GUNTER. Mr. Speaker, I believe the conference report before the House on the Federal Election Campaign Act Amendments represents a solid foundation on which further needed reforms of campaign spending practices can and must be constructed in the future.

I regret that the House, and as a result of its insistence, the conference committee of the two Houses, was unwilling at this time to extend the principle of public financing provided for in presidential primary and general elections to elections for the U.S. Senate and House of Representatives as well.

When this legislation was initially before the House, I strongly supported and voted for such an extension of the public financing concept to include House and Senate races, because I believed and still believe the basic principle is valid in the case of all Federal elections, not simply those involving Presidential primary and general election contests.

The basic principle, reduced to simple terms, is that special interests ought not be allowed to pay for the election of any Federal officeholder, anymore than we would, for example, let Standard Oil or any other special interests pay the salaries of our Senators or Representatives, once in office. Once elected, we are mandated to represent all the people, and all of our constituents, of whatever party, and whether they voted for or against us as individual candidates. In recognition of this principle, the salaries of our elected Federal officials are paid for by all the people. It is well past the time, in light of the history of abuse and corruption resulting from the current system of privately financing elections, to eliminate special interest funding of House and Senate elections as well. The same principle of public funding—commensurate with the obligation to serve all the people that is rightfully expected—ought to apply.

I favor the extension of this principle, also, because I am firmly convinced that the millions in voluntary taxpayer check-off funds to be allocated for public financing must be weighed against the billions of dollars a year it now costs average taxpayers to finance special interest tax breaks voted by elected representatives under the present system in which those same special interests finance the campaigns of these same elected representatives.

A return to genuine integrity in the political process, and to genuine independence by the House and Senate in behalf of the public interest, requires as a prerequisite that we extend at the earliest possible time the concept of public financing to House and Senate elections.

With those reservations, Mr. Speaker, I am yet able to join my colleagues in praising this legislation as an historic and genuine step forward toward accomplishing meaningful reform. For the first time, the Congress today applies the concept of public financing to Presidential primary and general elections. Many predicted many months ago that this basic reform would prove to be beyond realization. I am gratified that in this legislation the Congress has met the test and acted, in my judgment, to accomplish a real reform of large proportion and far-reaching significance.

There are some other areas contained in the final conference report where we have perhaps not done all that we might have done and where the reform has not been as far reaching.

In one notable instance, the spending limitation on U.S. House races is still so low as to represent, I think, an unwarranted and unfair advantage to incumbents in confronting their challengers. At the same time, I am pleased that the conference did raise the limit from the $60,000 limit in each of the primary and general elections for the House, which was set in the House bill, to a $70,000 limit.

At the same time, the action of the conference in preserving an independent enforcement mechanism to administer the law, in the form of a Federal Elections Commission, represents in my view another important step forward and constitutes another example of genuine and meaningful reform.

On balance, I believe many of the myriad other provisions contained in this complex and extensive piece of legislation may also be fairly characterized as representing true and genuine reform.

I am therefore pleased to add my support on final passage of this historic measure and to urge my colleagues to join in voting overwhelmingly to adopt the conference report.

Mr. FRENZEL. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. ANDERSON).

(Mr. ANDERSON of Illinois asked and was given permission to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman from Minnesota for yielding. I would like to say that, even as the gentleman did a few moments ago when he addressed the House from the well, even though we have certain substantive differences with respect to this very important subject of campaign reform, I can certainly commend him and others who have worked hard throughout the conference to bring us a bill today. I think that if this bill had come back to us with nothing more than the independent commission that is now referred to, I believe, under the language of the bill, as the Federal Election Commission, if it had come back to us with nothing more than that feature, it would have represented some very sound progress.

At the same time, I hope that we will not conclude from what has been said that the task of reforming our present methods of financing political campaigns is completed. I believe very deeply that some matching provision should have been included to encourage the raising of small contributions in connection with congressional and senatorial campaigns.

I must express my own disappointment that that feature was not contained in the House bill, or, of course, in the final conference report.

I think it is an idea whose day will come. Perhaps as a result of the experience which this bill will give us with the matching principle as it will now be applied to the raising of campaign funds in Presidential primaries, others will come to see the virtue of extending this incentive to the raising of small contributions for congressional campaigns as well.

Nevertheless, I think we can take some comfort and some very considerable comfort from the fact that this Congress will not conclude its deliberations without marking some progress in the very important field of Federal campaign reform. Therefore, I shall support adoption of the conference report.

Mr. HAYS. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. MACDONALD).

Mr. MACDONALD. Mr. Speaker, I rise

to support the bill sent to the conference committee which, I know, worked so hard and diligently on this bill and came out with what certainly is a good bill, covering the waterfront on campaign spending as it were, and for having done the good job that it has done.

I would especially like to thank the gentleman from Ohio (Mr. HAYS) for his fortitude with respect to the House version of this campaign spending bill, because it was just about 2 years ago that he and I sat down, along with the rest of the conferees, with some of the same obdurate Members of the other body. I know what a great strain it must have been on the gentleman from Ohio (Mr. HAYS) to have been able to resist some of the matters that were thrown at him by the other body.

I once again congratulate the subcommittee and its chairman.

Mr. BURLISON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield 1 minute to the gentleman from Missouri (Mr. BURLISON).

Mr. BURLISON of Missouri. I appreciate the chairman's yielding.

I want to join my colleagues in commending the committee for the conference report.

I would like to ask the chairman of the full committee if the conference report has encompassed within it any jurisdiction whatsoever over the correspondence of Members with their constituents, also known as the franking privilege.

Mr. HAYS. If the gentleman will yield, there is nothing in this bill or in the conference report which would give this commission any authority to fiddle around with the frank in any way, shape, or form.

As an added safeguard, any rules or regulations they may make, they have to submit to the new committee of Congress, and either House can veto any regulation they make.

They have no authority, no power whatever to do anything about the frank, I would say to the gentleman.

Mr. BURLISON of Missouri. I thank the gentleman.

Mr. FRENZEL. Mr. Speaker, I yield myself 2 minutes.

I would like to ask a question of the distinguished chairman of the committee.

I had a number of queries from this side of the aisle with respect to the status of their newsletters.

In the Post Office bill which we passed this year we made the spending of money for newsletters a legitimate expense out of the campaign funds. This bill does not change that law. In my opinion, if a newsletter is frankable and it is paid for out of the campaign fund, the expense for it is not to be counted as part of the spending limit during any campaign. In the gentleman's opinion; is that correct?

Mr. HAYS. If the gentleman will yield, I concur with that. If it is frankable, it is not a political expense.

Mr. FRENZEL. I would like to ask the gentleman one other question.

The committee report is silent on something we talked about a great deal, and that is the conferees' great urge to simplify the forms and the procedures. I would ask the chairman if it is not the intention of the conferees to urge the Federal Elections Commission, when appointed, to do everything in its power to consolidate and simplify the forms and procedures involved in this law.

Mr. HAYS. It certainly is. And I will say to the gentleman that if they send an unduly complicated form up here, we will have a quick committee meeting and ask the House to send it back to them. I think the House would do that.

Mr. PHILLIP BURTON. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the distinguished gentleman from California, whose work has been most helpful in this field, even though he does not serve on the committee.

Mr. PHILLIP BURTON. Mr. Speaker, I thank the gentleman for yielding.

I would like to pursue in one particular the line of inquiry of the gentleman from Minnesota, and I would like to pose this question to the gentleman and to the chairman of the committee. That line of inquiry is simply this:

I would hope in the simplifying and consolidating of the reports that it would be our expectation that the Commission would try to further consolidate that report which the Members must now sign as a separate report and try to find some appropriate way to permit the filing of a single report.

The SPEAKER. All time of the gentleman from Minnesota (Mr. FRENZEL) has expired.

Mr. HAYS. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. THOMPSON), a member of the committee.

(Mr. THOMPSON of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON of New Jersey. Mr. Speaker, I would like to join with all of those Members who have commended our committee chairman, the gentleman from Ohio (Mr. HAYS), for the tremendous amount of work he put in on this measure and for his extreme fairness to each and every member of the committee.

I would expect it is true that during the markup period, as far as the members of the committee are concerned, the average number of amendments offered by each one of us was at least 12 to 14. We were allowed free and open discussion and debate, and we arrived at the point of reporting of the bill in a most democratic fashion.

We had the same situation prevailing in the conference.

Mr. Speaker, I might say that only a Member of the stature of the gentleman from Ohio, WAYNE HAYS, would have endured the absolutely unnecessary abuse heaped upon him by certain groups and organizations, as well as individuals and newspapers throughout the United States, including magazines and journals of opinion. It is a wonder the gentleman just did not say, "I'll sit down and let the whole thing go." But he did not.

The result has been that we have here a conference report which, although it certainly is not perfect, is indeed a splendid and a fair one.

The gentleman from Indiana (Mr. BRADEMAS) and I worked for higher spending limits for House Members, but it was made very clear during the floor debate that there would not be agreement on that. So we end up with a figure which I consider to be reasonable—$70,000, plus the 20 percent allowed for the costs of raising money. It is, in my judgment, an altogether splendid effort.

Mr. Speaker, I would like also to commend the Members on the minority side for their cooperation during the markup, during the debate, and during the conference. We had virtually innumerable disagreements, and yet we all walked out of there, all of us, signing the report.

Mr. HAYS. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, I want to thank all the members of my committee. If I started naming members, I would have to name all 25 of them, besides myself, and commend them for their cooperation and patience.

As has been said, there were many deep divisions and disagreements and differences of opinion. We worked them all out in a friendly manner. I think my friend, the gentleman from Minnesota (Mr. FRENZEL) had more amendments, perhaps, than anybody else, and sometimes he tried my patience a little, and sometimes I needled him a little, but he always took it with good humor, and he never failed to come up with a smile, and I appreciate that.

Mr. Speaker, I think we came out with a product, considering the diversity of opinion, that will do the job so that the Members and the aspirants to office can live with it. I do not consider this to be an incumbent's bill at all.

I have said this before: that if you are doing your job as an incumbent, it is pretty hard to beat you, but if you are not doing your job, you can be beaten with a very little bit of money.

I think that all of the Members can be pleased with the work product from the committee, from the amending process in the House, and from the diversity of opinion in the conference. It is not an easy bill, and it has not been, because every Member of the Congress is an expert on this kind of legislation, and every one has their own ideas, and every district is a little bit different.

But I believe this is a bill that will stop the suspicions of the people, because it will stop the actions that caused these suspicions. I think it is a bill that the people can live with.

Mr. Speaker, as a final reminder, I would like to say that all the corruption and allegations of corruption that we have heard about in the past 2 years were caused because there was not a limitation, and people could run all over the country, gathering up big bags of money. Also, as I have said before, if we had had such a limitation 2 years ago, Watergate would never have happened.

Mr. WYMAN. Mr. Speaker, I support the conference report on election campaign reform except for its provision for public financing. I have long maintained the likelihood that such provisions are unconstitutional diversions of taxpayers from necessary and proper expenses of

Government and that the High Court will so hold when the issue comes before it.

Nevertheless, there are excellent provisions on other necessary reforms in the currently pending conference report, especially in respect to limitations on individual contributions, expenditure ceilings and overall limitations on expenditures by the various political parties. Because of these and the independent supervisory enforcement board, I shall vote for the conference report despite my continued opposition and misgivings concerning public financing.

Enforcement is the single most important aspect of controlling the raising and expenditures of campaign funds. Candidates for Federal office are required in this law to establish a central campaign committee and to treat bank loans as contributions. Disclosure is required quarterly, with a mandatory report due 10 days before an election and a wrap-up report 30 days afterward. Included in the oversight powers of the bipartisan, full-time supervisory board are civil enforcement authority and standing to invoke the injunctive process. Criminal violations would continue to be referred to the Justice Department for prosecution which is as it should be.

This bill is a meaningful response to the pubuic need to know how much, from whom and for what purposes a candidate is receiving and using contributions to his campaign. The full disclosure provisions through a single central committee and the continuing oversight function of the independent board will reduce to a minimum the opportunity for undisclosed or unreported contributions. This assures that campaign financing facts will be available to the voters before they go to the polls on election day—and they are the ultimate judge in the election process.

Mr. YOUNG of Georgia. Mr. Speaker, I join with my colleagues today in hailing this landmark piece of legislation, the Federal Election Campaign Act of 1974.

The distinguished chairman, Mr. HAYS, and the members of the Committee on House Administration deserve much praise for their diligent work over so many months in producing this bill and this conference report. A special thanks is due from all of us who bear the label "Politician." It would have been a travesty for us to go home for another election without taking with us a bill to remedy some of the evils of the political system that have been uncovered during the past 2 years.

I would also like to pay tribute to those outside the Congress who contributed so much to the monumental task of educating the public and the Congress to this issue. I particularly cite the Center for Public Financing of Elections, headed by Susan King and Neal Gregory. It has been my privilege—along with my colleague from Pennsylvania (Mr. BIESTER)—to sit on the board of advisers of this bipartisan lobbying organization which was established in June 1973 to press for fundamental change in the methods of financing campaigns for the Presidency and the Congress.

The Center for Public Financing of Elections was instrumental in bringing together a broad-based coalition of some 30 organizations from labor, business, the churches, citizen-action and civil rights organizations to work for this common goal. Providing professional assistance in research and analysis and information to the press and the Congress, this coalition convinced the House and Senate that the 1976 Presidential election should be financed by public funds rather than private interests. The legislation also includes a new six-member Federal Election Commission and strict campaign contribution and spending limitations. Reporting and disclosure requirements have been strengthened and penalties for violations have been increased.

The reform coalition, under the leadership of the center, worked hard for extending the principle of public financing of congressional campaigns as well, but this concept has been rejected for the moment. It is in the arena of Presidential politics that campaign financing abuses have been most obvious and in which the public has perceived the greatest need for change, and the Congress has responded.

But, as the Center for Public Financing of Elections says:

The next Congress must continue the fight to end the unholy alliance between money and politics. Public financing of all political campaigns is an idea whose time will come.

Mr. Speaker, at this point in the RECORD I would like to insert a summary of the legislation, prepared by the Center for Public Financing of Elections, and a list of those members of the reform coalition who contributed so much to this legislation:

THE CAMPAIGN REFORM BILL—A SUMMARY (FEDERAL ELECTIONS CAMPAIGN ACT AMENDMENTS OF 1974)

CONTRIBUTION LIMITS

Limits on individual contributions

$1,000 limit on amount an individual may contribute to any candidate for U.S. House, Senate, or President in primary campaign (Presidential primaries treated as single election).

$1,000 limit on contribution to any federal candidate in general election (run-offs and special elections treated as separate elections; separate $1,000 limit applies).

No individual may contribute more than $25,000 for all federal campaigns for entire campaign period (includes contributions to party organizations supporting federal candidates).

No more than $1,000 in independent expenditures on behalf of any one candidate for federal office per entire campaign is permitted.

Certain "in-kind" contributions (up to $500 per candidate per election) are exempt from contribution limits.

Limits on Organization Contributions (to qualify as an organization, must be registered with Elections Commission for six months, receive contributions from more than 50 persons and, except for state party organizations, make contributions to at least five candidates).

$5,000 limit on amount an organization may contribute to any candidate for U.S. House, Senate, or President in primary election campaign (Presidential primaries treated as single election.

$5,000 limit on contributions to any federal candidate in general election (run-offs and special elections treated as separate elections; separate $5,000 limit applies).

No more than $1,000 in independent expenditures on behalf of any one federal candidate during entire campaign period.

No limit on aggregate amount organizations may contribute in campaign period, nor on amount organizations may contribute to party organizations supporting federal candidates.

Certain "in-kind" contributions (up to $500 per candidate per election) are exempt from contribution limits.

Limits on candidate contributions to own campaign

President: $50,000 for entire campaign.
Senate: $35,000 for entire campaign.
House: $25,000 for entire campaign.

Limits on party contribution

National and state party organizations limited to $5,000 on actual contributions to federal candidates, but may make limited expenditures on behalf of its candidate in general election [see spending limits].

Spending Limits (existing limits on media spending repealed. Total candidate spending limit includes basic limit, plus 20 percent additional permitted for fund-raising, plus limited spending by parties in general election.)

Party Conventions: $2 million for national nominating convention.

Presidential candidates

Primary: $10 million basic limit; in addition, candidate allowed to spend 20 percent above limit for fund-raising—total, $12 million. In any presidential primary, candidate may spend no more than twice what a Senate candidate in that state is allowed to spend. [See chart for Senate limits]

General: $20 million basic. (Presidential candidate not opting to receive public financing would be allowed to spend an additional 20 percent for fund-raising.)

Party: National party may spend 2¢ times Voting Age Population, or approximately $2.9 million, on behalf of its Presidential nominee in general election.

Senate Candidates

Primary: 8¢ x VAP of state or $100,000, whichever is higher. Additional 20 percent of basic limit allowed for fund-raising. [See attached chart for state by state amounts.]

General: 12¢ x VAP of state or $150,000, whichever is higher. Additional 20 percent of basic limit allowed for fund-raising.

Party: In general election, 2¢ x VAP or $20,000, whichever is higher, by national party, and 2¢ x VAP or $20,000 by state party. [See attached chart for state totals.]

House candidates

Primary: $70,000. Additional 20 percent of limit allowed for fund-raising. (Total—$84,000.) House candidates running at large permitted to spend same amount as Senate candidate in that state.

General: $70,000. Additional 20 percent allowed for fund-raising. (Total—$84,000.) House candidates running at large permitted to spend same as Senate candidate in that state.

Party: In general election, $10,000 by national party and $10,000 by state party on behalf of House candidates.

PRESIDENTIAL PUBLIC FINANCING (FROM DOLLAR CHECK-OFF FUND)

General election

$20 million in public funds; acceptance optional. Major party nominee automatically qualifies for full funding; minor party and independent candidates eligible to receive proportion of full funding based on past or current votes received. If candidate receives full funding, no private contributions permitted.

Conventions

$2 million optional. Major parties automatically qualify. Minor parties eligible for

lesser amount based on proportion of votes received in past or current election.

Primaries

Federal matching of private contributions up to $250, once candidate has qualified by raising $100,000 ($5,000 in each of 20 states) in matchable contributions. Only first $250 of any private contribution may be matched. The candidates of any one party together may receive no more than 45 percent of total amount available in the Fund; no single candidate may receive more than 25 percent of total available. Only private gifts raised after January 1975 qualify for matching for the 1976 election; no federal payments will be made before January 1976.

ENFORCEMENT

Creates 6-member Federal Elections Commission responsible for administering election law and public financing program, and vested with primary civil enforcement.

President, Speaker of House, and President pro-tem of Senate each appoint two members (of different Parties), all subject to confirmation by both Houses of Congress. (Such members may not be officials or employees of any branch of government at time of appointment.)

Secretary of Senate and Clerk of House to serve as ex-officio, non-voting members of Commission, and their offices to serve as custodian of reports for candidates for Senate and House.

Commissioners to serve full-time, six-year, staggered terms. Rotating one-year chairmanship.

Commission to receive campaign reports; make rules and regulations (subject to review by Congress within 30 days); maintain cumulative index of reports filed and not fixed; make special and regular reports to Congress and President; serve as election information clearinghouse.

Commission has power to render advisory opinions; conduct audits and investigations; subpoena witnesses and information; initiate civil proceedings for relief.

Criminal violations to be referred to Justice Department for prosecution; provision for advancing cases under the Act on the court docket, and judicial review.

REPORTING AND DISCLOSURE

Candidate required to establish one central campaign committee; all contributions and expenditures on behalf of candidate must be reported through this committee. Also requires designation of specific bank depositories.

Full reports of contributions and expenditures to be filed with Commission 10 days before and 30 days after every election, and within 10 days of close of each quarter unless committee has received or expended less than $1,000 in that quarter. Year-end report due in non-election years.

Contributions of $1,000 or more received within last 15 days before election must be reported to Commission with 48 hours.

Cash contributions over $100 prohibited.

Contributions from foreign national prohibited.

Contributions in name of another prohibited.

Loans treated as contributions; must have co-signer or guarantor for each $1,000 of outstanding obligation.

Requires that any organization which spends any money or commits any act for the purpose of influencing any election (such as the publication of voting records) must report as a political committee. (This would require reporting by such lobbying organizations as Common Cause, Environmental Action, ACA, etc., and perhaps many other traditionally non-electoral organizations).

Every person who spends or contributes or contributes over $100, other than to or through a candidate or political committee, is required to report.

OTHER PROVISIONS

No elected or appointed official or employee of government may accept more than $1,000 in honorarium for speech or article, or $15,000 in aggregate per year.

Removes Hatch Act restrictions on voluntary activities by state and local employees in federal campaigns, if not otherwise prohibited by state law.

Corporations and labor unions are government contractors are permitted to maintain separate, segregated voluntary political funds in accordance with 18 USC 610. (Formerly all contributions by government contractors were prohibited.)

Permits use of excess campaign funds to defray expenses of holding federal office or for other lawful purposes.

Prohibits solicitation of funds by franked mail.

Pre-empts state election laws for federal candidates. This section takes effect upon enactment.

PENALTIES

Increases existing fines to maximum of $50,000.

Candidate for federal offices who fails to file reports may be prohibited from running again for term of that office plus one year.

Effective Date: January 1, 1975 (except for immediate pre-emption of state laws).

PUBLIC FINANCING OF THE PRESIDENTIAL CAMPAIGN

Public financing of the 1976 Presidential election is provided under the new Campaign Reform Bill. Here is the way it works:

GENERAL ELECTION

Each candidate for President is limited to campaign expenditures of $20 million.

Nominees of the major parties are eligible to receive the full $20 million in public funds. Public financing is not mandatory; the candidate may solicit all donations privately. If the candidate "goes private," however, individual contributions are limited to $1,000; organization contributions, $5,000.

Candidates of minor parties (those receiving at least five percent of the vote in the preceding election) are eligible for partial funding based on the percentage of the vote received. A third party receiving at least five percent of the vote in 1976 will be eligible for partial reimbursement of their expenses.

NOMINATING CONVENTIONS

Political parties are limited to expenditures of $2 million for their presidential nominating conventions. A major party is eligible to receive the full $2 million in public funds; however, a party may opt to fund its convention privately. The existing law permitting corporations to take a tax deduction for advertisements in conventions program books is repealed.

PRESIDENTIAL PRIMARIES

Each candidate for the Presidential nomination is limited to campaign expenditures of $10 million. In each state, he may spend no more than twice the amount permitted a Senate primary candidate. In other words, the candidate may spend no more than $200,000 in the New Hampshire primary; $928,000 in Florida.

To be eligible for public funds, a candidate must declare himself a candidate for his party's nomination and begin soliciting small contributions ($250 or less). When the Federal Elections Commission certifies that the candidate has received at least $5,000 from contributors in each of 20 states—for a total of $100,000 in matchable funds—the Secretary of the Treasury will authorize a matching payment of $100,000 from the Dollar Check-Off Fund. Subsequently, each eligible contribution of $250 or less will be matched from the Treasury.

While an individual may contribute $1,000 and an organization may give $5,000 during the pre-nomination period, only the first $250 will be eligible for matching. No cash contributions will be matched; all contributions must show the taxpayer's identification number.

In addition to the $10 million spending limit, the candidate is permitted to spend an additional 10 percent—$2 million—for fundraising costs.

Only contributions raised after January 1, 1975, will be eligible for matching. No public funds will be given out until January 1, 1976.

SOURCE OF PUBLIC FUNDS

The source of all public funding is the Presidential Election Campaign Fund. No additional appropriations legislation is required of Congress. The Fund was established in 1971 and is funded by taxpayers who check off Line 8 on IRS Form 1040, designating $1 of their taxes ($2 on a joint return) for this purpose.

This Dollar Check-Off Fund now contains $30.1 million. If taxpayers check off Line 8 at the same rate as last year, there will be a minimum of $64 million in the fund in time for the 1976 election, and very likely more.

Early in 1976, $44 million will be earmarked for the General Election and the Conventions. The remaining funds will be designated for the primaries. No more than 45 percent may go to candidates of any political party. No candidate is eligible to receive more than one-fourth of public funds available for primaries.

All spending limits are subject to cost-of-living increases, using 1974 as the base year.

The Fund will be under continuing review by the new Federal Election Commission to insure that eligible candidates receive equitable treatment and that adequate money is available to meet obligations required by the act.

PUBLIC FINANCING/ELECTION REFORM COALITION

Center for Public Financing of Elections.
AFL–CIO.
Common Cause.
League of Women Voters.
United Auto Workers.
Ralph Nader's Congress Watch.
Amalgamated Clothing Workers.
American Association of University Women.
American Civil Liberties Union.
American Institute of Architects.
American Federation of State, County and Municipal Employees.
Americans for Democratic Action.
Communications Workers of America.
Friends Committee on National Legislation.
International Association of Machinists.
International Ladies Garment Workers Union.
Leadership Conference on Civil Rights.
League of Conservation Voters.
National Association for the Advancement of Colored People.
National Council of Churches.
National Committee for an Effective Congress.
National Education Association.
National Farmers Union.
National Rural Electric Cooperative Association.
National Women's Political Caucus.
Network.
Religious Committee for Integrity in Government.
Service Employees International Union.
Steelworkers Union.
Union of American Hebrew Congregations.
United Mine Workers.
United Methodist Church.

Mr. BADILLO. Mr. Speaker, the Federal Election Campaign Act amendments which we are considering this afternoon

close a number of important loopholes and inadequacies in current campaign financing and elections laws. Among the notable features of this legislation are the ceilings on expenditures for campaigns for all Federal offices, limits on individual contributions to any single candidate and aggregate contributions for all Federal offices in any single year and restrictions on a candidate's personal financing of his own campaign. I believe this measure represents a significant step forward in campaign reform and for this reason I shall support the conference report.

However, this legislation contains a major gap—the failure to provide for public financing—even at the very least on a matching basis—for House and Senate campaigns. As I stated when we considered the amendments in August:

I cannot understand how the committee could endorse the removal of private money from Presidential races and not concede that the public interest lies in the same treatment of congressional elections.

I cannot see why a double standard should be imposed, particularly after nationwide opinion polls have clearly demonstrated that the American people support public financing for congressional races by an almost 2-to-1 majority.

Full public financing of all Federal elections is a goal we must achieve as soon as possible if confidence in the whole electoral process is to be achieved. We must make the public financing of House and Senate races a key priority in the 94th Congress if we hope to truly reform political campaigns. I intend to continue working toward this important objective and urge our colleagues to join in this effort. The Federal Election Campaign Act amendments of 1974 mark an important advance in election reform but they must be further strengthened if we hope to remove all the grievous abuses of Federal elections which have been amply documented over the past many months.

Mr. KASTENMEIER. Mr. Speaker, I am voting for the conference report on S. 3044—Federal Elections Campaign Act amendments, but I would like to take just a moment to explain some serious reservations I have about certain of its provisions.

First, it must be conceded that the reform measure provides many changes in our campaign financing system that are urgently needed and that can reduce greatly the influence of special interests on governmental decisions. It provides for strict limits on contributions. It provides an independent enforcement commission. And it provides public financing for Presidential primary and general elections. The importance of these reforms cannot be diminished, and the respective committees handling the legislation in both the Senate and the House deserve credit for adopting them.

Despite these beneficial and needed changes, I remain adamantly opposed to campaign spending limits in the conference report which I consider to be scandalously high. When the House considered the campaign reform bill early in August, I spoke for and supported an amendment which would have allowed State spending ceilings to remain in effect when they were established at lower levels than those in the Federal law. The State of Wisconsin, for example, recently enacted a campaign reform measure which would have limited spending in House races to $35,000 for the primary and $50,000 for the general election. I greatly regret that the amendment which would have permitted such stronger State laws to prevail over Federal limitations was defeated.

While that amendment did not succeed, we were successful in reducing the committee bill's ceilings of $75,000 per House primary or general race to $60,000 per election. The amendment would have allowed a 25-percent increase in the ceiling for fund raising costs. Thus each candidate for a House seat could have spent a maximum of $150,000 on the primary and general elections.

Now we have before us a conference report which raises the already excessive spending limits in the House bill. The conference report would allow candidates for the House to spend up to $70,000 in each primary and general election, plus an additional 20 percent for raising expenditures. This means that each candidate could spend up to a maximum of $168,000 in pursuit of a House seat.

The people of Wisconsin will have a great deal of difficulty understanding how a spending limit of that altitude is going to reduce the influence of money in politics. I share their skepticism and pledge that I will work diligently to bring about future reforms that will make campaign spending limits truly limits, rather than invitations to excessive campaign expenditures and corruption.

The excessive spending ceilings coupled with another little noticed provision of the reform bill could lead to major scandals. The conference report includes language which allows a successful candidate to use leftover campaign funds to finance congressional office costs if the Congressman reports on the outlays. This is clearly a provision that strengthens the position of incumbents, and was a more legitimate target of concern for those who feared an incumbents' bill than were spending ceilings that might have been set at reasonable levels.

Mr. BOLAND. Mr. Speaker, I rise in support of S. 3044, the conference report on the Federal Election Campaign Act Amendments of 1974. As one of the original sponsors of H.R. 16090, the House version of this measure, I feel a great sense of accomplishment in seeing campaign reform become a reality in this Congress.

The conference bill before us today retains four basic elements originally incorporated in the House measure. It places limits on the contributions that individuals, organizations and political parties can make to individual candidates and in the aggregate. It sets spending limits for candidates for the House and Senate. The bill also provides public financing of Presidential elections and conventions from the so-called dollar checkoff fund. Lastly, the conference bill sets up an enforcement body made up of members appointed by both Houses and the President which has the power to promulgate regulations, issue subpenas and investigate possible violations.

While these provisions differ in some details with H.R. 16090 as passed by this House, I feel that they represent a substantial restatement of the House bill. Indeed, one change which has been made is a decided improvement. The Board of Supervisors which will oversee compliance and enforcement of the act will now be a full time organization with adequate staff. It will be empowered to issue regulations interpreting the law, seek injunctions, subpena information, and request declaratory judgments or interpretive rulings in the courts.

The bill before us, I am pleased to note, also carries lower spending ceilings for both House and Senate races than were found in the Senate bill. I feel that the limits now contained in the conference report—$70,000 per election for House candidates, $100,000 or 8¢ per voter for Senate primaries and $150,000 or 12¢ per voter for Senate general elections—do provide the public with a modicum of protection from bought elections, yet allow enough spending to permit challengers to put their program before the electorate, to counter the natural advantages of the incumbent.

I am disappointed with one aspect of the bill before us. It no longer contains any provision for mixed public-private funding of congressional and senatorial campaigns. This was a proposal which I helped initiate. I have said before on the floor of this Chamber that such a system would truly return political decision making back to the individual taxpaying citizens of this country. Public funds would have been provided under this scheme only where a good number of small contributions from private citizens had established the broadness of a candidate's political base. Thereafter, Federal funds would have been made available on a matching basis from the dollar checkoff fund, but only after complete Presidential funding was assured. In other words, only serious candidates would have qualified for this aid. It would not have in any way diminished Presidential campaign public funding and all the money that would have been spent would have come from the conscious checkoffs of American taxpayers who believed in public assistance in financing Federal elections.

I am disappointed that the public-private mixed funding of congressional campaigns is not in the bill before us simply because if this approach can help put the little guy back in the political picture in Presidential elections, it certainly would have the same, if not greater, effect in congressional races. If big money has too important a hold in Presidential elections, how much more powerful an influence does it have in smaller, congressional races.

Mr. Speaker, I am hopeful that as the Presidential campaign financing features of this bill unfold in the 1976 elections, as they provide us with one of the most even expenditure matches in this century, that all citizens and Members

of this House will come to see the necessity to extend that same coverage to include congressional elections as well. Only then can we claim complete reform of Federal elections law that this bill purports to provide.

I want to make it clear, however, that I strongly support the election reform package represented by this conference report. It constitutes the first decent legacy of the Watergate scandal. I am confident that it will go a long way indeed to prevent such abuses as occurred in connection with that tragic episode in our country's history.

I therefore urge that we adopt the conference report today. In so doing we will be doing our best to convince a skeptical public that we really want to put our house in order after Watergate, and that it is not going to be business as usual all over again. That is the message that I get from my constituents. They feel that more has got to come of this crisis we have just weathered than just rhetoric. The first test of whether that is so comes today. There will be further tests; 1976 will be one. That is because another legacy of Watergate is increased public awareness of congressional self-regulation. As proof, I would like to include in the RECORD at this point an editorial, dated October 7, 1974, from the Springfield Daily News of Springfield, Mass., which only too clearly makes this point:

CAMPAIGN REFORM

If there is any consolation emerging from the Watergate scandals, it is that they have placed renewed emphasis on the need for governmental reforms in general, and for election reforms in particular.

The Watergate conspiracy was basically an attempt to undermine an election—involving secret contributions, "dirty tricks" to discredit rival candidates, break-ins and buggings, and an abuse of power both by individual officials and government agencies.

In its final report, the Ervin Committee recommended a series of campaign reforms to Congress, and the results have been encouraging so far.

A House-Senate conference committee has agreed upon a campaign reform law that would limit spending and contributions in all federal elections and provide government subsidies for presidential candidates.

For example, Democratic and Republican nominees for President would be limited to spending $20 million each. But all of that amount would be furnished from federal funds raised by the check-off option on income tax returns.

In the presidential primaries, every candidate would be allowed to spend a maximum of $10 million—with government subsidies of up to $5 million allocated in amounts equal to what a candidate raised in private contributions.

The interesting feature is that to be eligible for matching funds, the candidate would have to collect the first $100,000 in donations of less than $250. Supposedly, this would demonstrate he had broad-based popular support and did not appeal just to the big contributors.

Congressional elections would be subject to similar ceilings. But—with this big difference from presidential balloting—there would be no public financing of congressional races.

Congressmen, with a keen eye to protecting their own power and positions on Capitol Hill, realized that public funding means they would have well-financed opponents in both primary and general elections.

Meanwhile, the prospect is that the campaign funding bill will pass—marking a major reform by Congress in the wake of Watergate.

Mr. BAUMAN. Mr. Speaker, I am compelled to vote against this conference report for a number of reasons, although I fully support the principle of true election law reform.

First and most importantly, I believe that the provisions of this bill which restrict an individual's right to contribute more than certain amounts to a candidate in a Federal election may well impose an unconstitutional restraint on his or her freedom to communicate their views, or support a candidate who represents those views. Indeed, many of my colleagues have admitted that numerous parts of this bill are of dubious constitutionality.

Equally important is the serious undermining of the two-party system which will occur once the full impact of this legislation is felt. The limitation placed on each political committee as to the amounts it may contribute to individual candidates for Federal office may seriously curtail the need for a particular party's support. Further than that, the provisions that allow Federal financing of Presidential primaries, general elections, and party conventions, in my view, subject both major parties, and any third parties that may qualify, to the strong possibility of Federal supervision and control. The Supreme Court has held many times, and it has been admitted on the floor today, that Federal financing means Federal control. I can think of nothing more destructive of the Republican or Democratic Parties' right to conduct its own affairs, than the possibilities of the Federal intervention which this bill surely will produce. I can also foresee numerous lawsuits demanding quota systems, for example, governing the makeup of State delegations to national political conventions. The possibilities are endless, and they all point to the demise of the two-party system, once the principle of Federal financing is accepted.

Using taxpayers money to finance elections is bad enough in itself, but as this conference report is written the lion's share of Federal money will go to the party which produces the most candidates in Presidential primaries. I predict with some certainty that there will be many more Presidential hopefuls coming out of the woodwork in 1976 now that the Federal Treasury and the taxpayer's pocket is to be the source of their financing.

Perhaps the most serious omission in this legislation, as I read it, is the total lack of any provision controlling the "in kind" contributions consisting of goods and services, as well as "educational" expenditures, by such groups as labor unions. Any true election reform would certainly contain restrictions on this kind of often clandestine and unreported political activity which in a close election contest can make all the difference. Yet, this serious threat to the democratic system is untouched by this bill.

Lastly, I would tend to agree with my colleague from Wisconsin (Mr. STEIGER) in his analysis that this bill is an incumbent Congressman's dream. It cuts down on the number of reports which must be filed which, while convenient for the Congressman, does nothing to enhance full disclosure of election expenditures. It also specifically permits the use of House and Senate funds for reelection purposes—something that is available only to incumbents and must come out of the taxpayers' pocket. Amazingly, this bill exempts from disclosure such expenditures. Such special expenditures for incumbent Members, together with the strict limitation on spending which will apply to challengers, will do much in my opinion to insure the re-election of incumbents for years to come, and that is certainly not election reform.

Mr. Speaker, there are many good provisions in this legislation, but the serious inadequacies which I have described force me to oppose this conference report. While it has become fashionable to support "election reform," this measure is the antithesis of election reform, and I therefore must oppose it.

Mrs. HECKLER of Massachusetts. Mr. Speaker, it is little wonder that in the wake of the Watergate revelations and the disclosure of the "dirty tricks" of the 1972 Presidential campaign, a major outcry was heard from the American public demanding a thorough cleansing of our electoral process.

Today Congress is responding to the outrage and indignation expressed by so many voters with the Federal Election Campaign Act Amendments of 1974, the most comprehensive campaign finance reform measure in the history of our country.

No single piece of legislation before Congress in this session has more potential for ending illegal contributions, slush funds, and the other types of campaign corruption which have surfaced during the last administration and during several previous administrations.

The importance of the changes which we are making in the campaign finance process today is that these reforms will lead to the restoration of confidence in the integrity of our political process by making campaigns public business.

The historic reforms incorporated in this legislation represent a major step forward. For the first time we have insured that Presidential primaries and general election campaigns will not be dependent on large donations from special interests who expect favors in return for their money.

In 1976 the Presidential Election Campaign Fund composed of voluntary taxpayer contributions through the dollar checkoff on their individual tax returns will finance the Presidential primaries and general elections of the two major candidates.

In the future I hope to see public financing extended to all congressional races. In August when the Federal Elections Campaign Act amendments were before the House for consideration, I voted in favor of an amendment which would have provided partial public financing of House and Senate campaigns by providing for matching Federal

funds to be raised from the dollar checkoff fund of individual tax contributions. This important amendment was defeated in the House and was not included in the final version of the bill agreed upon by the House and Senate conferees.

One of the most important provisions of the legislation before us is the creation of a strong and independent Federal Elections Commission which will oversee all Federal elections and be empowered to enforce the new law by subpenaing witnesses, conducting investigations of campaign abuses, and by bringing civil suits to court.

Of monumental importance in reforming the election process are the campaign spending limitations and contribution limitations included in the bill. The provisions of the Federal Election Campaign Act amendments achieve new and realistic limits to campaign spending.

Reasonable restrictions on individual and group contributions to congressional or Presidential candidates limit individual contributions to $1,000 per candidate in the primary and in the general election with an aggregate limitation of $25,000 to all candidates and political committees during a 2-year period.

An organization is prohibited from contributing more than $5,000 to any one candidate for Federal office in the primary election and also in the general election.

Congress cannot take full credit for these essential campaign reforms. Organizations such as Common Cause, the Center for Public Financing, and the National Committee for an Effective Congress were major catalysts in convincing Congress of the urgency of these measures.

The Federal Election Campaign Act amendments are designed to fortify the very roots of our democratic system—our electoral process. I hope this reform therapy will be effective.

Mr. McCLORY. Mr. Speaker, I rise in support of this conference report. Through the enactment of these Federal Election Campaign Act amendments, we can help bring about fundamental improvements in the way in which America chooses its elected leadership. I especially want to commend the House conferees who did such an excellent job in representing the position of the House while working toward a strong reform bill that can become law this year.

Mr. Speaker, with respect to the issue of public financing for congressional campaigns, which constituted one of the major points of controversy between the two bodies, I want to thank our conferees for their successful advocacy of the House position. I believe it would be premature, to say the least, for the law to provide public financing for all Federal election campaigns, when we have yet had any actual experience with public financing. We at least owe the American taxpayer the consideration of evaluating the results from the public financing of Presidential campaigns, which this bill mandates, before we begin to charge him for all Federal campaign costs. This only makes sense, Mr. Speaker, and I am relieved that the House position has been retained in this very important respect. Let public financing achieve in practice the lofty goals which its advocates forecast, before extending it to all Federal campaigns.

Mr. Speaker, this legislation will give a real boost to the public's right to know in the campaign area with its admirable plugging of several old loopholes in the financial disclosure provision of the Federal Election Campaign Act. Campaign finances will be even more completely open to public inspection than at present so that the voter may examine the financial aspects of a candidate's support. The disclosure provisions of this conference report will insure that much more information than is now required will be fully available for public scrutiny and assessment.

However, the measure has two egregious defects. First, it fails to require accountability with regard to labor organizations and other political action groups regarding individual contributions—and in such cases, it does not require the identity of persons making contributions, and fails to designate the candidates whom the various contributors desire to support. It leaves those decisions up to the labor leaders—or organizations' officers.

Second, the measure fails to measure in terms of campaign contributions the extensive services provided in the form of campaign workers, and telephone teams, and such personal services as are regularly provided by labor organizations in support of their favorite candidates.

These defects should have been corrected and, in any event, should be the subject of further legislation at an early date.

Mr. HAYS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HAYS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 365, noes 24, answered "present" 1, not voting 44, as follows:

[Roll No. 597]

AYES—365

Abdnor	Beard	Broomfield
Abzug	Bell	Brotzman
Adams	Bennett	Brown, Calif.
Addabbo	Bergland	Brown, Mich.
Alexander	Bevill	Brown, Ohio
Anderson, Calif.	Biaggi	Broyhill, N.C.
Anderson, Ill.	Biester	Broyhill, Va.
Andrews, N.C.	Bingham	Buchanan
Andrews, N. Dak.	Blatnik	Burgener
Annunzio	Boggs	Burke, Calif.
Arends	Boland	Burke, Mass.
Ashley	Bolling	Burleson, Tex.
Aspin	Bowen	Burlison, Mo.
Badillo	Brademas	Burton, John
Bafalis	Bray	Burton, Phillip
Baker	Breaux	Butler
Barrett	Breckinridge	Byron
	Brinkley	Carney, Ohio
	Brooks	Carter
	Casey, Tex.	Heckler, Mass.
	Cederberg	Heinz
	Chamberlain	Helstoski
	Chappell	Henderson
	Chisholm	Hicks
	Clancy	Hillis
	Clark	Hinshaw
	Clausen, Don H.	Hogan
	Clay	Holifield
	Cleveland	Holtzman
	Cochran	Horton
	Cohen	Hosmer
	Collier	Howard
	Collins, Ill.	Hudnut
	Conlan	Hungate
	Conte	Hutchinson
	Corman	Ichord
	Cotter	Johnson, Calif.
	Coughlin	Johnson, Pa.
	Cronin	Jones, N.C.
	Culver	Jones, Okla.
	Daniel, Dan	Jones, Tenn.
	Daniel, Robert W., Jr.	Jordan
	Daniels, Dominick V.	Karth
	Danielson	Kastenmeier
	Davis, Ga.	Kazen
	Davis, S.C.	Kemp
	Davis, Wis.	Ketchum
	Delaney	King
	Dellenback	Kluczynski
	Dellums	Koch
	Denholm	Kuykendall
	Dennis	Kyros
	Dent	Lagomarsino
	Derwinski	Landrum
	Devine	Latta
	Diggs	Leggett
	Dingell	Lehman
	Donn	Lent
	Downing	Litton
	Drinan	Long, La.
	Dulski	Long, Md.
	du Pont	Lott
	Eckhardt	Lujan
	Edwards, Ala.	Luken
	Edwards, Calif.	McClory
	Eilberg	McCloskey
	Erlenborn	McCollister
	Esch	McCormack
	Eshleman	McDade
	Evans, Colo.	McEwen
	Evins, Tenn.	McFall
	Fascell	McKay
	Findley	McSpadden
	Fish	Macdonald
	Fisher	Madden
	Flood	Madigan
	Flowers	Mahon
	Flynt	Mallary
	Foley	Mann
	Ford	Maraziti
	Forsythe	Martin, N.C.
	Fountain	Mathis, Ga.
	Fraser	Matsunaga
	Frelinghuysen	Mayne
	Frenzel	Mazzoli
	Frey	Meeds
	Froehlich	Melcher
	Fulton	Metcalfe
	Fuqua	Mezvinsky
	Gaydos	Milford
	Gettys	Miller
	Giaimo	Minish
	Gibbons	Mink
	Gilman	Mitchell, Md.
	Ginn	Mitchell, N.Y.
	Goldwater	Mizell
	Gonzalez	Mollohan
	Grasso	Montgomery
	Gray	Moorhead, Calif.
	Green, Oreg.	Moorhead, Pa.
	Green, Pa.	Morgan
	Griffiths	Mosher
	Grover	Moss
	Gubser	Murphy, Ill.
	Gude	Murphy, N.Y.
	Gunter	Murtha
	Guyer	Myers
	Haley	Natcher
	Hamilton	Nedzi
	Hammer-schmidt	Nelsen
	Hanley	Nichols
	Hanna	Nix
	Hanrahan	Obey
	Hansen, Wash.	O'Brien
	Harsha	O'Hara
	Hastings	O'Neill
	Hawkins	Owens
	Hays	Parris
	Hechler, W. Va.	Patman
		Patten
		Pepper
		Perkins
		Pettis
		Peyser
		Pickle
		Pike
		Preyer
		Price, Ill.
		Price, Tex.
		Quie
		Quillen
		Railsback
		Randall
		Rangel
		Rees
		Regula
		Reid
		Reuss
		Rhodes
		Rinaldo
		Roberts
		Robinson, Va.
		Robison, N.Y.
		Rodino
		Roe
		Rogers
		Roncallo, N.Y.
		Rooney, Pa.
		Rose
		Rosenthal
		Rostenkowski
		Roush
		Roy
		Roybal
		Runnels
		Ruppe
		Ruth
		St Germain
		Sandman
		Sarasin
		Sarbanes
		Satterfield
		Scherle
		Schneebeli
		Schroeder
		Sebelius
		Seiberling
		Shipley
		Shoup
		Shriver
		Shuster
		Sikes
		Sisk
		Slack
		Smith, Iowa
		Smith, N.Y.
		Spence
		Staggers
		Stanton, J. William
		Stanton, James V.
		Stark
		Steelman
		Stokes
		Studds
		Sullivan
		Symington
		Talcott
		Taylor, Mo.
		Taylor, N.C.
		Teague
		Thompson, N.J.
		Thomson, Wis.
		Thone
		Thornton
		Tiernan
		Traxler
		Udall
		Ullman
		Van Deerlin
		Vander Veen
		Vanik
		Veysey
		Vigorito
		Waldie
		Walsh
		Ware
		Whalen
		Whitten
		Widnall
		Williams
		Wilson, Bob
		Wilson, Charles H., Calif.
		Wilson, Charles, Tex.
		Winn
		Wolff
		Wyatt
		Wydler
		Wylie
		Wyman
		Yates
		Yatron

Young, Alaska	Young, Ill.	Zion
Young, Fla.	Young, Tex.	Zwach
Young, Ga.	Zablocki	

NOES—24

Archer	Gross	Rousselot
Armstrong	Holt	Skubitz
Ashbrook	Jarman	Steed
Bauman	Jones, Ala.	Steiger, Ariz.
Camp	Landgrebe	Steiger, Wis.
Collins, Tex.	Martin, Nebr.	Treen
Crane	Poage	Waggonner
Goodling	Rarick	Wiggins

ANSWERED "PRESENT"—1

Vander Jagt

NOT VOTING—44

Blackburn	Hunt	Ryan
Brasco	Johnson, Colo.	Snyder
Burke, Fla.	McKinney	Steele
Carey, N.Y.	Mathias, Calif.	Stephens
Clawson, Del	Michel	Stratton
Conable	Mills	Stubblefield
Conyers	Minshall, Ohio	Stuckey
de la Garza	Moakley	Symms
Dickinson	Passman	Towell, Nev.
Donohue	Podell	Wampler
Duncan	Powell, Ohio	White
Hansen, Idaho	Pritchard	Whitehurst
Harrington	Riegle	Wright
Hébert	Roncalio, Wyo.	Young, S.C.
Huber	Rooney, N.Y.	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Stratton for, with Mr. Hébert against.
Mr. Hunt for, with Mr. Passman against.
Mr. Harrington for, with Mr. Powell of Ohio against.
Mr. Duncan for, with Mr. Symms against.

Until further notice:

Mr. Carey of New York with Mr. Hansen of Idaho.
Mr. Moakley with Mr. Steele.
Mr. de la Garza with Mr. Snyder.
Mr. Donohue with Mr. Young of South Carolina.
Mr. Conyers with Mr. Mills.
Mr. Rooney of New York with Mr. Blackburn.
Mr. Stephens with Mr. Huber.
Mr. Ryan with Mr. Dickinson.
Mr. Riegle with Mr. Burke of Florida.
Mr. Wright with Mr. Whitehurst.
Mr. White with Mr. Del Clawson.
Mr. Stuckey with Mr. Wampler.
Mr. Stubblefield with Mr. Towell of Nevada.
Mr. McKinney with Mr. Mathias of California.
Mr. Conable with Mr. Minshall of Ohio.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERSONAL EXPLANATION

Mr. DULSKI. Mr. Speaker, on October 8, 1974, I missed several rollcalls. I would like the RECORD to show that had I been present and voting, I would have voted as follows: rollcall No. 582, "aye"; rollcall No. 583, "aye"; rollcall No. 584, "no"; rollcall No. 585, "aye"; rollcall No. 586, "no"; rollcall No. 587, "no"; rollcall No. 588, "aye"; rollcall No. 589, "aye."

PERSONAL EXPLANATION

Mr. DEVINE. Mr. Speaker, on rollcall No. 591 yesterday on the Agriculture appropriations, I was delayed on a long-distance phone call. I entered the Chamber as the rollcall ended. If I had been present, I would have voted "no."

NEEDED—CONTROL OVER FOREIGN INVESTMENT

(Mr. WYMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. WYMAN. Mr. Speaker, I take this minute to remind my colleagues that unless and until the exorbitant prices demanded for oil by the OPEC nations are cut at least in half, the world invites both a financial crisis and a serious risk of buy-ins of American businesses and real estate by foreign money barons. With the levels presently prevailing in the stock market in this country, the opportunity to purchase controlling interests in important—as well as security-related—U.S. industries has never been more opportune.

We must act now to limit foreign investment in this country. It is to no avail to claim we might later see fit to expropriate. Two wrongs do not make a right. What is needed is constructive action to limit foreign investment in U.S. companies to something less than control. This is provided against in my bill, H.R. 16848, presently pending before the Commerce Committee.

Under the provisions of my bill, foreign investment in any American corporation cannot exceed 49 percent of controlling interests. A cabinet-styled committee is enjoined to review the situation and to make recommendations to the Congress for a lower percentage where advisable, including the power to exclude foreign investment in patently security-related companies.

Unless immediate action is taken to implement such a program, we face a literal invasion of foreign capital in which many citizens would find themselves working for foreign masters. Such a prospect is intolerable and I urge and seriously recommend immediate and favorable action on my bill, the "Foreign Investment and Control Act of 1974."

(Mr. MARTIN of North Carolina asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

[Mr. MARTIN of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

CONFERENCE REPORT ON H.R. 12628, VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1974

Mr. DORN. Mr. Speaker, I call up the conference report on the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 7, 1974.)

Mr. DORN (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

GENERAL LEAVE

Mr. DORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

(Mr. DORN asked and was given permission to revise and extend his remarks.)

Mr. DORN. Mr. Speaker, when H.R. 12628 was originally passed by the House on February 19, 1974, its major provision was a proposal to increase by 13.6 percent all of the rates of educational allowances for veterans and their eligible dependents. For example, the present rate for a single veteran pursuing full-time training is $220 per month. The House proposed to increase this rate to $250 per month with comparable increases in cases where dependents are involved.

On June 19, 1974, the Senate took action on H.R. 12628 by substituting the full text on its version of a veterans' education bill contained in S. 2784. As thus passed by the Senate the bill increased the basic monthly rates by 18 percent, for example, $220 per month to $260 per month, and added as an integral part of the rate package a new partial tuition allowance under a formula which in the average case would provide the veteran with an additional $720 per school year. I am sure that many Members are familiar with the problems and abuses arising from the tuition payment portion of the original World War II GI bill. Following an extended inquiry by a House select committee, the Korean conflict GI bill was formulated which discarded any form of so-called tuition payment and provided a single monthly allowance directly to the veteran. This philosophy was continued in the 1966 cold-war GI bill and has been maintained as congressional policy ever since. In the light of this background, the House managers rejected any form of tuition payment, either to the institution or to the veteran, but in order to reach

a compromise on this point, agreed to an increase in the basic rates of 22.7 percent, for example, $220 to $270 per month, and the Senate conferees concurred.

Each version of the bill also proposed to liberalize the eligibility requirements for vocational rehabilitation for present and future veterans with a service-connected disability. The basic objective sought in each version is now contained in the conference bill.

The original conference report, filed August 19, 1974, provided the same 22.7-percent increase to the subsistence allowance authorized for vocational rehabilitation trainees—about 2 percent of the total—as authorized for all of the other educational trainees. In this area a point of order was raised upon consideration of the conference report on August 22 that the mentioned increase in vocational rehabilitation rates exceeded the increase proposed by either the House or Senate bill. Accordingly, it was urged that the conferees exceeded their authority in this regard. When the point of order was sustained, the chairman of the House managers immediately moved that the House recede from its disagreement to the Senate amendment to the text of the bill, H.R. 12628, and agree to the same with a substitute amendment. This substitute amendment which was passed unanimously by the House returned the bill to the other body in the same form as recommended by the conferees with the following exceptions: First, the rate increase for vocational rehabilitation subsistence allowances was reduced to 18 percent, to comply with the point of order; second, the extension of maximum entitlement from the present 36 months to 45 months was deleted; and third, the veterans' education loan provisions were deleted.

Accordingly, conferees were reappointed to resolve the differences between the House substitute amendment of August 22 and the original Senate-passed bill, S. 2784.

The House and Senate conferees have been in agreement from the outset with respect to provisions dealing with certain minor liberalizations of the veterans' educational programs, as well as provisions covering job counseling, training and placement service, employment and training of disabled and Vietnam era veterans and veterans' reemployment rights. The present conference report covering these subjects contains no substantive changes and are discussed in more detail in the accompanying joint explanatory statement of the committee on conference.

Under the present law, veterans are limited to a maximum of 36 months of education and training. The House amendment contained no provision with respect to this maximum but the Senate bill proposed to increase this period from 36 months to 45 months. In conference the House managers were persuaded by certain cogent justification for an increase in entitlement in certain hardship cases and therefore concurred in a liberalization which would authorize an additional number of months, not exceeding nine, as may be utilized in pursuit of a program of education leading to a standard college degree.

The Senate substitute proposed to establish a new student loan program to be administered by the veterans administration and funded through the National Service Life Insurance trust fund. Such loans would be limited to a maximum of $2,000 and available only if the veteran is unable to receive a student loan from the Federal programs, primarily administered by HEW. The House managers were reluctant to see the VA embark on such a new type of activity but receded from its position subject to a reduction in the maximum available loan in the amount of $600 and elimination of the funding of the program through the National Service Life trust fund. Under the conference agreement, a special revolving fund would be established and funded through the usual appropriations for readjustment benefits.

As we have stressed in the managers statement, the house conferees are concerned that excessive default rates at certain institutions might jeopardize the success of the program. In this connection, recent publicity has indicated that approximately one fourth of all student loans under programs administered by HEW are in default. Accordingly, both committees will closely monitor default experience and expect the administrator not only to so monitor but take aggressive steps to pursue and effect collections wherever possible. Further, the conferees direct the administrator to utilize his new authority contained in the bill with respect to deceptive and misleading advertising, to take affirmative steps to prevent any questionable sales or enrollment practices utilizing advertising about the availability of the new loan program as a promotional technique. The conferees recognize that in meritorious cases additional loan facilities may be vital to students in pursuing their educational program but it should be made crystal clear that this is not in any way intended as a "handout" program and appropriate corrective measures will be taken in the event of abuses.

For the record, I feel that it is imperative to set clear your conferees' philosophy as to the fiscal impact of this legislation. In the first place, there is a complete unanimity of view that in the light of the spiraling cost of living the present training allowances are greatly inadequate. In recent public utterances, the President has indicated that an increase of approximately 18 or even 20 percent would be justified. This would be true from the standpoint solely of the increase in cost of living; however, testimony before both Houses has made it abundantly clear that the tuition costs in all institutions, but particularly those charged by private institutions have far outridden the cost of living as reflected by the consumers' price index and your conferees were convinced that this factor cannot be ignored. Accordingly, it seems to me that an additional 5 percent above the increase which the President suggests is fully justified. It is not at all irrelevant to take note of the alarming increase in the rate of unemployment, particularly involving those young men and women of school age. Further, your conferees have noted the significance of the President's most recent economy speech to the Congress which included a recommendation for increases in unemployment compensation benefits and the creation of a brand-new community improvement corps through short-term useful work projects, such standby program to be geared to the unemployment rate. With these factors in mind, it seems eminently desirable not only from a fiscal but also a sociological standpoint to improve the availability of greater educational benefits for our young men and women who have served in the armed services, including certain of their wives, widows, and orphan children. In this way we will provide improved opportunity for our young people to pursue further education, thus relieving, in part, the unemployment problem and lessening the necessary magnitude of the proposed new community improvement corps. The first GI bill was enacted over 30 years ago. Since that time highly reputable studies have demonstrated beyond any doubt that the original cost of these programs have been offset many times by the resulting increase in tax revenues and, more importantly, a significant raising in the educational level of our citizenry.

I sincerely feel that the provisions of the conference report now before the House for consideration are generous from the standpoint of the veterans concerned and represent an appropriate recognition by the Congress of the need to maintain a strong and viable educational assistance program for our veterans. I therefore strongly recommend approval of this report by the House.

Mr. Speaker, I insert for the record at this point a table showing the 5 year estimated cost of the conference report on H.R. 12628. It will be noted that the estimate for the first full year, including about $75 million for the loan revolving fund, will be $869.8 million.

The table follows:

PRESIDENT FORD'S REMARKS AT BILL SIGNING CEREMONY

Federal Election Campaign Act Amendments of 1974

The President's Remarks at the Bill Signing Ceremony at the White House. October 15, 1974

Distinguished Members of the Congress, and guests:

It is really a great privilege for me to have a part in what I think is historic legislation. As all of my good friends from the Congress know, a tremendous amount of work, a lot of extra labor, went into the putting together of this legislation.

Quite frankly, I had some strong reservations about one version or one provision or another of the legislation, and I suspect some of the people here on both sides of the aisle have the same.

But we got together in a spirit of cooperation, a willingness to work together, to give a little and take a little, and the net result is legislation that I think the American people want. It is legislation for the times.

I am not telling you any secrets. I have some reservations about the final version. But, in the spirit of cooperation and compromise, I think it ought to be signed and become a part of our statutory law.

I can assure you from what I have heard, from the American people in writing and other communications, they want this legislation. So, it will soon be law. I think we do recognize that this legislation seeks to eliminate to a maximum degree some of the influences that have created some of the problems in recent years. And if that is the end result, certainly it is worth all the labor and all the compromises that were necessary in the process.

Now, this is a major step in one direction. To a substantial degree, there will be a degree of public financing. As long as it stays within the checkoff system, I am willing to go along with it. And I hope that the American taxpayers, as they make out their returns in the years ahead, will be generous so that those campaigns can and will be adequately financed.

Well, what it all comes down to, in my judgment, is that between a Congress controlled by one party, a White House in the hands of another, and a working cooperation between the Senate and the House, and the hard working members of that conference—I guess you were part of that, weren't you, Wayne—[*laughter*]—we ended up with some legislation that I think deserves the support of the American people, and I think they will support it.

I congratulate the conferees, the House and the Senate, and the people from the outside who had a significant impact in urging the Congress and the White House to be forthcoming.

So, I think this is a good day for 213 million Americans.

Thank you very, very much.

NOTE: The President spoke at 4:20 p.m. in the East Room at the White House. As enacted, the bill (S. 3044) is Public Law 93-443, approved October 15, 1974.

Federal Election Campaign Act Amendments of 1974

Statement by the President Upon Signing the Bill Into Law, While Expressing Reservations About Certain of Its Provisions. October 15, 1974

Today I am signing into law the Federal Campaign Act Amendments of 1974.

By removing whatever influence big money and special interests may have on our Federal electoral process, this bill should stand as a landmark of campaign reform legislation.

In brief, the bill provides for reforms in five areas:

—It limits the amounts that can be contributed to any candidate in any Federal election, and it limits the amounts that those candidates can expend in their campaigns.

—It provides for matching funds for Presidential primaries and public financing for Presidential nominating conventions and Presidential elections through use of the $1 voluntary tax checkoff.

—It tightens the rules on any use of cash, it limits the amount of speaking honorariums, and it outlaws campaign dirty tricks.

—It requires strict campaign financial reporting and disclosure.

—It establishes a bipartisan six-member Federal election commission to see that the provisions of the act are followed.

Although I support the aim of this legislation, I still have some reservations about it—especially about the use of Federal funds to finance elections. I am pleased that the money used for Federal financing will come from the $1 checkoff, however, thus allowing each taxpayer to make his own decision as to whether he wants his money spent this way. I maintain my strong hope that the voluntary contribution will not become mandatory and that it will not in the future be extended to Congressional races. And although I do have reservations about the first amendment implications inherent in the limits on individual contributions and candidate expenditures, I am sure that such issues can be resolved in the courts.

I am pleased with the bipartisan spirit that has led to this legislation. Both the Republican National Committee and the Democratic National Committee have expressed their pleasure with this bill, noting that it allows them to compete fairly.

The times demand this legislation.

There are certain periods in our Nation's history when it becomes necessary to face up to certain unpleasant truths.

We have passed through one of those periods. The unpleasant truth is that big money influence has come to play an unseeming role in our electoral process. This bill will help to right that wrong.

I commend the extensive work done by my colleagues in both houses of Congress on this bill, and I am pleased to sign it today.

NOTE: As enacted, the bill (S. 3044) is Public Law 93–443, approved October 15, 1974.

Future Farmers of America

The President's Remarks to the 47th Convention of the FFA at Kansas City, Missouri. October 15, 1974

Thank you very, very much, President Mark Mayfield, the 13,000 Future Farmers of America registered for this wonderful 47th Convention, the 500,000 Future Farmers of America in every State of the Union, and your guests:

It is a great privilege and a very high honor to have an opportunity of participating in this wonderful convention, and I thank you. And I thank you on behalf of Betty because she wanted me to come, too.

One week ago I asked the Congress and the American people to help me revitalize the economy, slow inflation, and save energy. At that time I proposed specific and urgent actions.

The American people, I can report tonight, have responded magnificently. A great citizens' mobilization has begun and is beginning to roll. It is already evident here in this eager, up-beat convention of Future Farmers of America. And I thank you from the bottom of my heart.

In this last week, I have received inflation-fighter enlistments from Americans of every conceivable occupation, economic circumstances, and political persuasion. Support has been freely offered by organizations and groups representing all ages, races, religions, and reaching into every corner of our great land.

America is arousing itself, as it always does in time of great challenge, to prove that we are a people who can do anything we want to do when we really want to do it. We are going to win in America.

Now some have said that instead of asking Congress and the Nation to bite the bullet, I offered only a marshmallow. Well, I had already asked the Congress to postpone for 3 months a 5.5 percent pay increase for Federal Government employees which would have saved $700 million. Congress wouldn't even chew that marshmallow. They haven't, as yet, shown much appetite for some of the other "marshmallows" in my latest message.

But if they don't like the menu, I may be back with some tough turkey.

It is my observation and view that the American people are hungry for some tough stuff to chew on in this crisis. I don't know of any better place to look to the future of America than right here in the 13,000 faces of the Future Farmers of America.

I don't see anyone in this auditorium, not one, wearing a button that says "Lose." You want to win, and we are going to win.

When your State presidents came to Washington last July during a time of tension in our national affairs, I pointed out to them that people around the world have great faith in America. I asked Future Farmers to have confidence in themselves, in our system of Government, and in our free competitive society.

I appreciated their response and your response. I think it is well expressed in the creed of the Future Farmers. I believe with you, for example, "in the future of farming, with a faith born not of words but of deeds . . . in the promise of better days through better ways, even as the better things we now enjoy have come to us from the struggles of former years." It couldn't be expressed better.

Number one of the major points in my address to the Congress last week was food. In a war against inflation, farmers are the front line soldiers. They have done a great job in America, making our country the bread basket of the world.

To halt higher food prices, obviously we must produce more food. I called upon, in that message, every farmer to grow to full capacity, in return—and properly so—I promised every farmer the fuel and the fertilizer that he needs to do the job, plus a fair return for the crops that he produces.

It is not only the young people in this auditorium who must lend their hands and their hearts to this task. I need help from young Americans all over this great land. The creative energy and the enthusiasm of youth in my judgment is our sure guarantee of winning.

But in all honesty, youth has the most to gain. Restoring stability and strength to our economy doesn't call for sacrifices so much as for contributions to one's own future well-being.

Last Saturday 22 members of the Citizens' Action Committee to Fight Inflation met with me at the White House. It was a beautiful fall afternoon, and I am sure many would have preferred on that committee to watch their favorite football game, or play some golf, or be with their family.

But I am deeply grateful that this fine committee took the time and made the effort to join with me on a Saturday to work on our national enemy number one.

Let me stress this point, if I could: This is a volunteer working committee, a completely nonpartisan group dealing with a nonpartisan problem. It will seek to mobilize America against inflation and for energy conservation.

I told the committee that if there was a scintilla of partisanship or if the group seemed to be merely a front for the White House its efforts would be doomed to failure.

Columnist Sylvia Porter, who has agreed to serve as national chairperson of this committee, responded that if I tried to manipulate the committee or seek to influence its actions, she and the other members would not participate. We understand each other.

PUBLIC LAW
93-443

Public Law 93-443
93rd Congress, S. 3044
October 15, 1974

An Act

88 STAT. 1263

To impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

Federal Election Campaign Act Amendments of 1974. 2 USC 431 note.

TITLE I—CRIMINAL CODE AMENDMENTS

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 101. (a) Section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b)(1) Except as otherwise provided by paragraphs (2) and (3), no person shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $1,000.

"(2) No political committee (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $5,000. Contributions by the national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States shall not exceed the limitation imposed by the preceding sentence with respect to any other candidate for Federal office. For purposes of this paragraph, the term 'political committee' means an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 for a period of not less than 6 months which has received contributions from more than 50 persons and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

"Political committee." Post, p. 1276.

"(3) No individual shall make contributions aggregating more than $25,000 in any calendar year. For purposes of this paragraph, any contribution made in a year other than the calendar year in which the election is held with respect to which such contribution was made, is considered to be made during the calendar year in which such election is held.

"(4) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate, in writing, to accept contributions on his behalf shall be considered to be contributions made to such candidate; and

"(B) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(5) The limitations imposed by paragraphs (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

"(6) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.

"(c)(1) No candidate shall make expenditures in excess of—

"(A) $10,000,000, in the case of a candidate for nomination for election to the office of President of the United States, except that the aggregate of expenditures under this subparagraph in any one State shall not exceed twice the expenditure limitation applicable in such State to a candidate for nomination for election to the office of Senator, Delegate, or Resident Commissioner, as the case may be;

"(B) $20,000,000, in the case of a candidate for election to the office of President of the United States;

"(C) in the case of any campaign for nomination for election by a candidate for the office of Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 8 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) $100,000;

"(D) in the case of any campaign for election by a candidate for the office of Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 12 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) $150,000;

"(E) $70,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Representative in any other State, Delegate from the District of Columbia, or Resident Commissioner; or

"(F) $15,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Delegate from Guam or the Virgin Islands.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States; and

"(B) an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(i) an authorized committee or any other agent of the candidate for the purposes of making any expenditure; or

"(ii) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure.

"(3) The limitations imposed by subparagraphs (C), (D), (E), and (F) of paragraph (1) of this subsection shall apply separately with respect to each election.

Rules. "(4) The Commission shall prescribe rules under which any expenditure by a candidate for Presidential nomination for use in 2 or more

States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(d)(1) At the beginning of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (c) and subsection (f) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

Publication in Federal Register.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"Price index."

"(B) the term 'base period' means the calendar year 1974.

"Base period."

"(e)(1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate within the meaning of subsection (c)(2)(B)) relative to a clearly identified candidate during a calendar year which, when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds $1,000.

"(2) For purposes of paragraph (1)—

"(A) 'clearly identified' means—

"Clearly identified."

"(i) the candidate's name appears;

"(ii) a photograph or drawing of the candidate appears; or

"(iii) the identity of the candidate is apparent by unambiguous reference; and

"(B) 'expenditure' does not include any payment made or incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610, would not constitute an expenditure by such corporation or labor organization.

"(f)(1) Notwithstanding any other provision of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committee of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in paragraphs (2) and (3) of this subsection.

"(2) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President of the United States who is affiliated with such party which exceeds an amount equal to 2 cents multiplied by the voting age population of the United States (as certified under subsection (g)). Any expenditure under this paragraph shall be in addition to any expenditure by a national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States.

"(3) The national committee of a political party, or a State committee of a political party, including any subordinate committee of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with such party which exceeds—

"(A) in the case of a candidate for election to the office of Senator, or of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 2 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) $20,000; and

"(B) in the case of a candidate for election to the office of Representative, Delegate, or Resident Commissioner in any other State, $10,000.

Voting age population estimates, certification and publication in Federal Register.

"(g) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, 18 years of age or older.

"Voting age population."

"(h) No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section. No officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate, or knowingly make any expenditure on behalf of a candidate, in violation of any limitation imposed on contributions and expenditures under this section.

Violations, penalties.

"(i) Any person who violates any provision of this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.".

(b)(1) Section 608(a)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, is amended to read as follows:

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaigns during any calendar year for nomination for election, or for election, to Federal office in excess of, in the aggregate—

"(A) $50,000, in the case of a candidate for the office of President or Vice President of the United States;

"(B) $35,000, in the case of a candidate for the office of Senator or for the office of Representative from a State which is entitled to only one Representative; or

"(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner, in any other State.

For purposes of this paragraph, any expenditure made in a year other than the calendar year in which the election is held with respect to which such expenditure was made, is considered to be made during the calendar year in which such election is held.".

(2) Such section 608(a) is amended by adding at the end thereof the following new paragraphs:

"(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or for election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

"(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid.".

18 USC 608 note.

(c)(1) Notwithstanding section 608(a)(1) of title 18, United States Code, relating to limitations on expenditures from personal funds, any individual may satisfy or discharge, out of his personal funds or the

personal funds of his immediate family, any debt or obligation which is outstanding on the date of the enactment of this Act and which was incurred by him or on his behalf by any political committee in connection with any campaign ending before the close of December 31, 1972, for election to Federal office.

(2) For purposes of this subsection— Definitions.

(A) the terms "election", "Federal office", and "political committee" have the meanings given them by section 591 of title 18, United States Code; and

(B) the term "immediate family" has the meaning given it by section 608(a)(2) of title 18, United States Code.

Post, p. 1269.

(d)(1) The first paragraph of section 613 of title 18, United States Code, relating to contributions by certain foreign agents, is amended—

(A) by striking out "an agent of a foreign principal" and inserting in lieu thereof "a foreign national"; and

(B) by striking out ", either for or on behalf of such foreign principal or otherwise in his capacity as agent of such foreign principal,".

(2) The second paragraph of such section 613 is amended by striking out "agent of a foreign principal or from such foreign principal" and inserting in lieu thereof "foreign national".

(3) The fourth paragraph of such section 613 is amended to read as follows: "Foreign national."

"As used in this section, the term 'foreign national' means—

"(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term 'foreign national' shall not include any individual who is a citizen of the United States; or

"(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).".

(4)(A) The heading of such section 613 is amended by striking out **"agents of foreign principals"** and inserting in lieu thereof **"foreign nationals".**

(B) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 613 and inserting in lieu thereof the following:

"613. Contributions by foreign nationals.".

(e)(1) The second paragraph of section 610 of title 18, United States Code, relating to penalties for violating prohibitions against contributions or expenditures by national banks, corporations, or labor organizations, is amended—

(A) by striking out "$5,000" and inserting in lieu thereof "$25,000"; and

(B) by striking out "$10,000" and inserting in lieu thereof "$50,000".

(2) Section 611 of title 18, United States Code (as amended by section 103 of this Act), relating to contributions by firms or individuals contracting with the United States, is amended in the first paragraph thereof by striking out "$5,000" and inserting in lieu thereof "$25,000".

(3) The third paragraph of section 613 of title 18, United States Code (as amended by subsection (d) of this section), relating to contributions by foreign nationals, is amended by striking out "$5,000" and inserting in lieu thereof "$25,000".

(f)(1) Chapter 29 of title 18, United States Code, relating to elections and political activities, is amended by adding at the end thereof the following new sections:

"§ 614. Prohibition of contributions in name of another

"(a) No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

Violation, penalty.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 615. Limitation on contributions of currency

"(a) No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or for election, to Federal office.

Violation, penalty.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 616. Acceptance of excessive honorariums

"Whoever, while an elected or appointed officer or employee of any branch of the Federal Government—

"(1) accepts any honorarium of more than $1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or

"(2) accepts honorariums (not prohibited by paragraph (1) of this section) aggregating more than $15,000 in any calendar year;

Penalty.

shall be fined not less than $1,000 nor more than $5,000.

"§ 617. Fraudulent misrepresentation of campaign authority

"Whoever, being a candidate for Federal office or an employee or agent of such a candidate—

"(1) fraudulently misrepresents himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

"(2) willfully and knowingly participates in or conspires to participate in any plan, scheme, or design to violate paragraph (1);

Penalty.

shall, for each such offense, be fined not more than $25,000 or imprisoned not more than one year, or both.".

(2) Section 591 of title 18, United States Code, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"Except as otherwise specifically provided, when used in this section and in sections 597, 599, 600, 602, 608, 610, 611, 613, 615, and 617 of this title—".

(3) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"614. Prohibition of contributions in name of another.
"615. Limitation on contributions of currency.
"616. Acceptance of excessive honorariums.
"617. Fraudulent misrepresentation of campaign authority.".

2 USC 440.

(4) Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 310, relating to prohibition of contributions in the name of another.

CHANGES IN CRIMINAL CODE DEFINITIONS

SEC. 102. (a) Paragraph (a) of section 591 of title 18, United States Code, relating to the definition of election, is amended— Definitions.

(1) by inserting "or" before "(4)"; and

(2) by striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States".

(b) Paragraph (2) of such section 591, relating to the definition of political committee, is amended to read as follows: USC prec. title 1.

"(d) 'political committee' means any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;".

(c) Paragraph (e) of such section 591, relating to the definition of contribution, is amended to read as follows:

"(e) 'contribution'—

"(1) means a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business, which shall be considered a loan by each endorser or guarantor, in that proportion of the unpaid balance thereof that each endorser or guarantor bears to the total number of endorsers or guarantors), made for the purpose of influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

"(3) means funds received by a political committee which are transferred to such committee from another political committee or other source;

"(4) means the payment, by any person other than a candidate or a political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; but

"(5) does not include—

"(A) the value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;

"(B) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities;

"(C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor;

"(D) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate, or

"(E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising;

to the extent that the cumulative value of activities by any person on behalf of any candidate under each of clauses (B), (C), and (D) does not exceed $500 with respect to any election;".

Definitions. 18 USC 591.

(d) Paragraph (f) of such section 591, relating to the definition of expenditure, is amended to read as follows:

"(f) 'expenditure'--

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; and

"(3) means the transfer of funds by a political committee to another political committee; but

"(4) does not include—

"(A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

"(B) nonpartisan activity designed to encourage individuals to register to vote or to vote;

"(C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office;

"(D) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities;

"(E) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate;

"(F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office;

"(G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising;

"(H) any costs incurred by a candidate in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate in excess of an amount equal to 20 percent of the expenditure limitation applicable to such candidate under section 608(c) of this title; or

Ante, p. 1264.

"(I) any costs incurred by a political committee (as such term is defined by section 608(b)(2) of this title) with respect to the solicitation of contributions to such political committee or to any general political fund controlled by such political committee, except that this clause shall not apply to exempt costs incurred with respect to the solicitation of contributions to any such political committee made through broadcasting stations, newspapers, magazines, outdoor advertising facilities, and other similar types of general public political advertising;

Ante, p. 1263.

to the extent that the cumulative value of activities by any individual on behalf of any candidate under each of clauses (D) or (E) does not exceed $500 with respect to any election;".

(e) Section 591 of title 18, United States Code, relating to definitions, is amended— Definitions.

(1) by striking out "and" at the end of paragraph (g);

(2) by striking out the period at the end of paragraph (h) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(i) 'political party' means any association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of such association, committee, or organization;

"(j) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the State level, as determined by the Federal Election Commission;

"(k) 'national committee' means the organization which, by virtue of the bylaws of the political party, is responsible for the day-to-day operation of such political party at the national level, as determined by the Federal Election Commission established under section 310(a) of the Federal Election Campaign Act of 1971; and

Post, p. 1280.

"(l) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 302(f)(1) of the Federal Election Campaign Act of 1971.".

Post, p. 1275.

POLITICAL FUNDS OF CORPORATIONS OR LABOR ORGANIZATIONS

SEC. 103. Section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, is amended by adding at the end thereof the following new paragraphs:

"This section does not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 610 of this title prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund.

"For purposes of this section, the term 'labor organization' has the meaning given it by section 610 of this title.".

EFFECT ON STATE LAW

18 USC 591 note.

SEC. 104. (a) The provisions of chapter 29 of title 18, United States Code, relating to elections and political activities, supersede and preempt any provision of State law with respect to election to Federal office.

(b) For purposes of this section, the terms "election", "Federal office", and "State" have the meanings given them by section 591 of title 18, United States Code.

TITLE II—AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971

CHANGES IN DEFINITIONS FOR REPORTING AND DISCLOSURE

2 USC 431.

SEC. 201. (a) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended—

(1) by inserting "and title IV of this Act" after "title";

(2) by striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" in paragraph (a) and by inserting "and" before "(4)" in such paragraph;

(3) by amending paragraph (d) to read as follows:

"(d) 'political committee' means any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;";

(4) by amending paragraph (e) to read as follows:

"(e) 'contribution'—

"(1) means a gift, subscription, loan, advance, or deposit of money or anything of value made for the purpose of—

"(A) influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party, or

"(B) influencing the result of an election held for the expression of a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, expressed or implied, whether or not legally enforceable, to make a contribution for such purposes;

"(3) means funds received by a political committee which are transferred to such committee from another political committee or other source;

"(4) means the payment, by any person other than a candidate or a political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; but

"(5) does not include—

"(A) the value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;

"(B) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities;

"(C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor;

"(D) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate;

"(E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising; or

"(F) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization;

to the extent that the cumulative value of activities by any individual on behalf of any candidate under each of clauses (B), (C), and (D) does not exceed $500 with respect to any election;";

(5) by striking out paragraph (f) and inserting in lieu thereof the following: 2 USC 431.

"(f) 'expenditure'—

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector; or

"(B) influencing the results of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of

a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure;

"(3) means the transfer of funds by a political committee to another political committee; but

"(4) does not include—

"(A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

"(B) nonpartisan activity designed to encourage individuals to register to vote or to vote;

"(C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office;

"(D) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities if the cumulative value of such activities by such individual on behalf of any candidate do not exceed $500 with respect to any election;

"(E) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate if the cumulative amount for such individual incurred with respect to such candidate does not exceed $500 with respect to any election;

"(F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office; or

"(G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising; or

"(H) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization;"

2 USC 431. (6) by striking "and" at the end of paragraph (h);

(7) by striking the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(8) by adding at the end thereof the following new paragraphs:

"(j) 'identification' means— Definitions.

"(1) in the case of an individual, his full name and the full address of his principal place of residence; and

"(2) in the case of any other person, the full name and address of such person;

"(k) 'national committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the national level, as determined by the Commission;

"(l) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the State level, as determined by the Commission;

"(m) 'political party' means an association, committee, or organization which nominates a candidate for election to any Federal office, whose name appears on the election ballot as the candidate of such association, committee, or organization; and

"(n) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 302 (f)(1).".

(b)(1) Section 401 of the Federal Election Campaign Act of 1971, relating to extension of credit by regulated industries, is amended by striking out "(as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971)". Infra. 2 USC 451.

(2) Section 402 of the Federal Election Campaign Act of 1971, relating to prohibition against use of certain Federal funds for election activities, is amended by striking out the last sentence. 2 USC 431. 2 USC 452.

ORGANIZATION OF POLITICAL COMMITTEES; PRINCIPAL CAMPAIGN COMMITTEE

SEC. 202. (a)(1) Section 302(b) of the Federal Election Campaign Act of 1971, relating to reports of contributions in excess of $10, is amended by striking out ", the name and address (occupation and principal place of business, if any)" and inserting in lieu thereof "of the contribution and the identification". 2 USC 432.

(2) Section 302(c) of such Act, relating to detailed accounts, is amended by striking out "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (2) and (4) and inserting in lieu thereof in each such paragraph "identification".

(3) Section 302(c) of such Act is further amended by striking out the semicolon at the end of paragraph (2) and inserting in lieu thereof "and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any);".

(b) Section 302(f) of such Act is amended to read as follows:

"(f)(1) Each individual who is a candidate for Federal office (other than the office of Vice President of the United States) shall designate a political committee to serve as his principal campaign committee. No political committee may be designated as the principal campaign committee of more than one candidate, except that the candidate for the office of President of the United States nominated by a political party may designate the national committee of such political party as his principal campaign committee. Except as provided in the preceding sentence, no political committee which supports more than one candidate may be designated as a principal campaign committee.

"(2) Notwithstanding any other provision of this title, each report or statement of contributions received or expenditures made by a political committee (other than a principal campaign committee) Reports, filing.

which is required to be filed with the Commission under this title shall be filed instead with the principal campaign committee for the candidate on whose behalf such contributions are accepted or such expenditures are made.

"(3) It shall be the duty of each principal campaign committee to receive all reports and statements required to be filed with it under paragraph (2) of this subsection and to compile and file such reports and statements, together with its own reports and statements, with the Commission in accordance with the provisions of this title.".

REGISTRATION OF POLITICAL COMMITTEE; STATEMENTS

2 USC 433. SEC. 203. Section 303 of the Federal Election Campaign Act of 1971, relating to registration of political committees and statements, is amended by adding at the end thereof the following new subsection:

"(e) In the case of a political committee which is not a principal campaign committee, reports and notifications required under this section to be filed with the Commission shall be filed instead with the appropriate principal campaign committee.".

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

2 USC 434. SEC. 204. (a) Section 304(a) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended—

(1) by striking out the second and third sentences and inserting in lieu thereof the following:

"The reports referred to in the preceding sentence shall be filed as follows:

"(A) (i) In any calendar year in which an individual is a candidate for Federal office and an election for such Federal office is held in such year, such reports shall be filed not later than the tenth day before the date on which such election is held and shall be complete as of the fifteenth day before the date of such election; except that any such report filed by registered or certified mail must be postmarked not later than the close of the twelfth day before the date of such election.

"(ii) Such reports shall be filed not later than the thirtieth day after the date of such election and shall be complete as of the twentieth day after the date of such election.

"(B) In any other calendar year in which an individual is a candidate for Federal office, such reports shall be filed after December 31 of such calendar year, but not later than January 31 of the following calendar year and shall be complete as of the close of the calendar year with respect to which the report is filed.

"(C) Such reports shall be filed not later than the tenth day following the close of any calendar quarter in which the candidate or political committee concerned received contributions in excess of $1,000, or made expenditures in excess of $1,000, and shall be complete as of the close of such calendar quarter: except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.

"(D) When the last day for filing any quarterly report required by subparagraph (C) occurs within 10 days of an election, the filing of such quarterly report shall be waived and superseded by the report required by subparagraph (A) (i).

Any contribution of $1,000 or more received after the fifteenth day, but more than 48 hours, before any election shall be reported within 48 hours after its receipt."; and

(2) by striking out "Each" at the beginning of the first sentence of such section 304(a) and inserting in lieu thereof "(1) Except as provided by paragraph (2), each", and by adding at the end thereof the following new paragraphs: 2 USC 434.

"(2) Each treasurer of a political committee which is not a principal campaign committee shall file the reports required under this section with the appropriate principal campaign committee.

"(3) Upon a request made by a presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates set forth in paragraph (1) (other than the reporting date set forth in paragraph (1)(B)), and require instead that such candidate or political committee file reports not less frequently than monthly. The Commission may not require a presidential candidate or a political committee operating in more than one State to file more than 12 reports (not counting any report referred to in paragraph (1)(B)) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, such candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.". Waiver. 5 USC 701.

(b)(1) Section 304(b)(5) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out "lender and endorsers" and inserting in lieu thereof "lender, endorsers, and guarantors".

(2) Section 304(b)(8) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total receipts less transfers between political committees which support the same candidate and which do not support more than one candidate".

(3) Section 304(b) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (9) and (10) and inserting in lieu thereof in each such paragraph "identification".

(4) Section 304(b)(11) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total expenditures less transfers between political committees which support the same candidate and which do not support more than one candidate".

(5) Section 304(b)(12) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon a comma and the following: ", together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefor".

(c) Such section 304 is amended by adding at the end thereof the following new subsections: Members of Congress, reporting exemption.

"(d) This section does not require a Member of the Congress to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him by the Senate Recording Studio, the House Recording Studio, or by an individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Rep-

resentatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee. This subsection does not apply to such recording services furnished during the calendar year before the year in which the Member's term expires.

"(e) Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by this section. Statements required by this subsection shall be filed on the dates on which reports by political committees are filed but need not be cumulative.".

(d) The heading for such section 304 is amended to read as follows:

"REPORTS".

Savings provision.
2 USC 434 note.

(e) Notwithstanding the amendment to section 304 of the Federal Election Campaign Act of 1971, relating to the time for filing reports, made by the foregoing provisions of this section, nothing in this Act shall be construed to waive the report required to be filed by the thirty-first day of January of 1975 under the provisions of such section 304, as in effect on the date of the enactment of this Act.

CAMPAIGN ADVERTISEMENTS

2 USC 435.

SEC. 205. (a) Section 305 of the Federal Election Campaign Act of 1971, relating to reports by others than political committees, is amended to read as follows:

"REQUIREMENTS RELATING TO CAMPAIGN ADVERTISING

"SEC. 305. (a) No person who sells space in a newspaper or magazine to a candidate, or to the agent of a candidate, for use in connection with such candidate's campaign, may charge any amount for such space which exceeds the amount charged for comparable use of such space for other purposes.

Funds, solicitation, notice.

"(b) Each political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"'A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.'".

Repeal.
47 USC 801.

(b) Title I of the Federal Election Campaign Act of 1971 is repealed.

WAIVER OF REPORTING REQUIREMENTS

2 USC 436.

SEC. 206. Section 306(b) of the Federal Election Campaign Act of 1971 (as so redesignated by section 207 of this Act), relating to formal requirements respecting reports and statements, is amended to read as follows:

"(b) The Commission may, by a rule of general applicability which is published in the Federal Register not less than 30 days before its effective date, relieve—

Publication in Federal Register.

"(1) any category of candidates of the obligation to comply personally with the reporting requirements of section 304, if it determines that such action is consistent with the purposes of this Act; and

Ante, p. 1276.

"(2) any category of political committees of the obligation to comply with the reporting requirements of such section if such committees—

"(A) primarily support persons seeking State or local office; and

"(B) do not operate in more than one State or do not operate on a statewide basis.".

FORMAL REQUIREMENTS FOR REPORTS AND STATEMENTS

SEC. 207. Section 306 of the Federal Election Campaign Act of 1971, relating to formal requirements respecting reports and statements, is amended by striking out subsection (a); by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c), respectively; and by adding at the end thereof the following new subsection: 2 USC 436.

"(d) If a report or statement required by section 303, 304(a)(1)(A)(ii), 304(a)(1)(B), 304(a)(1)(C), or 304(e) of this title to be filed by a treasurer of a political committee or by a candidate or by any other person, is delivered by registered or certified mail, to the Commission or principal campaign committee with which it is required to be filed, the United States postmark stamped on the cover of the envelope or other container in which such report or statement is so mailed shall be deemed to be the date of filing.". Ante, p. 1276.

REPORTS BY CERTAIN ORGANIZATIONS; FEDERAL ELECTION COMMISSION; CAMPAIGN DEPOSITORIES

SEC. 208. (a) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by redesignating sections 308 and 309 as sections 316 and 317, respectively; by redesignating section 311 as section 321; and by inserting immediately after section 307 the following new sections: 2 USC 438, 439.

"REPORTS BY CERTAIN PERSONS

"SEC. 308. Any person (other than an individual) who expends any funds or commits any act directed to the public for the purpose of influencing the outcome of an election, or who publishes or broadcasts to the public any material referring to a candidate (by name, description, or other reference) advocating the election or defeat of such candidate, setting forth the candidate's position on any public issue, his voting record, or other official acts (in the case of a candidate who holds or has held Federal office), or otherwise designed to influence individuals to cast their votes for or against such candidate or to withhold their votes from such candidate shall file reports with the Commission as if such person were a political committee. The reports filed by such person shall set forth the source of the funds used in carrying out any activity described in the preceding sentence in the same detail as if the funds were contributions within the meaning of section 301(e), and payments of such funds in the same detail as if they were expenditures within the meaning of section 301(f). The provisions of this section do not apply to any publication or broadcast of the United States Government or to any news story, commentary, or editorial distributed through the facilities of a broadcasting station or a bona fide newspaper, magazine, or other periodical publication. A news story, commentary, or editorial is not considered to be distributed through a bona fide newspaper, magazine, or other periodical publication if— 2 USC 437a. Ante, p. 1272. Ante, p. 1273.

"(1) such publication is primarily for distribution to individuals affiliated by membership or stock ownership with the person (other than an individual) distributing it or causing it to be distributed, and not primarily for purchase by the public at newsstands or by paid subscription; or

"(2) the news story, commentary, or editorial is distributed by a person (other than an individual) who devotes a substantial part of his activities to attempting to influence the outcome of elections, or to influence public opinion with respect to matters of national or State policy or concern.

"CAMPAIGN DEPOSITORIES

2 USC 437b.

"SEC. 309. (a)(1) Each candidate shall designate one or more national or State banks as his campaign depositories. The principal campaign committee of such candidate, and any other political committee authorized by him to receive contributions or to make expenditures on his behalf, shall maintain a checking account at a depository designated by the candidate and shall deposit any contributions received by such committee into such account. A candidate shall deposit any payment received by him under chapter 95 or chapter 97 of the Internal Revenue Code of 1954 in the account maintained by his principal campaign committee. No expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on such account, other than petty cash expenditures as provided in subsection (b).

26 USC 9001.

"(2) The treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or to make expenditures on his behalf) shall designate one or more national or State banks as campaign depositories of such committee, and shall maintain a checking account for the committee at each such depository. All contributions received by such committee shall be deposited in such accounts. No expenditure may be made by such committee except by check drawn on such accounts, other than petty cash expenditures as provided in subsection (b).

"(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $100 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission, and such statements and reports thereof shall be furnished to the Commission as it may require.

"(c) A candidate for nomination for election, or for election, to the office of President of the United States may establish one such depository in each State, which shall be considered as his campaign depository for such State by his principal campaign committee and any other political committee authorized by him to receive contributions or to make expenditures on his behalf in such State, under rules prescribed by the Commission. The campaign depository of the candidate of a political party for election to the office of Vice President of the United States shall be the campaign depository designated by the candidate of such party for election to the office of President of the United States.

"FEDERAL ELECTION COMMISSION

Establishment.
2 USC 437c.
Membership.

"SEC. 310. (a)(1) There is established a commission to be known as the Federal Election Commission. The Commission is composed of the Secretary of the Senate and the Clerk of the House of Representatives, ex officio and without the right to vote, and 6 members appointed as follows:

"(A) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the President pro tempore of the Senate upon the recommendations of the majority leader of the Senate and the minority leader of the Senate;

"(B) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House; and

"(C) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the President of the United States.

A member appointed under subparagraph (A), (B), or (C) shall not be affiliated with the same political party as the other member appointed under such paragraph.

"(2) Members of the Commission shall serve for terms of 6 years, except that of the members first appointed— Term.

"(A) one of the members appointed under paragraph (1)(A) shall be appointed for a term ending on the April 30 first occurring more than 6 months after the date on which he is appointed;

"(B) one of the members appointed under paragraph (1)(B) shall be appointed for a term ending 1 year after the April 30 on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (1)(C) shall be appointed for a term ending 2 years thereafter;

"(D) one of the members appointed under paragraph (1)(A) shall be appointed for a term ending 3 years thereafter;

"(E) one of the members appointed under paragraph (1)(B) shall be appointed for a term ending 4 years thereafter; and

"(F) one of the members appointed under paragraph (1)(C) shall be appointed for a term ending 5 years thereafter.

An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the membership of the Commission shall be filled in the same manner as in the case of the original appointment. Vacancies.

"(3) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment and shall be chosen from among individuals who, at the time of their appointment, are not elected or appointed officers or employees in the executive, legislative, or judicial branch of the Government of the United States.

"(4) Members of the Commission (other than the Secretary of the Senate and the Clerk of the House of Representatives) shall receive compensation equivalent to the compensation paid at level IV of the Executive Schedule (5 U.S.C. 5315). Compensation. 83 Stat. 863.

"(5) The Commission shall elect a chairman and a vice chairman from among its members (other than the Secretary of the Senate and the Clerk of the House of Representatives) for a term of one year. No member may serve as chairman more often than once during any term of office to which he is appointed. The chairman and the vice chairman shall not be affiliated with the same political party. The vice chairman shall act as chairman in the absence or disability of the chairman, or in the event of a vacancy in such office. Chairman and vice chairman.

"(b) The Commission shall administer, seek to obtain compliance with, and formulate policy with respect to this Act and sections 608, 610, 611, 613, 614, 615, 616, and 617 of title 18, United States Code. The Commission has primary jurisdiction with respect to the civil enforcement of such provisions. Ante, pp. 1263, 1268. Jurisdiction.

"(c) All decisions of the Commission with respect to the exercise of its duties and powers under the provisions of this title shall be made by a majority vote of the members of the Commission. A member of the Commission may not delegate to any person his vote or any decisionmaking authority or duty vested in the Commission by the provisions of this title.

Meetings.

"(d) The Commission shall meet at least once each month and also at the call of any member.

Rules.
Seal.

"(e) The Commission shall prepare written rules for the conduct of its activities, shall have an official seal which shall be judicially noticed, and shall have its principal office in or near the District of Columbia (but it may meet or exercise any of its powers anywhere in the United States).

Staff director and general counsel.
83 Stat. 863.

"(f)(1) The Commission shall have a staff director and a general counsel who shall be appointed by the Commission. The staff director shall be paid at a rate not to exceed the rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315). The general counsel shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316). With the approval of the Commission, the staff director may appoint and fix the pay of such additional personnel as he considers desirable.

"(2) With the approval of the Commission, the staff director may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS–15 of the General Schedule (5 U.S.C. 5332).

5 USC 5332 note.

"(3) In carrying out its responsibilities under this Act, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of other agencies and departments of the United States Government. The heads of such agencies and departments may make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"POWERS OF COMMISSION

2 USC 437d.

"SEC. 311. (a) The Commission has the power—

"(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such a reasonable period of time and under oath or otherwise as the Commission may determine;

"(2) to administer oaths or affirmations;

"(3) to require by subpena, signed by the chairman or the vice chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(4) in any proceeding or investigation, to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

"(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(6) to initiate (through civil proceedings for injunctive, declaratory, or other appropriate relief), defend, or appeal any civil action in the name of the Commission for the purpose of

enforcing the provisions of this Act, through its general counsel;

"(7) to render advisory opinions under section 313; Infra.

"(8) to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act; 5 USC 500.

"(9) to formulate general policy with respect to the administration of this Act and sections 608, 610, 611, 613, 614, 615, 616, and 617 of title 18, United States Code; Ante, pp. 1263, 1268.

"(10) to develop prescribed forms under section 311(a)(1); and

"(11) to conduct investigations and hearings expeditiously, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d)(1) Whenever the Commission submits any budget estimate or request to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy of such estimate or request to the Congress. Budget estimates or requests, copies, transmittal to Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation, requested by the Congress or by any Member of the Congress, to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"REPORTS

"SEC. 312. The Commission shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Commission in carrying out its duties under this title, together with recommendations for such legislative or other action as the Commission considers appropriate. Reports to President and Congress. 2 USC 437c.

"ADVISORY OPINIONS

"SEC. 313. (a) Upon written request to the Commission by any individual holding Federal office, any candidate for Federal office, or any political committee, the Commission shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of this Act, of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code. 2 USC 437f. 26 USC 9001, 9021.

"(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings

of such advisory opinion shall be presumed to be in compliance with the provision of this Act, of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, with respect to which such advisory opinion is rendered.

26 USC 9001, 9021.

Ante, pp. 1263, 1268.

"(c) Any request made under subsection (a) shall be made public by the Commission. The Commission shall, before rendering an advisory opinion with respect to such request, provide any interested party with an opportunity to transmit written comments to the Commission with respect to such request.

"ENFORCEMENT

Complaints, filing. 2 USC 437g.

"SEC. 314. (a) (1) (A) Any person who believes a violation of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, has occurred may file a complaint with the Commission.

"(B) In any case in which the Clerk of the House of Representatives or the Secretary of the Senate (who receive reports and statements as custodian for the Commission) has reason to believe a violation of this Act or section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, has occurred, he shall refer such apparent violation to the Commission.

"(2) The Commission, upon receiving any complaint under paragraph (1) (A), or a referral under paragraph (1) (B), or if it has reason to believe that any person has committed a violation of any such provision, shall notify the person involved of such apparent violation and shall—

"(A) report such apparent violation to the Attorney General; or

"(B) make an investigation of such apparent violation.

"(3) Any investigation under paragraph (2) (B) shall be conducted expeditiously and shall include an investigation of reports and statements filed by any complainant under this title, if such complainant is a candidate. Any notification or investigation made under paragraph (2) shall not be made public by the Commission or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

Hearing.

"(4) The Commission shall, at the request of any person who receives notice of an apparent violation under paragraph (2), conduct a hearing with respect to such apparent violation.

"(5) If the Commission determines, after investigation, that there is reason to believe that any person has engaged, or is about to engage in any acts or practices which constitute or will constitute a violation of this Act, it may endeavor to correct such violation by informal methods of conference, conciliation, and persuasion. If the Commission fails to correct the violation through informal methods, it may institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person against whom such action is brought is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, the court shall grant a permanent or temporary injunction, restraining order, or other order.

Civil action for relief.

"(6) The Commission shall refer apparent violations to the appropriate law enforcement authorities to the extent that violations of provisions of chapter 29 of title 18, United States Code, are involved, or if the Commission is unable to correct apparent violations of this Act under the authority given it by paragraph (5), or if the Commission determines that any such referral is appropriate.

18 USC 591.

"(7) Whenever in the judgment of the Commission, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, upon request by the Commission the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court. Ante, pp. 1263, 1268.

"(8) In any action brought under paragraph (5) or (7) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district. Subpenas.

"(9) Any party aggrieved by an order granted under paragraph (5) or (7) of this subsection may, at any time within 60 days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such order was issued for judicial review of such order. Petition for judicial review.

"(10) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(11) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection or under section 315).

"(b) In any case in which the Commission refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Commission with respect to any action taken by the Attorney General regarding such apparent violation. Each report shall be transmitted no later than 60 days after the date the Commission refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Commission may from time to time prepare and publish reports on the status of such referrals. Report to Commission.

"JUDICIAL REVIEW

"SEC. 315. (a) The Commission, the national committee of any political party, or any individual eligible to vote in any election for the office of President of the United States may institute such actions in the appropriate district court of the United States, including actions for declaratory judgment, as may be appropriate to construe the constitutionality of any provision of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code. The district court immediately shall certify all questions of constitutionality of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code to the United States court of appeals for the circuit involved, which shall hear the matter sitting en banc. 2 USC 437h.

"(b) Notwithstanding any other provision of law, any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought no later than 20 days after the decision of the court of appeals.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter certified under subsection (a).".

2 USC 437c note.

(b) Until the appointment and qualification of all the members of the Federal Election Commission and its general counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as such titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its general counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within 30 days after the date on which all such members and the general counsel are appointed, of copies of all appropriate records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 and chapter 95 of the Internal Revenue Code of 1954.

47 USC 801 note, Ante, p. 1272.

26 USC 9001.

(c) Title III of the Federal Election Campaign Act of 1971 is amended—

2 USC 431.

(1) by amending section 301(g), relating to definitions, to read as follows:

"(g) 'Commission' means the Federal Election Commission;";

2 USC 432.

(2) by striking out "supervisory officer" in section 302(d) and inserting in lieu thereof "Commission";

2 USC 433.

(3) by amending section 303, relating to registration of political committees; statements—

(A) by striking out "supervisory officer" each time it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "he" in the second sentence of subsection (a) of such section and inserting in lieu thereof "it";

2 USC 434.

(4) by amending section 304, relating to reports by political committees and candidates—

(A) by striking out "appropriate supervisory officer" and "him" in the first sentence thereof and inserting in lieu thereof "Commission" and "it", respectively; and

(B) by striking out "supervisory officer" where it appears in paragraphs (12) and (13) of subsection (b) and inserting in lieu thereof "Commission";

2 USC 436.

(5) by striking out "supervisory officer" each place it appears in section 306, relating to formal requirements respecting reports and statements, and inserting in lieu thereof "Commission";

(6) by striking out "Comptroller General of the United States" and "he" in section 307, relating to reports on convention financing, and inserting in lieu thereof "Federal Election Commission" and "it", respectively;

2 USC 437.

2 USC 438.

(7) by amending the heading for section 316 (as redesignated by subsection (a) of this section), relating to duties of the supervisory officer, to read as follows: "DUTIES";

(8) by striking out "supervisory officer" in section 316(a) (as redesignated by subsection (a) of this section) the first time it appears and inserting in lieu thereof "Commission";

(9) by amending section 316(a) (as redesignated by subsection (a) of this section)—

(A) by striking out "him" in paragraph (1) and inserting in lieu thereof "it"; and

(B) by striking out "him" in paragraph (4) and inserting in lieu thereof "it"; and

(10) by amending subsection (c) of section 316 (as redesignated by subsection (a) of this section)— 2 USC 438.

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission" and striking out "his" in the second sentence of such subsection and inserting in lieu thereof "its"; and

(B) by striking out the last sentence thereof; and

(11) by striking out "a supervisory officer" in section 317(a) of such Act (as redesignated by subsection (a) of this Act) and inserting in lieu thereof "the Commission". 2 USC 439.

DUTIES AND REGULATIONS

SEC. 209. (a)(1) Section 316(a) of the Federal Election Campaign Act of 1971 (as redesignated and amended by section 208(a) of this Act), relating to duties of the Commission, is amended by striking out paragraphs (6), (7), (8), (9), and (10), and by redesignating paragraphs (11), (12), and (13) as paragraphs (8), (9), and (10), respectively, and by inserting immediately after paragraph (5) the following new paragraphs:

"(6) to compile and maintain a cumulative index of reports and statements filed with it, which shall be published in the Federal Register at regular intervals and which shall be available for purchase directly or by mail for a reasonable price; Index of reports and statements. Publication in Federal Register.

"(7) to prepare and publish from time to time special reports listing those candidates for whom reports were filed as required by this title and those candidates for whom such reports were not filed as so required;". Special reports, publication.

(2) Notwithstanding section 308(a)(7) of the Federal Election Campaign Act of 1971 (relating to an annual report by the supervisory officer), as in effect on the day before the effective date of the amendments made by paragraph (1) of this subsection, no such annual report shall be required with respect to any calendar year beginning after December 31, 1972. 2 USC 438 note.

(b)(1) Section 316(a)(10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the prescription of rules and regulations, is amended by inserting before the period at the end thereof the following: ", in accordance with the provisions of subsection (c)".

(2) Such section 316 is amended—

(A) by striking out subsection (b) and subsection (d); by redesignating subsection (c) as subsection (b); and

(B) by adding at the end thereof the following new subsections:

"(c)(1) The Commission, before prescribing any rule or regulation under this section, shall transmit a statement with respect to such rule or regulation to the Senate or the House of Representatives, as the case may be, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation. Proposed rules or regulations, statement, transmittal to Congress.

"(2) If the appropriate body of the Congress which receives a statement from the Commission under this subsection does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. In the case of any rule or regulation proposed to deal with reports or Presidential elections.

statements required to be filed under this title by a candidate for the office of President of the United States, and by political committees supporting such a candidate both the Senate and the House of Representatives shall have the power to disapprove such proposed rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved under this paragraph.

Senatorial elections.

"(3) If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Senator, and by political committees supporting such candidate, it shall transmit such statement to the Senate. If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Representative, Delegate, or Resident Commissioner, and by political committees supporting such candidate, it shall transmit such statement to the House of Representatives. If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of President of the United States, and by political committees supporting such candidate it shall transmit such statement to the House of Representatives and the Senate.

"(4) For purposes of this subsection, the term 'legislative days' does not include, with respect to statements transmitted to the Senate, any calendar day on which the Senate is not in session, and with respect to statements transmitted to the House of Representatives, any calendar day on which the House of Representatives is not in session, and with respect to statements transmitted to both such bodies, any calendar day on which both Houses of the Congress are not in session.

Rules and regulations.

"(d) (1) The Commission shall prescribe suitable rules and regulations to carry out the provisions of this title, including such rules and regulations as may be necessary to require that—

"(A) reports and statements required to be filed under this title by a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, and by political committees supporting such candidate, shall be received by the Clerk of the House of Representatives as custodian for the Commission;

"(B) reports and statements required to be filed under this title by a candidate for the office of Senator, and by political committees supporting such candidate, shall be received by the Secretary of the Senate as custodian for the Commission; and

"(C) the Clerk of the House of Representatives and the Secretary of the Senate, as custodians for the Commission, each shall make the reports and statements received by him available for public inspection and copying in accordance with paragraph (4) of subsection (a), and preserve such reports and statements in accordance with paragraph (5) of subsection (a).

Congressional cooperation.

"(2) It shall be the duty of the Clerk of the House of Representatives and the Secretary of the Senate to cooperate with the Commission in carrying out its duties under this Act and to furnish such services and facilities as may be required in accordance with this section.".

MISCELLANEOUS PROVISIONS

SEC. 210. Title III of the Federal Election Campaign Act of 1971 is amended by inserting immediately after section 311 (as so redesignated by section 208(a) of this Act) the following new sections:

Ante, p. 1279.

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"SEC. 318. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his expenditures, and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by such candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954, or may be used for any other lawful purpose. To the extent any such contribution, amount contributed, or expenditure thereof is not otherwise required to be disclosed under the provisions of this title, such contribution, amount contributed, or expenditure shall be fully disclosed in accordance with rules promulgated by the Commission. The Commission is authorized to prescribe such rules as may be necessary to carry out the provisions of this section. 2 USC 439a. 26 USC 170. Rules.

"PROHIBITION OF FRANKED SOLICITATIONS

"SEC. 319. No Senator, Representative, Resident Commissioner, or Delegate shall make any solicitations of funds by a mailing under the frank under section 3210 of title 39, United States Code. 2 USC 439b.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 320. There are authorized to be appropriated to the Commission for the purpose of carrying out its functions under this Act, and under chapters 95 and 96 of the Internal Revenue Code of 1954, not to exceed $5,000,000 for the fiscal year ending June 30, 1975.". 2 USC 439c.

TITLE III—GENERAL PROVISIONS

EFFECT ON STATE LAW

SEC. 301. Section 403 of the Federal Election Campaign Act of 1971, relating to effect on State law, is amended to read as follows: 2 USC 453.

"EFFECT ON STATE LAW

"SEC. 403. The provisions of this Act, and of rules prescribed under this Act, supersede and preempt any provision of State law with respect to election to Federal office.".

PERIOD OF LIMITATIONS; ENFORCEMENT

SEC. 302. Title IV of the Federal Election Campaign Act of 1971, relating to general provisions, is amended by redesignating section 406 as section 408 and by inserting immediately after section 405 the following new sections: 2 USC 431 note.

"PERIOD OF LIMITATIONS

"SEC. 406. (a) No person shall be prosecuted, tried, or punished for any violation of title III of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, unless the indictment is found or the information is instituted within 3 years after the date of the violation. 2 USC 455. Ante, pp. 1263, 1268.

"(b) Notwithstanding any other provision of law—

"(1) the period of limitations referred to in subsection (a) shall apply with respect to violations referred to in such subsection committed before, on, or after the effective date of this section; and

"(2) no criminal proceeding shall be instituted against any person for any act or omission which was a violation of any provision of title III of this Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on December 31, 1974, if such act or omission does not constitute a violation of any such provision, as amended by the Federal Election Campaign Act Amendments of 1974.

Ante, p. 1272.
Ante, pp. 1263, 1268.

Nothing in this subsection shall affect any proceeding pending in any court of the United States on the effective date of this section.

"ADDITIONAL ENFORCEMENT AUTHORITY

2 USC 456.

"SEC. 407. (a) In any case in which the Commission, after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, makes a finding that a person who, while a candidate for Federal office, failed to file a report required by title III of this Act, and such finding is made before the expiration of the time within which the failure to file such report may be prosecuted as a violation of such title III, such person shall be disqualified from becoming a candidate in any future election for Federal office for a period of time beginning on the date of such finding and ending one year after the expiration of the term of the Federal office for which such person was a candidate.

"(b) Any finding by the Commission under subsection (a) shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

5 USC 701.

TITLE IV—AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

POLITICAL ACTIVITIES BY STATE AND LOCAL OFFICERS AND EMPLOYEES

SEC. 401. (a) Section 1502(a)(3) of title 5, United States Code (relating to influencing elections, taking part in political campaigns, prohibitions, exceptions), is amended to read as follows:

"(3) be a candidate for elective office.".

(b)(1) Section 1503 of title 5, United States Code, relating to nonpartisan political activity, is amended to read as follows:

"§ 1503. Nonpartisan candidacies permitted

"Section 1502(a)(3) of this title does not prohibit any State or local officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected.".

(2) The table of sections for chapter 15 of title 5, United States Code, is amended by striking out the item relating to section 1503 and inserting in lieu thereof the following new item:

"1503. Nonpartisan candidacies permitted.".

(c) Section 1501 of title 5, United States Code, relating to definitions, is amended—

(1) by striking out paragraph (5);

(2) in paragraph (3) thereof, by inserting "and" immediately after "Federal Reserve System;" and

(3) in paragraph (4) thereof, by striking out "; and" and inserting in lieu thereof a period.

REPEAL OF COMMUNICATIONS MEDIA EXPENDITURE LIMITATIONS

SEC. 402. (a) Section 315 of the Communications Act of 1934 (relating to candidates for public office; facilities; rules) is amended by striking out subsections (c), (d), and (e), and by redesignating subsections (f) and (g) as subsections (c) and (d), respectively. 47 USC 315.

(b) Section 315(c) of such Act (as so redesignated by subsection (a) of this section), relating to definitions, is amended to read as follows: Definitions.

"(c) For purposes of this section—

"(1) the term 'broadcasting station' includes a community antenna television system; and

"(2) the terms 'licensee' and 'station licensee' when used with respect to a community antenna television system mean the operator of such system.".

APPROPRIATIONS TO CAMPAIGN FUND

SEC. 403. (a) Section 9006(a) of the Internal Revenue Code of 1954 (relating to establishment of campaign fund) is amended— 26 USC 9006.

(1) by striking out "as provided by appropriation Acts" and inserting in lieu thereof "from time to time"; and

(2) by adding at the end thereof the following new sentence: "There is appropriated to the fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to the amounts so designated during each fiscal year, which shall remain available to the fund without fiscal year limitation.".

(b) In addition to the amounts appropriated to the Presidential Election Campaign Fund established under section 9006 of the Internal Revenue Code of 1954 (relating to payments to eligible candidates) by the last sentence of subsection (a) of such section (as amended by subsection (a) of this section), there is appropriated to such fund an amount equal to the sum of the amounts designated for payment under section 6096 of such Code (relating to designation by individuals to the Presidential Election Campaign Fund) before January 1, 1975, not otherwise taken into account under the provisions of such section 9006, as amended by this section. 26 USC 9006 note. 26 USC 6096.

ENTITLEMENTS OF ELIGIBLE CANDIDATES TO PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND

SEC. 404. (a) Subsection (a)(1) of section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended to read as follows: 26 USC 9004.

"(1) The eligible candidates of each major party in a presidential election shall be entitled to equal payments under section 9006 in an amount which, in the aggregate, shall not exceed the expenditure limitations applicable to such candidates under section 608(c)(1)(B) of title 18, United States Code.".

(b)(1) Subsection (a)(2)(A) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(2) The first sentence of subsection (a)(3) of section 9004 of such
26 USC 9004. Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

26 USC 9002. (c)(1) Section 9002(3) of the Internal Revenue Code of 1954 (relating to the definition of "Comptroller General") is amended to read as follows:

"(3) The term 'Commission' means the Federal Election Commission established by section 310(a)(1) of the Federal Election
Ante, p. 1280. Campaign Act of 1971.".

(2) Section 9002(1) of such Code (relating to the definition of "authorized committee") is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(3) The third sentence of section 9002(11) of such Code (relating to the definition of "qualified campaign expense") is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

26 USC 9003. (4) Section 9003(a) of such Code (relating to condition for eligibility for payments) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "he" each place it appears therein and inserting in lieu thereof "it".

(5) Section 9003(b) of such Code (relating to major parties) and section 9003(c) of such Code (relating to minor and new parties) each are amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

26 USC 9005. (6) The heading for section 9005 of such Code (relating to certification by Comptroller General) is amended by striking out **"COMPTROLLER GENERAL"** and inserting in lieu thereof **"COMMISSION"**.

(7) Section 9005(b) of such Code (relating to finality of certifications and determinations) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "him" and inserting in lieu thereof "it".

26 USC 9006. (8) Section 9006(c) of such Code (relating to payments from the fund) and section 9006(d) of such Code (relating to insufficient amounts in fund) each are amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

26 USC 9007. (9) Section 9007(a) of such Code (relating to examinations and audits) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(10) Section 9007(b) of such Code (relating to repayments) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "he" each place it appears therein and inserting in lieu thereof "it".

(11) Section 9007(c) of such Code (relating to notification) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

26 USC 9009. (12) Section 9009(a) of such Code (relating to reports) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "him" and inserting in lieu thereof "it".

(13) Section 9009(b) of such Code (relating to regulations, etc.) is amended— 26 USC 9009.

(A) by striking out "Comptroller General" and inserting in lieu thereof "Commission";

(B) by striking out "he" and inserting in lieu thereof "it"; and

(C) by striking out "him" and inserting in lieu thereof "it".

(14) The heading for section 9010 of such Code (relating to participation by Comptroller General in judicial proceedings) is amended by striking out "**COMPTROLLER GENERAL**" and inserting in lieu thereof "**COMMISSION**". 26 USC 9010.

(15) Section 9010(a) of such Code (relating to appearance by counsel) is amended—

(A) by striking out "Comptroller General" and inserting in lieu thereof "Commission";

(B) by striking out "his" and inserting in lieu thereof "its"; and

(C) by striking out "he" each place it appears therein and inserting in lieu thereof "it".

(16) Section 9010(b) of such Code (relating to recovery of certain payments) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(17) Section 9010(c) of such Code (relating to declaratory and injunctive relief) is amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

(18) Section 9010(d) of such Code (relating to appeal) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission" and by striking out "he" and inserting in lieu thereof "it".

(19) The heading for subsection (a) of section 9011 of such Code (relating to review of certification, determination, or other action by the Comptroller General) is amended by striking out "COMPTROLLER GENERAL" and inserting in lieu thereof "COMMISSION". 26 USC 9011.

(20) Section 9011(a) of such Code, as amended by paragraph (19) (relating to review of certification, determination, or other action by the Commission) is amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

(21) Section 9011(b) of such Code, (relating to suits to implement chapter) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(22) Section 9012(d)(1) of such Code (relating to false statements, etc.) is amended— 26 USC 9012.

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "him" and inserting in lieu thereof "it".

CERTIFICATION FOR PAYMENT BY COMMISSION

SEC. 405. (a) Section 9005(a) of the Internal Revenue Code of 1954 (relating to initial certifications for eligibility for payments) is amended to read as follows: 26 USC 9005.

"(a) INITIAL CERTIFICATIONS.—Not later than 10 days after the candidates of a political party for President and Vice President of the United States have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003, the Commission shall certify to the Secretary for payment to such eligible candidates under section 9006 payment in full of amounts to which such candidates are entitled under section 9004.". Ante, p. 1292. Ante, p. 1291.

26 USC 9003.

(b) Section 9003(a) of such Code (relating to general conditions for eligibility for payments) is amended—

(1) by striking out "with respect to which payment is sought" in paragraph (1) and inserting in lieu thereof "of such candidates";

(2) by inserting "and" at the end of paragraph (2);

(3) by striking out ", and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(4) by striking out paragraph (4).

FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS

SEC. 406. (a) Chapter 95 of subtitle H of the Internal Revenue Code of 1954 (relating to the presidential election campaign fund) is amended by striking out section 9008 (relating to information on proposed expenses) and inserting in lieu thereof the following new section:

26 USC 9008.

"SEC. 9008. PAYMENTS FOR PRESIDENTIAL NOMINATING CONVENTIONS.

"(a) ESTABLISHMENT OF ACCOUNTS.—The Secretary shall maintain in the fund, in addition to any account which he maintains under section 9006(a), a separate account for the national committee of each major party and minor party. The Secretary shall deposit in each such account an amount equal to the amount which each such committee may receive under subsection (b). Such deposits shall be drawn from amounts designated by individuals under section 6096 and shall be made before any transfer is made to any account for any eligible candidate under section 9006(a).

Ante, p. 1291.

26 USC 6096.

"(b) ENTITLEMENT TO PAYMENTS FROM THE FUND.—

"(1) MAJOR PARTIES.—Subject to the provisions of this section, the national committee of a major party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed $2,000,000.

"(2) MINOR PARTIES.—Subject to the provisions of this section, the national committee of a minor party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive under paragraph (1) as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the United States of the major parties in the preceding presidential election.

"(3) PAYMENTS.—Upon receipt of certification from the Commission under subsection (g), the Secretary shall make payments from the appropriate account maintained under subsection (a) to the national committee of a major party or minor party which elects to receive its entitlement under this subsection. Such payments shall be available for use by such committee in accordance with the provisions of subsection (c).

"(4) LIMITATION.—Payments to the national committee of a major party or minor party under this subsection from the account designated for such committee shall be limited to the amounts in such account at the time of payment.

"(5) ADJUSTMENT OF ENTITLEMENTS.—The entitlements established by this subsection shall be adjusted in the same manner as expenditure limitations established by section 608(c) and section 608(f) of title 18, United States Code, are adjusted pursuant to the provisions of section 608(d) of such title. Ante, pp. 1264, 1265.

"(c) USE OF FUNDS.—No part of any payment made under subsection (b) shall be used to defray the expenses of any candidate or delegate who is participating in any presidential nominating convention. Such payments shall be used only—

"(1) to defray expenses incurred with respect to a presidential nominating convention (including the payment of deposits) by or on behalf of the national committee receiving such payments; or

"(2) to repay loans the proceeds of which were used to defray such expenses, or otherwise to restore funds (other than contributions to defray such expenses received by such committee) used to defray such expenses.

"(d) LIMITATION OF EXPENDITURES.—

"(1) MAJOR PARTIES.—Except as provided by paragraph (3), the national committee of a major party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled under subsection (b)(1).

"(2) MINOR PARTIES.—Except as provided by paragraph (3), the national committee of a minor party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of the entitlement of the national committee of a major party under subsection (b)(1).

"(3) EXCEPTION.—The Commission may authorize the national committee of a major party or minor party to make expenditures which, in the aggregate, exceed the limitation established by paragraph (1) or paragraph (2) of this subsection. Such authorization shall be based upon a determination by the Commission that, due to extraordinary and unforeseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee.

"(e) AVAILABILITY OF PAYMENTS.—The national committee of a major party or minor party may receive payments under subsection (b)(3) beginning on July 1 of the calendar year immediately preceding the calendar year in which a presidential nominating convention of the political party involved is held.

"(f) TRANSFER TO THE FUND.—If, after the close of a presidential nominating convention and after the national committee of the political party involved has been paid the amount which it is entitled to receive under this section, there are moneys remaining in the account of such national committee, the Secretary shall transfer the moneys so remaining to the fund.

"(g) CERTIFICATION BY COMMISSION.—Any major party or minor party may file a statement with the Commission in such form and manner and at such times as it may require, designating the national committee of such party. Such statement shall include the information required by section 303(b) of the Federal Election Campaign Act of 1971, together with such additional information as the Commission may require. Upon receipt of a statement filed under the preceding sentences, the Commission promptly shall verify such statement according to such procedures and criteria as it may establish and shall certify to the Secretary for payment in full to any such committee of amounts to which such committee may be entitled under subsection (b). Such certifications shall be subject to an examination and audit which the Commission shall conduct no later than December 31 of the calen- 2 USC 433. Examination and audit.

dar year in which the presidential nominating convention involved is held.

"(h) REPAYMENTS.—The Commission shall have the same authority to require repayments from the national committee of a major party or a minor party as it has with respect to repayments from any eligible candidate under section 9007(b). The provisions of section 9007(c) and section 9007(d) shall apply with respect to any repayment required by the Commission under this subsection.".

26 USC 9007.

Reports to Congress.
26 USC 9009.

(b)(1) Section 9009(a) of such Code (relating to reports) is amended by striking out "and" in paragraph (2) thereof; by striking out the period at the end of paragraph (3) thereof and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraphs:

"(4) the expenses incurred by the national committee of a major party or minor party with respect to a presidential nominating convention;

Ante, p. 1294.

"(5) the amounts certified by it under section 9008(g) for payment to each such committee; and

"(6) the amount of payments, if any, required from such committees under section 9008(h), and the reasons for each such payment.".

26 USC 9012.

(2) The heading for section 9012(a) of such Code (relating to excess campaign expenses) is amended by striking out "CAMPAIGN".

Excess expenses.

(3) Section 9012(a)(1) by such Code (relating to excess expenses) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to incur expenses with respect to a presidential nominating convention in excess of the expenditure limitation applicable with respect to such committee under section 9008(d), unless the incurring of such expenses is authorized by the Commission under section 9008(d)(3).".

Unlawful use of payments.

(4) Section 9012(c) of such Code (relating to unlawful use of payments) is amended by redesignating paragraph (2) as paragraph (3) and by inserting immediately after paragraph (1) the following new paragraph:

"(2) It shall be unlawful for the national committee of a major party or minor party which receives any payment under section 9008(b)(3) to use, or authorize the use of, such payment for any purpose other than a purpose authorized by section 9008(c).".

Kickbacks and illegal payments.

(5) Section 9012(e)(1) of such Code (relating to kickbacks and illegal payments) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expense incurred by such committee with respect to a presidential nominating convention.".

(6) Section 9012(e)(3) of such Code (relating to kickbacks and illegal payments) is amended by inserting immediately after "their authorized committees" the following: ", or in connection with any expense incurred by the national committee of a major party or minor party with respect to a presidential nominating convention.".

(c) The table of sections for chapter 95 of subtitle H of such Code (relating to the presidential election campaign fund) is amended by striking out the item relating to section 9008 and inserting in lieu thereof the following new item:

"SEC. 9008. Payments for presidential nominating conventions.".

26 USC 276.

(d) Section 276 of such Code (relating to certain indirect contributions to political parties) is amended by striking out subsection (c) and by redesignating subsection (d) as subsection (c)

TAX RETURNS BY POLITICAL COMMITTEES

SEC. 407. Section 6012(a) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended by adding at the end thereof the following new sentence: "The Secretary or his delegate shall, by regulation, exempt from the requirement of making returns under this section any political committee (as defined in section 301(d) of the Federal Election Campaign Act of 1971) having no gross income for the taxable year.". 26 USC 6012. Ante, p. 1272.

PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

SEC. 408. (a) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Subtitle H. Financing of Presidential election campaigns.".

(b) The analysis of chapters at the beginning of subtitle H of such Code is amended by striking out the item relating to chapter 96 and inserting in lieu thereof the following:

"Chapter 96. Presidential Primary Matching Payment Account.".

(c) Subtitle H of such Code is amended by striking out chapter 96, relating to Presidential Election Campaign Fund Advisory Board, and inserting in lieu thereof the following new chapter: 26 USC 9021.

"CHAPTER 96—PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

Presidential Primary Matching Payment Account Act.

"SEC. 9031. SHORT TITLE.

"This chapter may be cited as the 'Presidential Primary Matching Payment Account Act'.

"SEC. 9032. DEFINITIONS.

"FOR PURPOSES OF THIS CHAPTER—

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, any political committee which is authorized in writing by such candidates to incur expenses to further the election of such candidates. Such authorization shall be addressed to the chairman of such political committee, and a copy of such authorization shall be filed by such candidates with the Commission. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization.

"(2) The term 'candidate' means an individual who seeks nomination for election to be President of the United States. For purposes of this paragraph, an individual shall be considered to

seek nomination for election if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

"(3) The term 'Commission' means the Federal Election Commission established by section 310(a)(1) of the Federal Election Campaign Act of 1971.

Ante, p. 1280.

Post, p. 1299.

"(4) Except as provided by section 9034(a), the term 'contribution'—

"(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made for the purpose of influencing the result of a primary election,

"(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose,

"(C) means funds received by a political committee which are transferred to that committee from another committee, and

"(D) means the payment by any person other than a candidate, or his authorized committee, of compensation for the personal services of another person which are rendered to the candidate or committee without charge, but

"(E) does not include—

"(i) except as provided in subparagraph (D), the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering such service to or for the benefit of the candidate, or

"(ii) payments under section 9037.

"(5) The term 'matching payment account' means the Presidential Primary Matching Payment Account established under section 9037(a).

Post, p. 1300.

"(6) The term 'matching payment period' means the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States will be held and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for the office of President of the United States, or, in the case of a party which does not make such nomination by national convention, ending on the earlier of (A) the date such party nominates its candidate for the office of President of the United States, or (B) the last day of the last national convention held by a major party during such calendar year.

"(7) The term 'primary election' means an election, including a runoff election or a nominating convention or caucus held by a political party, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

"(8) The term 'political committee' means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the

nomination of any person for election to the office of President of the United States.

"(9) The term 'qualified campaign expense' means a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value—

"(A) incurred by a candidate, or by his authorized committee, in connection with his campaign for nomination for election, and

"(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid.

For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

"(10) The term 'State' means each State of the United States and the District of Columbia.

"SEC. 9033. ELIGIBILITY FOR PAYMENTS.

"(a) CONDITIONS.—To be eligible to receive payments under section 9037, a candidate shall, in writing— Post, p. 1300.

"(1) agree to obtain and furnish to the Commission any evidence it may request of qualified campaign expenses,

"(2) agree to keep and furnish to the Commission any records, books, and other information it may request, and

"(3) agree to an audit and examination by the Commission under section 9038 and to pay any amounts required to be paid under such section.

"(b) EXPENSE LIMITATION; DECLARATION OF INTENT; MINIMUM CONTRIBUTIONS.—To be eligible to receive payments under section 9037, a candidate shall certify to the Commission that—

"(1) the candidate and his authorized committees will not incur qualified campaign expenses in excess of the limitation on such expenses under section 9035,

"(2) the candidate is seeking nomination by a political party for election to the office of President of the United States,

"(3) the candidate has received matching contributions which in the aggregate, exceed $5,000 in contributions from residents of each of at least 20 States, and

"(4) the aggregate of contributions certified with respect to any person under paragraph (3) does not exceed $250.

"SEC. 9034. ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS.

"(a) IN GENERAL.—Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such candidate is seeking nomination, or by his authorized committees, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person on or after the beginning of such preceding calendar year exceeds $250. For purposes of this subsection and section 9033(b), the term 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything of value or anything described in subparagraph (B), (C), or (D) of section 9032(4). "Contribution."

"(b) LIMITATIONS.—The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed 50 percent of the expenditure limitation applicable under section 608(c)(1)(A) of title 18, United States Code.

"SEC. 9035. QUALIFIED CAMPAIGN EXPENSE LIMITATION.

"No candidate shall knowingly incur qualified campaign expenses in excess of the expenditure limitation applicable under section 608(c)(1)(A) of title 18, United States Code.

"SEC. 9036. CERTIFICATION BY COMMISSION.

"(a) INITIAL CERTIFICATIONS.—Not later than 10 days after a candidate establishes his eligibility under section 9033 to receive payments under section 9037, the Commission shall certify to the Secretary for payment to such candidate under section 9037 payment in full of amounts to which such candidate is entitled under section 9034. The Commission shall make such additional certifications as may be necessary to permit candidates to receive payments for contributions under section 9037.

"(b) FINALITY OF DETERMINATIONS.—Initial certifications by the Commission under subsection (a), and all determinations made by it under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 9038 and judicial review under section 9041.

"SEC. 9037. PAYMENTS TO ELIGIBLE CANDIDATES.

"(a) ESTABLISHMENT OF ACCOUNT.—The Secretary shall maintain in the Presidential Election Campaign Fund established by section 9006(a), in addition to any account which he maintains under such section, a separate account to be known as the Presidential Primary Matching Payment Account. The Secretary shall deposit into the matching payment account, for use by the candidates of any political party who is eligible to receive payments under section 9033, the amount available after the Secretary determines that amounts for payments under section 9006(c) and for payments under section 9008(b)(3) are available for such payments.

Ante, p. 1291.

26 USC 9006.

Ante, p. 1294.

"(b) PAYMENTS FROM THE MATCHING PAYMENT ACCOUNT.—Upon receipt of a certification from the Commission under section 9036, but not before the beginning of the matching payment period, the Secretary or his delegate shall promptly transfer the amount certified by the Commission from the matching payment account to the candidate. In making such transfers to candidates of the same political party, the Secretary or his delegate shall seek to achieve an equitable distribution of funds available under subsection (a), and the Secretary or his delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received.

Supra.

"SEC. 9038. EXAMINATIONS AND AUDITS; REPAYMENTS.

"(a) EXAMINATIONS AND AUDITS.—After each matching payment period, the Commission shall conduct a thorough examination and audit of the qualified campaign expenses of every candidate and his authorized committees who received payments under section 9037.

"(b) REPAYMENTS.—

"(1) If the Commission determines that any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount of payments to which such candidate was entitled under section 9034, it shall notify the candidate, and the candidate shall pay to the Secretary or his delegate an amount equal to the amount of excess payments.

"(2) If the Commission determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses,

it shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(3) Amounts received by a candidate from the matching payment account may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the matching payment account.

"(c) NOTIFICATION.—No notification shall be made by the Commission under subsection (b) with respect to a matching payment period more than 3 years after the end of such period.

"(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the matching payment account.

"SEC. 9039. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each matching payment period, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in such detail as the Commission determines necessary) incurred by the candidates of each political party and their authorized committees,

"(2) the amounts certified by it under section 9036 for payment to each eligible candidate, and

"(3) the amount of payments, if any, required from candidates under section 9038, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) REGULATIONS, ETC.—The Commission is authorized to prescribe rules and regulations in accordance with the provisions of subsection (c), to conduct examinations and audits (in addition to the examinations and audits required by section 9038(a)), to conduct investigations, and to require the keeping and submission of any books, records, and information, which it determines to be necessary to carry out its responsibilities under this chapter. Audits.

"(c) REVIEW OF REGULATIONS.—

"(1) The Commission, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Senate and to the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such House does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved by either such House under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.

"SEC. 9040. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCE BY COUNSEL.—The Commission is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

5 USC 101 et seq.

5 USC 5101, 5331.

"(b) RECOVERY OF CERTAIN PAYMENTS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.

Ante, p. 1300.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate to implement any provision of this chapter.

"(d) APPEAL.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 9041. JUDICIAL REVIEW.

"(a) REVIEW OF AGENCY ACTION BY THE COMMISSION.—Any agency action by the Commission made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought.

"(b) REVIEW PROCEDURES.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

"SEC. 9042. CRIMINAL PENALTIES.

"(a) EXCESS CAMPAIGN EXPENSES.—Any person who violates the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(b) UNLAWFUL USE OF PAYMENTS.—

"(1) It is unlawful for any person who receives any payment under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to use or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray qualified campaign expenses, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) FALSE STATEMENTS, ETC.—

"(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Commission under this chapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this chapter, or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this chapter.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d) KICKBACKS AND ILLEGAL PAYMENTS.—

"(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committees, who receives payments under section 9037.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized committees shall pay to the Secretary for deposit in the matching payment account, an amount equal to 125 percent of the kickback or payment received.".

REVIEW OF REGULATIONS

SEC. 409. (a) Section 9009 of the Internal Revenue Code of 1954 (relating to reports to Congress; regulations) is amended by adding at the end thereof the following new subsection: 26 USC 9009.

"(c) REVIEW OF REGULATIONS.—

"(1) The Commission, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Senate and to the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such House does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved by either such House under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' "Legislative days."

does not include any calendar day on which both Houses of the Congress are not in session.".

26 USC 9009. (b) Section 9009(b) of such Code (relating to regulations, etc.) is amended by inserting "in accordance with the provisions of subsection (c)" immediately after "regulations".

EFFECTIVE DATES

2 USC 431 note. SEC. 410. (a) Except as provided by subsection (b) and subsection (c), the foregoing provisions of this Act shall become effective January 1, 1975.

Ante, p. 1272. (b) Section 104 and the amendment made by section 301 shall become effective on the date of the enactment of this Act.

Ante, pp. 1291-1294, 1297, 1303. (c)(1) The amendments made by sections 403(a), 404, 405, 406, 408, and 409 shall apply with respect to taxable years beginning after December 31, 1974.

Ante, p. 1297. (2) The amendment made by section 407 shall apply with respect to taxable years beginning after December 31, 1974.

Approved October 15, 1974.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 93-1239 accompanying H.R. 16090 (Comm. on House Administration) and No. 93-1438 (Comm. of Conference).
SENATE REPORTS: No. 93-689 (Comm. on Rules and Administration) and No. 93-1237 (Comm. of Conference).
CONGRESSIONAL RECORD, Vol. 120 (1974):
Mar. 26, 27, 29, Apr. 1-5, 8-11, considered and passed Senate.
Aug. 7, 8, considered and passed House, amended, in lieu of H.R. 16090.
Oct. 8, Senate agreed to conference report.
Oct. 10, House agreed to conference report.
WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 10 No. 42:
Oct. 15, Presidential statement.

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[1] *Congressional Record* (daily edition) page references shown in brackets