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Campaign Finance Bills in the 107th Congress: Comparison of S. 22 (Hagel-Landrieu) with S. 27 (McCain-Feingold)

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Summary

On March 19, 2001, the Senate began consideration of the McCain-Feingold campaign finance reform bill. The bill—S. 27 (Bipartisan Campaign Reform Act of 2001)—was introduced on January 22, 2001 by Senators McCain, Feingold, Cochran *et al.* It features a ban on the raising of soft money by national parties, a ban on the spending of soft money by state and local parties on federal election-related activities (as defined), and a disclosure requirement for electioneering messages not regulated by federal election law, along with a ban on their funding from union or for-profit corporation treasuries. Another bill receiving considerable Senate attention is S. 22 (Open and Accountable Campaign Financing Act of 2001), introduced on January 22, 2001 by Senators Hagel, Landrieu *et al.* It features limits on soft money donations to national parties, increases in hard money contribution limits, and a requirement that broadcasters make information available on groups engaging in issue advocacy. This report provides a summary and comparison of these two measures, according to various categories.¹

S. 22 (Hagel-Landrieu) and S. 27 (McCain-Feingold) Bills Compared

S. 22 (Hagel-Landrieu)	S. 27 (McCain-Feingold)
Individual Contribution Limits (Hard Money)	
To candidates: raises (from \$1,000) to \$3,000 per election	No provision

¹ Section numbers are provided for summary material, referring to all preceding information in that column, until the preceding section reference.

S. 22 (Hagel-Landrieu)	S. 27 (McCain-Feingold)
No provision	To state parties: raises (from \$5,000) to \$10,000 per year
To natl. party committees: raises (from \$20,000) to \$60,000 per year	No provision
To PACs: raises (from \$5,000) to \$15,000 per year	No provision
Annual aggregate limit: raises (from \$25,000) to \$75,000	Annual aggregate limit: raises (from \$25,000) to \$30,000 (Sec. 102)
Indexes limits, as of 2003 (Sec. 203)	No provision
PAC Contribution Limits (Hard Money)	
To candidates: raises (from \$5,000) to \$7,500 per election	No provision
To natl. party committees: raises (from \$15,000) to \$30,000 per year	No provision
To other PACs: raises (from \$5,000) to \$7,500 per year	No provision
Indexes limits, as of 2003 (Sec. 203)	No provision
Party Contribution Limits (Hard Money)	
To candidates: raises (from \$5,000) to \$7,500 per election, or, for national party committees, \$15,000 per election	No provision
To Senate candidates from national and senatorial committees combined: raises (from \$17,500) to \$60,000 (in general election year)	No provision
To PACs: raises (from \$5,000) to \$7,500 per year	No provision
Indexes limits, as of 2003 (Sec. 203)	No provision
Candidate Role (Hard Money)	
No provision	Specifies permissible uses for, and bans personal use of, campaign funds (Sec. 301)

S. 22 (Hagel-Landrieu)	S. 27 (McCain-Feingold)
Independent Expenditures (Hard Money)	
No provision	Defines <i>independent expenditure</i> as expressly advocating election/defeat of a clearly identified candidate and not a <i>coordinated activity</i> with a candidate, agent, or anyone coordinating with candidate in that election cycle (Sec. 211)
No provision	Requires 48 hour notice of expenditures of \$10,000 or more, up to 20 days before an election (Sec. 212)
No provision	Bans party independent <i>AND</i> coordinated expenditures (both) for candidate (Sec. 213)
Coordinated Activity (Hard or Soft Money)	
No provision	Defines “contribution” to incl. <i>coordinated activity</i> : anything of value provided in connection with a federal candidate’s election by anyone who coordinated with candidate (or agent) in connection with his/her election in that election cycle, whether or not express advocacy (Sec. 214)
No provision	<i>Coordinated activity</i> includes payments: (1) in cooperation, consultation, or concert with, at request/suggestion of, or pursuant to understanding with, a candidate, party, or agent acting on behalf thereof; (2) for production, dissemination, or republication of candidate-prepared material, except materials republished from candidate’s website for less than \$1,000; (3) by spender who in that election cycle has been employee, fundraiser, or agent of a candidate in executive/policymaking role, or has discussed campaign strategy/tactics (non-incidentally) with candidate, agent, or party coordinating with candidate, (<i>i.e.</i> , advertising, message, resource allocation, fundraising, campaign operations); or (4) by spender who used professional services of anyone who in that election cycle has provided services (polling, media, fundraising, campaign research, political advice, or direct mail, except mailhouse services) to candidate, directly or via party
No provision	Declares party expenditure for a communication referring to a clearly identified federal candidate, whether or not express advocacy, to be in coordination with party’s candidate, unless party certifies no coordination

S. 22 (Hagel-Landrieu)	S. 27 (McCain-Feingold)
No provision	Deems <i>coordinated activity</i> as contribution to, or expenditure by, a candidate (Sec. 214)
Party Soft Money	
<ul style="list-style-type: none"> • Sets \$60,000 annual limit on soft money receipt from any individual/entity by a national party committee (or entity it establishes, maintains, finances, or controls) • Sets \$60,000 annual limit on soft money donations by any individual/entity to all national party committees • Contingent on Supreme Court review • Indexes limit, based on 2001 (Sec. 203) 	Prohibits national party committees from soliciting, receiving, directing, transferring, or spending soft money, including an entity established, financed, maintained, or controlled by a national party committee and an agent acting on behalf thereof
No provision	Prohibits spending of soft money for a <i>federal election activity</i> by state/local party committees, incl. entity established, financed, maintained, or controlled by a state/local party committee and agent acting on behalf, or controlled by and acting on behalf of one or more state/local candidates or officials (permits state/local candidate principal campaign committees to raise/ spend funds under state law, if not for a <i>federal election activity</i> referring to a clearly identified federal candidate)
No provision	Defines <i>federal election activity</i> to include: (1) voter registration drives in last 120 days of a federal election; (2) voter ID, get-out-the-vote drives, and generic activity in connection with election in which a federal candidate is on the ballot; (3) <i>public communications</i> that refer to a clearly identified federal candidate and promote, support, attack, or oppose a candidate for that office (whether or not it expressly advocates a vote for/against); and (4) services by state/local party employee who spends 25%+ of paid time in month on activities connected with federal election
No provision	Defines <i>public communications</i> as communications by broadcast, cable, satellite, newspaper, magazine, outdoor ads, mass mailing (over 500 same or substantially similar pieces mailed within 30 days of each other), or phone bank (over 500 same or substantially similar calls within 30 days of each other)
No provision	Allows state parties to spend money on exclusively non-federal election activities
No provision	Prohibits party committees from using soft money to raise funds for use even in part on federal election activities

S. 22 (Hagel-Landrieu)	S. 27 (McCain-Feingold)
No provision	Prohibits party committees/agents from raising money for, or giving to, any 501(c) or 527 tax-exempt organization
No provision	Prohibits federal candidates, officeholders, agents, or entities they establish, maintain, finance, or control from raising soft money in connection with a federal election (incl. a <i>federal election activity</i>) or money from sources beyond federal limits/prohibitions in non-federal elections (Sec. 101)
Codifies FEC regulations requiring national party soft money disclosure (Sec. 102)	<ul style="list-style-type: none"> • Codifies FEC regulations requiring national party soft money disclosure • Requires state/local party disclosure of federal election activity (Sec. 103)
No provision	Ends building fund exemption (Sec. 101)
Non-Party Soft Money	
No provision	Requires unions to give reasonable notice to dues-paying non-members of rights to disallow political use of funds and to establish/implement an objection procedure regarding such payments (Sec. 304)
Issue Advocacy	
No provision	Defines <i>electioneering communication</i> as a broadcast, cable, or satellite ad referring to a clearly identified federal candidate, made within 60 days of a general election or 30 days of a primary, to audience that includes voters in that election (Sec. 201)
No provision	Bans funding of electioneering messages with union/corporate funds; exempts funding from 501(c)(4)s and 527s if funding is solely from individuals (Sec. 203)
Requires broadcasters to keep and make available for public inspection records of time requests by candidates or entities whose message relates to a political matter of national importance, incl. about a candidate, federal election, or legislative issue of public importance (Sec. 104)	Requires disclosure of electioneering communications by any spender exceeding an aggregate of \$10,000 per year in such disbursements
Records to include: whether request was accepted; rate charged; date/time message aired; class of time purchased; candidate and office, election, or issue referred to; and ID of purchaser (incl. officers of any non-candidate entity) (Sec. 104)	Reports to include: spender ID, custodian of books, and any controlling entity; principal place of business; ID of disbursements over \$200; ID of donors of \$1,000+ (either to separate segregated fund devoted solely to such activities or to organization itself); and election/candidates referred to (Sec. 201)
No provision	<i>Electioneering communication</i> coordinated with candidate/agent/party is a contribution to/expenditure by candidate (Sec. 202)

S. 22 (Hagel-Landrieu)	S. 27 (McCain-Feingold)
FEC: Enforcement and Disclosure	
Indexes fines, retroactively (Sec. 302)	No provision
Requires candidate reports monthly: year of election, quarterly: other years (Sec. 101)	No provision
Requires national party committees to file monthly reports in all years (Sec. 101)	No provision
Requires FEC to post disclosed info. on Internet within 24 hours of receipt (Sec. 103)	No provision
Requires FEC to give standardized software at no cost to electronic filers (Sec. 105)	No provision
Requires Senate candidates to file reports directly with FEC (Sec. 303)	No provision
Foreign Money	
No provision	Bans direct/indirect contributions from foreign nationals (incl. soft money), their solicitation or receipt, or promise to make them, in connection with any U.S. election or to natl. party committee (permanent resident alien exemption retained) (Sec. 303)
Miscellaneous	
Adds party soft money to ban on solicitation of political donations from federal government property (Sec. 301)	Bans solicitation or receipt of contributions, incl. soft money, <i>by</i> federal officials and <i>from</i> anyone, in any federal government building used for official duties (Sec. 302)
No provision	If any provision of Act or statute is held unconstitutional, the remainder of Act and statute would be unaffected, <i>i.e.</i> , severability clause (Sec. 401)