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classes of five individuals each and serve as follows:

(1) The members of the first class shall serve for a term of two years, and may be reappointed for one additional term of six years.

(2) The members of the second class shall serve for a term of four years, and may be reappointed for one additional term of six years.

(3) The members of the third class shall serve for a term of six years, and may be reappointed for one additional term of six years.

(c) Members of the Board shall receive no compensation for their services but shall be entitled to reimbursement in accordance with section 5703 of title 5, United States Code, for travel and other expenses incurred by them in the performance of their functions under this Act.

(d) The Board is authorized to appoint an Executive Director who shall receive compensation at the rate provided for level IV of the Executive Schedule under section 5315 of title 5 of the United States Code and who shall perform such duties as the Board may prescribe.

(e) The Board is authorized, subject to the civil service laws and regulations, to appoint and fix the compensation of such additional personnel as may be necessary to carry out the provisions of this Act.

SEC. 3. (a) The Board shall establish, and from time to time revise, standards for the national accreditation of zoos (including roadside parks where animals are displayed in their natural habitat) and aquariums in the several States and the District of Columbia.

(b) The Board is authorized to provide technical assistance in the form of the services of experts employed by the Board to assist any zoo or aquarium in complying with the standards for accreditation under this section.

SEC. 4. (a) The Board is authorized to make grants of funds to nonprofit organizations to provide for—

(1) the training of professional and paraprofessional staff of zoos and aquariums to meet the accreditation standards established under this Act; and

(2) humane research into methods to improve the welfare of animals at zoos and aquariums, and into methods to meet the accreditation standards established under this Act.

No grant under this subsection shall exceed 75 percent of the aggregate cost of the training or research, as the case may be, for which the grant is made.

(b) the Board is authorized to make grants of funds to any nonprofit zoo or aquarium, or both, for projects to assist in the attainment or maintenance of the accreditation standards established under this Act. No grant under this subsection shall exceed 50 per centum of the aggregate cost, as determined by the Board, of the project for which the grant is made.

(c) The Board is authorized to make grants of funds to any nonprofit zoo or aquarium, or both, and to any nonprofit agency for the purpose of enabling such zoo, aquarium, or agency to establish pilot projects to serve as models for zocs or aquariums, or both. Such pilot projects shall meet the accreditation standards established under this Act. Grants under this subsection may be up to 100 per centum of the aggregate cost of the pilot project for which the grant is made.

SEC. 5. The Board is authorized to guarantee loans, upon such terms and conditions as it shall prescribe, to any zoo or aquarium, or both (for projects which assist in the attainment or maintenance of the accreditation standards established under this Act). The aggregate value of loans guaranteed under this section shall not exceed $———.

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 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. Referred to the Committee on Finance.

REINTRODUCTION OF MONDALE-SCHWEIKER PRESIDENTIAL CAMPAIGN FINANCING ACT OF 1973

Mr. MONDALE. Mr. President, I am reintroducing today, together with the Senator from Pennsylvania (Mr. SCHWEIKER), a revised version of the Mondale-Schweiker Presidential Campaign Financing Act of 1973.

This legislation was originally introduced 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 contribution limits passed by the Senate in S. 372 on July 30.

The main 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 Presidential elections, retained the main elements of the Mondale-Schweiker bill.

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

While we are deeply disappointed that the White House-inspired filibuster succeeded in defeating public financing temporarily, it is not a fatal setback. There is a clear majority for public financing 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 corrupting influence of big money in Presidential politics. It is equally clear that if that 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, because it is indefensible.

Senator SCHWEIKER and I hope that hearings can begin soon on our bill in the Senate Finance Committee, and that legislation incorporating our matching system for financing presidential primaries and building on the $1 checkoff system for general elections will be back before the Senate early next year.

The Mondale-Schweiker bill introduced today includes the same provisions for public financing of presidential primaries that were included in the House-Senate compromise amendment the Senate was prevented from acting on. In addition, it restores provisions doubling the size of the checkoff to $2, and doubling the existing tax credit and deduction for political contributions. Finally, it establishes a revised system for Presidential general elections which permits the $21 million in public funding each candidate may receive to be supplemented with up to $9 million in private contributions of $3,000 or less.

Mr. President, I ask that the text of our revised bill, along with a detailed explanation of it, be included in the RECORD at this point:

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 AND DEDUCTION

SEC. 2. (a) Section 41(b)(1) of the Internal Revenue Code of 1954 (relating to maximum 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 $25 ($50 in the case of a joint return under section 6013)."

(b) Section 218(b)(1) of the Internal Revenue 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 subsection (a) shall not exceed $100 ($200 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 contribution the payment 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 6096(a) (relating to designation of income tax payments to the Presidential Election Campaign Fund) is amended to read as follows:

SEC. 6096. 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 over to the Presidential Election Campaign Fund in accordance with the provisions of section 9006(a). In the case of a joint return of husband and wife having an income tax liability of $4 or more, each spouse may designate that $2 shall be paid to the fund.

(b) INCOME TAX LIABILITY.—For purposes of subsection (a), the income tax liability of an individual for any taxable year is the amount of the tax imposed by chapter 1 on such individual for such taxable year (as shown on his return), reduced by the sum of the credits (as shown in his return) allowable 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 any taxable year—

(1) at the time of filing the return of the tax imposed by chapter 1 for such taxable year, or

(2) at any other time (after the time of filing the return of the tax imposed by chapter 1 for such taxable year) specified in regulations prescribed by the Secretary or his delegate.

Such designation shall be made in such manner as the Secretary or his delegate prescribes by regulations except that, if such designa-

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 page bearing the taxpayer's signature.

PRESIDENTIAL ELECTION CAMPAIGN FUND

SEC. 4. Section 9006(a) of the Internal Revenue Code of 1954 (relating to establishment of campaign fund) is amended to read as follows:

"(a) ESTABLISHMENT OF CAMPAIGN FUND.—There is established on the books of the Treasury of the United States a special fund to be known as the 'Presidential Election Campaign Fund'. There is appropriated to the fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to the amount designated during the preceding fiscal year (and subsequent to the previous Presidential election) by individuals for payment into the fund under section 6096. Moneys in the fund shall remain available without fiscal year limitation."

LIMITATIONS OF GENERAL ELECTION CAMPAIGN PAYMENTS, EXPENSES, AND CONTRIBUTIONS

SEC. 5. (a) Subsection (b) of section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is repealed and subsection (c) is redesignated as subsection (b).

(b) Paragraphs (2) and (3) of subsection (b) of section 9007 of the Internal Revenue Code of 1954 (relating to repayments of excess campaign expenses and contributions) are repealed and paragraphs (4) and (5) are redesignated as paragraph (2) and (3).

ELIGIBILITY FOR CAMPAIGN PAYMENTS

SEC. 6. Section 9003 of the Internal Revenue Code of 1954 (relating to condition for eligibility for payments) is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) CANDIDATES FOR ELECTION TO THE OFFICE OF PRESIDENT.—In order to be eligible to receive any payment under section 9006, the candidates of a major, minor, or new party in a Presidential election shall certify to the Comptroller General, under penalty of perjury, that they and their authorized committees will not incur qualified campaign expenses in excess of the $30,000,000 limit in section 9012(a).

CRIMINAL PENALTIES

SEC. 7. Section 9012 (a) and (b) of the Internal Revenue Code of 1954 (relating to criminal penalties for excess campaign expenses and contributions) is amended to read as follows:

"(a) EXCESS CAMPAIGN EXPENSES.—

"(1) It shall be unlawful for any candidate of a political party for President and Vice President in a Presidential election or any of his authorized committees knowingly and willfully to incur qualified campaign expenses in excess of $30,000,000 with respect to such election.

"(2) Any person who violates paragraph (1) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. In the case of a violation by an authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(3) At the beginning of each calendar year (commencing in 1974), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Comptroller General and publish in the Federal Register the percent difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. The limit on campaign expenses in paragraph (1) and in section 9003(b) shall be increased by such percent difference. The limit so increased 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 a major, minor, or new party in a Presidential election or any of his authorized committees knowingly and willfully to accept and expend or retain contributions to defray qualified campaign expenses in an amount greater than that necessary to make up the difference between the payments received from the fund under section 9006 and the limit on qualified campaign expenses established by subsection (a).

"(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 subtitles 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 of subtitle H of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"CHAPTER 97.—PRESIDENTIAL PRIMARY MATCHING PAYMENT FUND.".

(c) Subtitle H of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new chapter:

"CHAPTER 97—PRESIDENTIAL PRIMARY MATCHING PAYMENT FUND

"SEC. 9031. SHORT TITLE.

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

"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 the nomination of a political party as its candidate for election to the office of President. The authorization shall be addressed to the chairman of any such political committee, and a copy of the authorization shall be filed by the candidate with the Comptroller General. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization.

"(2) The term 'candidate' means an individual who seeks nomination for election to be President of the United States, whether or not he is elected, and, for purposes of this paragraph, an individual shall be considered to seek nomination for election if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

"(3) The term 'Comptroller General' means the Comptroller General of the United States.

"(4) The term 'contribution'—

"(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made since the next preceding Presidential election for the purpose of influencing the result of a primary election;

"(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;

"(C) means a transfer of funds between political committees; and

"(D) means the payment by any person other than a candidate, or one of his authorized committees, of compensation for the personal services of another person which are rendered to the candidate or committee without charge; but

"(E) does not include—

"(i) (except as provided in subparagraph (D)) the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering that service to or for the benefit of the candidate; or

"(ii) payments under section 9037.

"(5) The term 'fund' means the Presidential Primary Matching Payment Fund established under section 9037 (a).

"(6) The term 'matching payment period' means the period beginning 420 days before the date of a general election for President of the United States and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for President of the United States.

"(7) The term 'primary election' means an election, including a run-off election, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

"(8) The term 'political committee' means any individual, committee, association, 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 for election of one or more individuals to be President of the United States.

"(9) The term 'qualified campaign expense' means a purchase, 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, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

"(10) 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 to receive 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

Comptroller General any records, books, and other information he may request,

"(3) agree to an audit and examination by the Comptroller General under section 9038 and to pay any amounts required to be paid under that section, and

"(4) agree to furnish statements of qualified campaign expenses and proposed qualified campaign expenses required under section 9039.

"(b) EXPENSE LIMITATION; COMMITTEES; DECLARATION OF INTENT.—To be eligible to receive payments under section 9037, a candidate shall certify to the Comptroller General that—

"(1) the candidate will not incur qualified campaign expenses in excess of the limitation on such expenses under section 9035, and

"(2) the candidate is seeking nomination for election to be President of the United States.

"(c) MINIMUM CONTRIBUTIONS.—To be eligible to receive any payments under section 9037, a candidate must be certified by the Comptroller General, under section 9036, to be entitled, under section 9034, to payments from the fund in excess of $100,000.

"SEC. 9034. ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS.

"(a) IN GENERAL.—Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received since the most recent presidential election by that candidate, or by his authorized committees, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by that person since that election exceeds $100. For purposes of this subsection, the term 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything described in subparagraph (B), (C), or (D) of section 9032(4).

"(b) LIMITATIONS.—The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed an amount equal to 5 cents multiplied by the voting age population of the United States, as certified by the Secretary of Commerce under section 104(a)(5) of the Federal Election Campaign Act of 1971.

"SEC. 9035. QUALIFIED CAMPAIGN EXPENSE LIMITATION.

"(a) LIMITATIONS.—No candidate shall knowingly incur qualified campaign expenses in excess of $15,000,000 in connection with his campaign for nomination for election to the office of President.

"(b) ADJUSTMENT.—At the beginning of each calendar year, as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Comptroller General and publish in the Federal Register the percentage difference between the price index (the average over a calendar year of the Consumer Price Index (all items—United States city average)) for the preceding calendar year and the price index for calendar year 1974. The amount in subsection (a) shall be changed by such percentage difference and the amount in subsection (a), as changed by such percentage, shall be the amount applicable under subsection (a) for that calendar year.

"SEC. 9036. CERTIFICATION BY COMPTROLLER GENERAL.

"(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 9033,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 that candidate is entitled under section 9034.

"(b) FINALITY OF DETERMINATIONS.—Initial certifications by the Comptroller General under subsection (a), 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 by the Comptroller General 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 Primary Matching Payment 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 9036, but not before the beginning of the matching payment 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 every candidate and his committees who received payments under section 9037.

"(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 9034, he shall notify the candidate, and the candidate shall pay to the Secretary 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 other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(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 that candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(3) Amounts received by a candidate from the fund may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balances remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the fund bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the fund.

"(c) NOTIFICATION.—No notification shall be made by the Comptroller General under subsection (b) with respect to a matching payment period more than 3 years after the end of such period.

"(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the fund.

"SEC. 9041. INFORMATION ON PROPOSED EXPENSES.

"(a) REPORTS BY CANDIDATES.—Each candidate shall, from time to time as 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 committee prior to the date of such statement (whether or not evidence of such expenses has been furnished for purposes of section 9036), and

"(2) the qualified campaign expenses which the candidate and his authorized committees propose to incur on or after the date of such statement.

"(b) PUBLICATION.—The Comptroller General shall, as soon as possible after he receives each statement under subsection (a), prepare and publish a summary of such statement, together with any other data or information he deems advisable, in the Federal Register.

"SEC. 9040. REPORTS TO CONGRESS; REGULATIONS

"(a) REPORTS.—The Comptroller General shall, as soon as practicable after each matching payment period, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in the detail the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees;

"(2) the amounts certified by him under section 9036 for payment to each eligible candidate; and

"(3) the amount of payments, if any, required from cadidates under section 9038, and the reasons for each payment required.

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

"(b) REGULATIONS, ETC.—The Comptroller General is authorized to prescribe rules and regulations, to conduct examinations and audits (in addition to the examinations and audits required by section 9038 (a)), to conduct investigations, and to require the keeping and submission of any books, records, and information, which he determines to be necessary to carry out his responsibilities under this chapter.

"SEC. 9041. PARTICIPATION BY COMPTROLLER GENERAL IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCE BY COUNSEL.—The Comptroller General is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in his office or by counsel whom he may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation he may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) RECOVERY OF CERTAIN PAYMENTS.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.

"(c) INJUNCTIVE RELIEF.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for injunctive relief as is appropriate to implement any provisions of this chapter.

"(d) APPEAL.—The Comptroller General is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which he appears pursuant to the authority provided in this section.

"SEC. 9042. JUDICIAL REVIEW

"(a) REVIEW OF AGENCY ACTION BY THE COMPTROLLER GENERAL.—Any agency action by the Comptroller General made under the

provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Comptroller General for which review is sought.

"(b) REVIEW PROCEDURES.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Comptroller General.

"SEC. 9043. CRIMINAL PENALTIES

"(a) EXCESS CAMPAIGN EXPENSES.—Any person who violates the provisions of section 9035(a) shall be fined not more than $25,000, or imprisoned not more than five years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of section 9035(a) shall be fined not more than $25,000, or imprisoned not more than five years, or both.

"(b) UNLAWFUL USE OF PAYMENTS.—

"(1) It is unlawful for any person who receives any payment under section 9037, or to who many portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray qualified campaign expenses, or

"(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.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) FALSE STATEMENTS, ETC.—

"(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 or an examination and audit by the Comptroller General under this chapter; or

"(B) to fail to furnish to the Comptroller General any 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.

"(d) KICKBACKS AND ILLEGAL PAYMENTS.—

"(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committee, who receives payments under section 9037.

"(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.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized committees shall pay to the Secretary for deposit in the fund, an amount equal to 125 percent of the kickback or payment received.

CENTRAL CAMPAIGN COMMITTEES, CAMPAIGN DEPOSITORIES, AND LIMITATIONS ON CASH TRANSACTIONS

SEC. 9. Title III of the Federal Election Campaign Act of 1971 is amended by redesignating sections 308 through 311 as sections 311 through 314, and by inserting after section 307 the following new sections:

"CENTRAL CAMPAIGN COMMITTEES

"SEC. 308. (a) Each candidate shall designate one political committee as his central campaign committee. A candidate for nomination for election, or for election, to the office of President, may also designate one political committee in each State in which he is a candidate as his State campaign committee for that State. The designation shall be made in writing, and a copy of the designation, together with such information as the Commission may require, shall be furnished to the Commission upon the designation of any such committee.

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

"(c)(1) Any political committee authorized by a candidate to accept contributions or make expenditures in connection with his campaign for nomination or for election, which is not a central campaign committee or a State campaign committee, shall furnish each report required of it under section 304 (other than reports required by the last clause of section 304(a)) to that candidate's central campaign committee soon enough in advance of the filing dates in section 304(a) to enable the central campaign committee to file its reports on those dates.

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

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

"(d) 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.

"CAMPAIGN DEPOSITORIES

"SEC. 309. (a)(1) Each candidate shall designate one National or State bank as his campaign depository. The central campaign committee of that candidate, and any other political committee authorized by him to receive contributions or to 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 expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

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

"(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 kept in accordance with requirements established by the supervisory officer, and such statements and reports thereof shall be furnished to the supervisory officer as he may require.

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

"LIMITATIONS ON CASH TRANSACTIONS

"SEC. 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 the account of the person making the contribution. No political committee shall make any expenditure of $50 or more other than by check drawn on the account of that committee and signed by the treasurer of the committee or his delegate.".

INCREASED PENALTY FOR VIOLATIONS

SEC. 10. Section 314 (as redesignated by this Act) of the Federal Election Campaign Act of 1971 (relating to penalty for violations) is amended to read as follows:

"PENALTY FOR VIOLATIONS

"SEC. 315. (a) Violation of the provisions of this title is a misdemeanor punishable by a fine of not more than $10,000, imprisonment for not more than one year, or both.

"(b) Violation of the provisions of this title with 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 $100,000, imprisonment for not more than five years, or both."

REPEAL OF EQUAL TIME PROVISIONS FOR PRESIDENTIAL AND VICE-PRESIDENTIAL CANDIDATES

SEC. 11. Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by inserting after "public office" in the first sentence thereof the following: ", other than the office of President or Vice President,".

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES AND PENALTY FOR EMBEZZLEMENT

SEC. 12. (a) Chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 614. Limitations on Presidential campaign contributions and expenditures by persons not candidates

"(1) No person shall make any contribution during the calendar year to or for the benefit of any candidate which is in excess of the amount which, when added to the total amount of—

"(A) all other contributions made by that person during the calendar year to or for the benefit of that candidate in connection with his campaign for nomination for election to the office of President, would exceed $3,000, or

"(B) all other contributions made by that person during the calendar year to or for the benefit of that candidate in connection with his campaign for election to the office of President, would exceed $3,000.

"(2) For purposes of this section—

"(A) a contribution to a candidate nominated by a political party for election to the office of Vice President shall be considered to be a contribution 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 a campaign in a year other than the calendar year in which the election to which that campaign relates is held shall be taken into consideration and counted toward the limitations imposed by this section for the calendar year in which that election is held.

"(3) The limitations imposed by paragraph (1) shall not apply to contributions to a candidate from one of his authorized political committees.

"(b) No person who is not authorized in writing by a candidate to make expenditures on his behalf in connection with his campaign for nomination for election to the office of President shall make any expenditure on behalf of that candidate (except by contribution made to that candidate or one of his authorized political committees) during any calendar year in excess, in the aggregate, of $1,000.

"(c) As used in this section, the words "contribution" and "expenditure" shall not be construed to include—

"(1) personal services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee,

"(2) communications by any organization, excluding a political party, solely to its members and their families on any subject,

"(3) communications (including advertisements) to any person on any subject by any organization which is organized solely as an issue-oriented organization, which communications neither endorse nor oppose any candidate for Federal office,

"(4) normal billing credit for a period not exceeding thirty days,

"(5) expenditures by a broadcaster regulated by the Federal Communications Commission, or by a periodical publication, in reporting the news or in taking editorial positions, or

"(6) expenditures by any organization described in section 501(c) of the Internal Revenue Code of 1954 which is exempt from tax under section 501(a) of such Code in communicating to its members the views of that organization.

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

"§ 615. Embezzlement or conversion of political contributions

"Whoever, being a candidate, or an officer, employee, or agent of a political committee, or a person acting on behalf of any candidate or political committee, embezzles, knowingly converts to his own use, or to any other noncampaign use, or deposits in any place or in any manner except as authorized by law, any contributions or campaign funds entrusted to him or under his possession, custody or control; or

"Whoever receives, conceals, or retains the same with intent to convert it to his use or gain, knowing it to have been embezzled 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.".

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

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

"614. Limitations on Presidential campaign contributions and expenditures by persons not candidates.

"615. Embezzlement or conversion of political contributions.".

EFFECTIVE DATE

SEC. 13. The provisions of this Act shall take effect upon enactment.

DETAILED EXPLANATION: REVISED MONDALE-SCHWEIKER, PRESIDENTIAL CAMPAIGN FINANCING ACT OF 1973

I. PRIMARY ELECTIONS

A. Each candidate in the Presidential primaries is entitled to matching payments from the Treasury for the first $100 or less received from each individual contributor.

1. Payments begin 14 months prior to the date of the general election for President.

2. Any contribution made "in connection with" the candidate's campaign for nomination, in whatever year it occurs, is eligible for matching. However, all such contributions are aggregated, and no more than $100 from any contributor may be matched.

B. Candidates must accumulate $100,000 in matchable contributions before the first Treasury matching payments are made. Thus a candidate would have to accumulate 1000 contributions of $100 each, 2000 contributions of $50 each, etc. Only the first $100 of each contribution counts toward meeting the $100,000 requirement.

C. No candidate may receive total matching payments in excess of 5¢ for each person over 18 in the United States (roughly $7 million).

D. No candidate may spend more than $15 million in his campaign for the Presidential nomination. This limit increases with cost of living increases.

E. Matching payments may be used only for legitimate campaign expenses during the pre-nomination period, and unspent payments must be returned to the Treasury.

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

G. There are severe criminal penalties for exceeding the overall primary spending limits, and for unlawful use of payments, false statements to the Comptroller General, and kickbacks and illegal payments.

II. GENERAL ELECTION

A. The existing Presidential Election Campaign Fund Act (the $1 check-off) is retained, with the following amendments:

1. The requirement for a separate appropriation before money from the $1 check-off Fund becomes available is removed, making the check-off self-appropriating.

2. The amount of the check-off is doubled from the existing level of $1 ($2 on a joint return) to $2 ($4 on a joint return).

3. Candidates are permitted to receive and spend private contributions of $3000 or less (see III., below) to supplement the funds they receive from the $1 check-off, up to a maximum overall spending limit in the general election of $30 million.

a. Under the existing $1 check-off law, major party candidates may not use private contributions at all if they receive their full entitlement from the check-off (15c per eligible voter, or roughly $20-22 million), and minor and new Party candidates may use private contributions only to make up the difference between the smaller amount they receive from the check-off and the amount major party candidates are entitled to. (If the funds in the check-off are not sufficient to provide major party candidates with the full amount they are entitled to, they also may raise private money to make up the difference.) All candidates using the check-off money are thus limited to spending no more than $20–22 million in the general election. Those who accept no check-off money, however, may spend an unlimited amount in the general.

b. The $30 million limit on total spending in the general election imposed by this bill applies to all candidates (including those who decline their entitlement from the check-off), and therefore leaves no incentive for a candidate not to use the check-off. The $30 million limit would increase with cost of living increases.

c. The $30 million limit would permit major party candidates to supplement the $20–22 million they receive from the check-off with $8–10 million from private contributions of $3000 or less. This ⅔ public, ⅓ private, ratio would continue as cost-of-living increases raised the $30 million spending limit, and as population increases raise the amount major party candidates may receive from the check-off (15c times the voting age population).

d. Minor and new party candidates could receive a larger proportion of their funds from private sources to make up for their smaller entitlement under the $1 check-off but in no case could their total spending exceed $30 million in the general election.

B. Payments to candidates are distributed in accordance with the existing law, i.e.:

1. Major party candidates (those whose party received 25 percent or more of the vote in the previous election)—15c times the 18-and-over population of the U.S.

2. Minor party candidates (those whose candidates received between 5 and 25 percent of the vote in the previous election)—a percentage of the major party candidate entitlement equal to the percentage of the average major party vote their candidate received in the preceding or current election (whichever is larger).

3. New party candidates—if the candidates receives more than 5 percent of the vote in the current election, he is repaid after the election according to the percentage of the average major party vote received.

C. The Comptroller General certifies 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 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 general election campaign.

1. Contributions given in any year "in connection with" a campaign count toward the limits for the year in which the election is held.

B. Individuals or groups acting independently (i.e., without written authorization from the candidate) may spend no more than $1000 on behalf of a candidate in the prenomination period (a similar limit in the existing $1 check-off law already applies to the general election period).

IV. MISCELLANEOUS

A. The equal time provisions are removed for Presidential candidates.

B. Each candidate is required to set up a single central campaign committee 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.

D. The existing tax credit is doubled to make it one-half of any contribution up to $50 ($100 for joint returns), and the existing deduction is doubled to $100 ($200 for joint returns).

E. The penalty for misdemeanor violations of the Federal Election Campaign Act of 1971 (now $1,000 and/or one year imprisonment) is increased to $10,000 and/or one year in prison, and knowing violations are made a felony punishable by a fine of up to $100,000 and/or imprisonment for up to five years.

F. Embezzlement or conversion to non-campaign use of political contributions is made a felony punishable by a fine of up to $50,000 and/or imprisonment of 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 S. 2238, the bill we 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 election of 1972 that has resulted 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 are tragically seeing 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 more firmly committed than ever to the principal 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. RIBICOFF, Mr. ERVIN, Mr. PERCY, Mr. JAVITS, Mr. RANDOLPH, and Mr. FANNIN):

S. 2776. A bill to provide for the 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 RIBICOFF, 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 and Deputy 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.

It is my 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 construed by some to reflect unfavorably upon individuals in the administration who have previously held or still hold positions of responsibility for energy policy. Frankly, I think it would be both unfair and inaccurate to blame our energy problems on any one man or group of men, on any single office or agency. The failures of the past—which set the stage for the energy crisis of today—are institutional in nature—they are deep rooted and complex and cannot be analyzed in terms of individual performance.

Mr. President, I particularly wish to acknowledge the contribution of Gov. John Love, and his Deputy Mr. Charles DiBona, whose resignations were accepted by the President yesterday. Governor Love and Charles DiBona are able and dedicated public servants.

Governor Love came to Washington to direct the new Energy Policy Office at a critical time. It is not at all clear that he was even given the staff or the authority or the support to do the job he was asked to do.

I particularly regret the circumstances of Governor Love's departure from office, not only because of my respect for him, but also because the country loses when able men who enter Federal service are treated in this manner. At a time when the Federal Government desperately needs first-class people in top posts, this inept performance will hardly encourage a flow of talent from private life to public service.

Mr. President, it is my hope that the administration's proposal for a Federal Energy Administration will bring a new sense of urgency and purpose—as well as better management—to the difficult energy problems we face. I am also hopeful that the Government Operations Committee, after appropriate hearings, will be able to report a bill that will receive widespread support in the Senate.

Let me emphasize, however, that reorganization in and of itself will not change the facts nor provide any new answers to the critical problems we face. These problems will require responsive programs and intelligent people to implement them. They will require enlightened and decisive leadership.

Mr. President, I ask unanimous consent that the text of the bill and some supporting material be printed in the RECORD at the conclusion of my remarks.

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

S. 2776

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

ESTABLISHMENT OF FEDERAL ENERGY ADMINISTRATION

SEC. 2(a) There is hereby established an independent executive agency to be known as the Federal Energy Administration hereinafter referred to as the Administration. The Administration shall be headed by an Administrator and Deputy Administrator each of whom shall be appointed by the President by and with the advice and consent of the Senate.

(b)(1) The functions and powers of the Administration shall be vested in and exercised by the Administrator.

(2) The Administrator may from time to time, and to the extent permitted by law, delegate such of his functions as he deems appropriate.

(c) The Administration is authorized to have six Assistant Administrators and three Assistants to the Administrator, each of whom shall be appointed by the Administrator.

(d) The Administration shall have a General Counsel, appointed by the Administrator. The General Counsel shall be the chief legal officer of the Administration.

(e) The Assistant Administrators, the General Counsel, and the Assistants to the Administrator shall perform such functions and duties as the Administrator may prescribe.

(f) The Administrator shall designate the order in which the Deputy Administrator and other officials shall act for and perform the functions of the Administrator during his