

111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5175

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## AN ACT

To amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such 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 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4        (a) **SHORT TITLE.**—This Act may be cited as the  
 5 “Democracy is Strengthened by Casting Light on Spend-  
 6 ing in Elections Act” or the “DISCLOSE Act”.

7        (b) **TABLE OF CONTENTS.**—The table of contents of  
 8 this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—REGULATION OF CERTAIN POLITICAL SPENDING**

Sec. 101. Prohibiting independent expenditures and electioneering communica-  
 tions by government contractors.

Sec. 102. Application of ban on contributions and expenditures by foreign na-  
 tionals to foreign-controlled domestic corporations.

Sec. 103. Treatment of payments for coordinated communications as contribu-  
 tions.

Sec. 104. Treatment of political party communications made on behalf of can-  
 didates.

Sec. 105. Restriction on internet communications treated as public communica-  
 tions.

**TITLE II—PROMOTING EFFECTIVE DISCLOSURE OF CAMPAIGN-  
 RELATED ACTIVITY**

**Subtitle A—Treatment of Independent Expenditures and Electioneering  
 Communications Made by All Persons**

Sec. 201. Independent expenditures.

Sec. 202. Electioneering communications.

Sec. 203. Mandatory electronic filing by persons making independent expendi-  
 tures or electioneering communications exceeding \$10,000 at  
 any time.

**Subtitle B—Expanded Requirements for Corporations and Other  
 Organizations**

Sec. 211. Additional information required to be included in reports on disburse-  
 ments by covered organizations.

Sec. 212. Rules regarding use of general treasury funds by covered organiza-  
 tions for campaign-related activity.

Sec. 213. Optional use of separate account by covered organizations for cam-  
 paign-related activity.

Sec. 214. Modification of rules relating to disclaimer statements required for  
 certain communications.

Sec. 215. Indexing of certain amounts.

Subtitle C—Reporting Requirements for Registered Lobbyists

Sec. 221. Requiring registered lobbyists to report information on independent expenditures and electioneering communications.

TITLE III—DISCLOSURE BY COVERED ORGANIZATIONS OF INFORMATION ON CAMPAIGN-RELATED ACTIVITY

Sec. 301. Requiring disclosure by covered organizations of information on campaign-related activity.

TITLE IV—OTHER PROVISIONS

Sec. 401. Judicial review.

Sec. 402. No Effect on Protections Against Threats, Harassments, and Reprisals.

Sec. 403. Severability.

Sec. 404. Effective date.

1           **TITLE I—REGULATION OF**  
2           **CERTAIN POLITICAL SPENDING**

3           **SEC. 101. PROHIBITING INDEPENDENT EXPENDITURES AND**  
4                           **ELECTIONEERING COMMUNICATIONS BY**  
5                           **GOVERNMENT CONTRACTORS.**

6           (a) PROHIBITION APPLICABLE TO GOVERNMENT  
7 CONTRACTORS.—

8                   (1) PROHIBITION.—

9                           (A) IN GENERAL.—Section 317(a)(1) of  
10                           the Federal Election Campaign Act of 1971 (2  
11                           U.S.C. 441c(a)(1)) is amended by striking  
12                           “purpose or use; or” and inserting the fol-  
13                           lowing: “purpose or use, to make any inde-  
14                           pendent expenditure, or to disburse any funds  
15                           for an electioneering communication; or”.

16                           (B) CONFORMING AMENDMENT.—The  
17                           heading of section 317 of such Act (2 U.S.C.

1           441c) is amended by striking “CONTRIBU-  
2           TIONS” and inserting “CONTRIBUTIONS, INDE-  
3           PENDENT EXPENDITURES, AND ELECTION-  
4           EERING COMMUNICATIONS”.

5           (2) THRESHOLD FOR APPLICATION OF BAN.—  
6           Section 317 of such Act (2 U.S.C. 441c) is amend-  
7           ed—

8                   (A) by redesignating subsections (b) and  
9                   (c) as subsections (c) and (d); and

10                   (B) by inserting after subsection (a) the  
11           following new subsection:

12           “(b) To the extent that subsection (a)(1) prohibits  
13 a person who enters into a contract described in such sub-  
14 section from making any independent expenditure or dis-  
15 bursing funds for an electioneering communication, such  
16 subsection shall apply only if the value of the contract is  
17 equal to or greater than \$10,000,000.”.

18           (b) APPLICATION TO RECIPIENTS OF ASSISTANCE  
19 UNDER TROUBLED ASSET PROGRAM.—Section 317(a) of  
20 such Act (2 U.S.C. 441c(a)) is amended—

21                   (1) by striking “or” at the end of paragraph  
22                   (1);

23                   (2) by redesignating paragraph (2) as para-  
24           graph (3); and

1           (3) by inserting after paragraph (1) the fol-  
2           lowing new paragraph:

3           “(2) who enters into negotiations for financial  
4           assistance under title I of the Emergency Economic  
5           Stabilization Act of 2008 (12 U.S.C. 5211 et seq.)  
6           (relating to the purchase of troubled assets by the  
7           Secretary of the Treasury), during the period—

8                   “(A) beginning on the later of the com-  
9                   mencement of the negotiations or the date of  
10                  the enactment of the Democracy is Strengthened  
11                  by Casting Light on Spending in Elections  
12                  Act; and

13                   “(B) ending with the later of the termi-  
14                  nation of such negotiations or the repayment of  
15                  such financial assistance;

16           directly or indirectly to make any contribution of  
17           money or other things of value, or to promise ex-  
18           pressly or impliedly to make any such contribution  
19           to any political party, committee, or candidate for  
20           public office or to any person for any political pur-  
21           pose or use, to make any independent expenditure,  
22           or to disburse any funds for an electioneering com-  
23           munication; or”.

1 (c) APPLICATION TO PERSONS HOLDING LEASES  
2 FOR DRILLING IN OUTER CONTINENTAL SHELF.—Sec-  
3 tion 317(a) of such Act (2 U.S.C. 441c(a)) is amended—

4 (1) by striking “or” at the end of paragraph  
5 (1);

6 (2) by redesignating paragraph (2) as para-  
7 graph (3); and

8 (3) by inserting after paragraph (1) the fol-  
9 lowing new paragraph:

10 “(2) who enters into negotiations for a lease for  
11 exploration for, and development and production of,  
12 oil and gas under the Outer Continental Shelf Lands  
13 Act (43 U.S.C. 1331 et seq.), during the period—

14 “(A) beginning on the later of the com-  
15 mencement of the negotiations or the date of  
16 the enactment of the Democracy is Strengthen-  
17 ed by Casting Light on Spending in Elections  
18 Act; and

19 “(B) ending with the later of the termi-  
20 nation of such negotiations or the termination  
21 of such lease;

22 directly or indirectly to make any contribution of  
23 money or other things of value, or to promise ex-  
24 pressly or impliedly to make any such contribution  
25 to any political party, committee, or candidate for

1 public office or to any person for any political pur-  
2 pose or use, to make any independent expenditure,  
3 or to disburse any funds for an electioneering com-  
4 munication; or”.

5 (d) TECHNICAL AMENDMENT.—Section 317 of such  
6 Act (2 U.S.C. 441e) is amended by striking “section 321”  
7 each place it appears and inserting “section 316”.

8 **SEC. 102. APPLICATION OF BAN ON CONTRIBUTIONS AND**  
9 **EXPENDITURES BY FOREIGN NATIONALS TO**  
10 **FOREIGN-CONTROLLED DOMESTIC COR-**  
11 **PORATIONS.**

12 (a) APPLICATION OF BAN.—Section 319(b) of the  
13 Federal Election Campaign Act of 1971 (2 U.S.C.  
14 441e(b)) is amended—

15 (1) by striking “or” at the end of paragraph  
16 (1);

17 (2) by striking the period at the end of para-  
18 graph (2) and inserting “; or”; and

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

21 “(3) any corporation which is not a foreign na-  
22 tional described in paragraph (1) and—

23 “(A) in which a foreign national described  
24 in paragraph (1) or (2) directly or indirectly  
25 owns or controls—

1           “(i) 5 percent or more of the voting  
2           shares, if the foreign national is a foreign  
3           country, a foreign government official, or a  
4           corporation principally owned or controlled  
5           by a foreign country or foreign government  
6           official; or

7           “(ii) 20 percent or more of the voting  
8           shares, if the foreign national is not de-  
9           scribed in clause (i);

10          “(B) in which two or more foreign nation-  
11          als described in paragraph (1) or (2), each of  
12          whom owns or controls at least 5 percent of the  
13          voting shares, directly or indirectly own or con-  
14          trol 50 percent or more of the voting shares;

15          “(C) with respect to which the majority of  
16          the members of the board of directors are for-  
17          eign nationals described in paragraph (1) or  
18          (2);

19          “(D) over which one or more foreign na-  
20          tionals described in paragraph (1) or (2) has  
21          the power to direct, dictate, or control the deci-  
22          sion-making process of the corporation with re-  
23          spect to its interests in the United States; or

24          “(E) over which one or more foreign na-  
25          tionals described in paragraph (1) or (2) has



1 the power to direct, dictate, or control the deci-  
2 sion-making process of the corporation with re-  
3 spect to activities in connection with a Federal,  
4 State, or local election, including—

5 “(i) the making of a contribution, do-  
6 nation, expenditure, independent expendi-  
7 ture, or disbursement for an electioneering  
8 communication (within the meaning of sec-  
9 tion 304(f)(3)); or

10 “(ii) the administration of a political  
11 committee established or maintained by the  
12 corporation.”.

13 (b) CERTIFICATION OF COMPLIANCE.—Section 319  
14 of such Act (2 U.S.C. 441e) is amended by adding at the  
15 end the following new subsection:

16 “(c) CERTIFICATION OF COMPLIANCE REQUIRED  
17 PRIOR TO CARRYING OUT ACTIVITY.—Prior to the mak-  
18 ing in connection with an election for Federal office of any  
19 contribution, donation, expenditure, independent expendi-  
20 ture, or disbursement for an electioneering communication  
21 by a corporation during a year, the chief executive officer  
22 of the corporation (or, if the corporation does not have  
23 a chief executive officer, the highest ranking official of the  
24 corporation), shall file a certification with the Commission,  
25 under penalty of perjury, that the corporation is not pro-

1 hibited from carrying out such activity under subsection  
2 (b)(3), unless the chief executive officer has previously  
3 filed such a certification during the year. Nothing in this  
4 subsection shall be construed to apply to any contribution,  
5 donation, expenditure, independent expenditure, or dis-  
6 bursement from a separate segregated fund established  
7 and administered by a corporation under section  
8 316(b)(2)(C).”.

9 (c) NO EFFECT ON CERTAIN ACTIVITIES OF DOMES-  
10 TIC CORPORATIONS.—Section 319 of such Act (2 U.S.C.  
11 441e), as amended by subsection (b), is further amended  
12 by adding at the end the following new subsection:

13 “(d) NO EFFECT ON CERTAIN ACTIVITIES OF DO-  
14 MESTIC CORPORATIONS.—

15 “(1) SEPARATE SEGREGATED FUNDS.—Nothing  
16 in this section shall be construed to prohibit any cor-  
17 poration which is not a foreign national described in  
18 paragraph (1) of subsection (b) from establishing,  
19 administering, and soliciting contributions to a sepa-  
20 rate segregated fund under section 316(b)(2)(C), so  
21 long as none of the amounts in the fund are pro-  
22 vided by any foreign national described in paragraph  
23 (1) or (2) of subsection (b) and no foreign national  
24 described in paragraph (1) or (2) of subsection (b)

1 has the power to direct, dictate, or control the estab-  
2 lishment or administration of the fund.

3 “(2) STATE AND LOCAL ELECTIONS.—Nothing  
4 in this section shall be construed to prohibit any cor-  
5 poration which is not a foreign national described in  
6 paragraph (1) of subsection (b) from making a con-  
7 tribution or donation in connection with a State or  
8 local election to the extent permitted under State or  
9 local law, so long as no foreign national described in  
10 paragraph (1) or (2) of subsection (b) has the power  
11 to direct, dictate, or control such contribution or do-  
12 nation.

13 “(3) OTHER PERMISSIBLE CORPORATE CON-  
14 TRIBUTIONS AND EXPENDITURES.—Nothing in this  
15 section shall be construed to prohibit any corpora-  
16 tion which is not a foreign national described in  
17 paragraph (1) of subsection (b) from carrying out  
18 any activity described in subparagraph (A) or (B) of  
19 section 316(b)(2), so long as none of the amounts  
20 used to carry out the activity are provided by any  
21 foreign national described in paragraph (1) or (2) of  
22 subsection (b) and no foreign national described in  
23 paragraph (1) or (2) of subsection (b) has the power  
24 to direct, dictate, or control such activity.”

1 (d) NO EFFECT ON OTHER LAWS.—Section 319 of  
2 such Act (2 U.S.C. 441e), as amended by subsections (b)  
3 and (c), is further amended by adding at the end the fol-  
4 lowing new subsection:

5 “(e) NO EFFECT ON OTHER LAWS.—Nothing in this  
6 section shall be construed to affect the determination of  
7 whether a corporation is treated as a foreign national for  
8 purposes of any law other than this Act.”.

9 **SEC. 103. TREATMENT OF PAYMENTS FOR COORDINATED**  
10 **COMMUNICATIONS AS CONTRIBUTIONS.**

11 (a) IN GENERAL.—Section 301(8)(A) of the Federal  
12 Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is  
13 amended—

14 (1) by striking “or” at the end of clause (i);

15 (2) by striking the period at the end of clause  
16 (ii) and inserting “; or”; and

17 (3) by adding at the end the following new  
18 clause:

19 “(iii) any payment made by any person  
20 (other than a candidate, an authorized com-  
21 mittee of a candidate, or a political committee  
22 of a political party) for a coordinated commu-  
23 nication (as determined under section 324).”.

1 (b) COORDINATED COMMUNICATIONS DESCRIBED.—  
2 Section 324 of such Act (2 U.S.C. 441k) is amended to  
3 read as follows:

4 **“SEC. 324. COORDINATED COMMUNICATIONS.**

5 “(a) COORDINATED COMMUNICATIONS DEFINED.—

6 “(1) IN GENERAL.—For purposes of this Act,  
7 the term ‘coordinated communication’ means—

8 “(A) a covered communication which, sub-  
9 ject to subsection (c), is made in cooperation,  
10 consultation, or concert with, or at the request  
11 or suggestion of, a candidate, an authorized  
12 committee of a candidate, or a political com-  
13 mittee of a political party; or

14 “(B) any communication that republishes,  
15 disseminates, or distributes, in whole or in part,  
16 any broadcast or any written, graphic, or other  
17 form of campaign material prepared by a can-  
18 didate, an authorized committee of a candidate,  
19 or their agents.

20 “(2) EXCEPTION.—The term ‘coordinated com-  
21 munication’ does not include—

22 “(A) a communication appearing in a news  
23 story, commentary, or editorial distributed  
24 through the facilities of any broadcasting sta-  
25 tion, newspaper, magazine, or other periodical

1 publication, unless such facilities are owned or  
2 controlled by any political party, political com-  
3 mittee, or candidate; or

4 “(B) a communication which constitutes a  
5 candidate debate or forum conducted pursuant  
6 to the regulations adopted by the Commission  
7 to carry out section 304(f)(3)(B)(iii), or which  
8 solely promotes such a debate or forum and is  
9 made by or on behalf of the person sponsoring  
10 the debate or forum.

11 “(b) COVERED COMMUNICATION DEFINED.—

12 “(1) IN GENERAL.—Except as provided in para-  
13 graph (4), for purposes of this subsection, the term  
14 ‘covered communication’ means, for purposes of the  
15 applicable election period described in paragraph (2)  
16 and with respect to the coordinated communication  
17 involved, a public communication (as defined in sec-  
18 tion 301(22)) that refers to the candidate described  
19 in subsection (a)(1)(A) or an opponent of such can-  
20 didate and is publicly distributed or publicly dissemi-  
21 nated during such period.

22 “(2) APPLICABLE ELECTION PERIOD.—For  
23 purposes of paragraph (1), the ‘applicable election  
24 period’ with respect to a communication means—

1           “(A) in the case of a communication which  
2 refers to a candidate for the office of President  
3 or Vice President, the period—

4           “(i) beginning with the date that is  
5 120 days before the date of the first pri-  
6 mary election, preference election, or nomi-  
7 nating convention for nomination for the  
8 office of President which is held in any  
9 State; and

10           “(ii) ending with the date of the gen-  
11 eral election for such office; or

12           “(B) in the case of a communication which  
13 refers to a candidate for any other Federal of-  
14 fice, the period—

15           “(i) beginning with the date that is 90  
16 days before the earliest of the primary  
17 election, preference election, or nominating  
18 convention with respect to the nomination  
19 for the office that the candidate is seeking;  
20 and

21           “(ii) ending with the date of the gen-  
22 eral election for such office.

23           “(3) SPECIAL RULE FOR PUBLIC DISTRIBUTION  
24 OF COMMUNICATIONS INVOLVING CONGRESSIONAL  
25 CANDIDATES.—For purposes of paragraph (1), in

1 the case of a communication involving a candidate  
2 for an office other than President or Vice President,  
3 the communication shall be considered to be publicly  
4 distributed or publicly disseminated only if the dis-  
5 semination or distribution occurs in the jurisdiction  
6 of the office that the candidate is seeking.

7 “(c) NO FINDING OF COORDINATION BASED SOLELY  
8 ON SHARING OF INFORMATION REGARDING LEGISLATIVE  
9 OR POLICY POSITION.—For purposes of subsection (a)(1),  
10 a covered communication shall not be considered to be  
11 made in cooperation, consultation, or concert with, or at  
12 the request or suggestion of, a candidate, an authorized  
13 committee of a candidate, or a political committee of a  
14 political party solely on the grounds that a person or an  
15 agent thereof engaged in discussions with to the candidate  
16 or committee regarding that person’s position on a legisla-  
17 tive or policy matter (including urging the candidate or  
18 party to adopt that person’s position), so long as there  
19 is no discussion between the person and the candidate or  
20 committee regarding the candidate’s campaign plans,  
21 projects, activities, or needs.

22 “(d) PRESERVATION OF CERTAIN SAFE HARBORS  
23 AND FIREWALLS.—Nothing in this section may be con-  
24 strued to affect 11 CFR 109.21(g) or (h), as in effect on



1 the date of the enactment of the Democracy is Strength-  
2 ened by Casting Light on Spending in Elections Act.

3 “(e) TREATMENT OF COORDINATION WITH POLIT-  
4 ICAL PARTIES FOR COMMUNICATIONS REFERRING TO  
5 CANDIDATES.—For purposes of this section, if a commu-  
6 nication which refers to any clearly identified candidate  
7 or candidates of a political party or any opponent of such  
8 a candidate or candidates is determined to have been made  
9 in cooperation, consultation, or concert with or at the re-  
10 quest or suggestion of a political committee of the political  
11 party but not in cooperation, consultation, or concert with  
12 or at the request or suggestion of such clearly identified  
13 candidate or candidates, the communication shall be treat-  
14 ed as having been made in cooperation, consultation, or  
15 concert with or at the request or suggestion of the political  
16 committee of the political party but not with or at the  
17 request or suggestion of such clearly identified candidate  
18 or candidates.”.

19 (c) EFFECTIVE DATE.—

20 (1) IN GENERAL.—This section and the amend-  
21 ments made by this section shall apply with respect  
22 to payments made on or after the expiration of the  
23 30-day period which begins on the date of the enact-  
24 ment of this Act, without regard to whether or not

1 the Federal Election Commission has promulgated  
2 regulations to carry out such amendments.

3 (2) **TRANSITION RULE FOR ACTIONS TAKEN**  
4 **PRIOR TO ENACTMENT.**—No person shall be consid-  
5 ered to have made a payment for a coordinated com-  
6 munication under section 324 of the Federal Elec-  
7 tion Campaign Act of 1971 (as amended by sub-  
8 section (b)) by reason of any action taken by the  
9 person prior to the date of the enactment of this  
10 Act. Nothing in the previous sentence shall be con-  
11 strued to affect any determination under any other  
12 provision of such Act which is in effect on the date  
13 of the enactment of this Act regarding whether a  
14 communication is made in cooperation, consultation,  
15 or concert with, or at the request or suggestion of,  
16 a candidate, an authorized committee of a candidate,  
17 or a political committee of a political party.

18 **SEC. 104. TREATMENT OF POLITICAL PARTY COMMUNICA-**  
19 **TIONS MADE ON BEHALF OF CANDIDATES.**

20 (a) **TREATMENT OF PAYMENT FOR PUBLIC COMMU-**  
21 **UNICATION AS CONTRIBUTION IF MADE UNDER CONTROL**  
22 **OR DIRECTION OF CANDIDATE.**—Section 301(8)(A) of the  
23 Federal Election Campaign Act of 1971 (2 U.S.C.  
24 431(8)(A)), as amended by section 103(a), is amended—

25 (1) by striking “or” at the end of clause (ii);

1           (2) by striking the period at the end of clause  
2           (iii) and inserting “; or”; and

3           (3) by adding at the end the following new  
4           clause:

5                   “(iv) any payment by a political committee  
6           of a political party for the direct costs of a pub-  
7           lic communication (as defined in paragraph  
8           (22)) made on behalf of a candidate for Federal  
9           office who is affiliated with such party, but only  
10          if the communication is controlled by, or made  
11          at the direction of, the candidate or an author-  
12          ized committee of the candidate.”.

13          (b) REQUIRING CONTROL OR DIRECTION BY CAN-  
14          DIDATE FOR TREATMENT AS COORDINATED PARTY EX-  
15          PENDITURE.—

16                  (1) IN GENERAL.—Paragraph (4) of section  
17          315(d) of such Act (2 U.S.C. 441a(d)) is amended  
18          to read as follows:

19                  “(4) SPECIAL RULE FOR DIRECT COSTS OF COMMU-  
20          NICATIONS.—The direct costs incurred by a political com-  
21          mittee of a political party for a communication made in  
22          connection with the campaign of a candidate for Federal  
23          office shall not be subject to the limitations contained in  
24          paragraphs (2) and (3) unless the communication is con-

1 trolled by, or made at the direction of, the candidate or  
2 an authorized committee of the candidate.”.

3 (2) CONFORMING AMENDMENT.—Paragraph (1)  
4 of section 315(d) of such Act (2 U.S.C. 441a(d)) is  
5 amended by striking “paragraphs (2), (3), and (4)”  
6 and inserting “paragraphs (2) and (3)”.

7 (c) EFFECTIVE DATE.—This section and the amend-  
8 ments made by this section shall apply with respect to pay-  
9 ments made on or after the expiration of the 30-day period  
10 which begins on the date of the enactment of this Act,  
11 without regard to whether or not the Federal Election  
12 Commission has promulgated regulations to carry out  
13 such amendments.

14 **SEC. 105. RESTRICTION ON INTERNET COMMUNICATIONS**  
15 **TREATED AS PUBLIC COMMUNICATIONS.**

16 (a) IN GENERAL.—Section 301(22) of the Federal  
17 Election Campaign Act of 1971 (2 U.S.C. 431(22)) is  
18 amended by adding at the end the following new sentence:  
19 “A communication which is disseminated through the  
20 Internet shall not be treated as a form of general public  
21 political advertising under this paragraph unless the com-  
22 munication was placed for a fee on another person’s Web  
23 site.”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) shall take effect on the date of the enact-  
3 ment of this Act.

4 **TITLE II—PROMOTING EFFEC-**  
5 **TIVE DISCLOSURE OF CAM-**  
6 **PAIGN-RELATED ACTIVITY**

7 **Subtitle A—Treatment of Inde-**  
8 **pendent Expenditures and Elec-**  
9 **tioneering Communications**  
10 **Made by All Persons**

11 **SEC. 201. INDEPENDENT EXPENDITURES.**

12 (a) REVISION OF DEFINITION.—Subparagraph (A) of  
13 section 301(17) of the Federal Election Campaign Act of  
14 1971 (2 U.S.C. 431(17)) is amended to read as follows:

15 “(A) that, when taken as a whole, ex-  
16 pressly advocates the election or defeat of a  
17 clearly identified candidate, or is the functional  
18 equivalent of express advocacy because it can be  
19 interpreted by a reasonable person only as ad-  
20 vocating the election or defeat of a candidate,  
21 taking into account whether the communication  
22 involved mentions a candidacy, a political party,  
23 or a challenger to a candidate, or takes a posi-  
24 tion on a candidate’s character, qualifications,  
25 or fitness for office; and”.

1           (b) UNIFORM 24-HOUR REPORTING FOR PERSONS  
2 MAKING INDEPENDENT EXPENDITURES EXCEEDING  
3 \$10,000 AT ANY TIME.—Section 304(g) of such Act (2  
4 U.S.C. 434(g)) is amended by striking paragraphs (1) and  
5 (2) and inserting the following:

6           “(1) INDEPENDENT EXPENDITURES EXCEED-  
7           ING THRESHOLD AMOUNT.—

8           “(A) INITIAL REPORT.—A person (includ-  
9           ing a political committee) that makes or con-  
10           tracts to make independent expenditures in an  
11           aggregate amount equal to or greater than the  
12           threshold amount described in subparagraph  
13           (C) shall electronically file a report describing  
14           the expenditures within 24 hours.

15           “(B) ADDITIONAL REPORTS.—After a per-  
16           son files a report under subparagraph (A), the  
17           person shall electronically file an additional re-  
18           port within 24 hours after each time the person  
19           makes or contracts to make independent ex-  
20           penditures in an aggregate amount equal to or  
21           greater than the threshold amount with respect  
22           to the same election as that to which the initial  
23           report relates.

1                   “(C) THRESHOLD AMOUNT DESCRIBED.—

2                   In this paragraph, the ‘threshold amount’  
3                   means—

4                   “(i) during the period up to and in-  
5                   cluding the 20th day before the date of an  
6                   election, \$10,000; or

7                   “(ii) during the period after the 20th  
8                   day, but more than 24 hours, before the  
9                   date of an election, \$1,000.

10                  “(2) PUBLIC AVAILABILITY.—Notwithstanding  
11                  any other provision of this section, the Commission  
12                  shall ensure that the information required to be dis-  
13                  closed under this subsection is publicly available  
14                  through the Commission website not later than 24  
15                  hours after receipt in a manner that is downloadable  
16                  in bulk and machine readable.”.

17                  (c) EFFECTIVE DATE.—

18                  (1) IN GENERAL.—The amendment made by  
19                  subsection (a) shall apply with respect to contribu-  
20                  tions and expenditures made on or after the expira-  
21                  tion of the 30-day period which begins on the date  
22                  of the enactment of this Act, without regard to  
23                  whether or not the Federal Election Commission has  
24                  promulgated regulations to carry out such amend-  
25                  ments.

1           (2) REPORTING REQUIREMENTS.—The amend-  
2           ment made by subsection (b) shall apply with re-  
3           spect to reports required to be filed after the date  
4           of the enactment of this Act.

5 **SEC. 202. ELECTIONEERING COMMUNICATIONS.**

6           (a) EXPANSION OF PERIOD COVERING GENERAL  
7 ELECTION.—Section 304(f)(3)(A)(i)(II)(aa) of the Fed-  
8 eral Election Campaign Act of 1971 (2 U.S.C.  
9 434(f)(3)(A)(i)(II)(aa)) is amended by striking “60 days”  
10 and inserting “120 days”.

11           (b) EFFECTIVE DATE; TRANSITION FOR COMMU-  
12 NICATIONS MADE PRIOR TO ENACTMENT.—The amend-  
13 ment made by subsection (a) shall apply with respect to  
14 communications made on or after the date of the enact-  
15 ment of this Act, without regard to whether or not the  
16 Federal Election Commission has promulgated regulations  
17 to carry out such amendments, except that no communica-  
18 tion which is made prior to the date of the enactment of  
19 this Act shall be treated as an electioneering communica-  
20 tion under section 304(f)(3)(A)(i)(II) of the Federal Elec-  
21 tion Campaign Act of 1971 (as amended by subsection  
22 (a)) unless the communication would be treated as an elec-  
23 tioneering communication under such section if the  
24 amendment made by subsection (a) did not apply.



1 **SEC. 203. MANDATORY ELECTRONIC FILING BY PERSONS**  
2 **MAKING INDEPENDENT EXPENDITURES OR**  
3 **ELECTIONEERING COMMUNICATIONS EX-**  
4 **CEEDING \$10,000 AT ANY TIME.**

5 Section 304(d)(1) of the Federal Election Campaign  
6 Act of 1971 (2 U.S.C. 434(d)(1)) is amended—

7 (1) by striking “or (g)”; and

8 (2) by adding at the end the following: “Not-  
9 withstanding any other provision of this section, any  
10 person who is required to file a statement under  
11 subsection (f) or subsection (g) shall file the state-  
12 ment in electronic form accessible by computers, in  
13 a manner which ensures that the information pro-  
14 vided is searchable, sortable, and downloadable.”.

15 **Subtitle B—Expanded Require-**  
16 **ments for Corporations and**  
17 **Other Organizations**

18 **SEC. 211. ADDITIONAL INFORMATION REQUIRED TO BE IN-**  
19 **CLUDED IN REPORTS ON DISBURSEMENTS BY**  
20 **COVERED ORGANIZATIONS.**

21 (a) INDEPENDENT EXPENDITURE REPORTS.—Sec-  
22 tion 304(g) of the Federal Election Campaign Act of 1971  
23 (2 U.S.C. 434(g)) is amended by adding at the end the  
24 following new paragraph:

25 “(5) DISCLOSURE OF ADDITIONAL INFORMA-  
26 TION BY COVERED ORGANIZATIONS MAKING PAY-

1       MENTS FOR PUBLIC INDEPENDENT EXPENDI-  
2       TURES.—

3               “(A) ADDITIONAL INFORMATION.—If a  
4       covered organization makes or contracts to  
5       make public independent expenditures in an ag-  
6       gregate amount equal to or exceeding \$10,000  
7       in a calendar year, the report filed by the orga-  
8       nization under this subsection shall include, in  
9       addition to the information required under  
10      paragraph (3), the following information (sub-  
11     ject to subparagraph (B)(iv)):

12              “(i) If any person made a donation or  
13      payment to the covered organization dur-  
14      ing the covered organization reporting pe-  
15      riod which was provided for the purpose of  
16      being used for campaign-related activity or  
17      in response to a solicitation for funds to be  
18      used for campaign-related activity—

19              “(I) subject to subparagraph (C),  
20      the identification of each person who  
21      made such donations or payments in  
22      an aggregate amount equal to or ex-  
23      ceeding \$600 during such period, pre-  
24      sented in the order of the aggregate  
25      amount of donations or payments

1 made by such persons during such pe-  
2 riod (with the identification of the  
3 person making the largest donation or  
4 payment appearing first); and

5 “(II) if any person identified  
6 under subclause (I) designated that  
7 the donation or payment be used for  
8 campaign-related activity with respect  
9 to a specific election or in support of  
10 a specific candidate, the name of the  
11 election or candidate involved, and if  
12 any such person designated that the  
13 donation or payment be used for a  
14 specific public independent expendi-  
15 ture, a description of the expenditure.

16 “(ii) The identification of each person  
17 who made unrestricted donor payments to  
18 the organization during the covered organi-  
19 zation reporting period—

20 “(I) in an aggregate amount  
21 equal to or exceeding \$600 during  
22 such period, if any of the disburse-  
23 ments made by the organization for  
24 any of the public independent expendi-  
25 tures which are covered by the report

1                   were not made from the organization's  
2                   Campaign-Related Activity Account  
3                   under section 326; or

4                   “(II) in an aggregate amount  
5                   equal to or exceeding \$6,000 during  
6                   such period, if the disbursements  
7                   made by the organization for all of  
8                   the public independent expenditures  
9                   which are covered by the report were  
10                  made exclusively from the organiza-  
11                  tion's Campaign-Related Activity Ac-  
12                  count under section 326 (but only if  
13                  the organization has made deposits  
14                  described in subparagraph (D) of sec-  
15                  tion 326(a)(2) into that Account dur-  
16                  ing such period in an aggregate  
17                  amount equal to or greater than  
18                  \$10,000),

19                  presented in the order of the aggregate  
20                  amount of payments made by such persons  
21                  during such period (with the identification  
22                  of the person making the largest payment  
23                  appearing first).

24                  “(B) TREATMENT OF TRANSFERS MADE  
25                  TO OTHER PERSONS.—

1           “(i) IN GENERAL.—Subject to clause  
2           (iii), for purposes of the requirement to file  
3           reports under this subsection (including  
4           the requirement under subparagraph (A)  
5           to include additional information in such  
6           reports), a covered organization which  
7           transfers amounts to another person (other  
8           than the covered organization itself) for  
9           the purpose of making a public inde-  
10          pendent expenditure by that person or by  
11          any other person, or (in accordance with  
12          clause (ii)) which is deemed to have trans-  
13          ferred amounts to another person (other  
14          than the covered organization itself) for  
15          the purpose of making a public inde-  
16          pendent expenditure by that person or by  
17          any other person, shall be considered to  
18          have made a public independent expendi-  
19          ture.

20           “(ii) RULES FOR DEEMING TRANS-  
21          FERS MADE FOR PURPOSE OF MAKING EX-  
22          PENDITURES.—For purposes of clause (i),  
23          in determining whether a covered organiza-  
24          tion which transfers amounts to another  
25          person shall be deemed to have transferred

1 the amounts for the purpose of making a  
2 public independent expenditure, the fol-  
3 lowing rules apply:

4 “(I) The covered organization  
5 shall be deemed to have transferred  
6 the amounts for the purpose of mak-  
7 ing a public independent expenditure  
8 if—

9 “(aa) the covered organiza-  
10 tion designates, requests, or sug-  
11 gests that the amounts be used  
12 for public independent expendi-  
13 tures and the person to whom  
14 the amounts were transferred  
15 agrees to do so;

16 “(bb) the person making the  
17 public independent expenditure  
18 or another person acting on that  
19 person’s behalf expressly solicited  
20 the covered organization for a do-  
21 nation or payment for making or  
22 paying for any public inde-  
23 pendent expenditures;

24 “(cc) the covered organiza-  
25 tion and the person to whom the

1 amounts were transferred en-  
2 gaged in written or oral discus-  
3 sion regarding the person either  
4 making, or paying for, any public  
5 independent expenditure, or do-  
6 nating or transferring the  
7 amounts to another person for  
8 that purpose;

9 “(dd) the covered organiza-  
10 tion which transferred the funds  
11 knew or had reason to know that  
12 the person to whom the amounts  
13 were transferred intended to  
14 make public independent expendi-  
15 tures; or

16 “(ee) the covered organiza-  
17 tion which transferred the funds  
18 or the person to whom the  
19 amounts were transferred made  
20 one or more public independent  
21 expenditures in an aggregate  
22 amount of \$50,000 or more dur-  
23 ing the 2-year period which ends  
24 on the date on which the  
25 amounts were transferred.

1           “(II) The covered organization  
2 shall not be deemed to have trans-  
3 ferred the amounts for the purpose of  
4 making a public independent expendi-  
5 ture if—

6           “(aa) the transfer was a  
7 commercial transaction occurring  
8 in the ordinary course of business  
9 between the covered organization  
10 and the person to whom the  
11 amounts were transferred, unless  
12 there is affirmative evidence that  
13 the amounts were transferred for  
14 the purpose of making a public  
15 independent expenditure; or

16           “(bb) the covered organiza-  
17 tion and the person to whom the  
18 amounts were transferred mutu-  
19 ally agreed (as provided in sec-  
20 tion 325(b)(1)) that the person  
21 will not use the amounts for cam-  
22 paign-related activity.

23           “(iii) SPECIAL RULE REGARDING  
24 TRANSFERS AMONG AFFILIATES.—



1           “(I) SPECIAL RULE.—In the case  
2 of an amount transferred by one cov-  
3 ered organization to another covered  
4 organization which is treated as a  
5 transfer between affiliates under sub-  
6 clause (II), clause (i) and (ii) shall  
7 apply to the covered organization  
8 which transfers the amount only if the  
9 aggregate amount transferred during  
10 the year by such covered organization  
11 to that same covered organization is  
12 equal to or greater than \$50,000.

13           “(II) DESCRIPTION OF TRANS-  
14 FERS BETWEEN AFFILIATES.—A  
15 transfer of amounts from one covered  
16 organization to another covered orga-  
17 nization shall be treated as a transfer  
18 between affiliates if—

19                   “(aa) one of the organiza-  
20 tions is an affiliate of the other  
21 organization; or

22                   “(bb) each of the organiza-  
23 tions is an affiliate of the same  
24 organization,

1           except that the transfer shall not be  
2           treated as a transfer between affiliates  
3           if one of the organizations is estab-  
4           lished for the purpose of disbursing  
5           funds for campaign-related activity.

6           “(III) DETERMINATION OF AF-  
7           FILIATE STATUS.—For purposes of  
8           subclause (II), a covered organization  
9           is an affiliate of another covered orga-  
10          nization if—

11                   “(aa) the governing instru-  
12                   ment of the organization requires  
13                   it to be bound by decisions of the  
14                   other organization;

15                   “(bb) the governing board of  
16                   the organization includes persons  
17                   who are specifically designated  
18                   representatives of the other orga-  
19                   nization or are members of the  
20                   governing board, officers, or paid  
21                   executive staff members of the  
22                   other organization, or whose  
23                   service on the governing board is  
24                   contingent upon the approval of  
25                   the other organization; or

1                   “(cc) the organization is  
2 chartered by the other organiza-  
3 tion.

4                   “(IV) COVERAGE OF TRANSFERS  
5 TO AFFILIATED SECTION 501(C)(3) OR-  
6 GANIZATIONS.—This clause shall  
7 apply with respect to an amount  
8 transferred by a covered organization  
9 to an organization described in para-  
10 graph (3) of section 501(c) of the In-  
11 ternal Revenue Code of 1986 and ex-  
12 empt from tax under section 501(a) of  
13 such Code in the same manner as this  
14 clause applies to an amount trans-  
15 ferred by a covered organization to  
16 another covered organization.

17                   “(iv) SPECIAL THRESHOLD FOR DIS-  
18 CLOSURE OF DONORS.—Notwithstanding  
19 clause (i) or (ii) of subparagraph (A), if a  
20 covered organization is required to include  
21 the identification of a person described in  
22 such clause in a report filed under this  
23 subsection because the covered organiza-  
24 tion is deemed (in accordance with clause  
25 (ii)) to have transferred amounts for the

1 purpose of making a public independent  
2 expenditure, the organization shall include  
3 the identification of the person only if the  
4 person made donations or payments (in the  
5 case of a person described in clause (i)(I)  
6 of subparagraph (A)) or unrestricted donor  
7 payments (in the case of a person de-  
8 scribed in clause (ii) of subparagraph (A))  
9 to the covered organization during the cov-  
10 ered organization reporting period involved  
11 in an aggregate amount equal to or exceed-  
12 ing \$10,000.

13 “(v) WAIVER OF REQUIREMENT TO  
14 FILE REPORT.—Notwithstanding clause  
15 (i), a covered organization which is consid-  
16 ered to have made a public independent ex-  
17 penditure under such clause shall not be  
18 required to file a report under this sub-  
19 section if—

20 “(I) the organization would be  
21 required to file the report solely be-  
22 cause the organization is deemed (in  
23 accordance with clause (ii)) to have  
24 transferred amounts for the purpose

1 of making a public independent ex-  
2 penditure;

3 “(II) no person made donations  
4 or payments (in the case of a person  
5 described in clause (i)(I) of subpara-  
6 graph (A)) or unrestricted donor pay-  
7 ments (in the case of a person de-  
8 scribed in clause (ii) of subparagraph  
9 (A)) to the covered organization dur-  
10 ing the covered organization reporting  
11 period involved in an aggregate  
12 amount equal to or exceeding  
13 \$10,000; and

14 “(III) all of the persons who  
15 made donations or payments (in the  
16 case of a person described in clause  
17 (i)(I) of subparagraph (A)) or unre-  
18 stricted donor payments (in the case  
19 of a person described in clause (ii) of  
20 subparagraph (A)) to the covered or-  
21 ganization during the covered organi-  
22 zation reporting period in any amount  
23 were individuals.

24 “(C) EXCLUSION OF AMOUNTS DES-  
25 IGNATED FOR OTHER CAMPAIGN-RELATED AC-

1 TIVITY.—For purposes of subparagraph (A)(i),  
2 in determining the amount of a donation or  
3 payment made by a person which was provided  
4 for the purpose of being used for campaign-re-  
5 lated activity or in response to a solicitation for  
6 funds to be used for campaign-related activity,  
7 there shall be excluded any amount which was  
8 designated by the person to be used—

9 “(i) for campaign-related activity de-  
10 scribed in clause (i) of section  
11 325(d)(2)(A) (relating to independent ex-  
12 penditures) with respect to a different elec-  
13 tion, or with respect to a candidate in a  
14 different election, than an election which is  
15 the subject of any of the public inde-  
16 pendent expenditures covered by the report  
17 involved; or

18 “(ii) for any campaign-related activity  
19 described in clause (ii) of section  
20 325(d)(2)(A) (relating to electioneering  
21 communications).

22 “(D) EXCLUSION OF AMOUNTS PAID FROM  
23 SEPARATE SEGREGATED FUND.—In deter-  
24 mining the amount of public independent ex-  
25 penditures made by a covered organization for

1 purposes of this paragraph, there shall be ex-  
2 cluded any amounts paid from a separate seg-  
3 regated fund established and administered by  
4 the organization under section 316(b)(2)(C).

5 “(E) DETERMINATION OF AMOUNT OF  
6 CERTAIN PAYMENTS AMONG AFFILIATES.—For  
7 purposes of determining the amount of any do-  
8 nation, payment, or transfer under this sub-  
9 section which is made by a covered organization  
10 to another covered organization which is an af-  
11 filiate of the covered organization or each of  
12 which is an affiliate of the same organization  
13 (as determined in accordance with subpara-  
14 graph (B)(iii)), to the extent that the donation,  
15 payment, or transfer consists of funds attrib-  
16 utable to dues, fees, or assessments which are  
17 paid by individuals on a regular, periodic basis  
18 in accordance with a per-individual calculation  
19 which is made on a regular basis, the donation,  
20 payment, or transfer shall be attributed to the  
21 individuals paying the dues, fees, or assess-  
22 ments and shall not be attributed to the covered  
23 organization.

24 “(F) COVERED ORGANIZATION REPORTING  
25 PERIOD DESCRIBED.—In this paragraph, the

1 ‘covered organization reporting period’ is, with  
2 respect to a report filed by a covered organiza-  
3 tion under this subsection—

4 “(i) in the case of the first report filed  
5 by a covered organization under this sub-  
6 section which includes information required  
7 under this paragraph, the shorter of—

8 “(I) the period which begins on  
9 the effective date of the Democracy is  
10 Strengthened by Casting Light on  
11 Spending in Elections Act and ends  
12 on the last day covered by the report,  
13 or

14 “(II) the 12-month period ending  
15 on the last day covered by the report;  
16 and

17 “(ii) in the case of any subsequent re-  
18 port filed by a covered organization under  
19 this subsection which includes information  
20 required under this paragraph, the period  
21 occurring since the most recent report filed  
22 by the organization which includes such in-  
23 formation.



1           “(G) COVERED ORGANIZATION DE-  
2 FINED.—In this paragraph, the term ‘covered  
3 organization’ means any of the following:

4           “(i) Any corporation which is subject  
5 to section 316(a), other than a corporation  
6 which is an organization described in para-  
7 graph (3) of section 501(c) of the Internal  
8 Revenue Code of 1986 and exempt from  
9 tax under section 501(a) of such Code.

10          “(ii) Any labor organization (as de-  
11 fined in section 316).

12          “(iii) Any organization described in  
13 paragraph (4), (5), or (6) of section 501(c)  
14 of the Internal Revenue Code of 1986 and  
15 exempt from tax under section 501(a) of  
16 such Code, other than an exempt section  
17 501(c)(4) organization (as defined in sec-  
18 tion 301(27)).

19          “(iv) Any political organization under  
20 section 527 of the Internal Revenue Code  
21 of 1986, other than a political committee  
22 under this Act.

23          “(H) OTHER DEFINITIONS.—In this para-  
24 graph—

1                   “(i) the terms ‘campaign-related activ-  
2                   ity’ and ‘unrestricted donor payment’ have  
3                   the meaning given such terms in section  
4                   325; and

5                   “(ii) the term ‘public independent ex-  
6                   penditure’ means an independent expendi-  
7                   ture for a public communication (as de-  
8                   fined in section 301(22)).”.

9                   (b) ELECTIONEERING COMMUNICATION REPORTS.—

10                   (1) IN GENERAL.—Section 304(f) of such Act  
11                   (2 U.S.C. 434(f)) is amended—

12                   (A) by redesignating paragraphs (6) and  
13                   (7) as paragraphs (7) and (8); and

14                   (B) by inserting after paragraph (5) the  
15                   end the following new paragraph:

16                   “(6) DISCLOSURE OF ADDITIONAL INFORMA-  
17                   TION BY COVERED ORGANIZATIONS.—

18                   “(A) ADDITIONAL INFORMATION.—If a  
19                   covered organization files a statement under  
20                   this subsection, the statement shall include, in  
21                   addition to the information required under  
22                   paragraph (2), the following information (sub-  
23                   ject to subparagraph (B)(iv)):

24                   “(i) If any person made a donation or  
25                   payment to the covered organization dur-

1           ing the covered organization reporting pe-  
2           riod which was provided for the purpose of  
3           being used for campaign-related activity or  
4           in response to a solicitation for funds to be  
5           used for campaign-related activity—

6                   “(I) subject to subparagraph (C),  
7                   the identification of each person who  
8                   made such donations or payments in  
9                   an aggregate amount equal to or ex-  
10                  ceeding \$1,000 during such period,  
11                  presented in the order of the aggre-  
12                  gate amount of donations or payments  
13                  made by such persons during such pe-  
14                  riod (with the identification of the  
15                  person making the largest donation or  
16                  payment appearing first); and

17                  “(II) if any person identified  
18                  under subclause (I) designated that  
19                  the donation or payment be used for  
20                  campaign-related activity with respect  
21                  to a specific election or in support of  
22                  a specific candidate, the name of the  
23                  election or candidate involved, and if  
24                  any such person designated that the  
25                  donation or payment be used for a

1 specific electioneering communication,  
2 a description of the communication.

3 “(ii) The identification of each person  
4 who made unrestricted donor payments to  
5 the organization during the covered organi-  
6 zation reporting period—

7 “(I) in an aggregate amount  
8 equal to or exceeding \$1,000 during  
9 such period, if the organization made  
10 any of the disbursements which are  
11 described in subclause (II) from a  
12 source other than the organization’s  
13 Campaign-Related Activity Account  
14 under section 326; or

15 “(II) in an aggregate amount  
16 equal to or exceeding \$10,000 during  
17 such period, if the organization made  
18 from its Campaign-Related Activity  
19 Account under section 326 all of its  
20 disbursements for electioneering com-  
21 munications during such period which  
22 are, on the basis of a reasonable belief  
23 by the organization, subject to treat-  
24 ment as disbursements for an exempt  
25 function for purposes of section 527(f)

1 of the Internal Revenue Code of 1986  
2 (but only if the organization has made  
3 deposits described in subparagraph  
4 (D) of section 326(a)(2) into that Ac-  
5 count during such period in an aggre-  
6 gate amount equal to or greater than  
7 \$10,000),  
8 presented in the order of the aggregate  
9 amount of payments made by such persons  
10 during such period (with the identification  
11 of the person making the largest payment  
12 appearing first).

13 “(B) TREATMENT OF TRANSFERS MADE  
14 TO OTHER PERSONS.—

15 “(i) IN GENERAL.—Subject to clause  
16 (iii), for purposes of the requirement to file  
17 statements under this subsection (including  
18 the requirement under subparagraph (A)  
19 to include additional information in such  
20 statements), a covered organization which  
21 transfers amounts to another person (other  
22 than the covered organization itself) for  
23 the purpose of making an electioneering  
24 communication by that person or by any  
25 other person, or (in accordance with clause

1 (ii) which is deemed to have transferred  
2 amounts to another person (other than the  
3 covered organization itself) for the purpose  
4 of making an electioneering communication  
5 by that person or by any other person,  
6 shall be considered to have made a dis-  
7 bursement for an electioneering commu-  
8 nication.

9 “(ii) RULES FOR DEEMING TRANS-  
10 FERS MADE FOR PURPOSE OF MAKING  
11 COMMUNICATIONS.—For purposes of  
12 clause (i), in determining whether a cov-  
13 ered organization which transfers amounts  
14 to another person shall be deemed to have  
15 transferred the amounts for the purpose of  
16 making an electioneering communication,  
17 the following rules apply:

18 “(I) The covered organization  
19 shall be deemed to have transferred  
20 the amounts for the purpose of mak-  
21 ing an electioneering communication  
22 if—

23 “(aa) the covered organiza-  
24 tion designates, requests, or sug-  
25 gests that the amounts be used

1 for electioneering communica-  
2 tions and the person to whom the  
3 amounts were transferred agrees  
4 to do so;

5 “(bb) the person making the  
6 electioneering communication or  
7 another person acting on that  
8 person’s behalf expressly solicited  
9 the covered organization for a do-  
10 nation or payment for making or  
11 paying for any electioneering  
12 communications;

13 “(cc) the covered organiza-  
14 tion and the person to whom the  
15 amounts were transferred en-  
16 gaged in written or oral discus-  
17 sion regarding the person either  
18 making, or paying for, any elec-  
19 tioneering communication, or do-  
20 nating or transferring the  
21 amounts to another person for  
22 that purpose;

23 “(dd) the covered organiza-  
24 tion which transferred the funds  
25 knew or had reason to know that

1 the person to whom the amounts  
2 were transferred intended to  
3 make electioneering communica-  
4 tions; or

5 “(ee) the covered organiza-  
6 tion which transferred the funds  
7 or the person to whom the  
8 amounts were transferred made  
9 one or more electioneering com-  
10 munications in an aggregate  
11 amount of \$50,000 or more dur-  
12 ing the 2-year period which ends  
13 on the date on which the  
14 amounts were transferred.

15 “(II) The covered organization  
16 shall not be deemed to have trans-  
17 ferred the amounts for the purpose of  
18 making an electioneering communica-  
19 tion if—

20 “(aa) the transfer was a  
21 commercial transaction occurring  
22 in the ordinary course of business  
23 between the covered organization  
24 and the person to whom the  
25 amounts were transferred, unless



1 there is affirmative evidence that  
2 the amounts were transferred for  
3 the purpose of making an elec-  
4 tioneering communication; or

5 “(bb) the covered organiza-  
6 tion and the person to whom the  
7 amounts were transferred mutu-  
8 ally agreed (as provided in sec-  
9 tion 325(b)(1)) that the person  
10 will not use the amounts for cam-  
11 paign-related activity.

12 “(iii) SPECIAL RULE REGARDING  
13 TRANSFERS AMONG AFFILIATES.—

14 “(I) SPECIAL RULE.—In the case  
15 of an amount transferred by one cov-  
16 ered organization to another covered  
17 organization which is treated as a  
18 transfer between affiliates under sub-  
19 clause (II), clause (i) and (ii) shall  
20 apply to the covered organization  
21 which transfers the amount only if the  
22 aggregate amount transferred during  
23 the year by such covered organization  
24 to that same covered organization is  
25 equal to or greater than \$50,000.

1                   “(II) DESCRIPTION OF TRANS-  
2                   FERS BETWEEN AFFILIATES.—A  
3                   transfer of amounts from one covered  
4                   organization to another covered orga-  
5                   nization shall be treated as a transfer  
6                   between affiliates if—

7                   “(aa) one of the organiza-  
8                   tions is an affiliate of the other  
9                   organization; or

10                  “(bb) each of the organiza-  
11                  tions is an affiliate of the same  
12                  organization,

13                  except that the transfer shall not be  
14                  treated as a transfer between affiliates  
15                  if one of the organizations is estab-  
16                  lished for the purpose of disbursing  
17                  funds for campaign-related activity.

18                  “(III) DETERMINATION OF AF-  
19                  FILIATE STATUS.—For purposes of  
20                  subclause (II), a covered organization  
21                  is an affiliate of another covered orga-  
22                  nization if—

23                  “(aa) the governing instru-  
24                  ment of the organization requires

1 it to be bound by decisions of the  
2 other organization;

3 “(bb) the governing board of  
4 the organization includes persons  
5 who are specifically designated  
6 representatives of the other orga-  
7 nization or are members of the  
8 governing board, officers, or paid  
9 executive staff members of the  
10 other organization, or whose  
11 service on the governing board is  
12 contingent upon the approval of  
13 the other organization; or

14 “(cc) the organization is  
15 chartered by the other organiza-  
16 tion.

17 “(IV) COVERAGE OF TRANSFERS  
18 TO AFFILIATED SECTION 501(C)(3) OR-  
19 GANIZATIONS.—This clause shall  
20 apply with respect to an amount  
21 transferred by a covered organization  
22 to an organization described in para-  
23 graph (3) of section 501(c) of the In-  
24 ternal Revenue Code of 1986 and ex-  
25 empt from tax under section 501(a) of

1           such Code in the same manner as this  
2           clause applies to an amount trans-  
3           ferred by a covered organization to  
4           another covered organization.

5           “(iv) SPECIAL THRESHOLD FOR DIS-  
6           CLOSURE OF DONORS.—Notwithstanding  
7           clause (i) or (ii) of subparagraph (A), if a  
8           covered organization is required to include  
9           the identification of a person described in  
10          such clause in a statement filed under this  
11          subsection because the covered organiza-  
12          tion is deemed (in accordance with clause  
13          (ii)) to have transferred amounts for the  
14          purpose of making an electioneering com-  
15          munication, the organization shall include  
16          the identification of the person only if the  
17          person made donations or payments (in the  
18          case of a person described in clause (i)(I)  
19          of subparagraph (A)) or unrestricted donor  
20          payments (in the case of a person de-  
21          scribed in clause (ii) of subparagraph (A))  
22          to the covered organization during the cov-  
23          ered organization reporting period involved  
24          in an aggregate amount equal to or exceed-  
25          ing \$10,000.

1           “(v) WAIVER OF REQUIREMENT TO  
2 FILE           STATEMENT.—Notwithstanding  
3 clause (i), a covered organization which is  
4 considered to have made a disbursement  
5 for an electioneering communication under  
6 such clause shall not be required to file a  
7 report under this subsection if—

8                   “(I) the organization would be  
9 required to file the report solely be-  
10 cause the organization is deemed (in  
11 accordance with clause (ii)) to have  
12 transferred amounts for the purpose  
13 of making an electioneering commu-  
14 nication;

15                   “(II) no person made donations  
16 or payments (in the case of a person  
17 described in clause (i)(I) of subpara-  
18 graph (A)) or unrestricted donor pay-  
19 ments (in the case of a person de-  
20 scribed in clause (ii) of subparagraph  
21 (A)) to the covered organization dur-  
22 ing the covered organization reporting  
23 period involved in an aggregate  
24 amount equal to or exceeding  
25 \$10,000; and

1                   “(III) all of the persons who  
2                   made donations or payments (in the  
3                   case of a person described in clause  
4                   (i)(I) of subparagraph (A)) or unre-  
5                   stricted donor payments (in the case  
6                   of a person described in clause (ii) of  
7                   subparagraph (A)) to the covered or-  
8                   ganization during the covered organi-  
9                   zation reporting period in any amount  
10                  were individuals.

11                  “(C) EXCLUSION OF AMOUNTS DES-  
12                  IGNATED FOR OTHER CAMPAIGN-RELATED AC-  
13                  TIVITY.—For purposes of subparagraph (A)(i),  
14                  in determining the amount of a donation or  
15                  payment made by a person which was provided  
16                  for the purpose of being used for campaign-re-  
17                  lated activity or in response to a solicitation for  
18                  funds to be used for campaign-related activity,  
19                  there shall be excluded any amount which was  
20                  designated by the person to be used—

21                  “(i) for campaign-related activity de-  
22                  scribed in clause (i) of section  
23                  325(d)(2)(A) (relating to independent ex-  
24                  penditures) with respect to a different elec-  
25                  tion, or with respect to a candidate in a

1 different election, than an election which is  
2 the subject of any of the public inde-  
3 pendent expenditures covered by the report  
4 involved; or

5 “(ii) for any campaign-related activity  
6 described in clause (ii) of section  
7 325(d)(2)(A) (relating to electioneering  
8 communications).

9 “(D) DETERMINATION OF AMOUNT OF  
10 CERTAIN PAYMENTS AMONG AFFILIATES.—For  
11 purposes of determining the amount of any do-  
12 nation, payment, or transfer under this sub-  
13 section which is made by a covered organization  
14 to another covered organization which is an af-  
15 filiate of the covered organization or each of  
16 which is an affiliate of the same organization  
17 (as determined in accordance with subpara-  
18 graph (B)(iii)), to the extent that the donation,  
19 payment, or transfer consists of funds attrib-  
20 utable to dues, fees, or assessments which are  
21 paid by individuals on a regular, periodic basis  
22 in accordance with a per-individual calculation  
23 which is made on a regular basis, the donation,  
24 payment, or transfer shall be attributed to the  
25 individuals paying the dues, fees, or assess-

1           ments and shall not be attributed to the covered  
2           organization.

3           “(E) COVERED ORGANIZATION REPORTING  
4           PERIOD DESCRIBED.—In this paragraph, the  
5           ‘covered organization reporting period’ is, with  
6           respect to a statement filed by a covered orga-  
7           nization under this subsection—

8                   “(i) in the case of the first statement  
9                   filed by a covered organization under this  
10                  subsection which includes information re-  
11                  quired under this paragraph, the shorter  
12                  of—

13                           “(I) the period which begins on  
14                           the effective date of the Democracy is  
15                           Strengthened by Casting Light on  
16                           Spending in Elections Act and ends  
17                           on the disclosure date for the state-  
18                           ment, or

19                                   “(II) the 12-month period ending  
20                                   on the disclosure date for the state-  
21                                   ment; and

22                                   “(ii) in the case of any subsequent  
23                                   statement filed by a covered organization  
24                                   under this subsection which includes infor-  
25                                   mation required under this paragraph, the



1 period occurring since the most recent  
2 statement filed by the organization which  
3 includes such information.

4 “(F) COVERED ORGANIZATION DEFINED.—  
5 In this paragraph, the term ‘covered organiza-  
6 tion’ means any of the following:

7 “(i) Any corporation which is subject  
8 to section 316(a), other than a corporation  
9 which is an organization described in para-  
10 graph (3) of section 501(c) of the Internal  
11 Revenue Code of 1986 and exempt from  
12 tax under section 501(a) of such Code.

13 “(ii) Any labor organization (as de-  
14 fined in section 316).

15 “(iii) Any organization described in  
16 paragraph (4), (5), or (6) of section 501(c)  
17 of the Internal Revenue Code of 1986 and  
18 exempt from tax under section 501(a) of  
19 such Code, other than an exempt section  
20 501(c)(4) organization (as defined in sec-  
21 tion 301(27)).

22 “(iv) Any political organization under  
23 section 527 of the Internal Revenue Code  
24 of 1986, other than a political committee  
25 under this Act.

1           “(G) OTHER DEFINITIONS.—In this para-  
2           graph, the terms ‘campaign-related activity’ and  
3           ‘unrestricted donor payment’ have the meaning  
4           given such terms in section 325.”.

5           (2) CONFORMING AMENDMENT.—Section  
6           304(f)(2) of such Act (2 U.S.C. 434(f)(2)) is  
7           amended by striking “If the disbursements” each  
8           place it appears in subparagraph (E) and (F) and  
9           inserting the following: “Except in the case of a  
10          statement which is required to include additional in-  
11          formation under paragraph (6), if the disburse-  
12          ments”.

13          (c) EXEMPTION OF CERTAIN SECTION 501(C)(4) OR-  
14          GANIZATIONS.—Section 301 of such Act (2 U.S.C. 431)  
15          is amended by adding at the end the following:

16                 “(27) EXEMPT SECTION 501(C)(4) ORGANIZA-  
17                 TION.—The term ‘exempt section 501(c)(4) organi-  
18                 zation’ means, with respect to disbursements made  
19                 by an organization during a calendar year, an orga-  
20                 nization for which the chief executive officer of the  
21                 organization certifies to the Commission (prior to  
22                 the first disbursement made by the organization dur-  
23                 ing the year) that each of the following applies:

24                         “(A) The organization is described in para-  
25                         graph (4) of section 501(c) of the Internal Rev-

1           enue Code of 1986 and exempt from tax under  
2           section 501(a) of such Code, and was so de-  
3           scribed and so exempt during each of the 10  
4           previous calendar years.

5           “(B) The organization has at least  
6           500,000 individuals who paid membership dues  
7           during the previous calendar year (determined  
8           as of the last day of that year).

9           “(C) The dues-paying membership of the  
10          organization includes at least one individual  
11          from each State. For purposes of this subpara-  
12          graph, the term ‘State’ means each of the sev-  
13          eral States, the District of Columbia, and the  
14          Commonwealth of Puerto Rico.

15          “(D) During the previous calendar year,  
16          the portion of funds provided to the organiza-  
17          tion by corporations (as described in section  
18          316) or labor organizations (as defined in sec-  
19          tion 316), other than funds provided pursuant  
20          to commercial transactions occurring in the or-  
21          dinary course of business, did not exceed 15  
22          percent of the total amount of all funds pro-  
23          vided to the organization from all sources.

24          “(E) The organization does not use any of  
25          the funds provided to the organization by cor-

1           porations (as described in section 316) or labor  
2           organizations (as defined in section 316) for  
3           campaign-related activity (as defined in section  
4           325).”.

5 **SEC. 212. RULES REGARDING USE OF GENERAL TREASURY**  
6                   **FUNDS BY COVERED ORGANIZATIONS FOR**  
7                   **CAMPAIGN-RELATED ACTIVITY.**

8           Title III of the Federal Election Campaign Act of  
9           1971 (2 U.S.C. 431 et seq.) is amended by adding at the  
10          end the following new section:

11 **“SEC. 325. SPECIAL RULES FOR USE OF GENERAL TREAS-**  
12                   **URY FUNDS BY COVERED ORGANIZATIONS**  
13                   **FOR CAMPAIGN-RELATED ACTIVITY.**

14          “(a) USE OF FUNDS FOR CAMPAIGN-RELATED AC-  
15          TIVITY.—

16               “(1) IN GENERAL.—Subject to any applicable  
17          restrictions and prohibitions under this Act, a cov-  
18          ered organization may make disbursements for cam-  
19          paign-related activity using—

20                   “(A) amounts paid or donated to the orga-  
21          nization which are designated by the person  
22          providing the amounts to be used for campaign-  
23          related activity;

24                   “(B) unrestricted donor payments made to  
25          the organization; and

1           “(C) other funds of the organization, in-  
2           cluding amounts received pursuant to commer-  
3           cial activities in the regular course of a covered  
4           organization’s business.

5           “(2) NO EFFECT ON USE OF SEPARATE SEG-  
6           REGATED FUND.—Nothing in this section shall be  
7           construed to affect the authority of a covered organi-  
8           zation to make disbursements from a separate seg-  
9           regated fund established and administered by the or-  
10          ganization under section 316(b)(2)(C).

11          “(b) MUTUALLY AGREED RESTRICTIONS ON USE OF  
12          FUNDS FOR CAMPAIGN-RELATED ACTIVITY.—

13           “(1) AGREEMENT AND CERTIFICATION.—If a  
14           covered organization and a person mutually agree,  
15           at the time the person makes a donation, payment,  
16           or transfer to the organization which would require  
17           the organization to disclose the person’s identifica-  
18           tion under section 304(g)(5)(A)(ii) or section  
19           304(f)(6)(A)(ii), that the organization will not use  
20           the donation, payment, or transfer for campaign-re-  
21           lated activity, then not later than 30 days after the  
22           organization receives the donation, payment, or  
23           transfer the organization shall transmit to the per-  
24           son a written certification by the chief financial offi-  
25           cer of the covered organization (or, if the organiza-

1 tion does not have a chief financial officer, the high-  
2 est ranking financial official of the organization)  
3 that—

4 “(A) the organization will not use the do-  
5 nation, payment, or transfer for campaign-re-  
6 lated activity; and

7 “(B) the organization will not include any  
8 information on the person in any report filed by  
9 the organization under section 304 with respect  
10 to independent expenditures or electioneering  
11 communications, so that the person will not be  
12 required to appear in a significant funder state-  
13 ment or a Top 5 Funders list under section  
14 318(e).

15 “(2) EXCEPTION FOR PAYMENTS MADE PURSU-  
16 ANT TO COMMERCIAL ACTIVITIES.—Paragraph (1)  
17 does not apply with respect to any payment or trans-  
18 fer made pursuant to commercial activities in the  
19 regular course of a covered organization’s business.

20 “(c) CERTIFICATIONS REGARDING DISBURSEMENTS  
21 FOR CAMPAIGN-RELATED ACTIVITY.—

22 “(1) CERTIFICATION BY CHIEF EXECUTIVE OF-  
23 FICER.—If, at any time during a calendar quarter,  
24 a covered organization makes a disbursement of  
25 funds for campaign-related activity using funds de-

1 scribed in subsection (a)(1), the chief executive offi-  
2 cer of the covered organization or the chief executive  
3 officer's designee (or, if the organization does not  
4 have a chief executive officer, the highest ranking of-  
5 ficial of the organization or the highest ranking offi-  
6 cial's designee) shall file a statement with the Com-  
7 mission which contains the following certifications:

8           “(A) None of the campaign-related activity  
9           for which the organization disbursed the funds  
10           during the quarter was made in cooperation,  
11           consultation, or concert with, or at the request  
12           or suggestion of, any candidate or any author-  
13           ized committee or agent of such candidate, or  
14           political committee of a political party or agent  
15           of any political party.

16           “(B) The chief executive officer or highest  
17           ranking official of the covered organization (as  
18           the case may be) has reviewed and approved  
19           each statement and report filed by the organi-  
20           zation under section 304 with respect to any  
21           such disbursement made during the quarter.

22           “(C) Each statement and report filed by  
23           the organization under section 304 with respect  
24           to any such disbursement made during the  
25           quarter is complete and accurate.

1           “(D) All such disbursements made during  
2 the quarter are in compliance with this Act.

3           “(E) No portion of the amounts used to  
4 make any such disbursements during the quar-  
5 ter is attributable to funds received by the orga-  
6 nization that were subject to a mutual agree-  
7 ment (as provided in subsection (b)(1)) that the  
8 organization will not use the funds for cam-  
9 paign-related activity by the person who pro-  
10 vided the funds from being used for campaign-  
11 related activity pursuant to subsection (b).

12           “(2) APPLICATION OF ELECTRONIC FILING  
13 RULES.—Section 304(d)(1) shall apply with respect  
14 to a statement required under this subsection in the  
15 same manner as such section applies with respect to  
16 a statement under subsection (c) or (g) of section  
17 304.

18           “(3) DEADLINE.—The chief executive officer or  
19 highest ranking official of a covered organization (as  
20 the case may be) shall file the statement required  
21 under this subsection with respect to a calendar  
22 quarter not later than 15 days after the end of the  
23 quarter.

24           “(d) DEFINITIONS.—For purposes of this section, the  
25 following definitions apply:



1           “(1) COVERED ORGANIZATION.—The term ‘cov-  
2           ered organization’ means any of the following:

3           “(A) Any corporation which is subject to  
4           section 316(a), other than a corporation which  
5           is an organization described in paragraph (3) of  
6           section 501(c) of the Internal Revenue Code of  
7           1986 and exempt from tax under section 501(a)  
8           of such Code.

9           “(B) Any labor organization (as defined in  
10           section 316).

11           “(C) Any organization described in para-  
12           graph (4), (5), or (6) of section 501(c) of the  
13           Internal Revenue Code of 1986 and exempt  
14           from tax under section 501(a) of such Code,  
15           other than an exempt section 501(c)(4) organi-  
16           zation (as defined in section 301(27)).

17           “(D) Any political organization under sec-  
18           tion 527 of the Internal Revenue Code of 1986,  
19           other than a political committee under this Act.

20           “(2) CAMPAIGN-RELATED ACTIVITY.—

21           “(A) IN GENERAL.—The term ‘campaign-  
22           related activity’ means—

23           “(i) an independent expenditure con-  
24           sisting of a public communication (as de-  
25           fined in section 301(22)), a transfer of

1 funds to another person (other than the  
2 transferor itself) for the purpose of making  
3 such an independent expenditure by that  
4 person or by any other person (subject to  
5 subparagraph (C)), or (in accordance with  
6 subparagraph (B) and subject to subpara-  
7 graph (C)) a transfer of funds to another  
8 person (other than the transferor itself)  
9 which is deemed to have been made for the  
10 purpose of making such an independent ex-  
11 penditure by that person or by any other  
12 person; or

13 “(ii) an electioneering communication,  
14 a transfer of funds to another person  
15 (other than the transferor itself) for the  
16 purpose of making an electioneering com-  
17 munication by that person or by any other  
18 person (subject to subparagraph (C)), or  
19 (in accordance with subparagraph (B) and  
20 subject to subparagraph (C)) a transfer of  
21 funds to another person (other than the  
22 transferor itself) which is deemed to have  
23 been made for the purpose of making an  
24 electioneering communication by that per-  
25 son or by any other person.

1           “(B) RULE FOR DEEMING TRANSFERS  
2           MADE FOR PURPOSE OF CAMPAIGN-RELATED  
3           ACTIVITY.—For purposes of subparagraph (A),  
4           in determining whether a transfer of funds by  
5           a covered organization to another person shall  
6           be deemed to have been made for the purpose  
7           of making an independent expenditure con-  
8           sisting of a public communication or an elec-  
9           tioneering communication, the following rules  
10          apply:

11                   “(i) The transfer shall be deemed to  
12                   have been made for the purpose of making  
13                   such an independent expenditure or an  
14                   electioneering communication if—

15                           “(I) the covered organization des-  
16                           ignates, requests, or suggests that the  
17                           amounts be used for such independent  
18                           expenditures or electioneering commu-  
19                           nications and the person to whom the  
20                           amounts were transferred agrees to do  
21                           so;

22                           “(II) the person making such  
23                           independent expenditures or election-  
24                           eering communications or another  
25                           person acting on that person’s behalf

1 expressly solicited the covered organi-  
2 zation for a donation or payment for  
3 making or paying for any such inde-  
4 pendent expenditure or electioneering  
5 communication;

6 “(III) the covered organization  
7 and the person to whom the amounts  
8 were transferred engaged in written or  
9 oral discussion regarding the person  
10 either making, or paying for, such  
11 independent expenditures or election-  
12 eering communications, or donating or  
13 transferring the amounts to another  
14 person for that purpose;

15 “(IV) the covered organization  
16 which transferred the funds knew or  
17 had reason to know that the person to  
18 whom the amounts were transferred  
19 intended to make such independent  
20 expenditures or electioneering commu-  
21 nications; or

22 “(V) the covered organization  
23 which transferred the funds or the  
24 person to whom the amounts were  
25 transferred made one or more such

1 independent expenditures or election-  
2 eering communications in an aggre-  
3 gate amount of \$50,000 or more dur-  
4 ing the 2-year period which ends on  
5 the date on which the amounts were  
6 transferred.

7 “(ii) The transfer shall not be deemed  
8 to have been made for the purpose of mak-  
9 ing such an independent expenditure or an  
10 electioneering communication if—

11 “(I) the transfer was a commer-  
12 cial transaction occurring in the ordi-  
13 nary course of business between the  
14 covered organization and the person  
15 to whom the amounts were trans-  
16 ferred, unless there is affirmative evi-  
17 dence that the amounts were trans-  
18 ferred for the purpose of making such  
19 an independent expenditure or elec-  
20 tioneering communication; or

21 “(II) the covered organization  
22 and the person to whom the amounts  
23 were transferred mutually agreed (as  
24 provided in subsection (b)(1)) that the

1 person will not use the amounts for  
2 campaign-related activity.

3 “(C) SPECIAL RULE REGARDING TRANS-  
4 FERS AMONG AFFILIATES.—

5 “(I) SPECIAL RULE.—In the case of a  
6 transfer of an amount by one covered orga-  
7 nization to another covered organization  
8 which is treated as a transfer between af-  
9 filiates under clause (ii), subparagraphs  
10 (A) and (B) shall apply to the transfer  
11 only if the aggregate amount transferred  
12 during the year by such covered organiza-  
13 tion to that same covered organization is  
14 equal to or greater than \$50,000.

15 “(ii) DETERMINATION OF AMOUNT OF  
16 CERTAIN TRANSFERS AMONG AFFILI-  
17 ATES.—In determining the amount of a  
18 transfer between affiliates for purposes of  
19 clause (I), to the extent that the transfer  
20 consists of funds attributable to dues, fees,  
21 or assessments which are paid by individ-  
22 uals on a regular, periodic basis in accord-  
23 ance with a per-individual calculation  
24 which is made on a regular basis, the  
25 transfer shall be attributed to the individ-

1 uals paying the dues, fees, or assessments  
2 and shall not be attributed to the covered  
3 organization.

4 “(iii) DESCRIPTION OF TRANSFERS  
5 BETWEEN AFFILIATES.—A transfer of  
6 amounts from one covered organization to  
7 another covered organization shall be  
8 treated as a transfer between affiliates if—

9 “(I) one of the organizations is  
10 an affiliate of the other organization;

11 or

12 “(II) each of the organizations is  
13 an affiliate of the same organization,  
14 except that the transfer shall not be treat-  
15 ed as a transfer between affiliates if one of  
16 the organizations is established for the  
17 purpose of disbursing funds for campaign-  
18 related activity.

19 “(iv) DETERMINATION OF AFFILIATE  
20 STATUS.—For purposes of clause (ii), a  
21 covered organization is an affiliate of an-  
22 other covered organization if—

23 “(I) the governing instrument of  
24 the organization requires it to be

1 bound by decisions of the other orga-  
2 nization;

3 “(II) the governing board of the  
4 organization includes persons who are  
5 specifically designated representatives  
6 of the other organization or are mem-  
7 bers of the governing board, officers,  
8 or paid executive staff members of the  
9 other organization, or whose service  
10 on the governing board is contingent  
11 upon the approval of the other organi-  
12 zation; or

13 “(III) the organization is char-  
14 tered by the other organization.

15 “(v) COVERAGE OF TRANSFERS TO  
16 AFFILIATED SECTION 501(C)(3) ORGANIZA-  
17 TIONS.—This subparagraph shall apply  
18 with respect to an amount transferred by  
19 a covered organization to an organization  
20 described in paragraph (3) of section  
21 501(e) of the Internal Revenue Code of  
22 1986 and exempt from tax under section  
23 501(a) of such Code in the same manner  
24 as this subparagraph applies to an amount



1 transferred by a covered organization to  
2 another covered organization.

3 “(3) UNRESTRICTED DONOR PAYMENT.—The  
4 term ‘unrestricted donor payment’ means a payment  
5 to a covered organization which consists of a dona-  
6 tion or payment from a person other than the cov-  
7 ered organization, except that such term does not in-  
8 clude—

9 “(A) any payment made pursuant to com-  
10 mercial activities in the regular course of a cov-  
11 ered organization’s business; or

12 “(B) any donation or payment which is  
13 designated by the person making the donation  
14 or payment to be used for campaign-related ac-  
15 tivity or made in response to a solicitation for  
16 funds to be used for campaign-related activ-  
17 ity.”.

18 **SEC. 213. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-**  
19 **ERED ORGANIZATIONS FOR CAMPAIGN-RE-**  
20 **LATED ACTIVITY.**

21 (a) IN GENERAL.—Title III of the Federal Election  
22 Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended  
23 by section 212, is further amended by adding at the end  
24 the following new section:

1 **“SEC. 326. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-**  
2 **ERED ORGANIZATIONS FOR CAMPAIGN-RE-**  
3 **LATED ACTIVITY.**

4 “(a) OPTIONAL USE OF SEPARATE ACCOUNT.—

5 “(1) ESTABLISHMENT OF ACCOUNT.—

6 “(A) IN GENERAL.—At its option, a cov-  
7 ered organization may make disbursements for  
8 campaign-related activity using amounts from a  
9 bank account established and controlled by the  
10 organization to be known as the Campaign-Re-  
11 lated Activity Account (hereafter in this section  
12 referred to as the ‘Account’), which shall be  
13 maintained separately from all other accounts  
14 of the organization and which shall consist ex-  
15 clusively of the deposits described in paragraph  
16 (2).

17 “(B) MANDATORY USE OF ACCOUNT  
18 AFTER ESTABLISHMENT.—If a covered organi-  
19 zation establishes an Account under this sec-  
20 tion, it may not make disbursements for cam-  
21 paign-related activity from any source other  
22 than amounts from the Account, other than dis-  
23 bursements for campaign-related activity which,  
24 on the basis of a reasonable belief by the orga-  
25 nization, would not be treated as disbursements

1 for an exempt function for purposes of section  
2 527(f) of the Internal Revenue Code of 1986.

3 “(C) EXCLUSIVE USE OF ACCOUNT FOR  
4 CAMPAIGN-RELATED ACTIVITY.—Amounts in  
5 the Account shall be used exclusively for dis-  
6 bursements by the covered organization for  
7 campaign-related activity. After such disburse-  
8 ments are made, information with respect to de-  
9 posits made to the Account shall be disclosed in  
10 accordance with section 304(g)(5) or section  
11 304(f)(6).

12 “(2) DEPOSITS DESCRIBED.—The deposits de-  
13 scribed in this paragraph are deposits of the fol-  
14 lowing amounts:

15 “(A) Amounts donated or paid to the cov-  
16 ered organization by a person other than the  
17 organization for the purpose of being used for  
18 campaign-related activity, and for which the  
19 person providing the amounts has designated  
20 that the amounts be used for campaign-related  
21 activity with respect to a specific election or  
22 specific candidate.

23 “(B) Amounts donated or paid to the cov-  
24 ered organization by a person other than the  
25 organization for the purpose of being used for

1 campaign-related activity, and for which the  
2 person providing the amounts has not des-  
3 ignated that the amounts be used for campaign-  
4 related activity with respect to a specific elec-  
5 tion or specific candidate.

6 “(C) Amounts donated or paid to the cov-  
7 ered organization by a person other than the  
8 organization in response to a solicitation for  
9 funds to be used for campaign-related activity.

10 “(D) Amounts transferred to the Account  
11 by the covered organization from other accounts  
12 of the organization, including from the organi-  
13 zation’s general treasury funds.

14 “(3) NO TREATMENT AS POLITICAL COM-  
15 MITTEE.—The establishment and administration of  
16 an Account in accordance with this subsection shall  
17 not by itself be treated as the establishment or ad-  
18 ministration of a political committee for any purpose  
19 of this Act.

20 “(b) REDUCTION IN AMOUNTS OTHERWISE AVAIL-  
21 ABLE FOR ACCOUNT IN RESPONSE TO DEMAND OF GEN-  
22 ERAL DONORS.—

23 “(1) IN GENERAL.—If a covered organization  
24 which has established an Account obtains any reve-  
25 nues during a year which are attributable to a dona-

1       tion or payment from a person other than the cov-  
2       ered organization, and if the organization and any  
3       such person have mutually agreed (as provided in  
4       section 325(b)(1)) that the organization will not use  
5       the person’s donation, payment, or transfer for cam-  
6       paign-related activity, the organization shall reduce  
7       the amount of its revenues available for deposits to  
8       the Account which are described in subsection  
9       (a)(3)(D) during the year by the amount of the do-  
10      nation or payment which is subject to the mutual  
11      agreement.

12           “(2) EXCEPTION.—Paragraph (1) does not  
13      apply with respect to any payment made pursuant to  
14      commercial activities in the regular course of a cov-  
15      ered organization’s business.

16           “(c) COVERED ORGANIZATION DEFINED.—In this  
17      section, the term ‘covered organization’ means any of the  
18      following:

19           “(1) Any corporation which is subject to section  
20      316(a), other than a corporation which is an organi-  
21      zation described in paragraph (3) of section 501(c)  
22      of the Internal Revenue Code of 1986 and exempt  
23      from tax under section 501(a) of such Code.

24           “(2) Any labor organization (as defined in sec-  
25      tion 316).

1           “(3) Any organization described in paragraph  
2           (4), (5), or (6) of section 501(c) of the Internal Rev-  
3           enue Code of 1986 and exempt from tax under sec-  
4           tion 501(a) of such Code, other than an exempt sec-  
5           tion 501(c)(4) organization (as defined in section  
6           301(27)).

7           “(4) Any political organization under section  
8           527 of the Internal Revenue Code of 1986, other  
9           than a political committee under this Act.

10          “(d) CAMPAIGN-RELATED ACTIVITY DEFINED.—In  
11 this section, the term ‘campaign-related activity’ has the  
12 meaning given such term in section 325.”.

13          (b) CLARIFICATION OF TREATMENT AS SEPARATE  
14 SEGREGATED FUND.—A Campaign-Related Activity Ac-  
15 count (within the meaning of section 326 of the Federal  
16 Election Campaign Act of 1971, as added by subsection  
17 (a)) may be treated as a separate segregated fund for pur-  
18 poses of section 527(f)(3) of the Internal Revenue Code  
19 of 1986.

20 **SEC. 214. MODIFICATION OF RULES RELATING TO DIS-**  
21 **CLAIMER STATEMENTS REQUIRED FOR CER-**  
22 **TAIN COMMUNICATIONS.**

23          (a) APPLYING REQUIREMENTS TO ALL INDE-  
24 PENDENT EXPENDITURE COMMUNICATIONS.—Section  
25 318(a) of the Federal Election Campaign Act of 1971 (2

1 U.S.C. 441d(a)) is amended by striking “for the purpose  
2 of financing communications expressly advocating the  
3 election or defeat of a clearly identified candidate” and  
4 inserting “for an independent expenditure consisting of a  
5 public communication”.

6 (b) STAND BY YOUR AD REQUIREMENTS.—

7 (1) MAINTENANCE OF EXISTING REQUIRE-  
8 MENTS FOR COMMUNICATIONS BY POLITICAL PAR-  
9 TIES AND OTHER POLITICAL COMMITTEES.—Section  
10 318(d)(2) of such Act (2 U.S.C. 441d(d)(2)) is  
11 amended—

12 (A) in the heading, by striking “OTHERS”  
13 and inserting “POLITICAL COMMITTEES”;

14 (B) by striking “subsection (a)” and in-  
15 serting “subsection (a) which is paid for by a  
16 political committee (including a political com-  
17 mittee of a political party), other than a polit-  
18 ical committee which is described in subsection  
19 (e)(7)(B),”; and

20 (C) by striking “or other person” each  
21 place it appears.

22 (2) SPECIAL DISCLAIMER REQUIREMENTS FOR  
23 CERTAIN COMMUNICATIONS.—Section 318 of such  
24 Act (2 U.S.C. 441d) is amended by adding at the  
25 end the following new subsection:

1 “(e) COMMUNICATIONS BY OTHERS.—

2 “(1) IN GENERAL.—Any communication de-  
3 scribed in paragraph (3) of subsection (a) which is  
4 transmitted through radio or television (other than  
5 a communication to which subsection (d)(2) applies  
6 because the communication is paid for by a political  
7 committee, including a political committee of a polit-  
8 ical party, other than a political committee which is  
9 described in paragraph (7)(B)) shall include, in ad-  
10 dition to the requirements of that paragraph, the  
11 following:

12 “(A) The individual disclosure statement  
13 described in paragraph (2) (if the person pay-  
14 ing for the communication is an individual) or  
15 the organizational disclosure statement de-  
16 scribed in paragraph (3) (if the person paying  
17 for the communication is not an individual).

18 “(B) If the communication is an election-  
19 eering communication or an independent ex-  
20 penditure consisting of a public communication  
21 and is paid for in whole or in part with a pay-  
22 ment which is treated as a disbursement by a  
23 covered organization for campaign-related activ-  
24 ity under section 325, the significant funder  
25 disclosure statement described in paragraph (4)



1 (if applicable), unless, on the basis of criteria  
2 established in regulations promulgated by the  
3 Commission, the communication is of such  
4 short duration that including the statement in  
5 the communication would constitute a hardship  
6 to the person paying for the communication by  
7 requiring a disproportionate amount of the  
8 communication's content to consist of the state-  
9 ment.

10 “(C) If the communication is an election-  
11 eering communication or an independent ex-  
12 penditure consisting of a public communication  
13 and is paid for in whole or in part with a pay-  
14 ment which is treated as a disbursement by a  
15 covered organization for campaign-related activ-  
16 ity under section 325, the Top Five Funders  
17 list described in paragraph (5) (if applicable),  
18 unless, on the basis of criteria established in  
19 regulations promulgated by the Commission,  
20 the communication is of such short duration  
21 that including the Top Five Funders list in the  
22 communication would constitute a hardship to  
23 the person paying for the communication by re-  
24 quiring a disproportionate amount of the com-

1           munication’s content to consist of the Top Five  
2           Funders list.

3           “(2) INDIVIDUAL DISCLOSURE STATEMENT DE-  
4           SCRIBED.—The individual disclosure statement de-  
5           scribed in this paragraph is the following: ‘I am  
6           \_\_\_\_\_,           of \_\_\_\_\_,  
7           \_\_\_\_\_, and I approve this message.’,  
8           with—

9                   “(A) the first blank filled in with the name  
10                   of the applicable individual;

11                   “(B) the second blank filled in with the  
12                   local jurisdiction in which the applicable indi-  
13                   vidual resides; and

14                   “(C) the third blank filled in with the  
15                   State in which the applicable individual resides.

16           “(3) ORGANIZATIONAL DISCLOSURE STATE-  
17           MENT DESCRIBED.—The organizational disclosure  
18           statement described in this paragraph is the fol-  
19           lowing: ‘I am \_\_\_\_\_, the \_\_\_\_\_  
20           of \_\_\_\_\_, located in \_\_\_\_\_,  
21           \_\_\_\_\_, and \_\_\_\_\_ approves  
22           this message.’, with—

23                   “(A) the first blank to be filled in with the  
24                   name of the applicable individual;

1           “(B) the second blank to be filled in with  
2 the title of the applicable individual;

3           “(C) the third blank to be filled in with the  
4 name of the organization or other person pay-  
5 ing for the communication;

6           “(D) the fourth blank to be filled in with  
7 the local jurisdiction in which such organiza-  
8 tion’s or person’s principal office is located;

9           “(E) the fifth blank to be filled in with the  
10 State in which such organization’s or person’s  
11 principal office is located; and

12           “(F) the sixth blank to be filled in with the  
13 name of such organization or person.

14           “(4) SIGNIFICANT FUNDER DISCLOSURE STATE-  
15 MENT DESCRIBED.—

16           “(A) STATEMENT IF SIGNIFICANT FUNDER  
17 IS AN INDIVIDUAL.—If the significant funder of  
18 a communication paid for in whole or in part  
19 with a payment which is treated as a disburse-  
20 ment by a covered organization for campaign-  
21 related activity under section 325 is an indi-  
22 vidual, the significant funder disclosure state-  
23 ment described in this paragraph is the fol-  
24 lowing: ‘I am \_\_\_\_\_, of

1 \_\_\_\_\_, \_\_\_\_\_. I helped to  
2 pay for this message, and I approve it.’, with—

3 “(i) the first blank filled in with the  
4 name of the applicable individual;

5 “(ii) the second blank filled in with  
6 the local jurisdiction in which the applica-  
7 ble individual resides; and

8 “(iii) the third blank filled in with the  
9 State in which the applicable individual re-  
10 sides.

11 “(B) STATEMENT IF SIGNIFICANT FUNDER  
12 IS NOT AN INDIVIDUAL.—If the significant  
13 funder of a communication paid for in whole or  
14 in part with a payment which is treated as a  
15 disbursement by a covered organization for  
16 campaign-related activity under section 325 is  
17 not an individual, the significant funder disclo-  
18 sure statement described in this paragraph is  
19 the following: ‘I am \_\_\_\_\_, the  
20 \_\_\_\_\_ of \_\_\_\_\_, located  
21 in \_\_\_\_\_,  
22 \_\_\_\_\_ helped to pay for this mes-  
23 sage, and \_\_\_\_\_ approves it.’, with—

24 “(i) the first blank to be filled in with  
25 the name of the applicable individual;

1           “(ii) the second blank to be filled in  
2           with the title of the applicable individual;

3           “(iii) the third blank to be filled in  
4           with the name of the significant funder of  
5           the communication;

6           “(iv) the fourth blank to be filled in  
7           with the local jurisdiction in which the sig-  
8           nificant funder’s principal office is located;

9           “(v) the fifth blank to be filled in with  
10          the State in which the significant funder’s  
11          principal office is located; and

12          “(vi) the sixth and seventh blank each  
13          to be filled in with the name of the signifi-  
14          cant funder of the communication.

15          “(C) SIGNIFICANT FUNDER DEFINED.—

16          “(i) INDEPENDENT EXPENDITURES.—

17          For purposes of this paragraph, the ‘sig-  
18          nificant funder’ with respect to an inde-  
19          pendent expenditure consisting of a public  
20          communication paid for in whole or in part  
21          with a payment which is treated as a dis-  
22          bursement by a covered organization for  
23          campaign-related activity under section  
24          325 shall be determined as follows:

1           “(I) If any report filed by any or-  
2           ganization with respect to the inde-  
3           pendent expenditure under section  
4           304 during the 12-month period  
5           which ends on the date of the dis-  
6           bursement includes information on  
7           any person who made a payment to  
8           the organization in an amount equal  
9           to or exceeding \$100,000 which was  
10          designated by the person to be used  
11          for campaign-related activity con-  
12          sisting of that specific independent ex-  
13          penditure (as required to be included  
14          in the report under section  
15          304(g)(5)(A)(i)), the person who is  
16          identified among all such reports as  
17          making the largest such payment.

18          “(II) If any report filed by any  
19          organization with respect to the inde-  
20          pendent expenditure under section  
21          304 during the 12-month period  
22          which ends on the date of the dis-  
23          bursement includes information on  
24          any person who made a payment to  
25          the organization in an amount equal

1 to or exceeding \$100,000 which was  
2 designated by the person to be used  
3 for campaign-related activity with re-  
4 spect to the same election or in sup-  
5 port of the same candidate (as re-  
6 quired to be included in the report  
7 under section 304(g)(5)(A)(i)) but  
8 subclause (I) does not apply, the per-  
9 son who is identified among all such  
10 reports as making the largest such  
11 payment.

12 “(III) If any report filed by any  
13 organization with respect to the inde-  
14 pendent expenditure under section  
15 304 during the 12-month period  
16 which ends on the date of the dis-  
17 bursement includes information on  
18 any person who made a payment to  
19 the organization in an amount equal  
20 to or exceeding \$10,000 which was  
21 provided for the purpose of being used  
22 for campaign-related activity or in re-  
23 sponse to a solicitation for funds to be  
24 used for campaign-related activity (as  
25 required to be included in the report

1 under section 304(g)(5)(A)(i)) but  
2 subclause (I) or subclause (II) does  
3 not apply, the person who is identified  
4 among all such reports as making the  
5 largest such payment.

6 “(IV) If none of the reports filed  
7 by any organization with respect to  
8 the independent expenditure under  
9 section 304 during the 12-month pe-  
10 riod which ends on the date of the dis-  
11 bursement includes information on  
12 any person (other than the organiza-  
13 tion) who made a payment to the or-  
14 ganization in an amount equal to or  
15 exceeding \$10,000 which was provided  
16 for the purpose of being used for cam-  
17 paign-related activity or in response to  
18 a solicitation for funds to be used for  
19 campaign-related activity, but any of  
20 such reports includes information on  
21 any person who made an unrestricted  
22 donor payment to the organization (as  
23 required to be included in the report  
24 under section 304(g)(5)(A)(ii)) in an  
25 amount equal to or exceeding



1           \$10,000, the person who is identified  
2           among all such reports as making the  
3           largest such unrestricted donor pay-  
4           ment.

5           “(ii) ELECTIONEERING COMMUNICA-  
6           TIONS.—For purposes of this paragraph,  
7           the ‘significant funder’ with respect to an  
8           electioneering communication paid for in  
9           whole or in part with a payment which is  
10          treated as a disbursement by a covered or-  
11          ganization for campaign-related activity  
12          under section 325, shall be determined as  
13          follows:

14                 “(I) If any report filed by any or-  
15                 ganization with respect to the elec-  
16                 tioneering communication under sec-  
17                 tion 304 during the 12-month period  
18                 which ends on the date of the dis-  
19                 bursement includes information on  
20                 any person who made a payment to  
21                 the organization in an amount equal  
22                 to or exceeding \$100,000 which was  
23                 designated by the person to be used  
24                 for campaign-related activity con-  
25                 sisting of that specific electioneering

1 communication (as required to be in-  
2 cluded in the report under section  
3 304(f)(6)(A)(i)), the person who is  
4 identified among all such reports as  
5 making the largest such payment.

6 “(II) If any report filed by any  
7 organization with respect to the elec-  
8 tioneering communication under sec-  
9 tion 304 during the 12-month period  
10 which ends on the date of the dis-  
11 bursement includes information on  
12 any person who made a payment to  
13 the organization in an amount equal  
14 to or exceeding \$100,000 which was  
15 designated by the person to be used  
16 for campaign-related activity with re-  
17 spect to the same election or in sup-  
18 port of the same candidate (as re-  
19 quired to be included in the report  
20 under section 304(f)(6)(A)(i)) but  
21 subclause (I) does not apply, the per-  
22 son who is identified among all such  
23 reports as making the largest such  
24 payment.

1           “(III) If any report filed by any  
2 organization with respect to the elec-  
3 tioneering communication under sec-  
4 tion 304 during the 12-month period  
5 which ends on the date of the dis-  
6 bursement includes information on  
7 any person who made a payment to  
8 the organization in an amount equal  
9 to or exceeding \$10,000 which was  
10 provided for the purpose of being used  
11 for campaign-related activity or in re-  
12 sponse to a solicitation for funds to be  
13 used for campaign-related activity (as  
14 required to be included in the report  
15 under section 304(f)(6)(A)(i)) but  
16 subclause (I) or subclause (II) does  
17 not apply, the person who is identified  
18 among all such reports as making the  
19 largest such payment.

20           “(IV) If none of the reports filed  
21 by any organization with respect to  
22 the electioneering communication  
23 under section 304 during the 12-  
24 month period which ends on the date  
25 of the disbursement includes informa-

1           tion on any person who made a pay-  
2           ment to the organization in an  
3           amount equal to or exceeding \$10,000  
4           which was provided for the purpose of  
5           being used for campaign-related activ-  
6           ity or in response to a solicitation for  
7           funds to be used for campaign-related  
8           activity, but any of such reports in-  
9           cludes information on any person who  
10          made an unrestricted donor payment  
11          to the organization (as required to be  
12          included in the report under section  
13          304(f)(6)(A)(ii)) in an amount equal  
14          to or exceeding \$10,000, the person  
15          who is identified among all such re-  
16          ports as making the largest such un-  
17          restricted donor payment.

18           “(5) TOP 5 FUNDERS LIST DESCRIBED.—With  
19          respect to a communication paid for in whole or in  
20          part with a payment which is treated as a disburse-  
21          ment by a covered organization for campaign-related  
22          activity under section 325, the Top 5 Funders list  
23          described in this paragraph is—

24           “(A) in the case of a disbursement for an  
25          independent expenditure consisting of a public

1 communication, a list of the 5 persons (or, in  
2 the case of a communication transmitted  
3 through radio, the 2 persons) who provided the  
4 largest payments of any type in an aggregate  
5 amount equal to or exceeding \$10,000 which  
6 are required under section 304(g)(5)(A) to be  
7 included in the reports filed by any organization  
8 with respect to that independent expenditure  
9 under section 304 during the 12-month period  
10 which ends on the date of the disbursement, to-  
11 gether with the amount of the payments each  
12 such person provided and the local jurisdiction  
13 and State in which each such person lives (in  
14 the case of a person who is an individual) or is  
15 located (in the case of any other person); or

16 “(B) in the case of a disbursement for an  
17 electioneering communication, a list of the 5  
18 persons (or, in the case of a communication  
19 transmitted through radio, the 2 persons) who  
20 provided the largest payments of any type in an  
21 aggregate amount equal to or exceeding  
22 \$10,000 which are required under section  
23 304(f)(6)(A) to be included in the reports filed  
24 by any organization with respect to that elec-  
25 tioneering communication under section 304

1 during the 12-month period which ends on the  
2 date of the disbursement, together with the  
3 amount of the payments each such person pro-  
4 vided and the local jurisdiction and State in  
5 which each such person lives (in the case of a  
6 person who is an individual) or is located (in  
7 the case of any other person).

8 “(6) METHOD OF CONVEYANCE OF STATE-  
9 MENT.—

10 “(A) COMMUNICATIONS TRANSMITTED  
11 THROUGH RADIO.—In the case of a communica-  
12 tion to which this subsection applies which is  
13 transmitted through radio, the disclosure state-  
14 ments required under paragraph (1) shall be  
15 made by audio by the applicable individual in a  
16 clearly spoken manner.

17 “(B) COMMUNICATIONS TRANSMITTED  
18 THROUGH TELEVISION.—In the case of a com-  
19 munication to which this subsection applies  
20 which is transmitted through television, the in-  
21 formation required under paragraph (1)—

22 “(i) shall appear in writing at the end  
23 of the communication in a clearly readable  
24 manner, with a reasonable degree of color  
25 contrast between the background and the

1 printed statement, for a period of at least  
2 6 seconds; and

3 “(ii) except in the case of a Top 5  
4 Funders list described in paragraph (5),  
5 shall also be conveyed by an unobscured,  
6 full-screen view of the applicable indi-  
7 vidual, or by the applicable individual mak-  
8 ing the statement in voice-over accom-  
9 panied by a clearly identifiable photograph  
10 or similar image of the individual.

11 “(7) APPLICATION TO CERTAIN PACS.—

12 “(A) APPLICATION.—This subsection shall  
13 apply with respect to an electioneering commu-  
14 nication, and to an independent expenditure  
15 consisting of a public communication, which is  
16 paid for in whole or in part with a payment by  
17 a political committee described in subparagraph  
18 (B) in the same manner as this subsection ap-  
19 plies with respect to an electioneering commu-  
20 nication and an independent expenditure con-  
21 sisting of a public communication which is paid  
22 for in whole or in part with a payment which  
23 is treated as a disbursement by a covered orga-  
24 nization under section 325, except that—

1           “(i) in applying paragraph (4)(C), the  
2           ‘significant funder’ with respect to such an  
3           electioneering communication or such an  
4           independent expenditure shall be the per-  
5           son who is identified as providing the larg-  
6           est aggregate amount of contributions, do-  
7           nations, or payments to the political com-  
8           mittee during the 12-month period which  
9           ends on the date the committee made the  
10          disbursement for the electioneering com-  
11          munication or independent expenditure (as  
12          determined on the basis of the information  
13          contained in all reports filed by the com-  
14          mittee under section 304 during such pe-  
15          riod); and

16          “(ii) in applying paragraph (5), the  
17          ‘Top 5 Funders list’ shall be a list of the  
18          5 persons who are identified as providing  
19          the largest aggregate amounts of contribu-  
20          tions, donations, or payments to the polit-  
21          ical committee during such 12-month pe-  
22          riod (as determined on the basis of the in-  
23          formation contained in all such reports).

24          “(B)     POLITICAL     COMMITTEE     DE-  
25          SCRIBED.—A political committee described in



1           this subparagraph is a political committee  
2           which receives or accepts contributions or dona-  
3           tions which do not comply with the contribution  
4           limits or source prohibitions of this Act.

5           “(8) APPLICABLE INDIVIDUAL DEFINED.—In  
6           this subsection, the term ‘applicable individual’  
7           means, with respect to a communication to which  
8           this paragraph applies—

9                   “(A) if the communication is paid for by  
10                   an individual or if the significant funder of the  
11                   communication under paragraph (4) is an indi-  
12                   vidual, the individual involved;

13                   “(B) if the communication is paid for by a  
14                   corporation or if the significant funder of the  
15                   communication under paragraph (4) is a cor-  
16                   poration, the chief executive officer of the cor-  
17                   poration (or, if the corporation does not have a  
18                   chief executive officer, the highest ranking offi-  
19                   cial of the corporation);

20                   “(C) if the communication is paid for by a  
21                   labor organization or if the significant funder of  
22                   the communication under paragraph (4) is a  
23                   labor organization, the highest ranking officer  
24                   of the labor organization; or

1           “(D) if the communication is paid for by  
2           any other person or if the significant funder of  
3           the communication under paragraph (4) is any  
4           other person, the highest ranking official of  
5           such person.

6           “(9) COVERED ORGANIZATION DEFINED.—In  
7           this subsection, the term ‘covered organization’  
8           means any of the following:

9           “(A) Any corporation which is subject to  
10          section 316(a), other than a corporation which  
11          is an organization described in paragraph (3) of  
12          section 501(c) of the Internal Revenue Code of  
13          1986 and exempt from tax under section 501(a)  
14          of such Code.

15          “(B) Any labor organization (as defined in  
16          section 316).

17          “(C) Any organization described in para-  
18          graph (4), (5), or (6) of section 501(c) of the  
19          Internal Revenue Code of 1986 and exempt  
20          from tax under section 501(a) of such Code,  
21          other than an exempt section 501(c)(4) organi-  
22          zation (as defined in section 301(27)).

23          “(D) Any political organization under sec-  
24          tion 527 of the Internal Revenue Code of 1986,  
25          other than a political committee under this Act.

1           “(10) OTHER DEFINITIONS.—In this sub-  
2 section, the terms ‘campaign-related activity’ and  
3 ‘unrestricted donor payment’ have the meaning  
4 given such terms in section 325.”.

5           (3) APPLICATION TO CERTAIN MASS MAIL-  
6 INGS.—Section 318(a)(3) of such Act (2 U.S.C.  
7 441d(a)(3)) is amended to read as follows:

8           “(3) if not authorized by a candidate, an au-  
9 thorized political committee of a candidate, or its  
10 agents, shall clearly state—

11           “(A) the name and permanent street ad-  
12 dress, telephone number, or World Wide Web  
13 address of the person who paid for the commu-  
14 nication;

15           “(B) if the communication is an inde-  
16 pendent expenditure consisting of a mass mail-  
17 ing (as defined in section 301(23)) which is  
18 paid for in whole or in part with a payment  
19 which is treated as a disbursement by a covered  
20 organization for campaign-related activity under  
21 section 325, or which is paid for in whole or in  
22 part by a political committee described in sub-  
23 section (e)(7)(B), the name and permanent  
24 street address, telephone number, or World  
25 Wide Web address of—

1           “(i) the significant funder of the com-  
2           munication, if any (as determined in ac-  
3           cordance with subsection (e)(4)(C)(i) or  
4           (e)(7)(A)(i); and

5           “(ii) each person who would be in-  
6           cluded in the Top 5 Funders list which  
7           would be submitted with respect to the  
8           communication if the communication were  
9           transmitted through television, if any (as  
10          determined in accordance with subsection  
11          (e)(5) or (e)(7)(A)(ii)); and

12          “(C) that the communication is not au-  
13          thorized by any candidate or candidate’s com-  
14          mittee.”.

15          (4) APPLICATION TO POLITICAL ROBOCALLS.—  
16          Section 318 of such Act (2 U.S.C. 441d), as amend-  
17          ed by paragraph (2), is further amended by adding  
18          at the end the following new subsection:

19          “(f) SPECIAL RULES FOR POLITICAL ROBOCALLS.—

20                 “(1) REQUIRING COMMUNICATIONS TO INCLUDE  
21                 CERTAIN DISCLAIMER STATEMENTS.—Any commu-  
22                 nication consisting of a political robocall which  
23                 would be subject to the requirements of subsection  
24                 (e) if the communication were transmitted through  
25                 radio or television shall include the following:

1           “(A) The individual disclosure statement  
2 described in subsection (e)(2) (if the person  
3 paying for the communication is an individual)  
4 or the organizational disclosure statement de-  
5 scribed in subsection (e)(3) (if the person pay-  
6 ing for the communication is not an individual).

7           “(B) If the communication is an election-  
8 eering communication or an independent ex-  
9 penditure consisting of a public communication  
10 and is paid for in whole or in part with a pay-  
11 ment which is treated as a disbursement by a  
12 covered organization for campaign-related activ-  
13 ity under section 325, or which is paid for in  
14 whole or in part by a political committee de-  
15 scribed in subsection (e)(7)(B), the significant  
16 funder disclosure statement described in sub-  
17 section (e)(4) or (e)(7) (if applicable).

18           “(2) TIMING OF CERTAIN STATEMENT.—The  
19 statements required to be included under paragraph  
20 (1) shall be made at the beginning of the political  
21 robocall, unless, on the basis of criteria established  
22 in regulations promulgated by the Commission, the  
23 communication is of such short duration that includ-  
24 ing the statement in the communication would con-  
25 stitute a hardship to the person paying for the com-

1       munication by requiring a disproportionate amount  
2       of the communication’s content to consist of the  
3       statement.

4               “(3) POLITICAL ROBOCALL DEFINED.—In this  
5       subsection, the term ‘political robocall’ means any  
6       outbound telephone call—

7                       “(A) in which a person is not available to  
8                       speak with the person answering the call, and  
9                       the call instead plays a recorded message; and

10                      “(B) which promotes, supports, attacks, or  
11                      opposes a candidate for election for Federal of-  
12                      fice.”.

13 **SEC. 215. INDEXING OF CERTAIN AMOUNTS.**

14       Title III of the Federal Election Campaign Act of  
15       1971, as amended by section 213, is amended by adding  
16       at the end the following new section:

17 **“SEC. 327. INDEXING OF CERTAIN AMOUNTS.**

18       “(a) INDEXING.—In any calendar year after 2010—

19               “(1) each of the amounts referred to in sub-  
20       section (b) shall be increased by the percent dif-  
21       ference determined under subparagraph (A) of sec-  
22       tion 315(c)(1), except that for purposes of this para-  
23       graph, such percent difference shall be determined  
24       as if the base year referred to in such subparagraph  
25       were 2009;

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

3           “(3) if any amount after adjustment under  
4 paragraph (1) is not a multiple of \$100, such  
5 amount shall be rounded to the nearest multiple of  
6 \$100.

7           “(b) AMOUNTS DESCRIBED.—The amounts referred  
8 to in this subsection are as follows:

9           “(1) The amount referred to in section  
10 304(g)(5)(A)(i)(I).

11           “(2) The amount referred to in section  
12 304(g)(5)(A)(ii)(I).

13           “(3) Each of the amounts referred to in section  
14 304(g)(5)(A)(ii)(II).

15           “(4) The amount referred to in section  
16 304(g)(5)(B)(ii)(I)(ee).

17           “(5) The amount referred to in section  
18 304(g)(5)(B)(iii)(I).

19           “(6) The amount referred to in section  
20 304(f)(6)(A)(i)(I).

21           “(7) The amount referred to in section  
22 304(f)(6)(A)(ii)(I).

23           “(8) Each of the amounts referred to in section  
24 304(f)(6)(A)(ii)(II).

1           “(9) The amount referred to in section  
2           304(f)(6)(B)(ii)(I)(ee).

3           “(10) The amount referred to in section  
4           304(f)(6)(B)(iii)(I).

5           “(11) The amount referred to in section 317(b).

6           “(12) Each of the amounts referred to in sec-  
7           tion 318(e)(4)(C).

8           “(13) The amount referred to in section  
9           325(d)(2)(B)(i)(V).

10           “(14) The amount referred to in section  
11           325(d)(2)(C)(i).”.

## 12           **Subtitle C—Reporting Requirements for Registered Lobbyists**

### 13           **SEC. 221. REQUIRING REGISTERED LOBBYISTS TO REPORT** 14           **INFORMATION ON INDEPENDENT EXPENDI-** 15           **TURES AND ELECTIONEERING COMMUNICA-** 16           **TIONS.** 17           **TIONS.**

18           (a) IN GENERAL.—Section 5(d)(1) of the Lobbying  
19           Disclosure Act of 1995 (2 U.S.C. 1604(d)(1)) is amend-  
20           ed—

21           (1) by striking “and” at the end of subpara-  
22           graph (F);

23           (2) by redesignating subparagraph (G) as sub-  
24           paragraph (I); and



1           (3) by inserting after subparagraph (F) the fol-  
2           lowing new subparagraphs:

3                   “(G) the amount of any independent ex-  
4                   penditure (as defined in section 301(17) of the  
5                   Federal Election Campaign Act of 1971 (2  
6                   U.S.C. 431(17)) equal to or greater than  
7                   \$1,000 made by such person or organization,  
8                   and for each such expenditure the name of each  
9                   candidate being supported or opposed and the  
10                  amount spent supporting or opposing each such  
11                  candidate;

12                  “(H) the amount of any electioneering  
13                  communication (as defined in section 304(f)(3)  
14                  of such Act (2 U.S.C. 434(f)(3)) equal to or  
15                  greater than \$1,000 made by such person or or-  
16                  ganization, and for each such communication  
17                  the name of the candidate referred to in the  
18                  communication; and”.

19           (b) EFFECTIVE DATE.—The amendments made by  
20 this section shall apply with respect to reports for semi-  
21 annual periods described in section 5(d)(1) of the Lob-  
22 bying Disclosure Act of 1995 that begin after the date  
23 of the enactment of this Act.

1 **TITLE III—DISCLOSURE BY COV-**  
2 **ERED ORGANIZATIONS OF IN-**  
3 **FORMATION ON CAMPAIGN-**  
4 **RELATED ACTIVITY**

5 **SEC. 301. REQUIRING DISCLOSURE BY COVERED ORGANI-**  
6 **ZATIONS OF INFORMATION ON CAMPAIGN-**  
7 **RELATED ACTIVITY.**

8 Title III of the Federal Election Campaign Act of  
9 1971 (2 U.S.C. 431 et seq.), as amended by section 215,  
10 is amended by adding at the end the following new section:

11 **“SEC. 328. DISCLOSURES BY COVERED ORGANIZATIONS TO**  
12 **SHAREHOLDERS, MEMBERS, AND DONORS OF**  
13 **INFORMATION ON DISBURSEMENTS FOR**  
14 **CAMPAIGN-RELATED ACTIVITY.**

15 “(a) INCLUDING INFORMATION IN REGULAR PERI-  
16 ODIC REPORTS.—

17 “(1) IN GENERAL.—A covered organization  
18 which submits regular, periodic reports to its share-  
19 holders, members, or donors on its finances or ac-  
20 tivities shall include in each such report, in a clear  
21 and conspicuous manner, the information described  
22 in paragraph (2) with respect to the disbursements  
23 made by the organization for campaign-related activ-  
24 ity during the period covered by the report.

1           “(2) INFORMATION DESCRIBED.—The informa-  
2           tion described in this paragraph is, for each dis-  
3           bursement for campaign-related activity—

4                   “(A) the date of the independent expendi-  
5                   ture or electioneering communication involved;

6                   “(B) the amount of the independent ex-  
7                   penditure or electioneering communication in-  
8                   volved;

9                   “(C) the name of the candidate identified  
10                  in the independent expenditure or electioneering  
11                  communication involved and the office sought  
12                  by the candidate;

13                  “(D) in the case of a transfer of funds to  
14                  another person, the information required by  
15                  subparagraphs (A) through (C), as well as the  
16                  name of the recipient of the funds and the date  
17                  and amount of the funds transferred;

18                  “(E) the source of such funds; and

19                  “(F) such other information as the Com-  
20                  mission determines is appropriate to further the  
21                  purposes of this subsection.

22           “(b) HYPERLINK TO INFORMATION INCLUDED IN  
23           REPORTS FILED WITH COMMISSION.—

24                   “(1) REQUIRING POSTING OF HYPERLINK.—If a  
25                   covered organization maintains an Internet site, the

1 organization shall post on such Internet site a  
2 hyperlink from its homepage to the location on the  
3 Internet site of the Commission which contains the  
4 following information:

5 “(A) The information the organization is  
6 required to report under section 304(g)(5)(A)  
7 with respect to public independent expenditures.

8 “(B) The information the organization is  
9 required to include in a statement of disburse-  
10 ments for electioneering communications under  
11 section 304(f)(6).

12 “(2) DEADLINE; DURATION OF POSTING.—The  
13 covered organization shall post the hyperlink de-  
14 scribed in paragraph (1) not later than 24 hours  
15 after the Commission posts the information de-  
16 scribed in such paragraph on the Internet site of the  
17 Commission, and shall ensure that the hyperlink re-  
18 mains on the Internet site of the covered organiza-  
19 tion until the expiration of the 1-year period which  
20 begins on the date of the election with respect to  
21 which the public independent expenditures or elec-  
22 tioneering communications are made.

23 “(c) COVERED ORGANIZATION DEFINED.—In this  
24 section, the term ‘covered organization’ means any of the  
25 following:

1           “(1) Any corporation which is subject to section  
2           316(a), other than a corporation which is an organi-  
3           zation described in paragraph (3) of section 501(c)  
4           of the Internal Revenue Code of 1986 and exempt  
5           from tax under section 501(a) of such Code.

6           “(2) Any labor organization (as defined in sec-  
7           tion 316).

8           “(3) Any organization described in paragraph  
9           (4), (5), or (6) of section 501(c) of the Internal Rev-  
10          enue Code of 1986 and exempt from tax under sec-  
11          tion 501(a) of such Code, other than an exempt sec-  
12          tion 501(c)(4) organization (as defined in section  
13          301(27)).

14          “(4) Any political organization under section  
15          527 of the Internal Revenue Code of 1986, other  
16          than a political committee under this Act.”.

## 17       **TITLE IV—OTHER PROVISIONS**

### 18       **SEC. 401. JUDICIAL REVIEW.**

19          (a) SPECIAL RULES FOR ACTIONS BROUGHT ON  
20        CONSTITUTIONAL GROUNDS.—If any action is brought for  
21        declaratory or injunctive relief to challenge the constitu-  
22        tionality of any provision of this Act or any amendment  
23        made by this Act, the following rules shall apply:

24                (1) The action shall be filed in the United  
25        States District Court for the District of Columbia,

1 and an appeal from a decision of the District Court  
2 may be taken to the Court of Appeals for the Dis-  
3 trict of Columbia Circuit.

4 (2) A copy of the complaint shall be delivered  
5 promptly to the Clerk of the House of Representa-  
6 tives and the Secretary of the Senate.

7 (b) INTERVENTION BY MEMBERS OF CONGRESS.—In  
8 any action in which the constitutionality of any provision  
9 of this Act or any amendment made by this Act is raised,  
10 any member of the House of Representatives (including  
11 a Delegate or Resident Commissioner to the Congress) or  
12 Senate who satisfies the requirements for standing under  
13 article III of the Constitution shall have the right to inter-  
14 vene either in support of or opposition to the position of  
15 a party to the case regarding the constitutionality of the  
16 provision or amendment. To avoid duplication of efforts  
17 and reduce the burdens placed on the parties to the action,  
18 the court in any such action may make such orders as  
19 it considers necessary, including orders to require interve-  
20 nors taking similar positions to file joint papers or to be  
21 represented by a single attorney at oral argument.

22 (c) CHALLENGE BY MEMBERS OF CONGRESS.—Any  
23 Member of the House of Representatives (including a Del-  
24 egate or Resident Commissioner to the Congress) or Sen-  
25 ate may bring an action, subject to the special rules de-

1 scribed in subsection (a), for declaratory or injunctive re-  
2 lief to challenge the constitutionality of any provision of  
3 this Act or any amendment made by this Act.

4 **SEC. 402. NO EFFECT ON PROTECTIONS AGAINST THREATS,**  
5 **HARASSMENTS, AND REPRISALS.**

6 Nothing in this Act or in any amendment made by  
7 this Act shall be construed to affect any provision of law  
8 or any rule or regulation which waives a requirement to  
9 disclose information relating to any person in any case in  
10 which there is a reasonable probability that the disclosure  
11 of the information would subject the person to threats,  
12 harassments, or reprisals.

13 **SEC. 403. SEVERABILITY.**

14 If any provision of this Act or amendment made by  
15 this Act, or the application of a provision or amendment  
16 to any person or circumstance, is held to be unconstitu-  
17 tional, the remainder of this Act and amendments made  
18 by this Act, and the application of the provisions and  
19 amendment to any person or circumstance, shall not be  
20 affected by the holding.

21 **SEC. 404. EFFECTIVE DATE.**

22 Except as otherwise provided, this Act and the  
23 amendments made by this Act shall take effect upon the  
24 expiration of the 30-day period which begins on the date  
25 of the enactment of this Act, and shall take effect without

1 regard to whether or not the Federal Election Commission  
2 has promulgated regulations to carry out such amend-  
3 ments.

Passed the House of Representatives June 24, 2010.

Attest:

*Clerk.*





111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5175

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## AN ACT

To amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes.