



Legislative Bulletin January 26, 2011

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H.R. 359 - To reduce federal spending and the deficit by terminating taxpayer financing of presidential election campaigns and party conventions

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Order of Business: The legislation is scheduled to be considered on Wednesday, January 26, 2011, under a modified open rule. The rule waives all points of order against consideration of the bill, and provides for one hour of general debate. The rule makes in order those amendments that have been preprinted in the congressional record (submitted to the Rules Committee by close of business today), and provides for one motion to recommit. This modified open rule also allows for consideration of amendments under the five-minute rule, with a total of up to five hours of amendment debate. The rule also provides that all points of order against provisions in the bill are waived.

Summary: H.R. 359 would eliminate taxpayer funding to the Presidential Election Campaign Fund. This fund provides taxpayer financing to presidential election campaigns and party conventions. Any excess funds that are currently in the account would be transferred to the general fund of the Treasury Department.

H.R. 359 would reduce direct spending by \$617 million over the 2011-2021 period.

Additional Information: The Presidential Election Campaign Fund provides matching funds to candidates during the presidential primaries, funds for political conventions, and funding for third party candidates (who qualify). Individual taxpayers are allowed to designate \$3, or \$6 for a couple, of their federal income tax to the fund. In short, the fund provides taxpayer subsidies to political candidates. The program was created in the 1971 in an attempt to reduce the influence of money in campaigns, and to reduce the time required of candidates to raise money. Critics of the program argue it has failed to meet these goals. Since its inception, this fund has paid out a total of \$1,484,902,081.

Similar legislation (H.R. 2993) was introduced in the 111th Congress by Rep. Cole, and was highlighted by the [RSC Sunset Caucus](#). See here for the [Waste Action Alert](#) which highlighted this legislation. Also, this legislation is included as part of the RSC [Spending Reduction Act](#).

Committee Action: H.R. 359 was introduced on January 20, 2011, and referred to the House Ways and Means Committee, and the House Administration Committee. Neither committee took public action.

Administration Position: The Administration “strongly opposes House passage of H.R. 359 because it is critical that the Nation’s Presidential election public financing system be fixed rather than dismantled.”

Cost to Taxpayers: CBO estimates that enacting H.R. 359 would reduce direct spending by \$617 million over the 2011-2021 period.

Does the Bill Expand the Size and Scope of the Federal Government?: No. The legislation would reduce federal spending by an estimated \$617 million over 10 years, thereby decreasing the size and scope of the federal government.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: A committee report stating compliance with House rules regarding earmarks/limited tax benefits/limited tariff benefits was not available at press time.

Constitutional Authority: The statement of constitutional authority, found in the [Congressional Record](#), states that: “Congress has the power to enact this legislation pursuant to the following: Amendment XVI to the United States Constitution. Additionally, since the Constitution does not provide Congress with the power to provide financial support to candidates seeking election to offices of the United States or to U.S. political parties, the general repeal of the presidential election fund is consistent with the powers that are reserved to the States and to the people as expressed in Amendment X to the United States Constitution. Further, Article I Section 8 defines the scope and powers of Congress and does not include this concept of taxation in furtherance of funding campaigns within the delegated powers.”

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