and the seas near our coasts is a serious and increasing environmental problem. Expanded offshore oil drilling and the creation of deepwater ports for the transportation of foreign oil carried in supertankers may substantially add to this risk. At the present, however, provisions establishing responsibility for cleanup costs and liability for damages resulting from oil spills are scattered among many Federal statutes. Each of those statutes provides a different test of liability and means for recovery.

The most recent, and I believe the best of these provisions, is contained in the Deepwater Port Act of 1974. Even that act, however, deals only with liability for damages and cleanup costs resulting from the discharge of oil transported through deepwater ports. Recognizing the problem of fragmented and inconsistent provisions for oil pollution liability and compensation, section 18(n) of the Deepwater Port Act directed a study of an uniform Federal law providing for the recovery of damages from oil spills from Outer Continental Shelf operations, deepwater ports, vessels, and other ocean related sources.

This study is proceeding, and I understand that the administration is expecting to submit its report and a proposed uniform oil spill liability law in the near future. The bill being introduced today represents an attempt by the Senate committees involved in this issue to draft such a comprehensive oil pollution liability bill. If I am using Senators Magnuson and Jackson in cosponsoring this bill to stimulate debate on the issues raised by this legislation, I am under no illusions that this bill represents the final answer to any of these issues. In fact, there are some provisions in this bill about which I have reservations. I and other members of the Committee on Public Works, particularly Senator Muskie, chairman of our Subcommittee on Environmental Pollution, will wish to examine the relationship between this bill and section 311 of the Federal Water Pollution Control Act. Section 311, originally included in the Water Quality Improvement Act of 1970, involved the establishment of several key principles in oil spill liability and we will wish to assure that this bill does no violence to those principles.

The debate over a comprehensive oil spill liability law is likely to last through this entire Congress. Not only will we be examining the legal principles involved in a proposed uniform law, comparing them to the principles which existing oil spill liability laws seek to implement, but we will be interested in actual operating experience with the provisions of the recently enacted Deepwater Port Act, and the laws governing oil production on the Outer Continental Shelf.

I believe that the introduction of the National Oil Pollution Liability and Compensation Act of 1975 will contribute to that debate, and it is for that reason that I join in the introduction of this bill.

By Mr. MONDALE:

S. 1755. A bill to amend the Internal Revenue Code of 1954 to provide for public financing of congressional primary and general elections. Referred to the Committee on Finance.

A MATCHING SYSTEM FOR PARTIAL PUBLIC FINANCING OF CONGRESSIONAL ELECTIONS

Mr. MONDALE. Mr. President, I am today introducing legislation to provide for partial public financing of primary and general elections for the House and Senate under a system in which small private contributions would be matched by Federal payments.

Under this system, once a candidate for the House or Senate succeeded in raising a modest threshold amount in small private contributions, those contributions and all additional small contributions would be matched on a 1-for-1 basis by the Treasury.

The matching system would apply in both primary and general elections. No candidates would be automatically eligible for Federal payments in the general election; there would be no flat grants of Federal funds.

THE NEED FOR CONGRESSIONAL PUBLIC FINANCING

Last year, Congress took the historic step of establishing a system of public financing for Presidential primary and general elections.

Along with the limitation on large private contributions, that legislation assures that candidates for President will no longer have to rely on the support of large and powerful special interests to win election to the Nation's highest office. Candidates for the Presidency now know that they must be responsive to the needs of all the people. No longer must they make their peace with special economic interests in order to make the race for President.

But we stopped short of adopting public financing for our own campaigns. The need, however, is fully as great. All of us know the compromises and accommodations the system of unlimited private financing has sometimes forced. They should have no place in a truly democratic primary process for the Presidency.

We went part of the way last year by limiting the size of private contributions to congressional campaigns. But nothing has been done to replace these large private contributions. Campaigns are often expensive, and often legitimately so. The voters want to know how we stand on issues that concern them, and communication can be expensive.

The money must come from somewhere. If the limit on large private contributions leaves congressional candidates short of the funds needed to run a responsible campaign, pressures will grow to bend the rules. Ambiguities in the law will be seized upon, borderline contributions of money and services may be accepted.

The new Federal Election Commission cannot look over the shoulder of every candidate and every campaign treasurer. We must rely on self-enforcement to a large degree.

A system of partial public financing of congressional elections can relieve some of these pressures on candidates. It can help candidates meet the legitimate expenses of their campaigns, and stay within the law. It can make it possible for candidates to be honest if they want to be.

PROVISIONS OF THE BILL

The matching system for public financing of congressional elections I propose is modeled after the system for public financing of Presidential primaries Congress adopted last year, which in turn grew out of legislation I first introduced in the Senate with Senator SCHWEIKER, and which was introduced in the House by Congressman JOHN BRADemas.

The bill I am introducing today has the following main features:

In a House race, candidates would have to raise $10,000 in amounts of $100 or less from each contributor to be eligible for matching, after which the qualifying amount and each additional contribution of $100 or less would be matched.

In a Senate race, candidates would have to raise 2 cents times the voting age population—but not less than $10,000—in amounts of $100 or less to qualify, and again the qualifying amount and each additional contribution of $100 or less would be matched.

Only contributions from residents of the State in which the election is held would be eligible, and contributions could be matched as long as they are properly certified and adequate records are kept showing the date and amount of the contribution, and the name and address of the contributor.

The matching system for public financing of Presidential primaries now in present law allows only contributions made by a check or other "written instrument" to be matched, a provision which I believe unnecessarily limits the participation of many small contributors.

The new system would apply in both the primary and general elections, a candidate would have to meet the threshold qualifying amount only once. If the qualifying amount were raised in the primary, therefore, contributions of $100 or less for the general election could then be matched on a 1-for-1 basis with no further test of eligibility.

The spending ceilings for all races would be the same as in existing law, and the maximum Treasury payment to any candidate would be one-half of the spending ceiling. This spending payment level would of course be reached only if all contributions received were $100 or less.

In each House race, the maximum Treasury matching payments in 1976 would come to $38,500 in the primary, and another $38,500 in the general election.

In Senate races, the maximum Treasury matching payments would range from $55,000 in the primary and $82,500 in the general election in the smallest States, to $637,824 in the primary and $956,736 in the general in California, the largest State.

The above amounts are based on the
May 15, 1975

CONGRESSIONAL RECORD—SENATE

estimated voting age population for 1976, and an assumed 10-percent cost in spending ceiling for 1976 over the base year of 1974. Complete spending ceiling estimates for all States and House districts for the 1976 election have been prepared by the Center for Public Financing of Elections. I ask unanimous consent that these estimates be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MONDALE. Mr. President, matching funds for congressional races would come from the existing $1 checkoff fund, and there would be no authorization for supplemental appropriations. Congressional races would get fourth priority for $1 checkoff funds after party conventions, the Presidential general election, and Presidential primaries. If it appeared that there would not be enough in the $1 checkoff fund to meet all congressional entitlements, I would support legislation to increase the $1 checkoff to $2.

I ask unanimous consent that a fact sheet giving more details on the bill be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Sponsor exhibit 1.

COMPARISON WITH KENNEDY-SCOTT CONGRESSIONAL PUBLIC FINANCING BILL (S. 564)

Mr. MONDALE. In many respects, Mr. President, the legislation I am introducing today parallels S. 564, introduced earlier this year by Senators KENNEDY and SCOTT and 28 cosponsors. The provisions dealing with congressional primary elections in the two bills are nearly identical, for example.

The main difference is in the treatment of general elections. The Kennedy-Scott bill provides for public financing of 100 percent of the general election costs of the major party candidates, and proportionately smaller grants for minor and new party candidates. In this it follows very closely the system established in present law for public financing of Presidential general elections.

The bill I am introducing today, however, continues the matching system for primary elections, that is common to both bills, into the general election. For reasons which I will go into shortly, I believe this is preferable to the flat grant system of full public financing for congressional general elections that the Kennedy-Scott bill would establish.

What is most important, however, is that a system of public financing of congressional elections be enacted as soon as possible. Senators KENNEDY and SCOTT and I have worked closely with the sponsors of S. 564, and I look forward to continuing our work together so that the best possible congressional public financing legislation can be enacted in time for the 1976 elections.

ADVANTAGES OF A MATCHING SYSTEM

A system which matches small private contributions with Federal payments has a number of advantages over plans which automatically give some set amount to candidates who gain the nomination of a particular party.

In a matching system, Treasury payments are related as closely as possible to a candidate's current strength. Party affiliation or performance in some past election is not a factor.

Matching does not lock in the present two-party system. It makes it possible for third party and independent candidates to compete without being put at an artificial disadvantage.

Matching protects the role for the small private contributor, the citizen who wants to do more than simply vote for a candidate, but who may not be able to help as a volunteer.

Matching limits the cost of congressional public financing, since no more than 50 percent of the cost of congressional elections would be covered with public funds. In addition, the threshold qualifying amounts would screen out a large number of nonserious candidates.

Finally, a matching system represents a more deliberate and incremental change in the system of financing congressional elections. Since conditions vary greatly from one congressional district and State to another, it may be better not to depart too fundamentally from the present system until we develop more experience with congressional public financing. Matching permits some public financing in a way which builds on the existing system, and lays the foundation for greater public financing as experience with the system grows.

A BETTER TEST OF CURRENT STRENGTH

A system of public financing should not satisfy candidates who have no current or potential public support. Neither should it put obstacles in the way of candidates who do have broad strength with the public. Public funding should be related at least in a general way to public support.

The Test. How should public support—and eligibility for public funds—be tested?

The Kennedy-Scott bill says that in the general election, nomination by a political party is the best test. Others have suggested requiring a certain number of signatures on a petition.

I believe that requiring candidates to gather a significant number of small contributions from a large number of people—as my bill does—is the best and most workable test of a candidate's current and potential public support.

The test of nomination by a political party presents a number of problems, especially in congressional elections.

There are enormous variations in party strength in different States and congressional districts throughout the country. In general, the more a political party has overwhelming strength, while the other "major" party, as well as new and minor parties, have little public support. In other areas, independents outnumber the supporters of either major party.

Looking just at the 1974 congressional elections, 99 out of the 435 winning House candidates received 75 percent or more of the vote. These are essentially one-party districts, where the other major party puts up candidates who regularly lose. Four out of the thirty-four Senate races in 1974 were also won with more than 75 percent of the vote.

Should public funds be used to finance candidates who have little public support, simply because they gain the nomination of a major party? In my judgment, we should move cautiously here. One-party districts are not the democratic ideal, and effective competition is generally preferable. Often, however, one party is dominant simply because of the underlying political makeup of the district. The situation is usually not caused by an imbalance of financial resources, and would not be significantly altered by equalizing those resources.

And what of the independents, and the candidates of new and minor parties? Funding based on their performance in some past election may no longer reflect the current political situation, and retroactive reimbursement based on performance in the current election may come too late to help.

If election performance is not a workable standard, why not signatures on a petition?

There are two problems. First, individual signatures often do not represent much of a commitment to the candidate whose petition is being signed. In that sense, they are not a reliable indicator of public support. But second, if a very large number of signatures is required, meeting the requirement could be an expensive proposition in terms of money and time. To that extent, the signature requirement becomes merely a surrogate for a fundraising requirement, with little added but a time-consuming extra step.

Requiring that a candidate raise a threshold amount in small contributions is a relatively simple and workable way of measuring current and potential support. Public funding should be given modest amounts to a potential candidate unless they have a significant commitment to that candidate, and if the candidate can get commitments of this sort from a large number of people, it indicates the candidate is ready to warrant matching Federal support.

It could be argued that it is unfair to permit those who give larger amounts to a candidate to trigger larger Federal matching payments. This gives someone who contributes $100 to a candidate more "influence" than someone who contributes $10. But if the range of contributions is so narrow—only contributions up to $100 can be matched under my
bill—it is hard to argue that the difference in impact from one contributor to another is very significant.

FAIRER TREATMENT OF THIRD PARTY AND INDEPENDENT CANDIDATES

In recent years, a growing number of Americans have been identifying themselves as independents, rather than Republicans or Democrats. In the most recent Gallup poll, 30 percent said they were independents, more than the 23 percent identifying themselves as Republicans. Forty-seven percent identified themselves as something other than the two major parties.

Just 4 years ago, Democrats were 49 percent, Republicans were 29 percent, and independents only 26 percent.

A third party candidate was elected to the Senate from New York in 1970, and an independent was elected to the Senate from Virginia in that same year. Last year, an independent candidate was elected Governor of Maine.

A matching system treats an independent or third party candidate in exactly the same ways as other candidates are treated. If they can raise the threshold qualifying amount in small contributions, they are eligible for matching.

In any system of flat grants, by contrast, distinctions must be made between the major party candidates and those of new and minor parties, or no party at all. It is difficult to make these distinctions in ways that will be defensible in all situations. Basing a minor or new party candidate’s share of public money on performance in the past works poorly when the party was not in existence during the previous election, if its candidate did unusually well or unusually badly in the previous election, if the issues have changed, and so forth. Retroactive reimbursement based on performance in the current election may help some, but usually not much.

The formula now in place for Presidential general elections—which is also used in the Kennedy-Scott bill—is probably as good a formula as can be devised. In fact, it may work a good deal better for Presidential elections than it would for congressional elections. There is greater party stability in national Presidential elections than in State and local elections. The Republican and Democratic parties run a reasonably strong candidate with fairly broad public support every 4 years, so there is little difficulty in justifying equal public financing for each major party candidate. Serious minor and new party candidates are few, due largely to the electoral college system and to the difficulty of getting on the ballot in a sufficient number of States.

PRESERVES A ROLE FOR THE SMALL CONTRIBUTOR

Some have argued for a public financing system that would ban all private contributions, on the theory, apparently, that small—are tainted.

I do not share that view. Many people want to participate more in the political process, rather than having some greater role in selecting their elected representatives than merely casting their vote. For many this can come from doing volunteer work for the candidates they support. But for many others—because of family, work, or other responsibilities—this is simply not possible.

They can, however, get some of this sense of participation by making a modest financial contribution. They are not trying to buy influence. They simply want to see good people elected, and they do not want to sit passively on the sidelines waiting for election day.

At a time when too many Americans already feel cut out of our political system, when they feel there is little they can do that has an impact on their Government, we should be very cautious in making changes which exclude citizens even more from the political process.

The tradition of voluntarism is a strong one in our politics. Over the years it has been one of the healthiest and most beneficial influences in our political system. It means a sense of participation in their Government, and it has strengthened the ties between citizens and their elected representatives. Especially now, we should be doing all we can to encourage voluntarism, including voluntary small private contributions.

LOWER COST

Keeping a 1-for-1 matching system for congressional general elections, rather than providing for 100 percent Federal funding of these elections, will obviously reduce the cost to the Treasury.

My bill provides that no candidate may receive public funding equal to more than 50 percent of the spending ceiling in the primary or the general election. The extra 20 percent allowed for fundraising is not included for purposes of this limit.

Under the public financing system provided in my bill, the cost to the Treasury for House and Senate elections every 2 years would be approximately $74 million, divided as follows:

[In millions of dollars]

<table>
<thead>
<tr>
<th>Primaries</th>
<th>General elections</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senate House</td>
<td>9</td>
<td>26</td>
</tr>
<tr>
<td>General elections</td>
<td>10</td>
<td>29</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>55</td>
</tr>
</tbody>
</table>

This compares to the estimated $134 million cost of the Kennedy-Scott bill:

[In millions of dollars]

<table>
<thead>
<tr>
<th>Primaries</th>
<th>General elections</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senate House</td>
<td>31</td>
<td>69</td>
</tr>
<tr>
<td>General elections</td>
<td>54</td>
<td>99</td>
</tr>
</tbody>
</table>

The main differences in cost are accounted for by the fact that the general elections will cost less than half as much under the bill, and by the fact that the public funding entitlements are 20 percent higher under the Kennedy-Scott bill, because their bill adds the extra 20 percent allowed for fundraising to the public funding ceilings.

My bill provides that the amount needed for congressional public financing is the tax checkoff. If necessary, I would support increasing the checkoff to $2. Funding elections out of the checkoff will assure the American people an important role in determining the extent to which elections are funded with public money.

The percentage of taxpayers checking off $1 on their tax returns has increased dramatically since the option was introduced in 1972. In that first year, only 3 percent of taxpayers checked off a dollar. On the 1973 tax returns, the percentage was up to nearly 14 percent, and for the 1974 returns, over 23 percent had been filed—over 3 percent is now over 25 percent. Furthermore, H & R Block has found that over 41 percent of the taxpayers using their service in 25 major cities this year checked off $1 when the system was fully established.

If the nationwide participation rate in the $1 checkoff can be increased to a little over 40 percent, there should be enough to cover the 4-year cost of Presidential elections—$70 million; party conventions—$5 million; and House and Senate elections—a total of $9 million. As income levels increase, a participation rate of 43 percent would raise $56 million a year—or $224 million over 4 years—enough to cover the estimated $233 million cost of funding all Presidential and congressional elections under the legislation I propose.

A MORE INCREMENTAL AND DELIBERATE APPROACH

Public financing promises to make important and fundamental changes in our political system. These changes are valuable and long overdue. Large private contributors from powerful special interests have distorted our political process for too many years, and public financing can free both candidates and contributors from the burdens the old system of private financing imposed.

But it is still not clear what impact public financing will have on the role of parties, on the relative strengths of incumbents and challengers, on the participation of citizens in campaigns and on a number of other aspects of our political system.

Furthermore, there is no firm consensus on what form of public financing is best. Some prefer full public funding with no private contributions. Others, like myself, prefer matching. Others would like to see a voucher system, still others an expansion of tax incentives for private contributions.

Until we have more experience with public financing, there is some value in moving cautiously and deliberately. A matching system allows us to do this.

Matching funds on the presidential level does not displace private financing; rather, it encourages and gives more weight to modest private contributions. It helps diminish the impact of the big contributor, while strengthening the role of the small contributor.

Matching funds provide candidates with more support from the Government, than they can get from the people. Candidates must earn what they get, and they get no more than they earn.

The impact of a matching system of public financing on political parties should be essentially neutral. In a system of 100 percent public financing, all fi-
Public financing by itself will not transform our political system. But it can help make candidates as honest and responsive as they want to be, and as their constituents expect them to be. With public financing, a candidate must respond only to his conscience and his constituents. That, as I hope it should be, and that is what I hope the legislation I propose will accomplish.

I ask unanimous consent that the bill be printed in the Record.

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

S. 1755
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 "Congressional Campaign Financing Act of 1975".

Sec. 2. Congressional Election Campaign Financing.
(a) In General.—Subtitle II of the Internal Revenue Code of 1954 (relating to financing of Presidential Election Campaigns) is amended by adding at the end thereof the following:

"CHAPTER 97—CONGRESSIONAL ELECTION CAMPAIGN FUND

"Sec. 9061. Short title.
"Sec. 9062. Definitions.
"Sec. 9063. Eligibility for payments.
"Sec. 9064. Entitlement to payments.
"Sec. 9065. Qualified campaign expense limitations.
"Sec. 9066. Certification by Commission.
"Sec. 9067. Payments to eligible candidates.
"Sec. 9068. Examinations and audits; repayments.
"Sec. 9069. Refer to Congress; regulations.
"Sec. 9070. Participation by Commission in judicial proceedings.
"Sec. 9071. Judicial review.
"Sec. 9072. Criminal penalties.
"Sec. 9073. This chapter may be cited as the 'Congressional Election Campaign Fund Act'.
"Sec. 9074. Definitions.—
"Sec. 9075. For purposes of this chapter—
"(1) The term 'authorized committee' means, with respect to a candidate for Federal office, any political committee which is authorized in writing by such candidate to incur expenses to further the nomination for election or election of such candidate. The authorization shall be addressed to the treasurer of such political committee, and 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 or election to Federal office. For purposes of this paragraph, an individual is considered to seek nomination for election or election of such candidate if such candidate has been notified by the law of a State to qualify himself for nomination for election or election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for and on behalf of the candidate to receive contributions or to incur qualified campaign expenses on his behalf.

(4) Except as provided in sections 9063 through 9064, the term 'general election'—
"(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which is made on or after the beginning of the calendar year immediately preceding the calendar year in which the election in connection with which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made, for the purpose of influencing the result of such election,
"(B) means a contract, promise, or agreement, whether enforceable or not, to make a contribution for any such purpose,
"(C) means funds received by a political committee which are transferred to that committee from another political committee, and
"(D) means the payment by any person other than a candidate, or his authorized committee, for personal services of another person which are rendered to the candidate or committee without charge, but 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 is not a candidate for Federal office, unless such individual ceases to be a candidate for Federal office and without the consent of such candidate for rendering such service to or for the benefit of the candidate, or
"(ii) payments under section 9067.
"(5) The term 'qualified campaign expense' means the office of Senator or Representative.

(6) The term 'general election' means an election regularly scheduled or special election held for the purpose of electing a candidate to Federal office.

(7) The term 'matching period' means the period beginning on the first day of the calendar year in which the primary election for Federal office is held and ending on the date on which such general election is held.

(8) The term 'political party' means any association, organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of such association, organization.

(9) The term 'primary election' means an election, including a runoff election, or a nominating convention or caucuses held by a political party in the State, to determine the name of the candidate for election to Federal office. If both an election and a nominating convention are held by a political party for the purpose of nominating a candidate for election to Federal office, and if both an election and a nominating convention are held by a political party for the purpose of nominating a candidate for election to Federal office, then the election and convention shall be considered to be one primary election.

(10) The term 'qualified campaign expense' means the purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value—
"(A) Incurred by a candidate, or by his authorized committee, in connection with his nomination for election or 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 shall be incurred 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 committee.

(11) The term 'Representative' means a Member of the House of Representatives, the Delegate from the Commonwealth of Puerto Rico, and the Delegates from the District of Columbia, Guam, and the Virgin Islands.

(12) The term 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands.

Sec. 9062. Definitions.—

"Sec. 9063. Eligibility for payments.

(a) CONDITIONS.—To be eligible to receive payments under section 9067, a candidate shall, in writing—
"(1) agree to obtain and furnish to the Commission any evidence it may request of qualified campaign expenses,
"(2) agree to keep and furnish to the Commission any records, books, and other information it may request,
"(3) agree to an audit and examination by the Commission under section 9068 and to pay any amounts required to be paid under such section,
"(4) certify to the Commission that the candidate and his authorized committees have received contributions in excess of the limitation on such expenses under section 9065, and
"(5) certify to the Commission that the candidate and his authorized committees have received contributions in connection with that campaign from residents of the State in which such election is held which, in the aggregate, exceed the greater of—
"(A) $10,000, or
"(B) 2 cents multiplied by the voting age population of the State in which such election is held, which, in the aggregate, exceed the greater of—

(c) GENERAL ELECTION.—To be eligible to receive any payments under section 9067 in connection with a general election, a candidate must certify to the Commission that—
"(1) he is seeking election as a Representative and he and his authorized committees have received contributions in connection with that campaign from residents of the State in which such election is held which, in the aggregate, exceed the greater of—
"(B) 2 cents multiplied by the voting age population of the State in which such election is held.
(d) Amount of Contributions.—For purposes of determining the amount of contributions received by a candidate and his authorized committees under subsections (b) and (c)—

"(1) the term ‘contribution’ means a gift of money made—

(A) by a written instrument which identifies the person making the contribution by full name and mailing address, or

(B) in cash if the candidate and his authorized committees under the form the Commission prescribes by regulations, which show the date and amount of each cash contribution and the full name and mailing address of the person making such contribution,

but does not include a subscription, loan, advance, or anything of value or anything described in subparagraph (B), (C), or (D) of section 9062(4):

"(2) no contribution from any person may be taken into account to the extent that it exceeds—

(A) $100, when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his primary election campaign; or

(B) $100, when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his general election campaign,

"(3) no contribution from any person may be taken into account if it is received before the first day of the calendar year immediately preceding the calendar year in which the primary or general election is held or after the date of such election; and

"(4) no candidate is eligible to receive payments in connection with his primary election campaign under subsection (b), he is also eligible to receive payments in connection with his general election campaign under subsection (c) without regard to the amount of contributions he receives in connection with such general election campaign.

(e) Separate Account Contributions.—For purposes of determining the amount of contributions received by a candidate and his authorized committees under subsections (b) and (c) and section 9064(a), each candidate shall establish a separate account for all contributions he and his authorized committees receive in connection with a specific campaign under section 608(c)(1) (C), (D), (E), or (F) of title 18, United States Code, as applicable.

SEC. 9065. QUALIFIED CAMPAIGN EXPENSE LIMITATION.

"No candidate may knowingly incur qualified campaign expenses in excess of the expenditure limitation applicable to such candidate for such campaign under section 608(c)(1) (C), (D), (E), or (F) of title 18, United States Code, as applicable.

SEC. 9066. CERTIFICATION BY COMMISSION.

(a) Initial Certification.—Not later than 10 days after a candidate establishes an authorized election campaign fund account with the Commission for a candidate of the amounts so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amounts.

(b) Notification.—No notification shall be made by the Commission under subsection (b) with respect to a matching payment period more than three 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 in the Congressional Election Payment Account.

SEC. 9067. REPORTS TO CONGRESS; REGULATIONS.

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

"(1) the qualified campaign expenses (shown in such detail as the Commission determines necessary) incurred by the candidates and their authorized committees for matching payment periods which end during that year,

"(2) the amounts certified by it under section 9068 for payment to each eligible candidate, or

"(3) the amount of payments, if any, required from candidates under section 9068, and the reasons for each payment required.

Each such report submitted pursuant to the preceding sentence shall be printed as a Senate Document.

(b) Regulations.—The Commission is authorized to prescribe regulations in ac-
cordance with the provisions of subsection (c), to conduct examinations and audits (in addition to the examinations and audits required by section 9068(a)), to conduct investigations, and to require the keeping and submission of any books, records, and information, which it determines to be necessary to carry out its responsibilities.

(3) Review of Regulations.—
(1) The Commission, before prescribing any rule under subsection (b), shall transmit a statement with respect to such regulation to the Senate and to the House of Representatives in accordance with the provisions of subsection (c). Such regulation shall set forth the proposed regulation and shall contain a detailed explanation and justification of such regulation.

(2) If either such House does not, through appropriate action, disapprove the proposed regulation set forth in such statement no later than 30 legislative days after the receipt of such statement, then the Commission may not prescribe any such regulation. The Commission may not prescribe any such regulation which is disapproved by either such House under this paragraph.

(3) For purposes of this subsection, the term `legislative days' does not include any calendar day on which both Houses of the Congress are not in session.

Sec. 9070. Participation by Commission in Judicial Proceedings.

(a) Appearance by Counsel.—The Commission is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter XX and subchapter III of chapter 7 of title 5.

(b) Recovery of Certain Payments.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the 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 or audit made under section 9068 or 9606.

(c) Injunctive Relief.—The Commission is authorized through attorneys and counsel described in subsection (a) to petition the courts of the United States for such injunctive relief as is appropriate to implement any provision of this Act.

(d) Appeal.—The Commission is authorized against any action instituted under this chapter, or to petition the Supreme Court for a writ of certiorari to review judgments or decrees of the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission 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 Commission.

Sec. 9072. Criminal Penalties.

(a) Excess Campaign Expenses.—Violation of the provisions of section 9065 is punishable by a fine not to exceed $25,000, imprisonment for not more than 5 years, or both.

(b) Unlawful Use of Payments.—
(1) No person who receives any payment under section 9067, or to whom any portion of any such payment is transferred, may knowingly and willfully use, or authorize the use of, such payment or such portion for any purpose other than—

(2) to defray qualified campaign expenses, or

(3) 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) Violation of the provisions of paragraph (1) is punishable by a fine not to exceed $10,000, imprisonment for not more than 5 years, or both.

(c) False Statements, Etc.—
(1) No person may knowingly and willfully furnish any misrepresentation of a material fact, or falsify or conceal any evidence, or make any false statement, or refuse to answer any question, or obstruct any inquiry in connection with any examination or audit which is required under this Act or with any record or information relevant to a certificate of the Commission or an examination and audit by the Commission under this Act, or

(2) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this chapter.

(3) Violation of the provisions of paragraph (1) is punishable by a fine not to exceed $10,000, imprisonment for not more than 5 years, or both.

REVENUES AND ILLEGAL PAYMENTS.—
(1) No person may knowingly and willfully give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committees, if such person receives payments under section 9067.

(2) Violation of the provisions of paragraph (1) is punishable by a fine not to exceed $10,000, imprisonment for not more than 5 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 be liable to the Secretary for deposit in the Congressional Election Payment Account, an amount equal to 125 percent of the kickback or payment received.

(b) Clerical Amendments.—The caption and table of chapters provided in title 3 of the United States Code are hereby amended to read as follows:

SUBTITLE H—FINANCING OF FEDERAL ELECTION CAMPAIGNS

Chapter 95. Presidential election campaign fund.

Chapter 96. Presidential primary matching payment account.

Chapter 97. Congressional election campaigns fund.

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act apply with respect to elections which are held after January 1, 1976.

EXHIBIT I

ESTIMATED 1976 CANDIDATE SPENDING LIMITS

<table>
<thead>
<tr>
<th>State</th>
<th>Estimated voting age population</th>
<th>Primary limit $100,000 plus</th>
<th>Additional spending for fundraising (primary)</th>
<th>Total primary spending limit</th>
<th>General election limit (12 cents multiplied by VAP)</th>
<th>Additional spending for Party spending on candidates (general)</th>
<th>Total general election spending limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. SENATE</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Footnotes at end of table.
A. Establishes a matching system of partial public financing for House and Senate primary and general elections. Small private contributions are matched by Treasury payments on a 1 for 1 basis after an initial threshold qualifying amount is raised in small private contributions. The financing of both primary and general elections is modeled after the Presidential Primary public financing provisions of present law (Chapter 96 of Subtitle H of the Internal Revenue Code). Funding for the Congressional matching payments will come from the existing $1 Check-off Fund, and the program will be administered by the Federal Election Commission.

II. PRIMARY ELECTIONS

A. House—Candidates must raise $10,000 in amounts of $100 or less from private contributions to be eligible for matching, after which the qualifying amount and each additional contribution of $100 or less is matched by the Treasury on a 1 for 1 basis. Spending ceilings are the same as in existing law, with a maximum Treasury payment of one-half of the ceiling. For purposes of this 50% limitation, the extra 20% which present law allows for fundraising is not included in the spending ceiling. Assuming a 10% inflation factor, this means a maximum Treasury matching payment of $83,500 (one-half of $77,000).

B. Senate—Candidates must raise 24 times the voting population of the State (VAP) of the State, but not less than $10,000, in contributions of $100 or less for the general election, and 25 times the VAP for the primary election. After that, the qualifying amount and each additional contribution of $100 or less is matched 1 for 1. Same spending ceilings as existing law, with maximum Treasury payments of one-half of the ceiling (not including the extra 20% for fundraising). This means a maximum Treasury matching payment ranging from $505,000 in the smallest state to $937,824 in California, the largest state (assuming a 10% increase for inflation.)

III. GENERAL ELECTION

A. Eligibility for matching payments—Same requirements as establishing eligibility for matching payments as in the primaries. However, a candidate must raise the threshold qualifying amount only once. If the qualifying amount is raised in the primary, therefore, contributions of $100 or less for the general election will continue to be matched on a 1 for 1 basis with no further requirements.

B. Matching payment ceilings—The matching payment ceilings are again one-half of the present spending ceilings, calculated without the extra 20% for fundraising. For Senate candidates, the maximum election spending ceilings under existing law are higher—12½ times the VAP for the primary election and 11½ times the VAP for the general election. If these results in a maximum Treasury matching payment in the general election ranging from $88,500 in the smallest states to $956,786 in California (assuming a 10% inflation factor).

IV. FUNDING

A. Funded out of the $1 Check-off—Funds for congressional public financing would come from the existing $1 Check-off, with no authorization for supplemental appropriations. If the amount in the $1 Check-off Fund is not sufficient, the $1 Check-off contribution would be increased to $2. Congressional elections would receive fourth priority for these funds, after party conventions, the Presidential general election, and Presidential primaries. Funds are to be distributed to Congressional candidates on an equitable basis, taking into account the order in which candidate certification is received.

B. Cost—Estimated at $74 million every two years, divided as follows:

<table>
<thead>
<tr>
<th>[in millions of dollars]</th>
<th>Senate</th>
<th>House</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primaries</td>
<td>9</td>
<td>26</td>
</tr>
<tr>
<td>General elections</td>
<td>10</td>
<td>29</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>56</td>
</tr>
</tbody>
</table>

V. OTHER PROVISIONS

A. Cash contributions may be matched—Cash contributions are eligible for matching if they are properly certified and if adequate records are kept showing the date and amount of each contribution and the full name and mailing address of the contributor.
B. Contributions must be from State residents—Only contributions from residents of the State in which the House and Senate elections are held are eligible for contribution. Contributions received after January 1 of the year preceding the election are eligible for refund, but that refund may not begin before January 1 of election year. Contributions received after the date of the election may not be matched. Once the candidate's eligibility for matching payments is determined in the year of the election, then the Department of Justice has another 10 days to make the payments for which the candidate is eligible.

C. Timing of matching payments—Contributions received after January 1 of the year preceding the election are eligible for matching payments. However, contributions received after the date of the election may not be matched. Once the candidate's eligibility for matching payments is determined in the year of the election, then the Department of Justice has another 10 days to make the payments for which the candidate is eligible.

D. Primary and general elections treated separately—The $100 contribution limit for contributions that may be matched applies separately to primary and general elections, so that a single contributor may make a matchable $100 contribution for the primary and another $100 for the general election. For this purpose, separate accounts must be kept for the primary and general election. However, if a candidate does not use all the funds raised privately and the Treasury for primary elections in the primary, unused funds may be carried over and used in the general election subject to the general election spending limits.

E. Audits and repayments—The Federal Election Commission is required to conduct a post-election audit and obtain repayments when necessary.

F. Criminal penalties—There are severe criminal penalties for exceeding the spending limits, false statements to the Federal Election Commission, and kickbacks and illegal payments.

G. Effective date—the provisions of the bill apply to elections held after January 1, 1976.

By Mr. SCHWEIKER (for himself and Mr. JAVIRI) (by request)

S. 1756. A bill to extend appropriations for communicable disease and other control programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. SCHWEIKER. Mr. President, due to my responsibility as the ranking Republican on the Senate Health Subcommittee I introduce, at the request of the administration, for myself and Senator JAVIRI, a bill to extend appropriations authorizations for communicable disease and other control programs.

The bill would extend through fiscal year 1978, at an annual level of $34 million, the appropriations authorizations for the programs for the control of communicable and other diseases, rat infestation, and lead-based paint poisoning.

The statutory authority for these programs, all of which are administered by the Center for Disease Control of the Public Health Service, would be consolidated in a new section 315 of the Public Health Service Act, modeled primarily on the existing section 317. The bill as part of that consolidation would permit grants to States for the control of lead-based paint poisoning. Thus it would replace the authority in title I of the Lead-Based Paint Poisoning Prevention Act, which authorizes lead-based paint poisoning grants primarily at the local, not State, level.

In addition, the bill would repeal the health emergencies authority of section 317(e), and the venereal disease research and State formula grant authori­ties in section 318. The administration rationale is that: none of these authorities overlaps similar health emergencies authority or venereal disease research and State formula grant authorities as provided in the bill as introduced. The health emergencies authority overlaps similar authority in section 311(c) of the Public Health Service Act; and the research author­ity duplicates National Institutes of Health. It is the Department's position that the health emergencies authority and the venereal disease research authority are the most effective way to provide Federal assistance for the control of health problems. I disagree.

I am convinced, based on the hearing record before the Health Subcommittee, that they are incorrect.

The bill does not provide an extension of the authority for making grants to private organizations for lead-based paint poisoning screening, because HEW thinks it inappropriate for screening—or testing—not to require the responsible organizations which do not have continuing public health authority. As a sponsor of the Lead-Based Paint Poisoning Prevention Act—Public Law 91-695—and a sponsor of the 1975 amendments to the act to extend it and provide for direct funding of local programs, I cannot support the administra­tion's position.

However, to avoid disruption of ongoing activities, 3 additional years of support under the Lead-Based Paint Poisoning Prevention Act, which is presently funded; the health emergencies authority and the venereal disease research and State formula grant authorizations for communicable disease and other control programs are concerned, and (ii) the control programs of the applicant. (Each recipient of a grant under this section shall keep such records as the Secretary shall prescribe including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or undertaking in connection with which such grant was given or used and the amount of that portion of the cost of the project or undertaking supplied by other sources, and other records as will facilitate an effective audit.

(4) The Secretary and the Comptroller General of the United States shall, in any of their duties authorized by law, have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of grants under this section that are pertinent to such grants.

(5) Nothing in this section shall be construed to authorize any State agency or political subdivision of a State to have a venereal disease control program which would require any person who objects to any treatment provided under such a program to be treated or have any child or ward of his treated under such a program.

(6) All information obtained in connection with the examination, care, or treatment of any individual under an award which is being carried out with a grant made under this section shall not, without such individual's consent, be disclosed except as may be necessary to provide service to him. Information derived from any such program may be disclosed—

in summary, statistical, or other form, or

for clinical or research purposes, but only if the identity of the individuals diagnosed or provided care or treatment under such program is not disclosed.

"(d) (1) Payments under grants under this section may be made in advance on the basis of estimates or by way of reimbursement, with necessary adjustments on account of underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of this section.

"(2) The Secretary, at the request of a recipient of a grant under this section, may reduce such grant by the fair market value of any supplies (including vaccines and other preventive agents) or equipment furnished to such recipient and by the amount of any other costs in connection with the detail of any officer or employee of the Government to such recipient when the furnishing of such supplies or equipment by an officer or employee is for the convenience of and at the request of such recipient and for the purpose of carrying out the programs with respect to which the grant under this