To amend the Emergency Economic Stabilization Act of 2008 to require institutions to segregate funds received under the Troubled Asset Relief Program and to amend the Federal Election Campaign Act of 1971 to prohibit the use of any such funds for expenditures or electioneering communications under such Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,
SECTION 1. SHORT TITLE.

This Act may be cited as the “Separate Taxpayer Dollars from the Election Process Act of 2010”.

SEC. 2. TARP ASSISTANCE SEGREGATION REQUIREMENT.

Title I of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5211 et seq.) is amended by adding at the end the following new section:

“SEC. 137. TARP ASSISTANCE SEGREGATION REQUIREMENT.

“(a) IN GENERAL.—Any financial institution, other than a natural person, receiving Federal funds in connection with assistance received under this title shall—

“(1) if such funds are received before the date of the enactment of this section, transfer an amount equal to the total unexpended amount of such funds into a separate, segregated account from the other operating funds of the institution and maintain such funds in the segregated account until they are expended; and

“(2) if such funds are received on or after the date of the enactment of this section, deposit such funds in a separate, segregated account from the other operating funds of the institution and maintain such funds in the segregated account until they are expended.
“(b) Transition Rule.—Federal funds that are required to be segregated by reason of subsection (a)(1) shall be so segregated not later than the end of the 30-day period beginning on the date of the enactment of this section.”.

SEC. 3. Prohibiting Use of Segregated Funds for Certain Campaign-Related Disbursements.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by inserting after section 316 the following new section:

“SEC. 316A. Prohibiting Use of TARP Assistance for Expenditures or Electioneering Communications.

“No person may use any Federal funds that are required to be segregated under section 137(a) of the Emergency Economic Stabilization Act of 2008 to make any expenditure or electioneering communication.”.