By Mr. MONDALE (for himself
and Mr. SCHWEIKER):
S. 2775. A bill to amend the Internal
Revenue Code of 1954 to increase the
maximum credit allowable with respect to contributions to can-
didates for public office, to make certain changes in subtitle II of such code with respect to the financing of Presidential ele-
cition campaigns, and for other pur-
poses. Referred to the Committee on
Finance.

RESOLUTION OF MONDALE-SCHWEIKER
PRESIDENTIAL CAMPAIGN FINANCING ACT OF 1973

Mr. MONDALE. Mr. President, I am reintroducing today, together with this Executive Director (Mr. SCHWEIKER), a revised version of the Mondale-Schweiker Presidential Cam-


This legislation was originally intro-
duced on July 24, 1973, as S. 2238, and has been slightly revised to incorporate various technical improvements, and to conform more closely to the private con-
tribution limits passed by the Senate in S. 372 on July 30.

The major provisions of the Mondale-
Schweiker bill were included in the Joint
Public Financing Amendment which
passed the Senate on November 27.

The tentative House-Senate compromise public financing amendment worked out a few days later, covering only Presi-
tential elections, retained the main elements of the Mondale-Schweiker bill.

However, a Senate filibuster prevented
the House and Senate from voting on this compromise.

While we are deeply disappointed that the White House-Inspired filibuster suc-
ceded in defeating public financing temporarily, it is not a fatal setback.

There is a clear majority for public fi-
nancing in the Senate and I believe in
the House as well, and that majority
is strengthened with each new revelation of Nixon campaign abuses in 1972.

No one can any longer doubt the cor-
rupting influence of Presidential poli-
tics. It is equally clear that if influence is to be removed, the only sensible answer is public financing.

That the present system is rotten and corrupt is even acknowledged by those who opposed our efforts to enact public
financing. During the entire week-long debate, not a single Senator defended
the present system. They could not, be-
cause it is indefensible.

Senator Schweiker and I hope that hearing will be held soon on our bill in the Senate Finance Committee, and that
legislation incorporating our matching system for financing presidential pri-
maries and building on the $1 checkoff for general elections will be back before the Senate early next year.

The Mondale-Schweiker bill intro-
duced today includes the same pro-
visions for public financing of presi-
dential primaries that were included in the House-Senate compromise amended-
ed-upon this floor--and it will
be acted upon.

In addition, it restores pro-
visions doubling the size of the check-
off to $2, and doubling the existing tax
credit and deduction for political contri-
butions. Finally, it establishes a revised system for Presidential general elections

which permits the $21 million in public
drinking each candidate may receive to be supplemented with up to $3 million in private contributions of $3,000 or less.

Mr. President, I ask that a detailed exp-
lication be included in the Record of
our announced bill, along with a detailed explanation of it, be included in the
Record here.

There being no objection, the bill and
explanation were ordered to be printed in the Record, as follows:

S. 2775

A bill to amend the Internal Revenue Code of 1954 to increase the maximum credit and deduction allowable with respect to contributions to candidates for public office, to make certain changes in subtitle II of such code with respect to the financing of Presidential election campaigns, and for other purposes.

Be it enacted by the Senate and House of
Representatives of the United States of
America in Congress assembled, That this Act may be cited as the "Presidential Campaign Financing Act of 1973".

INCREASE IN POLITICAL CONTRIBUTIONS CREDIT

Sec. 2. (a) Section 41(b) (1) of the Inter-

nal Revenue Code of 1954 (relating to maxi-
mum credit for contributions to candidates for public office) is amended to read as
follows:

"(1) Maximum credit.—The credit allowed by subsection (a) for a taxable year shall not exceed $2 for a campaign in the case of a joint return under section 6013.)

"(2) Section 1(b) (1) of the Internal Re-


venue Code of 1954 (relating to amount of deduction for contributions to candidates for public office) is amended to read as follows:

"(1) Amount.—The deduction under sub-
section (a) shall be limited to the lower of
the amount of the credit under subsection (a) or $2 in the case of a joint return under section 6013.)

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

DESIGNATION OF INCOME TAX PAYMENTS
TO PRESIDENTIAL ELECTION CAMPAIGN FUND

Sec. 3. (a) Effective with respect to taxable years ending on or after December 31, 1973, section 6006(a) (relating to designation of income tax payments to the Presidential Election Campaign Fund) is amended to read as
follows:

"Sec. 6006. DESIGNATION BY INDIVIDUAL.

(a) In General.—Every individual (other than a nonresident alien) whose income tax liability for the taxable year is $2 or more may designate that $2 shall be paid to the Presidential Election Campaign Fund in accordance with the provisions of section 6006(a). In the case of a joint return of hus-
band and wife having an income tax liability of $4 or more, each spouse may designate that $2 shall be paid to the fund.

(b) Procedure.—For purposes of sub-
sections (a), the income tax liability of an individual for any taxable year is the amount of the tax imposed by chapter 1 for such taxable year (as shown on his return), reduced by the sum of the credits (as shown in his return) allow-
able under sections 33, 37, 38, 40, and 41.

(c) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to the time of filing the return of the tax imposed by chapter 1 for such taxable year, or

at any other time (after the time of filing the return of the tax imposed by chapter 1 for such taxable year) specified in regu-
lations prescribed by the Secretary or his delegate.
tion is made at the time of filing the return of the tax imposed by chapter 1 for such taxable year, such designation shall be made either on the first page of the return or on the persons employed by such firm, shall be the amount in effect for such calendar year.

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

"(B) The term 'base period' means the calendar year 1972.

"(b) CONTRIBUTIONS--

"(1) It shall be unlawful for any candidate of major, minor, or new party in a Presidential election, except an authorized committees knowingly and willfully to accept and expend or retain contributions to defray any expense in an amount greater than that necessary to make up the difference between the payments received from the fund under section 9006 and the amount designated during the preceding fiscal year (or subsequent to the previous Presidential election) for individuals into the fund under section 9006.

"(2) Any person who violates paragraph (1) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

PRESIDENTIAL PRIMARY MATCHING PAYMENT FUND

Sec. 8. (a) The analysis of subtleties at the beginning the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"SUBTITLE H--FINANCING OF PRESIDENTIAL ELECTION CAMPAIGNS."

"(b) The analysis of chapters at the beginning the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"CHAPTER 9T--PRESIDENTIAL PRIMARY MATCHING PAYMENT FUND

"Sec. 9031. Short title.

"Sec. 9032. Definitions.

"Sec. 9033. Eligibility for payment.

"Sec. 9034. Authorization of payments.

"Sec. 9035. Qualified campaign expenses limitation.

"Sec. 9036. Certification by Comptroller General.

"Sec. 9037. Payments to eligible candidates.

"Sec. 9043. Certification.

"Sec. 9044. Effective date of chapter.

"Sec. 9031. SHORT TITLE

"This chapter may be cited as the 'Presidential Primary Matching Payment Fund'."

"Sec. 9032. DEFINITIONS

"For purposes of this chapter--

"(1) The term 'authorized committee' means any political committee which is authorized in writing by a candidate to incur expenses in connection with his campaign for nomination for election to the office of President of the United States.

"(2) The term 'candidate' means an individual who seeks nomination for election to the office of President of the United States, or who has been formally decided upon by a political party for President of the United States.

"(3) The term 'qualified campaign expenditures' means any expenditures or contributions by or for the benefit of a candidate by an individual who receives no compensation for rendering service to or for the benefit of a candidate, or any organization which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any person for the office of President of the United States.

"(4) The term 'political committee' means any political committee, or any individual, committee, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any person for the office of President of the United States.

"(5) The term 'qualified campaign expenditures' means any contributions, payment, distribution, loan, advance, deposit, or gift of money or of anything of value--

"(A) Incurred by a candidate, or by his authorized committees, in connection with his campaign for nomination for election; and

"(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid. For purposes of this paragraph, the phrase 'incurred by a candidate' or by an authorized committees, it if is incurred by a person specifically authorized in writing by the candidate or committee to incur such expense on behalf of the candidate or the committee.

"(6) The term 'State' means each State of the United States and the District of Columbia.

"Sec. 9033. ELIGIBILITY FOR PAYMENTS.

"(a) FURNISH INFORMATION.--To be eligible for payment under section 9037, a candidate shall, in writing--

"(1) agree to obtain and furnish to the Comptroller General any evidence he may request of qualified campaign expenses,

"(2) agree to keep and furnish to the
The Comptroller General may require, furnish to the Comptroller General a detailed statement, in such form as the Comptroller General may prescribe, of—

(1) the qualified campaign expenses incurred by the candidate and his authorized committees, who is eligible under section 9037 for payment under section 9037, or who is entitled to payments under section 9037, and prior to examination and audit under section 9038, the Comptroller General shall certify from time to time to the Secretary or his delegate for payment to each candidate from the fund was used for any purpose.

"(A) to repay the loans of the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses, he shall notify the amount of the funds so received and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses, he shall notify the amount of the funds so received and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(C) or (D) of section 9032(4).

"(2) the amounts certified by him under section 9038 for payment to each candidate.

"(a) in general.—Every candidate who is entitled under section 9037 to payments under section 9033 is entitled to payments under section 9038, but not before the beginning of the matching period, and all determinations under section 9038 and judicial review under section 9042. "Sec. 9037. Payments to Eligible Candidates.

"(a) Establishment of Fund.—There is established on the books of the Treasury a special fund to be known as the Presidential Election Campaign Fund. There are hereby appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this chapter.

"(b) Payments from the Fund.—Upon receipt of a certification from the Comptroller General under section 9033, but not before the beginning of the matching period, the Secretary or his delegate shall promptly transfer the amount certified by the Comptroller General from the fund to the candidate.

"Sec. 9038. Examination and Audits; Repayments.

"(a) Examinations and Audits.—After each matching payment the Comptroller General shall conduct a thorough examination of the qualified campaign expenses of each candidate. If the Comptroller General determines that any amount of any payment made to a candidate from the fund was used for any purpose.

"(b) Repayments.—

"(1) If the Comptroller General determines that any portion of the payments made to a candidate from the fund was in excess of the aggregate amount of payments to which that candidate was entitled under section 9037, the Secretary or his delegate shall pay to the candidate or his delegate an amount equal to the amount of excess payments.

"(2) If the Comptroller General determines that any amount of any payment made to a candidate from the fund was used for any purpose.

"(a) Certification.—On the basis of the evidence, books, records, and information furnished by each candidate, and his authorized committees, who is eligible, under section 9035, to receive payments under section 9037, and prior to examination and audit under section 9038, the Comptroller General shall certify from time to time to the Secretary or his delegate for payment to each candidate under section 9037 the amount to which each candidate is entitled under section 9034.

"(b) Finality of Determinations.—Initial certifications by the Comptroller General under this section, and all determinations made by him under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit under section 9038 and judicial review under section 9042.

"Sec. 9039. Minimum Contributions.

"(a) In General.—Every candidate who is entitled under section 9037 to payments under section 9033 is entitled to payments under section 9038, but not before the beginning of the matching period, and all determinations under section 9038 and judicial review under section 9042. "Sec. 9037. Payments to Eligible Candidates.

"(a) In General.—Every candidate who is entitled under section 9037 to payments under section 9033 is entitled to payments under section 9038, but not before the beginning of the matching period, and all determinations under section 9038 and judicial review under section 9042. "Sec. 9037. Payments to Eligible Candidates.

"(a) In General.—Every candidate who is entitled under section 9037 to payments under section 9033 is entitled to payments under section 9038, but not before the beginning of the matching period, and all determinations under section 9038 and judicial review under section 9042. "Sec. 9037. Payments to Eligible Candidates.
provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit in the event that the same is filed in such court within 30 days after the agency action by the Comptroller General for which review is sought.

"Section 306. (a) Each candidate shall designate one political committee as his central campaign committee for nomination for election, or for election, to the office of President, may also designate one or more political committees of the candidate nominated by him as a State campaign committee for that State. The designation shall be made in writing, and a copy of the designation and any information as the Commission may require, shall be furnished to the Commission upon the designation of any such committee.

(c) No political committee designated as the central campaign committee of more than one candidate. The central campaign committee of any State political committee designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee of the candidate nominated by that party for election to the office of Vice President.

"Section 309. (a) Each candidate shall designate one or more political committees of the candidate nominated by him as a State campaign committee for that State. The campaign depository of the candidate for nomination for election, or for election, to the office of President, may also designate one or more political committees of the candidate nominated by him as a State campaign committee for that State. The campaign depository of the candidate for nomination for election, or for election, to the office of President, may also designate one or more political committees of the candidate nominated by him as a State campaign committee for that State.

(b) No political committee may establish one such depository in each state in which he is a candidate, or his authorized committees, who receives payments under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to, or authorized as such portion for any purpose other than—

(A) to defray qualified campaign expenses, or

(B) to repay any kickback or illegal payment on his behalf, shall maintain a campaign depository. The central campaign committee of any State political committee designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee of the candidate nominated by that party for election to the office of Vice President.

(c) If any political committee authorized by a candidate to accept contributions or make expenditures in connection with his candidacy, or a State campaign committee which is not a central campaign committee or a State campaign committee, shall defray the costs of any campaign expenditures which were used, or were otherwise to restore funds (other than contributions to defray qualified campaign expenses and expenditures) which were used, to defray qualified campaign expenses.

(2) Any person who violates the provisions of this section shall be fined not more than $100,000, or imprisoned not more than five years, or both.

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

(c) If any political committee authorized by a candidate to accept contributions or make expenditures in connection with his candidacy, or a State campaign committee which is not a central campaign committee or a State campaign committee, shall defray the costs of any campaign expenditures which were used, or were otherwise to restore funds (other than contributions to defray qualified campaign expenses and expenditures) which were used, to defray qualified campaign expenses.

(2) Any person who violates the provisions of this section shall be fined not more than $100,000, or imprisoned not more than five years, or both.

(1) It is unlawful for any person knowingly and willfully—

(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Comptroller General under this chapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Comptroller General of books and information to the Comptroller General under this chapter;

(B) to fail to furnish to the Comptroller General all records, books, or information requested by him for purposes of this chapter.

(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

(1) It is unlawful for any person knowingly and willfully to—

(A) to receive contributions or make expenditures on his behalf, shall maintain a checking account at the depository so designated by the candidate and shall deposit any contributions received by that committee into that account. No person may establish one such depository in each state in which he is a candidate, or his authorized committees, who receives payments under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to, or authorized as such portion for any purpose other than—

(a) to defray qualified campaign expenses, or

(b) to repay any kickback or illegal payment on his behalf, shall maintain a campaign depository. The central campaign committee of any State political committee designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee of the candidate nominated by that party for election to the office of Vice President.

(c) A candidate for nomination for election, or for election, to the office of President, may also designate one or more political committees of the candidate nominated by him as a State campaign committee for that State, which shall be considered by his State campaign committee for that State and any other political committee authorized by him to receive contributions and make expenditures on his behalf in that State, under regulations prescribed by the supervisory officer, as his single campaign depository. The campaign depository of the candidate for nomination for election, or for election, to the office of Vice President shall be the campaign depository of the candidate nominated by that party for election to the office of Vice President.

The campaign depository of the candidate for nomination for election, or for election, to the office of President, may also designate one or more political committees of the candidate nominated by him as a State campaign committee for that State, which shall be considered by his State campaign committee for that State and any other political committee authorized by him to receive contributions and make expenditures on his behalf in that State, under regulations prescribed by the supervisory officer, as his single campaign depository. The campaign depository of the candidate for nomination for election, or for election, to the office of Vice President shall be the campaign depository of the candidate nominated by that party for election to the office of Vice President.

"Section 306. (a) Each candidate shall designate one political committee as his central campaign committee for nomination for election, or for election, to the office of President, may also designate one or more political committees of the candidate nominated by him as a State campaign committee for that State. The designation shall be made in writing, and a copy of the designation and any information as the Commission may require, shall be furnished to the Commission upon the designation of any such committee.

(c) No political committee designated as the central campaign committee of more than one candidate. The central campaign committee of any State political committee designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee of the candidate nominated by that party for election to the office of Vice President.

"Section 309. (a) Each candidate shall designate one National or State bank as his campaign depository. The central campaign committee and the State campaign committees of the candidate nominated by that party for election to the office of Vice President.

(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $50 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be made in connection with the requirements established by the supervisory officer, and such statements and reports thereof shall be furnished to the supervisory officer in accordance with the requirements established by the supervisory officer.

"Section 310. No political committee shall receive a contribution, or contributions, in the aggregate, from any person of $50 or more other than in the form of a check drawn on a depository of the candidate or his authorized committee.

No political committee shall make any expenditure of $50 or more other than by check drawn on the account of that political committee. No political committee shall accept any kickback or illegal payment on behalf of the candidate or his delegate or authorized agent.

"Section 311. (a) Violation of the provisions of this title is a misdemeanor punishable by a fine of not more than $1,000, imprisonment for not more than one year, or both.

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

"Section 315. (a) No person shall make any contribution or any expenditure in connection with his candidacy, or a State campaign committee designated by a candidate nominated by a political party for election to the office of President, shall be the campaign depository of the candidate nominated by that party for election to the office of President.

(b) No political committee may establish one such depository in each state in which he is a candidate, or his authorized committees, who receives payments under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to, or authorized as such portion for any purpose other than—

(A) to defray qualified campaign expenses, or

(B) to repay any kickback or illegal payment on his behalf, shall maintain a campaign depository. The central campaign committee of any State political committee designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee of the candidate nominated by that party for election to the office of Vice President.

(c) Any political committee authorized by a candidate to accept contributions or make expenditures in connection with his candidacy, or a State campaign committee which is not a central campaign committee or a State campaign committee, shall furnish each report required of it under section 304 of this title to the Comptroller General under this chapter.

"Section 316. (a) The Comptroller General and the supervisory officers, and the agencies of the United States, under regulations prescribed by the Comptroller General, shall examine and audit the reports and statements required by this Act.

(b) The supervisory officer may require any political committee to furnish any statement or report directly to him.

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

"Section 317. No political committee shall be required to maintain a campaign depository. A candidate for nomination for election to the office of President, may also designate one political committee as his central campaign committee for that State. The designation shall be made in writing, and a copy of the designation and any information as the Commission may require, shall be furnished to the Commission upon the designation of any such committee.

(c) A candidate for nomination for election, or for election, to the office of President, may also designate one or more political committees of the candidate nominated by him as a State campaign committee for that State, which shall be considered by his State campaign committee for that State and any other political committee authorized by him to receive contributions and make expenditures on his behalf in that State, under regulations prescribed by the supervisory officer, as his single campaign depository. The campaign depository of the candidate for nomination for election, or for election, to the office of Vice President shall be the campaign depository of the candidate nominated by that party for election to the office of Vice President.

"Section 318. (a) Persons not candidates for nomination for election to the office of President, or for election, to the office of Vice President, shall be considered to be contributors to the candidate nominated by that party for election to the office of President.
"B". a contribution made to a political committee or fund authorized by a candidate to receive contributions for that candidate shall be considered to be a contribution to that candidate;

"C". any contribution made in connection with the primary or general election of another candidate or political committee for a period of not more than thirty days, or campaign in which a campaign committee for that candidate or political committee would be embarrassed or converted—

"Shall be fined not more than $50,000 or imprisoned not more than five years, or both; but if the value of such property does not exceed the sum of $100, he shall be fined not more than $1,000 or imprisoned not more than one year, or both of the preceding sentences, at the discretion of the court, and if such person shall have been previously convicted of any crime involving dishonesty or breach of trust, he shall be fined not more than $10,000 or imprisoned for not more than 20 years, and if the property sought to be concealed or transferred, or any part thereof, is destroyed or converted or removed, making the check-off self-appropriating.

"D. The Comptroller General determines eligibility for payments and is responsible for conducting a detailed post-convention audit and obtaining repayments when necessary.

"E. There are severe criminal penalties for exceeding the overall general election spending limit, and for unlawful use of payments, false statements to the Comptroller General, and kickbacks and illegal payments.

"III. CONTRIBUTION LIMITS FOR PRESIDENTIAL CAMPAIGNS

"A. No individual, organization, or group may contribute more than a total of $3000 to any Presidential candidate in connection with his or her campaign for the nomination, and another $3000 in connection with his or her primary election campaign in any year in which the election is held.

"B. The Comptroller General certifies eligibility for payments and is responsible for conducting a detailed post-convention audit and obtaining repayments when necessary.

"C. The Comptroller General determines eligibility for payments and is responsible for conducting a detailed post-convention audit and obtaining repayments when necessary.

"D. There are severe criminal penalties for exceeding the overall presidential election spending limit, and for unlawful use of payments, false statements to the Comptroller General, and kickbacks and illegal payments.

"IV. MISCELLANEOUS

"A. The equal time provisions are reserved for Presidential candidates.

"B. A person is required to set up a single central committee campaign to handle reporting of receipts and expenditures, and a single campaign depository through which all receipts and expenditures must be channeled.

"C. All cash transactions (contributions or expenditures) of $50 or over are prohibited by law. No payment shall be required to make it one-half of any contribution up to $50 ($100 for joint returns), and the existing limit on campaign contributions is doubled to $100 ($200 for joint returns).

"E. The penalty for misdemeanor violations of the Federal Election Campaign Act of 1971 ($1,000 and/or imprisonment for not more than one year in prison, and knowing violations are made a felony punishable by a fine of up to $10,000 and/or imprisonment for up to five years.)
Mr. SCHWEIKER. Mr. President, I am pleased to join again with the Senator from Minnesota (Mr. MONDALE) in introducing the Mondale-Schweiker bill to provide public financing of Presidential election campaigns.

This measure is substantially the same as Senator Mondale and I introduced July 24. That bill was incorporated into the campaign public financing amendment to the debt ceiling bill, and constituted the Presidential primary feature of that debt ceiling amendment. Despite the fact that this amendment had the support of a solid majority of Senators, it fell prey to a nemesis of our democratic process—the filibuster. I regret that the minority of the Senate has forced its will upon the majority and that we were not able to take advantage of this significant opportunity to bring meaningful reform to our electoral process.

The specter of secret bundles of $100,000 in cash in black bags is repugnant to all Americans.

In 1972 the violations of the 1971 campaign reform law, plus the violations of laws against corporate contributions that have been on the books for half a century, combined to bring public outrage to a new high over the excesses and abuses of depending solely on large contributions for Federal election campaigns.

It was the scandalous abuses of private financing of campaigns in the Presidential primary which has brought an unprecedented in strong public pressure to take action this year to institute public financing of the Presidential election.

The Presidential race is a national event that dominates public attention and the media in the election year. The outcome of the Presidential election affects every American. As we tragically see week after week, the abuses and excesses of private financing of the Presidential campaigns also affect every American.

The price the taxpayers pay for special favors and influence by large contributors is incalculable, but we pay this price, and every taxpayer is affected.

Therefore, it is important that we begin our campaign reform process by insuring that the Presidential election is paid for by the public at large, and not by a few private special interests.

Mr. President, I am firmly committed to the principle of public financing of political campaigns, and I strongly urge the Senate to give its approval to this measure at the earliest possible date.

By Mr. JACKSON (for himself, Mr. RIVICOFF, Mr. ERVIN, Mr. PERCY, Mr. JAVITS, Mr. RANDELL, and Mr. FANNIN):

S. 2776. A bill to establish an effective and efficient management of the Nation's energy policies and programs. Referred to the Committee on Government Operations.

MR. JACKSON. Mr. President, at the request of the administration and on behalf of myself and Senators RIVICOFF, ERVIN, PERCY, JAVITS, RANDOLPH, and FANNIN, I introduce for appropriate reference a bill to establish a Federal Energy Administration.

This legislation has been proposed by the President and is designed to provide an administrative organization within the Federal Government which can deal with the urgent energy problems facing the Nation. While it proposes changes which are long overdue, it is essentially an emergency measure designed to encourage more effective handling of these problems.

In brief, the legislation proposed by the administration would create an independent executive agency for a fixed period of 2 years, to be headed by an Administrator appointed by the President with the advice and consent of the Senate. It would transfer to the new agency the functions now being exercised by the Office of Petroleum Allocation, the Office of Energy Conservation, the Office of Energy Data and Analysis, and the Office of Oil and Gas in the Department of the Interior. It would also transfer the functions of the Energy Division of the Cost of Living Council.

The measure also includes a controversial provision to permit the transfer of functions of other Executive agencies to accomplish the intent and purpose of the legislation. Such transfers would be subject to disapproval by either House or Senate. This is basically the reorganization authority which lapsed earlier this year and has not been renewed by Congress.

I am understanding that the bill I am introducing today represents an initial draft and is not necessarily the final administration proposal. I have been assured that the final proposal, together with appropriate justification, will be available before the hearings begin on Thursday.

Mr. President, the energy shortages facing the country and the impact that these shortages will have on employment and the economy are very serious. They are not, however, any reason for panic. The situation is manageable if effective action is taken in the very near future. I am hopeful that the administration's latest proposal will provide the institutional arrangements for effective action.

I regret, as I am sure other Members of the Congress regret, that implementation of this new proposal will be contingent upon the Congress ratifying the Energy Policy Act of 1973. I do not believe that the Congress will fail to ratify that Act.

I hope that the administration's legislation will be able to report a bill that will receive widespread support in the Senate. These problems will require responsive programs and legislation, not to implement them. They will require enlightened and decisive leadership.

Mr. President, I ask unanimous consent that the text of the bill and any supporting material be printed in the Record. As an indication of the strong position in the Congress regret, that implementation of this new proposal will be contingent upon the Congress ratifying the Energy Policy Act of 1973. I do not believe that the Congress will fail to ratify that Act.

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