

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 5175) 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

JUNE 23, 2010.—Referred to the House Calendar and ordered to be printed

Mr. MCGOVERN, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 1468]

The Committee on Rules, having had under consideration House Resolution 1468, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 5175, the “Democracy is Strengthened by Casting Light on Spending in Elections Act,” under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on House Administration. The resolution waives all points of order against consideration of the bill except those arising under clause 9 or 10 of rule XXI. The resolution provides that the amendment in the nature of a substitute recommended by the Committee on House Administration, modified by the amendment printed in part A of this report, shall be considered as adopted and considered as read. The resolution waives all points of order against the bill, as amended. This waiver does not affect the point of order available under clause 9 of rule XXI (regarding earmark disclosure). The resolution further makes in order only those amendments printed in part B of this report. The amendments made in order may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of

the question. All points of order against the amendments except for clauses 9 and 10 of rule XXI are waived. The resolution provides that for those amendments reported from the Committee of the Whole, the question of their adoption shall be put to the House en gros and without demand for division of the question. The resolution provides one motion to recommit with or without instructions. The resolution provides that the Chair may entertain a motion that the Committee rise only if offered by the chair of the Committee on House Administration or his designee. The resolution provides that the Chair may not entertain a motion to strike out the enacting words of the bill. The resolution authorizes the Speaker to entertain motions that the House suspend the rules at any time through the legislative day of Friday, June 25, 2010. The Speaker or her designee shall consult with the Minority Leader or his designee on the designation of any matter for consideration pursuant to this resolution. The resolution waives clause 6(a) of rule XIII (requiring a two-thirds vote to consider a rule on the same day it is reported from the Rules Committee) against certain resolutions reported from the Rules Committee. The resolution applies the waiver to any resolution reported through the legislative day of Friday, June 25, 2010, providing for consideration or disposition of a measure that includes a subject matter addressed by H.R. 4213.

EXPLANATION OF WAIVERS

Although the rule waives all points of order against consideration of the bill (except for clauses 9 and 10 of rule XXI) the Committee is not aware of any points of order. The waiver of all points of order is prophylactic. The waiver of all points of order against the bill, as amended, includes a waiver of clause 7 of rule XVI regarding germaneness and a waiver of clause 5(a) of rule XXI, prohibiting tax or tariff provisions in a bill not reported by a committee with jurisdiction over revenue measures.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 449

Date: June 23, 2010.

Measure: H.R. 5175.

Motion by: Mr. Dreier.

Summary of motion: To report an open rule.

Results: Defeated 2-7.

Vote by Members: McGovern—Nay; Hastings (FL)—Nay; Matsui—Nay; Arcuri—Nay; Perlmutter—Nay; Polis—Nay; Dreier—Yea; Foxx—Yea; Slaughter—Nay.

Rules Committee record vote No. 450

Date: June 23, 2010.

Measure: H.R. 5175.

Motion by: Mr. Dreier.

Summary of motion: To provide 4 hours of general debate equally divided between the Chairman and Ranking Member of the Committee on House Administration.

Results: Defeated 2–7.

Vote by Members: McGovern—Nay; Hastings (FL)—Nay; Matsui—Nay; Arcuri—Nay; Perlmutter—Nay; Polis—Nay; Dreier—Yea; Foxx—Yea; Slaughter—Nay.

Rules Committee record vote No. 451

Date: June 23, 2010.

Measure: H.R. 5175.

Motion by: Mr. Dreier.

Summary of motion: To make in order an amendment by Rep. Harper (MS), #25, which would provide that the Act shall become effective on January 1, 2011.

Results: Defeated 2–7.

Vote by Members: McGovern—Nay; Hastings (FL)—Nay; Matsui—Nay; Arcuri—Nay; Perlmutter—Nay; Polis—Nay; Dreier—Yea; Foxx—Yea; Slaughter—Nay.

Rules Committee record vote No. 452

Date: June 23, 2010.

Measure: H.R. 5175.

Motion by: Mr. Dreier.

Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Edwards (MD), #9, which would require 501(c)(4) entities to disclose if it receives more than 15 percent in contributions from corporations or from donors that contribute more than \$100,000.

Results: Defeated 2–7.

Vote by Members: McGovern—Nay; Hastings (FL)—Nay; Matsui—Nay; Arcuri—Nay; Perlmutter—Nay; Polis—Nay; Dreier—Yea; Foxx—Yea; Slaughter—Nay.

Rules Committee record vote No. 453

Date: June 23, 2010.

Measure: H.R. 5175.

Motion by: Mr. Dreier.

Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Smith (TX), #1, which would replace current Sec. 401 of the bill, relating to judicial review, with the text of the judicial review provision that was contained in the original McCain-Feingold campaign finance law (P.L. 107–155).

Results: Defeated 2–6.

Vote by Members: McGovern—Nay; Hastings (FL)—Nay; Matsui—Nay; Perlmutter—Nay; Polis—Nay; Dreier—Yea; Foxx—Yea; Slaughter—Nay.

Rules Committee record vote No. 454

Date: June 23, 2010.

Measure: H.R. 5175.

Motion by: Dr. Foxx.

Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Lungren (CA), #16, which would provide that the labor unions must certify no dues were received from foreign nationals prior to making political expenditures.

Results: Defeated 2–7.

Vote by Members: McGovern—Nay; Hastings (FL)—Nay; Matsui—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Foxx—Yea; Slaughter—Nay.

Rules Committee record vote No. 455

Date: June 23, 2010.

Measure: H.R. 5175.

Motion by: Dr. Foxx.

Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Lungren (CA) and Rep. Gingrey (GA), #17, which would provide that the prohibition on expenditures by government contractors shall also apply to labor unions representing employees of those contractors.

Results: Defeated 2–7.

Vote by Members: McGovern—Nay; Hastings (FL)—Nay; Matsui—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Foxx—Yea; Slaughter—Nay.

Rules Committee record vote No. 456

Date: June 23, 2010.

Measure: H.R. 5175.

Motion by: Dr. Foxx.

Summary of motion: To make in order and provide appropriate waivers for an amendment by Reps. Lungren (CA) and Gingrey (GA), #22, which would provide that the prohibition on expenditures by government contractors shall also apply to labor unions having representational contracts with the government.

Results: Defeated 2–7.

Vote by Members: McGovern—Nay; Hastings (FL)—Nay; Matsui—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Foxx—Yea; Slaughter—Nay.

SUMMARY OF AMENDMENT IN PART A TO BE CONSIDERED AS ADOPTED

Would strike section 2 (the findings), clarify the coordination language (including clarifying the availability of the exception for communications appearing in the media), and permit domestic corporations to engage in certain campaign activities which corporations are generally permitted to engage in under current law (so long as the foreign parent does not fund or control the activities) and would modify the contract threshold for applying restrictions on campaign activity to Federal contractors.

With respect to the disclosure requirements of title II of the bill: The amendment would exempt from the definition of “covered organization” a class of organizations which are covered under section 501(c)(3) of the tax code and certain large and longstanding organizations covered under section 501(c)(4) of the code. The amendment would clarify the conditions under which an organization would be required to meet the disclosure requirements because it is acting as a conduit for another organization which engages in campaign-related activity. It would also clarify language relating to transfers between covered organizations and limit the situations under which certain transfers among and between affiliate organizations would trigger the disclosure requirements.

The amendment would clarify the rules for determining which organizations must appear in disclaimer statements (the so-called

“stand by your ad” requirements) and apply these requirements to political committees which accept contributions which exceed the usual limits under law (the so-called “Speech Now” committees). The amendment would apply the standard inflation indexing rules under the Federal Election Campaign Act of 1971 to the various amounts established in the bill. Finally, the amendment would ensure that the disclosure requirements may be waived to protect individuals against threats, harassment, and reprisals, and clarify which persons have standing to file actions to challenge the constitutionality of the bill.

SUMMARY OF AMENDMENTS IN PART B TO BE MADE IN ORDER

1. Ackerman (NY): Would require covered organizations to report required disclosures to shareholders, members or donors in a “clear and conspicuous manner.” (10 minutes)

2. King, Steve (IA): Would eliminate all limitations on federal election campaign contributions. (10 minutes)

3. Kucinich (OH): Would clarify that the bill would prohibit those with leases on the Outer Continental Shelf from making campaign-related expenditures. (10 minutes)

4. Pascrell (NJ), Perriello (VA), Grayson (FL): Would prohibit political expenditures by corporations with significant foreign government ownership and corporations that have a majority of shares owned by foreign nationals. (10 minutes)

5. Murphy, Patrick (PA): Would ensure that citizens know if special interests outside their district or state are trying to impact an election by enhancing advertisement disclaimers to include the city and state of the ad funder’s residence or principle office. (10 minutes)

PART A—TEXT OF AMENDMENT TO BE CONSIDERED AS ADOPTED

Strike section 2.

Page 13, line 13, strike “Campaign Act” and insert “Campaign Act of 1971”.

Page 14, line 12, strike “\$7,000,000” and insert “\$10,000,000”.

Page 18, strike lines 4 through 19 and insert the following:

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

“(d) NO EFFECT ON CERTAIN ACTIVITIES OF DOMESTIC CORPORATIONS.—

“(1) SEPARATE SEGREGATED FUNDS.—Nothing in this section shall be construed to prohibit any corporation which is not a foreign national described in paragraph (1) of subsection (b) from establishing, administering, and soliciting contributions to a separate segregated fund under section 316(b)(2)(C), so long as none of the amounts in the fund are provided by any foreign national described in paragraph (1) or (2) of subsection (b) and no foreign national described in paragraph (1) or (2) of subsection (b) has the power to direct, dictate, or control the establishment or administration of the fund.

“(2) STATE AND LOCAL ELECTIONS.—Nothing in this section shall be construed to prohibit any corporation which is not a foreign national described in paragraph (1) of subsection (b) from making a contribution or donation in connection with a State or local election to the extent permitted under State or local law, so long as no foreign national described in paragraph (1) or (2) of subsection (b) has the power to direct, dictate, or control such contribution or donation.

“(3) OTHER PERMISSIBLE CORPORATE CONTRIBUTIONS AND EXPENDITURES.—Nothing in this section shall be construed to prohibit any corporation which is not a foreign national described in paragraph (1) of subsection (b) from carrying out any activity described in subparagraph (A) or (B) of section 316(b)(2), so long as none of the amounts used to carry out the activity are provided by any foreign national described in paragraph (1) or (2) of subsection (b) and no foreign national described in paragraph (1) or (2) of subsection (b) has the power to direct, dictate, or control such activity.”.

Page 19, strike line 22 and all that follows through page 20, line 10 and insert the following:

“(a) COORDINATED COMMUNICATIONS DEFINED.—

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

“(A) a covered communication which, subject to subsection (c), is made in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, an authorized committee of a candidate, or a political committee of a political party; or

“(B) any communication that republishes, disseminates, or distributes, in whole or in part, any broadcast or any written, graphic, or other form of campaign material prepared by a candidate, an authorized committee of a candidate, or their agents.

“(2) EXCEPTION.—The term ‘coordinated communication’ does not include—

“(A) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

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

Page 20, line 15, strike “paragraph (2),” and insert “paragraph (2) and with respect to the coordinated communication involved.”.

Page 20, line 17, strike “a clearly identified candidate for Federal office” and insert “the candidate described in subsection (a)(1)(A) or an opponent of such candidate”.

Page 22, strike lines 3 through 18.

Page 22, line 22, strike “may not be considered” and insert “shall not be considered”.

Page 23, line 1, strike “a person provided information to” and insert “a person or an agent thereof engaged in discussions with”.

Page 23, line 6, strike “regarding the candidate’s campaign for election for Federal office” and insert “regarding the candidate’s campaign plans, projects, activities, or needs”.

Amend section 201(b) to read as follows:

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

“(1) INDEPENDENT EXPENDITURES EXCEEDING THRESHOLD AMOUNT.—

“(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures in an aggregate amount equal to or greater than the threshold amount described in subparagraph (C) shall electronically file a report describing the expenditures within 24 hours.

“(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall electronically file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures in an aggregate amount equal to or greater than the threshold amount with respect to the same election as that to which the initial report relates.

“(C) THRESHOLD AMOUNT DESCRIBED.—In this paragraph, the ‘threshold amount’ means—

“(i) during the period up to and including the 20th day before the date of an election, \$10,000; or

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

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

Page 30, strike lines 11 through 21.

Page 30, line 22, strike “(c)” and insert “(b)”.

Page 32, line 21, strike “the following information:” and insert “the following information (subject to subparagraph (B)(iv)):”.

Page 35, line 10, strike “For purposes” and insert “Subject to clause (iii), for purposes”.

Page 36, line 7, strike “or any other person who” and insert “which”.

Page 36, line 12, strike “person” and insert “covered organization”.

Page 36, line 16, strike “person” and insert “covered organization”.

Page 36, line 21, strike “or does so”.

Page 37, line 2, strike “person” and insert “covered organization”.

Page 37, strike lines 5 through 24 and insert the following:

“(cc) the covered organization and the person to whom the amounts were transferred engaged in written or oral discussion regard-

ing the person either making, or paying for, any public independent expenditure, or donating or transferring the amounts to another person for that purpose;

“(dd) the covered organization which transferred the funds knew or had reason to know that the person to whom the amounts were transferred intended to make public independent expenditures; or

“(ee) the covered organization which transferred the funds or the person to whom the amounts were transferred made one or more public independent expenditures in an aggregate amount of \$50,000 or more during the 2-year period which ends on the date on which the amounts were transferred.”.

Page 38, strike lines 1 through 12 and insert the following:

“(II) The covered organization shall not be deemed to have transferred the amounts for the purpose of making a public independent expenditure if—

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

“(bb) the covered organization and the person to whom the amounts were transferred mutually agreed (as provided in section 325(b)(1)) that the person will not use the amounts for campaign-related activity.”.

Page 38, insert after line 12 the following:

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

“(I) SPECIAL RULE.—In the case of an amount transferred by one covered organization to another covered organization which is treated as a transfer between affiliates under subclause (II), clause (i) and (ii) shall apply to the covered organization which transfers the amount only if the aggregate amount transferred during the year by such covered organization to that same covered organization is equal to or greater than \$50,000.

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

“(aa) one of the organizations is an affiliate of the other organization; or

“(bb) each of the organizations is an affiliate of the same organization,

except that the transfer shall not be treated as a transfer between affiliates if one of the organizations is established for the purpose of disbursing funds for campaign-related activity.

“(III) DETERMINATION OF AFFILIATE STATUS.—For purposes of subclause (II), a covered organization is an affiliate of another covered organization if—

“(aa) the governing instrument of the organization requires it to be bound by decisions of the other organization;

“(bb) the governing board of the organization includes persons who are specifically designated representatives of the other organization or are members of the governing board, officers, or paid executive staff members of the other organization, or whose service on the governing board is contingent upon the approval of the other organization; or

“(cc) the organization is chartered by the other organization.

“(IV) COVERAGE OF TRANSFERS TO AFFILIATED SECTION 501(C)(3) ORGANIZATIONS.—This clause shall apply with respect to an amount transferred by a covered organization to an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code in the same manner as this clause applies to an amount transferred by a covered organization to another covered organization.

“(iv) SPECIAL THRESHOLD FOR DISCLOSURE OF DONORS.—Notwithstanding clause (i) or (ii) of subparagraph (A), if a covered organization is required to include the identification of a person described in such clause in a report filed under this subsection because the covered organization is deemed (in accordance with clause (ii)) to have transferred amounts for the purpose of making a public independent expenditure, the organization shall include the identification of the person only if the person made donations or payments (in the case of a person described in clause (i)(I) of subparagraph (A)) or unrestricted donor payments (in the case of a person described in clause (ii) of subparagraph (A)) to the covered organization during the covered organization reporting period involved in an aggregate amount equal to or exceeding \$10,000.

“(v) WAIVER OF REQUIREMENT TO FILE REPORT.—Notwithstanding clause (i), a covered organization which is considered to have made a public independent expenditure under such clause shall not be required to file a report under this subsection if—

“(I) the organization would be required to file the report solely because the organization is deemed (in accordance with clause (ii)) to have

transferred amounts for the purpose of making a public independent expenditure;

“(II) no person made donations or payments (in the case of a person described in clause (i)(I) of subparagraph (A)) or unrestricted donor payments (in the case of a person described in clause (ii) of subparagraph (A)) to the covered organization during the covered organization reporting period involved in an aggregate amount equal to or exceeding \$10,000; and

“(III) all of the persons who made donations or payments (in the case of a person described in clause (i)(I) of subparagraph (A)) or unrestricted donor payments (in the case of a person described in clause (ii) of subparagraph (A)) to the covered organization during the covered organization reporting period in any amount were individuals.”.

Page 39, insert after line 17 the following:

“(E) DETERMINATION OF AMOUNT OF CERTAIN PAYMENTS AMONG AFFILIATES.—For purposes of determining the amount of any donation, payment, or transfer under this subsection which is made by a covered organization to another covered organization which is an affiliate of the covered organization or each of which is an affiliate of the same organization (as determined in accordance with subparagraph (B)(iii)), to the extent that the donation, payment, or transfer consists of funds attributable to dues, fees, or assessments which are paid by individuals on a regular, periodic basis in accordance with a per-individual calculation which is made on a regular basis, the donation, payment, or transfer shall be attributed to the individuals paying the dues, fees, or assessments and shall not be attributed to the covered organization.”.

Page 39, line 18, strike “(E)” and insert “(F)”.

Page 40, line 18, strike “(F)” and insert “(G)”.

Page 40, line 22, strike the period and insert the following: “, other than a corporation which is an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 41, line 5, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 41, line 10, strike “(G)” and insert “(H)”.

Page 42, line 9, strike “the following information:” and insert “the following information (subject to subparagraph (B)(iv)):”.

Page 43, strike line 18 and all that follows through page 44, line 16, and insert the following:

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

“(II) in an aggregate amount equal to or exceeding \$10,000 during such period, if the organization

made from its Campaign-Related Activity Account under section 326 all of its disbursements for electioneering communications during such period which are, on the basis of a reasonable belief by the organization, subject to treatment as disbursements for an exempt function for purposes of section 527(f) of the Internal Revenue Code of 1986 (but only if the organization has made deposits described in subparagraph (D) of section 326(a)(2) into that Account during such period in an aggregate amount equal to or greater than \$10,000),”.

Page 44, line 24, strike “For purposes” and insert “Subject to clause (iii), for purposes”.

Page 45, line 21, strike “or any other person who” and insert “which”.

Page 46, line 1, strike “person” and insert “covered organization”.

Page 46, line 5, strike “person” and insert “covered organization”.

Page 46, line 10, strike “or does so”.

Page 46, line 15, strike “person” and insert “covered organization”.

Page 46, strike line 18 and all that follows through page 47, line 13 and insert the following:

“(cc) the covered organization and the person to whom the amounts were transferred engaged in written or oral discussion regarding the person either making, or paying for, any electioneering communication, or donating or transferring the amounts to another person for that purpose;

“(dd) the covered organization which transferred the funds knew or had reason to know that the person to whom the amounts were transferred intended to make electioneering communications; or

“(ee) the covered organization which transferred the funds or the person to whom the amounts were transferred made one or more electioneering communications in an aggregate amount of \$50,000 or more during the 2-year period which ends on the date on which the amounts were transferred.”

Page 47, strike lines 14 through 25 and insert the following:

“(II) The covered organization shall not be deemed to have transferred the amounts for the purpose of making an electioneering communication if—

“(aa) the transfer was a commercial transaction occurring in the ordinary course of business between the covered organization and the person to whom the amounts were transferred, unless there is affirmative evidence that the amounts were transferred for the purpose of making an electioneering communication; or

“(bb) the covered organization and the person to whom the amounts were transferred mutually agreed (as provided in section 325(b)(1)) that the person will not use the amounts for campaign-related activity.”.

Page 47, add after line 25 the following:

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

“(I) SPECIAL RULE.—In the case of an amount transferred by one covered organization to another covered organization which is treated as a transfer between affiliates under subclause (II), clause (i) and (ii) shall apply to the covered organization which transfers the amount only if the aggregate amount transferred during the year by such covered organization to that same covered organization is equal to or greater than \$50,000.

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

“(aa) one of the organizations is an affiliate of the other organization; or

“(bb) each of the organizations is an affiliate of the same organization, except that the transfer shall not be treated as a transfer between affiliates if one of the organizations is established for the purpose of disbursing funds for campaign-related activity.

“(III) DETERMINATION OF AFFILIATE STATUS.—For purposes of subclause (II), a covered organization is an affiliate of another covered organization if—

“(aa) the governing instrument of the organization requires it to be bound by decisions of the other organization;

“(bb) the governing board of the organization includes persons who are specifically designated representatives of the other organization or are members of the governing board, officers, or paid executive staff members of the other organization, or whose service on the governing board is contingent upon the approval of the other organization; or

“(cc) the organization is chartered by the other organization.

“(IV) COVERAGE OF TRANSFERS TO AFFILIATED SECTION 501(C)(3) ORGANIZATIONS.—This clause shall apply with respect to an amount transferred by a covered organization to an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code in the same manner as this clause applies to an amount trans-

ferred by a covered organization to another covered organization.

“(iv) SPECIAL THRESHOLD FOR DISCLOSURE OF DONORS.—Notwithstanding clause (i) or (ii) of subparagraph (A), if a covered organization is required to include the identification of a person described in such clause in a statement filed under this subsection because the covered organization is deemed (in accordance with clause (ii)) to have transferred amounts for the purpose of making an electioneering communication, the organization shall include the identification of the person only if the person made donations or payments (in the case of a person described in clause (i)(I) of subparagraph (A)) or unrestricted donor payments (in the case of a person described in clause (ii) of subparagraph (A)) to the covered organization during the covered organization reporting period involved in an aggregate amount equal to or exceeding \$10,000.

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

“(I) the organization would be required to file the report solely because the organization is deemed (in accordance with clause (ii)) to have transferred amounts for the purpose of making an electioneering communication;

“(II) no person made donations or payments (in the case of a person described in clause (i)(I) of subparagraph (A)) or unrestricted donor payments (in the case of a person described in clause (ii) of subparagraph (A)) to the covered organization during the covered organization reporting period involved in an aggregate amount equal to or exceeding \$10,000; and

“(III) all of the persons who made donations or payments (in the case of a person described in clause (i)(I) of subparagraph (A)) or unrestricted donor payments (in the case of a person described in clause (ii) of subparagraph (A)) to the covered organization during the covered organization reporting period in any amount were individuals.”.

Page 48, insert after line 23 the following:

“(D) DETERMINATION OF AMOUNT OF CERTAIN PAYMENTS AMONG AFFILIATES.—For purposes of determining the amount of any donation, payment, or transfer under this subsection which is made by a covered organization to another covered organization which is an affiliate of the covered organization or each of which is an affiliate of the same organization (as determined in accordance with subparagraph (B)(iii)), to the extent that the donation, payment, or transfer consists of funds attributable to dues, fees, or assessments which are paid by individuals on a

regular, periodic basis in accordance with a per-individual calculation which is made on a regular basis, the donation, payment, or transfer shall be attributed to the individuals paying the dues, fees, or assessments and shall not be attributed to the covered organization.”.

Page 48, line 24, strike “(D)” and insert “(E)”.

Page 50, line 1, strike “(E)” and insert “(F)”.

Page 50, line 5, strike the period and insert the following: “, other than a corporation which is an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 50, line 12, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 50, line 17, strike “(F)” and insert “(G)”.

Page 50, line 21, strike “Section 304(2)” and insert “Section 304(f)(2)”.

Page 51, insert after line 2 the following:

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

“(27) EXEMPT SECTION 501(C)(4) ORGANIZATION.—The term ‘exempt section 501(c)(4) organization’ means, with respect to disbursements made by an organization during a calendar year, an organization for which the chief executive officer of the organization certifies to the Commission (prior to the first disbursement made by the organization during the year) that each of the following applies:

“(A) The organization is described in paragraph (4) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code, and was so described and so exempt during each of the 10 previous calendar years.

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

“(C) The dues-paying membership of the organization includes at least one individual from each State. For purposes of this subparagraph, the term ‘State’ means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(D) During the previous calendar year, the portion of funds provided to the organization by corporations (as described in section 316) or labor organizations (as defined in section 316), other than funds provided pursuant to commercial transactions occurring in the ordinary course of business, did not exceed 15 percent of the total amount of all funds provided to the organization from all sources.

“(E) The organization does not use any of the funds provided to the organization by corporations (as described in section 316) or labor organizations (as defined in section 316) for campaign-related activity (as defined in section 325).”.

Page 55, line 4, strike “that were restricted” and insert “that were subject to a mutual agreement (as provided in subsection

(b)(1)) that the organization will not use the funds for campaign-related activity”.

Page 55, line 22, strike the period and insert the following: “, other than a corporation which is an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 56, line 4, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 56, line 17, strike “any other person, or (in accordance with subparagraph (B))” and insert “any other person (subject to subparagraph (C)), or (in accordance with subparagraph (B) and subject to subparagraph (C))”.

Page 57, line 3, strike “any other person, or (in accordance with subparagraph (B))” and insert “any other person (subject to subparagraph (C)), or (in accordance with subparagraph (B) and subject to subparagraph (C))”.

Page 57, line 13, strike “one person” and insert “a covered organization”.

Page 57, line 23, strike “person” and insert “covered organization”.

Page 58, line 3, strike “or does so”.

Page 58, line 8, strike “person” and insert “covered organization”.

Page 58, strike line 12 and all that follows through page 59, line 7 and insert the following:

“(III) the covered organization and the person to whom the amounts were transferred engaged in written or oral discussion regarding the person either making, or paying for, such independent expenditures or electioneering communications, or donating or transferring the amounts to another person for that purpose;

“(IV) the covered organization which transferred the funds knew or had reason to know that the person to whom the amounts were transferred intended to make such independent expenditures or electioneering communications; or

“(V) the covered organization which transferred the funds or the person to whom the amounts were transferred made one or more such independent expenditures or electioneering communications in an aggregate amount of \$50,000 or more during the 2-year period which ends on the date on which the amounts were transferred.”.

Page 59, strike lines 8 through 19 and insert the following:

“(ii) The transfer shall not be deemed to have been made for the purpose of making such an independent expenditure or an electioneering communication if—

“(I) the transfer was a commercial transaction occurring in the ordinary course of business between the covered organization and the person to whom the amounts were transferred, unless there is affirmative evidence that the amounts were transferred for the purpose of making such an

independent expenditure or electioneering communication; or

“(II) the covered organization and the person to whom the amounts were transferred mutually agreed (as provided in subsection (b)(1)) that the person will not use the amounts for campaign-related activity.”

Page 59, insert after line 19 the following:

“(C) SPECIAL RULE REGARDING TRANSFERS AMONG AFFILIATES.—

“(i) SPECIAL RULE.—In the case of a transfer of an amount by one covered organization to another covered organization which is treated as a transfer between affiliates under clause (ii), subparagraphs (A) and (B) shall apply to the transfer only if the aggregate amount transferred during the year by such covered organization to that same covered organization is equal to or greater than \$50,000.

“(ii) DETERMINATION OF AMOUNT OF CERTAIN TRANSFERS AMONG AFFILIATES.—In determining the amount of a transfer between affiliates for purposes of clause (I), to the extent that the transfer consists of funds attributable to dues, fees, or assessments which are paid by individuals on a regular, periodic basis in accordance with a per-individual calculation which is made on a regular basis, the transfer shall be attributed to the individuals paying the dues, fees, or assessments and shall not be attributed to the covered organization.

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

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

“(II) each of the organizations is an affiliate of the same organization,

except that the transfer shall not be treated as a transfer between affiliates if one of the organizations is established for the purpose of disbursing funds for campaign-related activity.

“(iv) DETERMINATION OF AFFILIATE STATUS.—For purposes of clause (ii), a covered organization is an affiliate of another covered organization if—

“(I) the governing instrument of the organization requires it to be bound by decisions of the other organization;

“(II) the governing board of the organization includes persons who are specifically designated representatives of the other organization or are members of the governing board, officers, or paid executive staff members of the other organization, or whose service on the governing board is contingent upon the approval of the other organization; or

“(III) the organization is chartered by the other organization.

“(v) COVERAGE OF TRANSFERS TO AFFILIATED SECTION 501(C)(3) ORGANIZATIONS.—This subparagraph shall apply with respect to an amount transferred by a covered organization to an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code in the same manner as this subparagraph applies to an amount transferred by a covered organization to another covered organization.”.

Page 60, line 12, strike “Title III” and insert the following:

(a) IN GENERAL.—Title III

Page 61, line 10, strike “Account.” and insert the following: “Account, other than disbursements for campaign-related activity which, on the basis of a reasonable belief by the organization, would not be treated as disbursements for an exempt function for purposes of section 527(f) of the Internal Revenue Code of 1986.”.

Page 63, line 10, strike “and if any person” and all that follows through “campaign-related activity,” and insert the following: “and if the organization and any such person have mutually agreed (as provided in section 325(b)(1)) that the organization will not use the person’s donation, payment, or transfer for campaign-related activity.”.

Page 63, line 18, strike “payment.” and insert “payment which is subject to the mutual agreement.”.

Page 64, line 2, strike the period and insert the following: “, other than a corporation which is an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 64, line 8, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 64, after line 14, insert the following:

(b) CLARIFICATION OF TREATMENT AS SEPARATE SEGREGATED FUND.—A Campaign-Related Activity Account (within the meaning of section 326 of the Federal Election Campaign Act of 1971, as added by subsection (a)) may be treated as a separate segregated fund for purposes of section 527(f)(3) of the Internal Revenue Code of 1986.

Page 65, line 12, strike “which makes only electioneering communications or independent expenditures consisting of public communications” and insert “which is described in subsection (e)(7)(B)”.

Page 66, line 3, strike “which makes only electioneering communications or independent expenditures consisting of public communications” and insert “which is described in paragraph (7)(B)”.

Page 70, line 12, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 71, line 1, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 71, line 17, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 71, line 20, strike “which was” and insert “in an amount equal to or exceeding \$10,000 which was”.

Page 72, line 8, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 72, line 12, strike “which was” and insert “in an amount equal to or exceeding \$10,000 which was”.

Page 72, line 19, strike “304(g)(5)(A)(ii),” and insert “302(g)(5)(A)(ii) in an amount equal to or exceeding \$10,000.”

Page 73, line 11, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 74, line 1, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 74, line 17, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 74, line 20, strike “which was” and insert “in an amount equal to or exceeding \$10,000 which was”.

Page 75, line 9, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 75, line 11, strike “which was” and insert “in an amount equal to or exceeding \$10,000 which was”.

Page 75, line 20, strike “304(f)(6)(A)(ii),” and insert “304(f)(6)(A)(ii) in an amount equal to or exceeding \$10,000.”

Page 76, line 10, strike “any type” and insert “any type in an aggregate amount equal to or exceeding \$10,000”.

Page 76, line 13, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 76, line 20, strike “any type” and insert “any type in an aggregate amount equal to or exceeding \$10,000”.

Page 76, line 24, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 78, insert after line 3 the following:

“(7) APPLICATION TO CERTAIN PACS.—

“(A) APPLICATION.—This subsection shall apply with respect to an electioneering communication, and to an independent expenditure consisting of a public communication, which is paid for in whole or in part with a payment by a political committee described in subparagraph (B) in the same manner as this subsection applies with respect to an electioneering communication and an independent expenditure consisting of a public communication which is paid for in whole or in part with a payment which is treated as a disbursement by a covered organization under section 325, except that—

“(i) in applying paragraph (4)(C), the ‘significant funder’ with respect to such an electioneering communication or such an independent expenditure shall be the person who is identified as providing the largest aggregate amount of contributions, donations, or pay-

ments to the political committee during the 12-month period which ends on the date the committee made the disbursement for the electioneering communication or independent expenditure (as determined on the basis of the information contained in all reports filed by the committee under section 304 during such period); and

“(i) in applying paragraph (5), the ‘Top 5 Funders list’ shall be a list of the 5 persons who are identified as providing the largest aggregate amounts of contributions, donations, or payments to the political committee during such 12-month period (as determined on the basis of the information contained in all such reports).

“(B) POLITICAL COMMITTEE DESCRIBED.—A political committee described in this subparagraph is a political committee which receives or accepts contributions or donations which do not comply with the contribution limits or source prohibitions of this Act.”.

Page 78, line 4, strike “(7)” and insert “(8)”.

Page 79, line 4, strike “(8)” and insert “(9)”.

Page 79, line 8, strike the period and insert the following: “, other than a corporation which is an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 79, line 14, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 79, line 18, strike “(9)” and insert “(10)”.

Page 80, line 13, strike “section 325,” and insert the following: “section 325, or which is paid for in whole or in part by a political committee described in subsection (e)(7)(B),”.

Page 80, line 19, strike “subsection (e)(4)(C)(i)” and insert “subsection (e)(4)(C)(i) or (e)(7)(A)(i)”.

Page 81, line 1, strike “subsection (e)(5)” and insert “subsection (e)(5) or (e)(7)(A)(ii)”.

Page 82, line 4, strike “section 325,” and insert the following: “section 325, or which is paid for in whole or in part by a political committee described in subsection (e)(7)(B),”.

Page 82, line 6, strike “subsection (e)(4)” and insert “subsection (e)(4) or (e)(7)”.

Page 82, line 8, strike “statement required to be included under paragraph (1)(A)” and insert “statements required to be included under paragraph (1)”.

Page 82, line 10, strike the period and insert the following: “, unless, on the basis of criteria established in regulations promulgated by the Commission, the communication is of such short duration that including the statement in the communication would constitute a hardship to the person paying for the communication by requiring a disproportionate amount of the communication’s content to consist of the statement.”.

Page 82, add after line 19 the following:

SEC. 215. INDEXING OF CERTAIN AMOUNTS.

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

“SEC. 327. INDEXING OF CERTAIN AMOUNTS.

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

“(1) each of the amounts referred to in subsection (b) shall be increased by the percent difference determined under subparagraph (A) of section 315(c)(1), except that for purposes of this paragraph, such percent difference shall be determined as if the base year referred to in such subparagraph were 2009;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“(12) Each of the amounts referred to in section 318(e)(4)(C).

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

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

Page 84, line 4, strike “referred to in the communication” and all that follows through “the candidate; and” and insert “referred to in the communication; and”.

Page 84, line 21, strike “section 213” and insert “section 215”.

Page 85, line 1, strike “**327**” and insert “**328**”.

Page 85, line 24, strike “involved, the office sought” and all that follows through “in opposition to the candidate;” and insert “involved and the office sought by the candidate;”.

Page 87, line 18, strike the period and insert the following: “, other than a corporation which is an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 87, line 24, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 88, strike lines 19 through 24.

Page 89, line 6, insert after “Senate” the following: “who satisfies the requirements for standing under article III of the Constitution”.

Page 89, insert after line 21 the following:

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

Nothing in this Act or in any amendment made by this Act shall be construed to affect any provision of law or any rule or regulation which waives a requirement to disclose information relating to any person in any case in which there is a reasonable probability that

the disclosure of the information would subject the person to threats, harassments, or reprisals.

Page 89, line 22, strike “402” and insert “403”.

Page 90, line 5, strike “403” and insert “404”.

PART B—TEXT OF AMENDMENTS TO BE MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE ACKERMAN, OF NEW YORK, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 85, line 10, strike “such report” and insert “such report, in a clear and conspicuous manner,”.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE STEVE KING, OF IOWA, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of title I the following new section:

SEC. 106. REMOVAL OF LIMITATIONS ON FEDERAL ELECTION CAMPAIGN CONTRIBUTIONS.

Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

“(9) The limitations established under this subsection shall not apply to contributions made during calendar years beginning after 2009.”.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KUCINICH, OF OHIO, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 15, insert after line 15 the following:

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

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

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following new paragraph:

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

“(A) beginning on the later of the commencement of the negotiations or the date of the enactment of the Democracy is Strengthened by Casting Light on Spending in Elections Act; and

“(B) ending with the later of the termination of such negotiations or the termination of such lease; directly or indirectly to make any contribution of money or other things of value, or to promise expressly or impliedly to make any such contribution to any political party, committee, or candidate for public office or to any person for any political purpose or use, to make any independent expenditure, or to disburse any funds for an electioneering communication; or”.

Page 15, line 16, strike “(c)” and insert “(d)”.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PASCRELL,
OF NEW JERSEY, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

In section 319(b)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 102(a) of the bill, strike subparagraph (A) and insert the following:

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

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

“(ii) 20 percent or more of the voting shares, if the foreign national is not described in clause (i);

“(B) in which two or more foreign nationals described in paragraph (1) or (2), each of whom owns or controls at least 5 percent of the voting shares, directly or indirectly own or control 50 percent or more of the voting shares;”.

5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PATRICK
MURPHY, OF PENNSYLVANIA, OR HIS DESIGNEE, DEBATABLE FOR
10 MINUTES

In section 318(e) of the Federal Election Campaign Act of 1971, as proposed to be added by section 214(b)(2) of the bill, strike paragraphs (2) and (3) and insert the following:

“(2) INDIVIDUAL DISCLOSURE STATEMENT DESCRIBED.—The individual disclosure statement described in this paragraph is the following: ‘I am _____, of _____, and I approve this message.’, with—

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

“(B) the second blank filled in with the local jurisdiction in which the applicable individual resides; and

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

“(3) ORGANIZATIONAL DISCLOSURE STATEMENT DESCRIBED.—The organizational disclosure statement described in this paragraph is the following: ‘I am _____, the _____ of _____, located in _____,’ and _____ approves this message.’, with—

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

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

“(C) the third blank to be filled in with the name of the organization or other person paying for the communication;

“(D) the fourth blank to be filled in with the local jurisdiction in which such organization’s or person’s principal office is located;

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

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

In section 318(e)(4) of the Federal Election Campaign Act of 1971, as proposed to be added by section 214(b)(2) of the bill, strike subparagraphs (A) and (B) and insert the following:

“(A) STATEMENT IF SIGNIFICANT FUNDER IS AN INDIVIDUAL.—If the significant funder of a communication paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325 is an individual, the significant funder disclosure statement described in this paragraph is the following: ‘I am _____, of _____, I helped to pay for this message, and I approve it.’, with—

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

“(ii) the second blank filled in with the local jurisdiction in which the applicable individual resides; and

“(iii) the third blank filled in with the State in which the applicable individual resides.

“(B) STATEMENT IF SIGNIFICANT FUNDER IS NOT AN INDIVIDUAL.—If the significant funder of a communication paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325 is not an individual, the significant funder disclosure statement described in this paragraph is the following: ‘I am _____, the _____ of _____, located in _____, _____ helped to pay for this message, and _____ approves it.’, with—

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

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

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

“(iv) the fourth blank to be filled in with the local jurisdiction in which the significant funder’s principal office is located;

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

“(vi) the sixth and seventh blank each to be filled in with the name of the significant funder of the communication.”.

In section 318(e)(5) of the Federal Election Campaign Act of 1971, as proposed to be added by section 214(b)(2) of the bill—

(1) in subparagraph (A), strike “provided;” and insert “provided and the local jurisdiction and State in which each such person lives (in the case of a person who is an individual) or is located (in the case of any other person);”; and

(2) in subparagraph (B), striking “provided.” and insert “provided and the local jurisdiction and State in which each such person lives (in the case of a person who is an individual) or is located (in the case of any other person).”.

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