

106TH CONGRESS
1ST SESSION

S. 79

To amend the Federal Election Campaign Act of 1971 to require disclosure of certain disbursements made for electioneering communications, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 19, 1999

Ms. SNOWE (for herself and Mr. JEFFORDS) introduced the following bill; which was read twice and referred to the Committee on Rules and Administration

A BILL

To amend the Federal Election Campaign Act of 1971 to require disclosure of certain disbursements made for electioneering communications, 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.**

4 This Act may be cited as the “Advancing Truth and
5 Accountability in Campaign Communications Act”.

1 **SEC. 2. DISCLOSURE OF ELECTIONEERING COMMUNICA-**
2 **TIONS.**

3 Section 304 of the Federal Election Campaign Act
4 of 1971 (2 U.S.C. 434) is amended by adding at the end
5 the following:

6 “(d) **ADDITIONAL STATEMENTS ON ELECTIONEER-**
7 **ING COMMUNICATIONS.—**

8 “(1) **STATEMENT REQUIRED.—**Every person
9 who makes a disbursement for electioneering com-
10 munications in an aggregate amount in excess of
11 \$10,000 during any calendar year shall, within 24
12 hours of each disclosure date, file with the Commis-
13 sion a statement containing the information de-
14 scribed in paragraph (2).

15 “(2) **CONTENTS OF STATEMENT.—**Each state-
16 ment required to be filed under this subsection shall
17 be made under penalty of perjury and shall contain
18 the following information:

19 “(A) The identification of the person mak-
20 ing the disbursement, of any entity sharing or
21 exercising direction or control over the activities
22 of such person, and of the custodian of the
23 books and accounts of the person making the
24 disbursement.

1 “(B) The State of incorporation and the
2 principal place of business of the person making
3 the disbursement.

4 “(C) The amount of each disbursement
5 during the period covered by the statement and
6 the identification of the person to whom the
7 disbursement was made.

8 “(D) The elections to which the election-
9 eering communications pertain and the names
10 (if known) of the candidates identified or to be
11 identified.

12 “(E) If the disbursements were paid out of
13 a segregated account to which only individuals
14 could contribute, the names and addresses of all
15 contributors who contributed an aggregate
16 amount of \$500 or more to that account during
17 the period beginning on the first day of the pre-
18 ceding calendar year and ending on the disclo-
19 sure date.

20 “(F) If the disbursements were paid out of
21 funds not described in subparagraph (E), the
22 names and addresses of all contributors who
23 contributed an aggregate amount of \$500 or
24 more to the organization or any related entity
25 during the period beginning on the first day of

1 the preceding calendar year and ending on the
2 disclosure date.

3 “(G) Whether or not any electioneering
4 communication is made in coordination, co-
5 operation, consultation, or concert with, or at
6 the request or suggestion of, any candidate or
7 any authorized committee, any political party or
8 committee, or any agent of the candidate, politi-
9 cal party, or committee and if so, the identifica-
10 tion of any candidate, party, committee, or
11 agent involved.

12 “(3) ELECTIONEERING COMMUNICATION.—For
13 purposes of this subsection—

14 “(A) IN GENERAL.—The term ‘electioneer-
15 ing communication’ means any broadcast from
16 a television or radio broadcast station which—

17 “(i) refers to a clearly identified can-
18 didate for Federal office;

19 “(ii) is made (or scheduled to be
20 made) within—

21 “(I) 60 days before a general,
22 special, or runoff election for such
23 Federal office; or

24 “(II) 30 days before a primary or
25 preference election, or a convention or

1 caucus of a political party that has
2 authority to nominate a candidate, for
3 such Federal office; and

4 “(iii) is broadcast from a television or
5 radio broadcast station whose audience in-
6 cludes the electorate for such election, con-
7 vention, or caucus.

8 “(B) EXCEPTIONS.—Such term shall not
9 include—

10 “(i) communications appearing in a
11 news story, commentary, or editorial dis-
12 tributed through the facilities of any
13 broadcasting station, unless such facilities
14 are owned or controlled by any political
15 party, political committee, or candidate; or

16 “(ii) communications which constitute
17 expenditures or independent expenditures
18 under this Act.

19 “(4) DISCLOSURE DATE.—For purposes of this
20 subsection, the term ‘disclosure date’ means—

21 “(A) the first date during any calendar
22 year by which a person has made disbursements
23 for electioneering communications aggregating
24 in excess of \$10,000; and

1 “(B) any other date during such calendar
2 year by which a person has made disbursements
3 for electioneering communications aggregating
4 in excess of \$10,000 since the most recent dis-
5 closure date for such calendar year.

6 “(5) CONTRACTS TO DISBURSE.—For purposes
7 of this subsection, a person shall be treated as hav-
8 ing made a disbursement if the person has con-
9 tracted to make the disbursement.

10 “(6) COORDINATION WITH OTHER REQUIRE-
11 MENTS.—Any requirement to report under this sub-
12 section shall be in addition to any other reporting
13 requirement under this Act.”.

14 **SEC. 3. COORDINATED COMMUNICATIONS AS CONTRIBU-**
15 **TIONS.**

16 Section 315(a)(7)(B) of the Federal Election Cam-
17 paign Act of 1971 (2 U.S.C. 441a(a)(7)(B)) is amended
18 by inserting after clause (ii) the following:

19 “(iii) if—

20 “(I) any person makes, or con-
21 tracts to make, any payment for any
22 electioneering communication (within
23 the meaning of section 304(d)(3));
24 and

1 “(II) such payment is coordi-
 2 nated with a candidate for Federal of-
 3 fice or an authorized committee of
 4 such candidate, a Federal, State, or
 5 local political party or committee
 6 thereof, or an agent or official of any
 7 such candidate, party, or committee,
 8 such payment or contracting shall be treat-
 9 ed as a contribution to such candidate and
 10 as an expenditure by such candidate; and”.

11 **SEC. 4. PROHIBITION OF CORPORATE AND LABOR DIS-**
 12 **BURSEMENTS FOR ELECTIONEERING COM-**
 13 **MUNICATIONS.**

14 (a) IN GENERAL.—Section 316(b)(2) of the Federal
 15 Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is
 16 amended by inserting “or for any applicable electioneering
 17 communication” before “, but shall not include”.

18 (b) APPLICABLE ELECTIONEERING COMMUNICA-
 19 TION.—Section 316 of such Act is amended by adding at
 20 the end the following:

21 “(c) RULES RELATING TO ELECTIONEERING COM-
 22 MUNICATIONS.—

23 “(1) APPLICABLE ELECTIONEERING COMMU-
 24 NICATION.—For purposes of this section, the term
 25 ‘applicable electioneering communication’ means an

1 electioneering communication (within the meaning of
2 section 304(d)(3)) which is made by—

3 “(A) any entity to which subsection (a) ap-
4 plies other than a section 501(c)(4) organiza-
5 tion; or

6 “(B) a section 501(c)(4) organization from
7 amounts derived from the conduct of a trade or
8 business or from an entity described in sub-
9 paragraph (A).

10 “(2) SPECIAL OPERATING RULES.—For pur-
11 poses of paragraph (1), the following rules shall
12 apply:

13 “(A) An electioneering communication
14 shall be treated as made by an entity described
15 in paragraph (1)(A) if—

16 “(i) the entity described in paragraph
17 (1)(A) directly or indirectly disburses any
18 amount for any of the costs of the commu-
19 nication; or

20 “(ii) any amount is disbursed for the
21 communication by a corporation or organi-
22 zation or a State or local political party or
23 committee thereof that receives anything of
24 value from the entity described in para-
25 graph (1)(A), except that this clause shall

1 not apply to any communication the costs
2 of which are defrayed entirely out of a seg-
3 regated account to which only individuals
4 can contribute.

5 “(B) A section 501(c)(4) organization that
6 derives amounts from business activities or
7 from any entity described in paragraph (1)(A)
8 shall be considered to have paid for any com-
9 munication out of such amounts unless such or-
10 ganization paid for the communication out of a
11 segregated account to which only individuals
12 can contribute.

13 “(3) DEFINITIONS AND RULES.—For purposes
14 of this subsection—

15 “(A) the term ‘section 501(c)(4) organiza-
16 tion’ means—

17 “(i) an organization described in sec-
18 tion 501(c)(4) of the Internal Revenue
19 Code of 1986 and exempt from taxation
20 under section 501(a) of such Code; or

21 “(ii) an organization which has sub-
22 mitted an application to the Internal Reve-
23 nue Service for determination of its status
24 as an organization described in clause (i);
25 and

1 “(B) a person shall be treated as having
2 made a disbursement if the person has con-
3 tracted to make the disbursement.

4 “(4) COORDINATION WITH INTERNAL REVENUE
5 CODE.—Nothing in this subsection shall be con-
6 strued to authorize an organization exempt from
7 taxation under section 501(a) of the Internal Reve-
8 nue Code of 1986 from carrying out any activity
9 which is prohibited under such Code.”.

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