To amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 30, 2010

Mr. FEINGOLD introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3 
4 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
5 (a) SHORT TITLE.—This Act may be cited as the “Presidential Funding Act of 2010”.
6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PRIMARY ELECTIONS

Sec. 101. Increase in and modifications to matching payments.
Sec. 102. Eligibility requirements for matching payments.
Sec. 103. Inflation adjustment for contribution limitations and matching contributions.
Sec. 104. Repeal of expenditure limitations.
Sec. 105. Period of availability of matching payments.
Sec. 106. Examination and audits of matchable contributions.
Sec. 107. Modification to limitation on contributions for presidential primary candidates.

TITLE II—GENERAL ELECTIONS

Sec. 201. Modification of eligibility requirements for public financing.
Sec. 202. Repeal of expenditure limitations and use of qualified campaign contributions.
Sec. 203. Matching payments and other modifications to payment amounts.
Sec. 204. Inflation adjustment for payment amounts and qualified contributions.
Sec. 205. Increase in limit on coordinated party expenditures.
Sec. 206. Establishment of uniform date for release of payments.
Sec. 207. Amounts in Presidential Election Campaign Fund.
Sec. 208. Use of general election payments for general election legal and accounting compliance.

TITLE III—POLITICAL CONVENTIONS

Sec. 301. Repeal of public financing of party conventions.
Sec. 302. Contributions for political conventions.
Sec. 303. Prohibition on use of soft money.

TITLE IV—OTHER PROVISIONS

Sec. 401. Revisions to designation of income tax payments by individual taxpayers.
Sec. 402. Regulations with respect to best efforts for identifying persons making contributions.
Sec. 403. Prohibition on joint fundraising committees.
Sec. 404. Disclosure of bundled contributions to presidential campaigns.
Sec. 405. Judicial review of actions related to campaign finance laws.

TITLE V—OFFSETS

Sec. 501. Reforming irrigation subsidies.

TITLE VI—SEVERABILITY AND EFFECTIVE DATE

Sec. 601. Severability.
Sec. 602. Effective date.

1 TITLE I—PRIMARY ELECTIONS

2 SEC. 101. INCREASE IN AND MODIFICATIONS TO MATCHING PAYMENTS.

3 (a) INCREASE AND MODIFICATION.—
(1) IN GENERAL.—The first sentence of section 9034(a) of the Internal Revenue Code of 1986 is amended—

(A) by striking “an amount equal to the amount of each contribution” and inserting “an amount equal to 400 percent of the amount of each matchable contribution”; and

(B) by striking “authorized committees” and all that follows through “$250” and inserting “authorized committees”.

(2) MATCHABLE CONTRIBUTIONS.—Section 9034 of such Code is amended—

(A) by striking the last sentence of subsection (a); and

(B) by inserting after subsection (b) the following new subsection:

“(c) MATCHABLE CONTRIBUTION DEFINED.—For purposes of this section and section 9033(b)—

“(1) MATCHABLE CONTRIBUTION.—The term ‘matchable contribution’ means, with respect to the nomination for election to the office of President of the United States, a contribution by an individual to a candidate or an authorized committee of a candidate—

“(A) which does not exceed $200, and
“(B) with respect to which the candidate has certified in writing that—

“(i) the individual making such contribution has not made aggregate contributions (including such matchable contribution) to such candidate and the authorized committees of such candidate in excess of $200 with respect to such nomination,

“(ii) such candidate and the authorized committees of such candidate will not accept contributions from such individual (including such matchable contribution) aggregating more than $200 with respect to such nomination, and

“(iii) such contribution was not—

“(I) forwarded from the contributor from any person other than an individual, or

“(II) received by the candidate or committee from a contributor or contributors, but credited by the committee or candidate to another person who is not an individual through records, designations, or other means of recognizing that a certain amount
of money has been raised by such person.

“(2) CONTRIBUTION.—For purposes of this subsection, the term ‘contribution’ means a gift of money made by a written instrument which identifies the individual making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything of value or anything described in subparagraph (B), (C), or (D) of section 9032(4).”.

(3) CONFORMING AMENDMENTS.—

(A) Section 9032(4) of such Code is amended by striking “section 9034(a)” and inserting “section 9034”.

(B) Section 9033(b)(3) of such Code is amended by striking “matching contributions” and inserting “matchable contributions”.

(b) MODIFICATION OF PAYMENT LIMITATION.—Section 9034(b) of the Internal Revenue Code of 1986 is amended by striking “shall not exceed” and all that follows and inserting “shall not exceed $100,000,000.”.

SEC. 102. ELIGIBILITY REQUIREMENTS FOR MATCHING PAYMENTS.

(a) AMOUNT OF AGGREGATE CONTRIBUTIONS PER STATE.—Section 9033(b)(3) of the Internal Revenue Code
of 1986 is amended by striking “$5,000” and inserting “$25,000”.

(b) **CONTRIBUTION LIMIT.**—

(1) **IN GENERAL.**—Paragraph (4) of section 9033(b) of such Code is amended to read as follows:

“(4) the candidate and the authorized committees of the candidate will not accept aggregate contributions from any person with respect to the nomination for election to the office of President of the United States in excess of $1,000.”.

(2) **CONFORMING AMENDMENTS.**—

(A) Section 9033(b) of such Code is amended by adding at the end the following new flush sentence:

“For purposes of paragraph (4), the term ‘contribution’ has the meaning given such term in section 301(8) of the Federal Election Campaign Act of 1971.”.

(B) Section 9032(4) of such Code, as amended by section 101(a)(3)(A) is amended by inserting “or 9033(b)” after “9034”.

(c) **BAN ON CONTRIBUTIONS BY LOBBYISTS AND PACS.**—Section 9033(b) of such Code, as amended by subsection (b), is amended—

(1) by striking “and” at the end of paragraph (3);
(2) by striking the period at the end of paragraph (4) and inserting “, and”; and

(3) by adding at the end the following new paragraph:

“(5) the candidate and the authorized committee of the candidate will not accept—

“(A) any contribution from—

“(i) an individual who is a current registrant under section 4(a)(1) of the Lobbying Disclosure Act of 1995, or

“(ii) an individual who is listed on a current registration filed under section 4(b)(6) of such Act or a current report under section 5(b)(2)(C) of such Act,

“(B) any bundled contribution (as defined in section 304(i)(8)) forwarded by or credited to a person described in section 304(i)(7), and

“(C) any contribution from a political committee other than a political committee of a political party.”.

(d) Participation in System for Payments for General Election.—Section 9033(b) of such Code, as amended by subsection (c), is amended—

(1) by striking “and” at the end of paragraph (4);
(2) by striking the period at the end of paragraph (5) and inserting “, and”; and

(3) by adding at the end the following new paragraph:

“(6) if the candidate is nominated by a political party for election to the office of President, the candidate will apply for and accept payments with respect to the general election for such office in accordance with chapter 95.”.

SEC. 103. INFLATION ADJUSTMENT FOR CONTRIBUTION LIMITATIONS AND MATCHING CONTRIBUTIONS.

Section 9033 of such Code is amended by adding at the end the following new subsection:

“(d) INFLATION ADJUSTMENTS.—

“(1) IN GENERAL.—In the case of any applicable period beginning after 2012, each of the dollar amounts in subsection (b)(4) and section 9034(b) shall be increased by an amount equal to—

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year following the year which such applicable period begins, determined by substituting ‘cal-
endar year 2012’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) APPLICABLE PERIOD.—For purposes of this subsection, the term ‘applicable period’ means the 4-year period beginning with the first day following the date of the last general election for the office of President and ending on the date of the next such general election.

“(3) ROUNDING.—If any amount as adjusted under paragraph (1) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.”.

SEC. 104. REPEAL OF EXPENDITURE LIMITATIONS.

(a) IN GENERAL.—Subsection (a) of section 9035 of the Internal Revenue Code of 1986 is amended to read as follows:

“(a) PERSONAL EXPENDITURE LIMITATION.—No candidate shall knowingly make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election to the office of President in excess of, in the aggregate, $50,000.”.

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 9033(b) of the Internal Revenue Code of 1986 is amended to read as follows:
“(1) the candidate will comply with the personal expenditure limitation under section 9035,”.

SEC. 105. PERIOD OF AVAILABILITY OF MATCHING PAYMENTS.

Section 9032(6) of such Code is amended by striking “the beginning of the calendar year in which a general election for the office of President of the United States will be held” and inserting “the date that is 6 months prior to the date of the earliest State primary election”.

SEC. 106. EXAMINATION AND AUDITS OF MATCHABLE CONTRIBUTIONS.

Section 9038(a) of the Internal Revenue Code of 1986 is amended by inserting “and matchable contributions accepted by” after “qualified campaign expenses of”.

SEC. 107. MODIFICATION TO LIMITATION ON CONTRIBUTIONS FOR PRESIDENTIAL PRIMARY CANDIDATES.

Section 315(a)(6) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(6)) is amended by striking “calendar year” and inserting “four-year election cycle”.

TITLE II—GENERAL ELECTIONS

SEC. 201. MODIFICATION OF ELIGIBILITY REQUIREMENTS FOR PUBLIC FINANCING.

Section 9003(a) of the Internal Revenue Code of 1986 is amended to read as follows:
“(a) IN GENERAL.—In order to be eligible to receive any payments under section 9006, the candidates of a political party in a presidential election shall meet the following requirements:

“(1) PARTICIPATION IN PRIMARY PAYMENT SYSTEM.—The candidate for President received payments under chapter 96 for the campaign for nomination for election to be President.

“(2) AGREEMENTS WITH COMMISSION.—The candidates, in writing—

“(A) agree to obtain and furnish to the Commission such evidence as it may request of the qualified campaign expenses of such candidates,

“(B) agree to keep and furnish to the Commission such records, books, and other information as it may request, and

“(C) agree to an audit and examination by the Commission under section 9007 and to pay any amounts required to be paid under such section.

“(3) BAN ON CERTAIN CONTRIBUTIONS AND SOLICITATIONS.—The candidates certify to the Commission, under penalty of perjury, the following:
“(A) LOBBYISTS AND PACS.—Such candidates and the authorized committees of such candidates will not accept—

“(i) any contribution from—

“(I) an individual who is a current registrant under section 4(a)(1) of the Lobbying Disclosure Act of 1995, or

“(II) an individual who is listed on a current registration filed under section 4(b)(6) of such Act or a current report under section 5(b)(2)(C) of such Act,

“(ii) any bundled contribution (as defined in section 304(i)(8)) forwarded by or credited to a person described in section 304(i)(7), and

“(iii) any contribution from a political committee other than a political committee of a political party.

“(B) SOLICITATIONS FOR JOINT FUND-RAISING COMMITTEES.—Such candidates and their authorized committees will not, after June

1 of the election year, solicit any funds for any
joint fundraising committee that includes any committee of a political party.

“(C) Solicitation for Political Parties.—Such candidates and their authorized committees will not, after the date described in section 9006(b), solicit any funds for any committee of a political party.

Such certification shall be made within such time prior to the day of the presidential election as the Commission shall prescribe by rules or regulations.”.

SEC. 202. REPEAL OF EXPENDITURE LIMITATIONS AND USE OF QUALIFIED CAMPAIGN CONTRIBUTIONS.

(a) Major Parties.—Subsection (b) of section 9003 of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) Major Parties.—In order to be eligible to receive any payments under section 9006, the candidates of a major party in a presidential election shall certify to the Commission, under penalty of perjury, that—

“(1) such candidates and their authorized committees have not and will not accept any contributions to defray qualified campaign expenses other than—

“(A) qualified campaign contributions, and
“(B) contributions to the extent necessary to make up any deficiency payments received out of the fund on account of the application of section 9006(c), and

“(2) such candidates and their authorized committees have not and will not accept any contribution to defray expenses which would be qualified campaign expenses but for subparagraph (C) of section 9002(11).

Such certification shall be made at the same time as the certification required under subsection (a)(3).”.

(b) MINOR AND NEW PARTIES.—Subsection (c) of section 9003 of the Internal Revenue Code of 1986 is amended to read as follows:

“(c) MINOR AND NEW PARTIES.—In order to be eligible to receive any payments under section 9006, the candidates of a minor or new party in a presidential election shall certify to the Commission, under penalty of perjury, that such candidates and their authorized committees have not and will not accept any contributions to defray qualified campaign expenses other than—

“(1) qualified campaign contributions, and

“(2) contributions other than qualified campaign contributions to the extent to which—
“(A) the aggregate payments to which such candidates would be entitled under section 9004 if such candidates were candidates of a major party, exceed

“(B) the aggregate payments to which such candidates are entitled to under section 9004.

Such certification shall be made at the same time as the certification required under subsection (a)(3).”.

(c) Definition of Qualified Campaign Contributions.—Section 9002 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(13) Qualified campaign contribution.—The term ‘qualified campaign contribution’ means, with respect to any election for the office of President of the United States, a contribution from an individual to a candidate or an authorized committee of a candidate which—

“(A) is made after June 1 of the year in which the election is held,

“(B) does not exceed $500, and

“(C) with respect to which the candidate has certified in writing that—
“(i) the individual making such contribution has not made aggregate contributions (including such qualified contribution) to such candidate and the authorized committees of such candidate in excess of $500 with respect to such election, and

“(ii) such candidate and the authorized committees of such candidate will not accept contributions from such individual (including such qualified contribution) aggregating more than $500 with respect to such election.”.

(d) CONFORMING AMENDMENTS.—

(1) REPEAL OF EXPENDITURE LIMITS.—

(A) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by striking subsection (b).

(B) Section 315(c) of such Act (2 U.S.C. 441a(c)) is amended—

(i) in paragraph (1)(B)(i), by striking “, (b)” ; and

(ii) in paragraph (2)(B)(i), by striking “subsections (b) and (d)” and inserting “subsection (d)”.
(2) Limitation on payments to candidates of minor and new parties.—Paragraph (1) of section 9004(b) of the Internal Revenue Code of 1986 is amended by inserting “, other than qualified contributions,” after “contributions”.

(3) Repayments.—

(A) Section 9007(b) of such Code is amended by striking paragraph (2) and redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

(B) Paragraph (2) of section 9007(b) of such Code, as redesignated by subparagraph (A), is amended by inserting “qualified contributions and” after “contributions (other than”.

(4) Criminal penalties.—

(A) Excess expenses.—Section 9012(a) of the Internal Revenue Code of 1986 is amended by striking the first sentence.

(B) Contributions.—

(i) Candidates of major parties.—Section 9012(b)(1) of the Internal Revenue Code of 1986 is amended by inserting “other than qualified contribu-
tions,” after “to defray qualified campaign expenses,”.

(ii) CANDIDATES OF OTHER PARTIES.—Section 9012(b)(2) of such Code is amended by inserting “other than qualified contributions,” after “contributions”.

SEC. 203. MATCHING PAYMENTS AND OTHER MODIFICATIONS TO PAYMENT AMOUNTS.

(a) IN GENERAL.—

(1) AMOUNT OF PAYMENTS FOR MAJOR PARTY CANDIDATES.—Subsection (a) of section 9004 of the Internal Revenue Code of 1986 is amended to read as follows:

“(a) IN GENERAL.—Subject to the provisions of this chapter—

“(1) MAJOR PARTIES.—The eligible candidates of each major party in a presidential election shall be entitled to equal payment under section 9006 in an amount equal to—

“(A) $50,000,000, plus

“(B) an amount equal to 400 percent of the amount of each matchable contribution received by such candidate on or after June 1 of the year of the presidential election, or by his authorized committees.
The total amount of payments to which a major party candidate is entitled under subparagraph (B) shall not exceed $150,000,000.

“(2) Pre-election payments for minor and new parties.—

“(A) Payment based on prior votes received by party.—

“(i) In general.—The eligible candidates of a minor party in a presidential election shall be entitled to equal payment under section 9006 in an amount equal to the sum of—

“(I) the product of the popular vote ratio with respect to such minor party and the amount in effect under paragraph (1)(A), plus

“(II) an amount equal to the applicable percentage of the amount of each matchable contribution received by such candidate on or after June 1 of the year of the presidential election, or by his authorized committees.

The total amount of payments to which such a candidate is entitled under sub-clause (II) shall not exceed the product of
the amount in effect under the last sen-
tence of paragraph (1)(A) and the popular
vote ratio with respect to such minor
party.

“(ii) Popular vote ratio with re-
spect to a minor party.—For purposes
of this subparagraph, the popular vote
ratio with respect to a minor party is the
ratio of the number of popular votes re-
ceived by the candidate for President of
the minor party, as such candidate, in the
preceding presidential election to the aver-
age number of popular votes received by
the candidates for President of the major
parties in the preceding presidential elec-
tion.

“(iii) Applicable percentage.—
For purposes of subparagraph (A), the ap-
licable percentage is the product of 400
percent and the popular vote ratio with re-
spect to such minor party.

“(B) Payment based on prior votes
received by candidate.—

“(i) In general.—If the candidate of
one or more political parties (not including
a major party) for the office of President
was a candidate for such office in the pre-
ceding presidential election and received 5
percent or more but less than 25 percent
of the total number of popular votes re-
ceived by all candidates for such office,
such candidate and his running mate for
the office of Vice President, upon compli-
ance with the provisions of section 9003(a)
and (c), shall be treated as eligible can-
didates entitled to payments under section
9006 in an amount computed as provided
in subparagraph (A), determined by sub-
stituting ‘the popular vote ratio with re-
spect to such candidate’ for ‘the popular
vote ratio with respect to such minor
party’ each place it appears.

“(ii) Popular vote ratio with re-
spect to a candidate.—For purposes of
this subparagraph, the popular vote ratio
with respect to a candidate is the ratio of
the number of popular votes received by
such candidate for the office of President
in the preceding presidential election to the
average number of popular votes received
by the candidates for President of the
major parties in the preceding presidential
election.

“(iii) COORDINATION RULE.—If eligi-
ble candidates of a minor party are enti-
tled to payments under this subparagraph,
such entitlement shall be reduced by the
amount of the entitlement allowed under
subparagraph (A).

“(3) POST-ELECTION PAYMENTS FOR MINOR
AND NEW PARTIES.—

“(A) IN GENERAL.—The eligible can-
ididates of a minor party or a new party in a
presidential election whose candidate for Presi-
dent in such election receives, as such can-
didate, 5 percent or more of the total number
of popular votes cast for the office of President
in such election shall be entitled to payments
under section 9006 equal to the sum of—

“(i) the product of the popular vote
ratio with respect to such candidate and
the amount in effect under paragraph
(1)(A), plus

“(ii) an amount equal to the applica-
ble percentage of the amount of each
matchable contribution received by such
candidate on or after June 1 of the year
of the presidential election, or by his au-

The total amount of payments to which such a
candidate is entitled under clause (ii) shall not
exceed the product of the amount in effect
under the last sentence of paragraph (1)(A)
and the popular vote ratio with respect to such
candidate.

“(B) POPULAR VOTE RATIO WITH RESPECT
TO A CANDIDATE.—For purposes of this para-
graph, the popular vote ratio with respect to a
candidate in a presidential election is the ratio
of the number of popular votes received by such
candidate for the office of President in such
election to the average number of popular votes
received by the candidates for President of the
major parties in such election.

“(C) APPLICABLE PERCENTAGE.—For
purposes of subparagraph (A), the applicable
percentage is the product of 400 percent and
the popular vote ratio with respect to such can-
didate.
“(D) COORDINATION RULE.—In the case of eligible candidates entitled to payments under paragraph (2), the amount allowable under this paragraph shall be limited to the amount, if any, by which the entitlement under the preceding sentence exceeds the amount of the entitlement under paragraph (2).”.

(2) CONFORMING AMENDMENT.—Section 9005(a) is amended by adding at the end the following new sentence: “The Commission shall make such additional certifications as may be necessary to receive payments under section 9004.”.

(b) MATCHABLE CONTRIBUTION.—Section 9002 of such Code, as amended by section 202, is amended by adding at the end the following new paragraph:

“(14) MATCHABLE CONTRIBUTION.—The term ‘matchable contribution’ means, with respect to the election to the office of President of the United States, a contribution by an individual to a candidate or an authorized committee of a candidate—

“(A) which does not exceed $200, and

“(B) with respect to which the candidate has certified in writing that—

“(i) the individual making such contribution has not made aggregate contribu-
tions (including such matchable contribution) to such candidate and the authorized committees of such candidate in excess of $200 with respect to such election,

“(ii) such candidate and the authorized committees of such candidate will not accept contributions from such individual (including such matchable contribution) aggregating more than $200 with respect to such election, and

“(iii) such contribution was not—

“(I) forwarded from the contributor from any person other than an individual, or

“(II) received by the candidate or committee from a contributor or contributors, but credited by the committee or candidate to another person who is not an individual through records, designations, or other means of recognizing that a certain amount of money has been raised by such person.”.
SEC. 204. INFLATION ADJUSTMENT FOR PAYMENT AMOUNTS AND QUALIFIED CONTRIBUTIONS.

Section 9004 of such Code is amended by adding at the end the following new subsection:

“(f) INFLATION ADJUSTMENTS.—

“(1) IN GENERAL.—In the case of any applicable period beginning after 2012, each of the dollar amounts in subsection (a)(1) and section 9002(13) shall be increased by an amount equal to—

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year following the year which such applicable period begins, determined by substituting ‘calendar year 2012’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) APPLICABLE PERIOD.—For purposes of this subsection, the term ‘applicable period’ means the 4-year period beginning with the first day following the date of the last general election for the office of President and ending on the date of the next such general election.

“(3) ROUNDING.—If any amount as adjusted under paragraph (1) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.”.
SEC. 205. INCREASE IN LIMIT ON COORDINATED PARTY EXPENDITURES.

(a) In General.—Section 315(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)(2)) is amended to read as follows:

“(2)(A) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President of the United States who is affiliated with such party which exceeds $50,000,000.

“(B) For purposes of this paragraph—

“(i) any expenditure made by or on behalf of a national committee of a political party and in connection with a presidential election shall be considered to be made in connection with the general election campaign of a candidate for President of the United States who is affiliated with such party; and

“(ii) any communication made by or on behalf of such party shall be considered to be made in connection with the general election campaign of a candidate for President of the United States who is affiliated with such party if any portion of the communication is in connection with such election.

“(C) Any expenditure under this paragraph shall be in addition to any expenditure by a national committee of a political party serving as the principal campaign com-
mittee of a candidate for the office of President of the United States.”.

(b) CONFORMING AMENDMENTS RELATING TO TIMING OF COST-OF-LIVING ADJUSTMENT.—

(1) IN GENERAL.—Section 315(c)(1) of such Act (2 U.S.C. 441a(c)(1)), as amended by section 202(d)(1)(B), is amended—

(A) in subparagraph (B), by striking “(d)” and inserting “(d)(3)”; and

(B) by inserting at the end the following new subparagraph:

“(D) In any calendar year after 2012—

“(i) the dollar amount in subsection (d)(2) shall be increased by the percent difference determined under subparagraph (A);

“(ii) the amount so increased shall remain in effect for the calendar year; and

“(iii) if the amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.”.

(2) BASE YEAR.—Section 315(c)(2)(B) of such Act (2 U.S.C. 441a(c)(2)(B)), as amended by section 202(d)(1)(B), is amended—

(A) in clause (i)—
(i) by striking “(d)” and inserting
“(d)(3)”; and
(ii) by striking “and” at the end;
(B) in clause (ii), by striking the period at
the end and inserting “; and”; and
(C) by adding at the end the following new
clause:
“(iii) for purposes of subsection (d)(2), cal-
endar year 2011.”.

SEC. 206. ESTABLISHMENT OF UNIFORM DATE FOR RE-
LEASE OF PAYMENTS.

(a) DATE FOR PAYMENTS.—
(1) IN GENERAL.—Section 9006(b) of the In-
ternal Revenue Code of 1986 is amended to read as
follows:
“(b) PAYMENTS FROM THE FUND.—If the Secretary
of the Treasury receives a certification from the Commiss-
ion under section 9005 for payment to the eligible can-
didates of a political party, the Secretary shall pay to such
candidates out of the fund the amount certified by the
Commission on the later of—
“(1) the last Friday occurring before the first
Monday in September, or
“(2) 24 hours after receiving the certifications for the eligible candidates of all major political parties.

Amounts paid to any such candidates shall be under the control of such candidates.”.

(2) CONFORMING AMENDMENT.—The first sentence of section 9006(c) of such Code is amended by striking “the time of a certification by the Commission under section 9005 for payment” and inserting “the time of making a payment under subsection (b)”.

(b) TIME FOR CERTIFICATION.—Section 9005(a) of the Internal Revenue Code of 1986 is amended by striking “10 days” and inserting “24 hours”.

SEC. 207. AMOUNTS IN PRESIDENTIAL ELECTION CAMPAIGN FUND.

(a) DETERMINATION OF AMOUNTS IN FUND.—Section 9006(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new sentence: “In making a determination of whether there are insufficient moneys in the fund for purposes of the previous sentence, the Secretary shall take into account in determining the balance of the fund for a Presidential election year the Secretary’s best estimate of the amount of moneys which will be deposited into the fund during the year, ex-
cept that the amount of the estimate may not exceed the
average of the annual amounts deposited in the fund dur-
ing the previous 3 years.”.

(b) **Special Rule for First Campaign Cycle**

**Under This Act.—**

(1) **In General.**—Section 9006 of the Internal
Revenue Code of 1986 is amended by adding at the
end the following new subsection:

“(d) **Special Authority To Borrow.**—

“(1) **In General.**—Notwithstanding subsection
(c), there are authorized to be appropriated to the
fund, as repayable advances, such sums as are nec-
essary to carry out the purposes of the fund during
the period ending on the first presidential election
occurring after the date of the enactment of this
subsection.

“(2) **Repayment of Advances.**—

“(A) **In General.**—Advances made to the
fund shall be repaid, and interest on such ad-
vances shall be paid, to the general fund of the
Treasury when the Secretary determines that
moneys are available for such purposes in the
fund.

“(B) **Rate of Interest.**—Interest on ad-
vances made to the fund shall be at a rate de-
terminated by the Secretary of the Treasury (as of the close of the calendar month preceding the month in which the advance is made) to be equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the anticipated period during which the advance will be outstanding and shall be compounded annually.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the date of the enactment of this Act.

SEC. 208. USE OF GENERAL ELECTION PAYMENTS FOR GENERAL ELECTION LEGAL AND ACCOUNTING COMPLIANCE.

Section 9002(11) of the Internal Revenue Code of 1986 is amended by adding at the end the following new sentence: “For purposes of subparagraph (A), an expense incurred by a candidate or authorized committee for general election legal and accounting compliance purposes shall be considered to be an expense to further the election of such candidate.”.
TITLE III—POLITICAL CONVENTIONS

SEC. 301. REPEAL OF PUBLIC FINANCING OF PARTY CONVENTIONS.

(a) IN GENERAL.—Chapter 95 of the Internal Revenue Code of 1986 is amended by striking section 9008.

(b) CONFORMING AMENDMENTS.—

(1) Section 9006(c) of such Code is amended by striking “section 9008(b)(3)”.

(2) Section 9009 of such Code is amended by inserting “and” at the end of paragraph (3), by striking the semicolon at the end of paragraph (4) and inserting a period, and by striking paragraphs (5) and (6).

(3) Section 9012 of such Code, as amended by section 202(d)(4), is amended—

(A) by striking subsection (a) and redesignating subsections (b) through (f) as subsections (a) through (e), respectively; and

(B) in subsection (a), as redesignated by subparagraph (A), by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).
(4) Section 9037(a) of such Code is amended by striking “and for payments under section 9008(b)(3)”.

SEC. 302. CONTRIBUTIONS FOR POLITICAL CONVENTIONS.

(a) SEPARATE CONTRIBUTION LIMITATION.—

(1) INDIVIDUALS.—

(A) IN GENERAL.—Subsection (a)(1) of section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by striking “or” at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting “; or”, and by adding at the end the following new subparagraph:

“(E) to the national nominating convention account of political committees established and maintained by a national political party, in any 4-year period ending on the last day of the calendar year beginning on the day after a general election for the office of President which, in the aggregate, exceed the dollar amount in effect under subsection (B);”.

(B) CONFORMING AMENDMENT.—Subparagraph (B) of section 315(a)(1) of such Act (2 U.S.C. 441a(a)(1)) is amended by inserting “(other than to the national nominating conven-
tion accounts of such political committees which
are described in subparagraph (E))” after “na-
tional political party”.

(2) AGGREGATE CONTRIBUTION LIMITATION.—
Paragraph (3) of section 315(a) of such Act (2
U.S.C. 441a(a)) is amended by adding at the end
the following new flush sentence:

“The dollar amount in subparagraph (B) shall be in-
creased by the amount of contributions (not in excess of
the dollar amount in effect under subparagraph (E)) made
to the national nominating convention account of a polit-
ical committee established and maintained by a national
political party during the period described in the preceding
sentence.”.

(b) NATIONAL NOMINATING CONVENTION AC-
COUNT.—Subsection (a) of section 315 of such Act (2
U.S.C. 441a) is amended by adding at the end the fol-
lowing new paragraph:

“(9) For purposes of this subsection, the na-
tional nomination convention account of any political
committees established and maintained by a national
political party is a separate account the funds of
which may only be used to defray the costs of the
national nominating convention of such party.”.
SEC. 303. PROHIBITION ON USE OF SOFT MONEY.

Section 323 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441i) is amended by adding at the end the following new subsection:

“(g) NATIONAL CONVENTIONS.—Any person described in subsection (a) or (e) shall not solicit, receive, direct, transfer, or spend any funds in connection with a presidential nominating convention of any political party, including funds from or for a host committee, civic committee, municipality, or any other person or entity spending funds in connection with such a convention, unless such funds—

“(1) are not in excess of the amounts permitted with respect to contributions to the political committee established and maintained by a national political party committee under section 315; and

“(2) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.”.

TITLE IV—OTHER PROVISIONS

SEC. 401. REVISIONS TO DESIGNATION OF INCOME TAX PAYMENTS BY INDIVIDUAL TAXPAYERS.

(a) INCREASE IN AMOUNT DESIGNATED.—Section 6096(a) of the Internal Revenue Code of 1986 is amended—
(1) in the first sentence, by striking “$3” each place it appears and inserting “$10”; and

(2) in the second sentence—

(A) by striking “$6” and inserting “$20”;

and

(B) by striking “$3” and inserting “$10”.

(b) INDEXING.—Section 6096 of such Code is amended by adding at the end the following new subsection:

“(d) INDEXING OF AMOUNT DESIGNATED.—

“(1) IN GENERAL.—With respect to each taxable year after 2010, each amount referred to in subsection (a) shall be increased by the percent difference described in paragraph (2), except that if any such amount after such an increase is not a multiple of $1, such amount shall be rounded to the nearest multiple of $1.

“(2) PERCENT DIFFERENCE DESCRIBED.—The percent difference described in this paragraph with respect to a taxable year is the percent difference determined under section 315(c)(1)(A) of the Federal Election Campaign Act of 1971 with respect to the calendar year during which the taxable year begins, except that the base year involved shall be 2009.”.
(e) Ensuring Tax Preparation Software Does Not Provide Automatic Response to Designation Question.—Section 6096 of such Code, as amended by subsection (b), is amended by adding at the end the following new subsection:

“(e) Ensuring Tax Preparation Software Does Not Provide Automatic Response to Designation Question.—The Secretary shall promulgate regulations to ensure that electronic software used in the preparation or filing of individual income tax returns does not automatically accept or decline a designation of a payment under this section.”

(d) Public Information Program on Designation.—Section 6096 of such Code, as amended by subsections (b) and (c), is amended by adding at the end the following new subsection:

“(f) Public Information Program.—

“(1) In General.—The Federal Election Commission shall conduct a program to inform and educate the public regarding the purposes of the Presidential Election Campaign Fund, the procedures for the designation of payments under this section, and the effect of such a designation on the income tax liability of taxpayers.
“(2) USE OF FUNDS FOR PROGRAM.—Amounts in the Presidential Election Campaign Fund shall be made available to the Federal Election Commission to carry out the program under this subsection, except that the amount made available for this purpose may not exceed $10,000,000 with respect to any Presidential election cycle. In this paragraph, a ‘Presidential election cycle’ is the 4-year period beginning with January of the year following a Presidential election.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 402. REGULATIONS WITH RESPECT TO BEST EFFORTS FOR IDENTIFYING PERSONS MAKING CONTRIBUTIONS.

Not later than 6 months after the date of enactment of this Act, the Federal Election Commission shall promulgate regulations with respect to what constitutes best efforts under section 302(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(i)) for determining the identification of persons making contributions to political committees, including the identifications of persons making contributions over the Internet or by credit card. Such regulations shall include a requirement that in the case
of contributions made by a credit card, the political committee shall ensure that the name on the credit card used to make the contribution matches the name of the person making the contribution.

SEC. 403. PROHIBITION ON JOINT FUNDRAISING COMMITTEES.

(a) In General.—Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by adding at the end the following new paragraph:

“(6) No authorized committee of a candidate may establish a joint fundraising committee with a political committee other than an authorized committee of a candidate.”.

(b) Effective Date.—The amendments made by this section shall take effect on January 1, 2011.

SEC. 404. DISCLOSURE OF BUNDLED CONTRIBUTIONS TO PRESIDENTIAL CAMPAIGNS.

(a) In General.—Paragraphs (1) through (3) of section 304(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(i)) are amended to read as follows:

“(1) In general.—

“(A) Disclosure of bundled contributions by lobbyists.—Each committee described in paragraph (6) shall include in the
first report required to be filed under this sec-
tion after each covered period (as defined in
paragraph (2)) a separate schedule setting forth
the name, address, and employer of each person
reasonably known by the committee to be a per-
son described in paragraph (7) who provided 2
or more bundled contributions to the committee
in an aggregate amount greater than the appli-
cable threshold (as defined in paragraph (3))
during the covered period, and the aggregate
amount of the bundled contributions provided
by each such person during the covered period.

“(B) DISCLOSURE OF BUNDLED CON-
TRIBUTIONS TO PRESIDENTIAL CAMPAIGNS.—
Each committee which is an authorized com-
mittee of a candidate for the office of President
or for nomination to such office shall include in
the first report required to be filed under this
section after each covered period (as defined in
paragraph (2)) a separate schedule setting forth
the name, address, and employer of each person
who provided 2 or more bundled contributions
to the committee in an aggregate amount great-
er than the applicable threshold (as defined in
paragraph (3)) during the election cycle, and
the aggregate amount of the bundled contributions provided by each such person during the covered period and such election cycle. Such schedule shall include a separate listing of the name, address, and employer of each person included on such schedule who is reasonably known by the committee to be a person described in paragraph (7), together with the aggregate amount of bundled contributions provided by such person during such period and such cycle.

“(2) COVERED PERIOD.—In this subsection, a ‘covered period’ means—

“(A) with respect to a committee which is an authorized committee of a candidate for the office of President or for nomination to such office—

“(i) the 4-year election cycle ending with the date of the election for the office of the President; and

“(ii) any reporting period applicable to the committee under this section during which any person provided 2 or more bundled contributions to the committee; and
“(B) with respect to any other com-
mittee—

“(i) the period beginning January 1
and ending June 30 of each year;

“(ii) the period beginning July 1 and
ending December 31 of each year; and

“(iii) any reporting period applicable
to the committee under this section during
which any person described in paragraph
(7) provided 2 or more bundled contribu-
tions to the committee in an aggregate
amount greater than the applicable thresh-
old.

“(3) APPLICABLE THRESHOLD.—

“(A) IN GENERAL.—In this subsection, the
‘applicable threshold’ is—

“(i) $50,000 in the case of a com-
mittee which is an authorized committee of
a candidate for the office of President or
for nomination to such office; and

“(ii) $15,000 in the case of any other
committee.

In determining whether the amount of bundled
contributions provided to a committee by a per-
son exceeds the applicable threshold, there shall
be excluded any contribution made to the committee by the person or the person’s spouse.

“(B) INDEXING.—In any calendar year after 2012, section 315(c)(1)(B) shall apply to each amount applicable under subparagraph (A) in the same manner as such section applies to the limitations established under subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h) of such section, except that for purposes of applying such section to the amount applicable under subparagraph (A), the ‘base period’ shall be 2011.”.

(b) CONFORMING AMENDMENTS.—Subsection (i) of section 304 of such Act (2 U.S.C. 434) is amended—

(1) in paragraph (5), by striking “described in paragraph (7)” each place it appears in subparagraphs (C) and (D);

(2) in paragraph (6), by inserting “(other than a candidate for the office of President or for nomination to such office)” after “candidate”; and

(3) in paragraph (8)(A)—

(A) by striking “, with respect to a committee described in paragraph (6) and a person described in paragraph (7),” and inserting “, with respect to a committee described in para-
graph (6) or an authorized committee of a candidate for the office of President or for nomination to such office;”;

(B) by striking “by the person” in clause (i) thereof and inserting “by any person”; and

(C) by striking “the person” each place it appears in clause (ii) and inserting “such person”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to reports filed under section 304 of the Federal Election Campaign Act of 1971 after the date that is 30 days after the date of the enactment of this Act.

SEC. 405. JUDICIAL REVIEW OF ACTIONS RELATED TO CAMPAIGN FINANCE LAWS.

(a) IN GENERAL.—Title IV of the Federal Election Campaign Act of 1971 (2 U.S.C. 451 et sq.) is amended by inserting after section 406 the following new section:

“SEC. 407. JUDICIAL REVIEW.

“(a) IN GENERAL.—If any action is brought for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or of chapter 95 or 96 of the Internal Revenue Code of 1986, or is brought to with respect to any action of the Commission under
chapter 95 or 96 of the Internal Revenue Code of 1986, the following rules shall apply:

“(1) The action shall be filed in the United States District Court for the District of Columbia and an appeal from the decision of the district court may be taken to the Court of Appeals for the District of Columbia Circuit.

“(2) In the case of an action relating to declaratory or injunctive relief to challenge the constitutionality of a provision—

“(A) a copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives and the Secretary of the Senate; and

“(B) it shall be the duty of the United States District Court for the District of Columbia, the Court of Appeals for the District of Columbia, and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of the action and appeal.

“(b) INTERVENTION BY MEMBERS OF CONGRESS.— In any action in which the constitutionality of any provision of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986 is raised, any member of the House
of Representatives (including a Delegate or Resident Commissioner to the Congress) or Senate shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the constitutionality of the provision. To avoid duplication of efforts and reduce the burdens placed on the parties to the action, the court in any such action may make such orders as it considers necessary, including orders to require intervenors taking similar positions to file joint papers or to be represented by a single attorney at oral argument.

“(c) CHALLENGE BY MEMBERS OF CONGRESS.—Any Member of Congress may bring an action, subject to the special rules described in subsection (a), for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986.”.

(b) CONFORMING AMENDMENTS.—

(1) IN GENERAL.—

(A) Section 310 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437h) is repealed.

(B) Section 9011 of the Internal Revenue Code of 1986 is amended to read as follows:
“SEC. 9011. JUDICIAL REVIEW.

“For provisions relating to judicial review of certifications, determinations, and actions by the Commission under this chapter, see section 407 of the Federal Election Campaign Act of 1971.”.

(C) Section 9041 of the Internal Revenue Code of 1986 is amended to read as follows:

“SEC. 9041. JUDICIAL REVIEW.

“For provisions relating to judicial review of actions by the Commission under this chapter, see section 407 of the Federal Election Campaign Act of 1971.”.

(D) Section 403 of the Bipartisan Campaign Finance Reform Act of 2002 (2 U.S.C. 437h note) is repealed.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions brought after the date of the enactment of this Act.

TITLE V—OFFSETS

SEC. 501. REFORMING IRRIGATION SUBSIDIES.

(a) DEFINITIONS.—Section 202 of the Reclamation Reform Act of 1982 (43 U.S.C. 390bb) is amended—

(1) by redesignating paragraphs (7) through (11) as paragraphs (9) through (13), respectively;

(2) in paragraph (6), by striking “owned or operated under a lease which” and inserting “that is
owned, leased, or operated by an individual or legal entity and that’’;

(3) by inserting after paragraph (6) the following:

“(7) Legal entity.—The term ‘legal entity’ includes a corporation, association, partnership, trust, joint tenancy, or tenancy in common, or any other entity that owns, leases, or operates a farm operation for the benefit of more than 1 individual under any form of agreement or arrangement.

“(8) Operator.—

“(A) In general.—The term ‘operator’—

“(i) means an individual or legal entity that operates a single farm operation on a parcel (or parcels) of land that is owned or leased by another person (or persons) under any form of agreement or arrangement (or agreements or arrangements); and

“(ii) if the individual or legal entity—

“(I) is an employee of an individual or legal entity, includes the individual or legal entity; or

“(II) is a legal entity that controls, is controlled by, or is under
common control with another legal entity, includes each such other legal entity.

“(B) Operation of a Farm Operation.—For the purposes of subparagraph (A), an individual or legal entity shall be considered to operate a farm operation if the individual or legal entity is the person that performs the greatest proportion of the decisionmaking for and supervision of the agricultural enterprise on land served with irrigation water.”; and

(4) by adding at the end the following:

“(14) Single Farm Operation.—

“(A) In General.—The term 'single farm operation' means the total acreage of land served with irrigation water for which an individual or legal entity is the operator.

“(B) Rules for Determining Whether Separate Parcels Are Operated as a Single Farm Operation.—

“(i) Equipment- and Labor-Sharing Activities.—The conduct of equipment- and labor-sharing activities on separate parcels of land by separate individuals or legal entities shall not by itself
serve as a basis for concluding that the farming operations of the individuals or legal entities constitute a single farm operation.

“(ii) Performance of Certain Services.—The performance by an individual or legal entity of an agricultural chemical application, pruning, or harvesting for a farm operation on a parcel of land shall not by itself serve as a basis for concluding that the farm operation on that parcel of land is part of a single farm operation operated by the individual or entity on other parcels of land.”.

(b) Identification of Owners, Lessees, and Operators and of Single Farm Operations.—The Reclamation Reform Act of 1982 is amended by inserting after section 202 (43 U.S.C. 390bb) the following:

“SEC. 202A. IDENTIFICATION OF OWNERS, LESSEES, AND OPERATORS AND OF SINGLE FARM OPERATIONS.

“(a) In General.—Subject to subsection (b), for each parcel of land to which irrigation water is delivered or proposed to be delivered, the Secretary shall identify
a single individual or legal entity as the owner, lessee, or operator.

“(b) Shared Decisionmaking and Supervision.—If the Secretary determines that no single individual or legal entity is the owner, lessee, or other individual that performs the greatest proportion of decisionmaking for and supervision of the agricultural enterprise on a parcel of land—

“(1) all individuals and legal entities that own, lease, or perform a proportion of decisionmaking and supervision that is equal as among themselves but greater than the proportion performed by any other individual or legal entity shall be considered jointly to be the owner, lessee, or operator; and

“(2) all parcels of land of which any such individual or legal entity is the owner, lessee, or operator shall be considered to be part of the single farm operation of the owner, lessee, or operator identified under paragraph (1).”.

(c) Pricing.—Section 205 of the Reclamation Reform Act of 1982 (43 U.S.C. 390ee) is amended by adding at the end the following:

“(d) Single Farm Operations Generating More Than $500,000 in Gross Farm Income.—
“(1) IN GENERAL.—Notwithstanding sub-
sections (a), (b), and (c), irrigation water may be de-
livered to the single farm operation of a qualified re-
cipient or limited recipient at less than full cost to
a number of acres that does not exceed the number
of acres determined under paragraph (2) in the case
of—

“(A) a qualified recipient that reports
gross farm income from a single farm operation
in excess of $500,000 for a taxable year; or

“(B) a limited recipient that received irri-
gation water on or before October 1, 1981, and
that reports gross farm income from a single
farm operation in excess of $500,000 for a tax-
able year.

“(2) MAXIMUM NUMBER OF ACRES TO WHICH
IRRIGATION WATER MAY BE DELIVERED AT LESS
THAN FULL COST.—The number of acres determined
under this paragraph shall be equal to the product
obtained by multiplying—

“(A) the number of acres of the single
farm operation; by

“(B) a fraction, the numerator of which is
$500,000 and the denominator of which is the
amount of gross farm income reported by the
qualified recipient or limited recipient in the most recent taxable year.

“(3) INFLATION ADJUSTMENT.—

“(A) IN GENERAL.—Subject to subparagraph (D), the $500,000 amount under paragraphs (1) and (2) for any taxable year beginning in a calendar year after 2004 shall be equal to the product obtained by multiplying—

“(i) $500,000; by

“(ii) the inflation adjustment factor for the taxable year.

“(B) INFLATION ADJUSTMENT FACTOR.—

“(i) IN GENERAL.—For purposes of subparagraph (A), the term ‘inflation adjustment factor’ means, with respect to any calendar year, a fraction the numerator of which is the GDP implicit price deflator for the preceding calendar year and the denominator of which is the GDP implicit price deflator for 2004.

“(ii) PUBLICATION.—Not later than April 1 of any calendar year, the Secretary shall publish the inflation adjustment factor for the preceding calendar year.
“(C) GDP IMPLICIT PRICE DEFLATOR.—

For purposes of subparagraph (B), the term ‘GDP implicit price deflator’ means the first revision of the implicit price deflator for the gross domestic product as calculated and published by the Secretary of Commerce.

“(D) Rounding.—If any increase determined under subparagraph (A) is not a multiple of $100, the increase shall be rounded to the next lowest multiple of $100.”.

(d) Certification of Compliance.—Section 206 of the Reclamation Reform Act of 1982 (43 U.S.C. 390ff) is amended to read as follows:

“SEC. 206. CERTIFICATION OF COMPLIANCE.

“(a) In General.—As a condition to the receipt of irrigation water for land in a district that has a contract described in section 203, each owner, lessee, or operator in the district shall furnish the district, in a form prescribed by the Secretary, a certificate that the owner, lessee, or operator is in compliance with this title, including—

“(1) a statement of the number of acres owned, leased, or operated;

“(2) the terms of any lease or agreement pertaining to the operation of a farm operation; and
“(3) in the case of a lessee or operator, a certification that the rent or other fees paid reflect the reasonable value of the irrigation water to the productivity of the land.

“(b) DOCUMENTATION.—The Secretary may require a lessee or operator to submit for the examination of the Secretary—

“(1) a complete copy of any lease or other agreement executed by each of the parties to the lease or other agreement; and

“(2) a copy of the return of income tax imposed by chapter 1 of the Internal Revenue Code of 1986 for any taxable year in which the single farm operation of the lessee or operator received irrigation water at less than full cost.”.

(e) TRUSTS.—Section 214 of the Reclamation Reform Act of 1982 (43 U.S.C. 390nn) is repealed.

(f) ADMINISTRATIVE PROVISIONS.—

(1) PENALTIES.—Section 224(c) of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww(c)) is amended—

(A) by striking “(c) The Secretary” and inserting the following:

“(c) REGULATIONS; DATA COLLECTION; PENALTIES.—
“(1) REGULATIONS; DATA COLLECTION.—The Secretary’’; and
(B) by adding at the end the following:
“(2) PENALTIES.—Notwithstanding any other provision of law, the Secretary shall establish appropriate and effective penalties for failure to comply with any provision of this Act or any regulation issued under this Act.”.

(2) INTEREST.—Section 224(i) of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww(i)) is amended—
(A) by striking “When the Secretary” and inserting the following:
“(1) IN GENERAL.—When the Secretary’’; and
(B) by adding at the end the following:
“(2) INTEREST RATE.—The interest rate applicable to underpayments under paragraph (1) shall be equal to the rate applicable to expenditures under section 202(3)(C).”.

(g) REPORTING.—Section 228 of the Reclamation Reform Act of 1982 (43 U.S.C. 390zz) is amended by inserting “operator or” before “contracting entity” each place it appears.
(h) Memorandum of Understanding.—The Reclamation Reform Act of 1982 is amended by inserting after section 228 (43 U.S.C. 390zz) the following:

"SEC. 228A. MEMORANDUM OF UNDERSTANDING.

"The Secretary, the Secretary of the Treasury, and the Secretary of Agriculture shall enter into a memorandum of understanding or other appropriate instrument to permit the Secretary, notwithstanding section 6103 of the Internal Revenue Code of 1986, to have access to and use of available information collected or maintained by the Department of the Treasury and the Department of Agriculture that would aid enforcement of the ownership and pricing limitations of Federal reclamation law.".

TITLE VI—SEVERABILITY AND EFFECTIVE DATE

SEC. 601. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.
SEC. 602. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by this Act shall apply with respect to elections occurring after January 1, 2011.