

111TH CONGRESS
2^D SESSION

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.

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 2010

Mr. VAN HOLLEN (for himself, Mr. CASTLE, Mr. BRADY of Pennsylvania, and Mr. JONES) introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

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,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

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

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

Sec. 1. Short title; table of contents.

Sec. 2. Findings.

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.

**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.

**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.

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 cam-
 paign-related activity.

TITLE IV—OTHER PROVISIONS

Sec. 401. Judicial review.

Sec. 402. Severability.

Sec. 403. Effective date.

1 **SEC. 2. FINDINGS.**

2 (a) **GENERAL FINDINGS.**—Congress finds and de-
3 clares as follows:

4 (1) Throughout the history of the United
5 States, the American people have been rightly con-
6 cerned about the power of special interests to control
7 our democratic processes. That was true over 100
8 years ago when Congress first enacted legislation in-
9 tended to restrict corporate funds from being used
10 in Federal elections, legislation that Congress in
11 1947 reaffirmed was intended to include inde-
12 pendent expenditures. The Supreme Court held such
13 legislation to be constitutional in 1990 in *Austin v.*
14 *Michigan Chamber of Commerce* (494 U.S. 652)
15 and again in 2003 in *McConnell v. F.E.C.* (540 U.S.
16 93).

17 (2) The Supreme Court's decision in *Citizens*
18 *United v. Federal Election Commission* on January
19 21, 2010, reverses established jurisprudence and
20 sound policy to greatly increase the dangers of
21 undue special interest influence over the democratic
22 process. That decision has opened the floodgates for
23 corporations and labor unions to spend unlimited

1 sums from their general treasury accounts to influ-
2 ence the outcome of elections.

3 (3) Congress must take action to ensure that
4 the American public has all the information nec-
5 essary to exercise its free speech and voting rights,
6 and must otherwise take narrowly-tailored steps to
7 regulate independent expenditures and electioneering
8 communications in elections.

9 (b) FINDINGS RELATING TO GOVERNMENT CON-
10 TRACTORS.—Congress finds and declares as follows:

11 (1) Government contracting is an activity that
12 is particularly susceptible to improper influence, and
13 to the appearance of improper influence. Govern-
14 ment contracts must be awarded based on an objec-
15 tive evaluation of how well bidders or potential con-
16 tractors meet relevant statutory criteria.

17 (2) Independent expenditures and electioneering
18 communications that benefit particular candidates or
19 elected officials or disfavor their opponents can lead
20 to apparent and actual ingratiation, access, influ-
21 ence, and quid pro quo arrangements. Government
22 contracts should be awarded based on an objective
23 application of statutory criteria, not based on other
24 forms of inappropriate or corrupting influence.

1 (3) Prohibiting independent expenditures and
2 electioneering communications by persons negoti-
3 ating for or performing government contracts will
4 prevent government officials involved in or with in-
5 fluence over the contracting process from influencing
6 the contracting process based, consciously or other-
7 wise, on this kind of inappropriate or corrupting in-
8 fluence.

9 (4) Prohibiting independent expenditures and
10 electioneering communications by persons negoti-
11 ating for or performing government contracts will
12 likewise prevent such persons from feeling pressure,
13 whether actually exerted by government officials or
14 not, to make expenditures and to fund communica-
15 tions in order to maximize their chances of receiving
16 contracts, or to match similar expenditures and com-
17 munications made by their competitors.

18 (5) Furthermore, because government contracts
19 often involve large amounts of public money, it is
20 critical that the public perceive that the government
21 contracts are awarded strictly in accordance with
22 prescribed statutory standards, and not based on
23 other forms of inappropriate or corrupting influence.
24 The public's confidence in government is under-
25 mined when corporations that make significant ex-

1 penditures during Federal election campaigns later
2 receive government funds.

3 (6) Prohibiting independent expenditures and
4 electioneering communications by persons negoti-
5 ating for or performing government contracts will
6 prevent any appearance that government contracts
7 were awarded based in whole or in part on such ex-
8 penditures or communications, or based on the inap-
9 propriate or corrupting influence such expenditures
10 and communications can create and appear to cre-
11 ate.

12 (7) In these ways, prohibiting independent ex-
13 penditures and electioneering communications by
14 persons negotiating for or performing government
15 contracts will protect the actual and perceived integ-
16 rity of the government contracting process.

17 (8) Moreover, the risks of waste, fraud and
18 abuse, all resulting in economic losses to taxpayers,
19 are significant when would-be public contractors or
20 applicants for public funds make expenditures in
21 Federal election campaigns in order to affect elec-
22 toral outcomes.

23 (c) FINDINGS RELATING TO FOREIGN CORPORA-
24 TIONS.—Congress finds and declares as follows:

1 (1) The Supreme Court’s decision in the Citi-
2 zens United case has provided the means by which
3 United States corporations controlled by foreign en-
4 tities can freely spend money to influence United
5 States elections.

6 (2) Foreign corporations commonly own U.S.
7 corporations in whole or in part, and U.S. corporate
8 equity and debt are also held by foreign individuals,
9 sovereign wealth funds, and even foreign nations at
10 levels which permit effective control over those U.S.
11 entities.

12 (3) As recognized in many areas of the law, for-
13 eign ownership interests and influences are exerted
14 in a perceptible way even when the entity is not ma-
15 jority-foreign-owned.

16 (4) The Federal Government has broad con-
17 stitutional power to protect American interests and
18 sovereignty from foreign interference and intrusion.

19 (5) Congress has a clear interest in minimizing
20 foreign intervention, and the perception of foreign
21 intervention, in United States elections.

22 (d) FINDINGS RELATING TO COORDINATED EXPEND-
23 ITURES.—Congress finds and declares as follows:

24 (1) It has been the consistent view of Congress
25 and the courts that coordinated expenditures in

1 campaigns for election are no different in nature
2 from contributions.

3 (2) Existing rules still allow donors to evade
4 contribution limits by making campaign expendi-
5 tures which, while technically qualifying as inde-
6 pendent expenditures under law, are for all relevant
7 purposes coordinated with candidates and political
8 parties and thus raise the potential for corruption or
9 the appearance of corruption.

10 (3) Such arrangements have the potential to
11 give rise to the reality or appearance of corruption
12 to the same degree that direct contributions to a
13 candidate may give rise to the reality or appearance
14 of corruption. Moreover, expenditures which are in
15 fact made in coordination with a candidate or polit-
16 ical party have the potential to lessen the public's
17 trust and faith in the rules and the integrity of the
18 electoral process.

19 (4) The government therefore has a compelling
20 interest in making sure that expenditures that are
21 de facto coordinated with a candidate are treated as
22 such to prevent corruption, the appearance of cor-
23 ruption, or the perception that some participants are
24 circumventing the laws and regulations which govern
25 the financing of election campaigns.

1 (e) FINDINGS RELATING TO DISCLOSURES AND DIS-
2 CLAIMERS.—Congress finds and declares as follows:

3 (1) The American people have a compelling in-
4 terest in knowing who is funding independent ex-
5 penditures and electioneering communications to in-
6 fluence Federal elections, and the government has a
7 compelling interest in providing the public with that
8 information. Effective disclaimers and prompt disclo-
9 sure of expenditures, and the disclosure of the fund-
10 ing sources for these expenditures, can provide
11 shareholders, voters, and citizens with the informa-
12 tion needed to evaluate the actions by special inter-
13 ests seeking influence over the democratic process.
14 Transparency promotes accountability, increases the
15 fund of information available to the public con-
16 cerning the support given to candidates by special
17 interests, sheds the light of publicity on political
18 spending, and encourages the leaders of organiza-
19 tions to act only upon legitimate organizational pur-
20 poses.

21 (2) Protecting this compelling interest has be-
22 come particularly important to address the antici-
23 pated increase in special interest spending on elec-
24 tion-related communications which will result from
25 the Supreme Court's decision in the Citizens United

1 case. The current disclosure and disclaimer require-
2 ments were designed for a campaign finance system
3 in which such expenditures were subject to prohibi-
4 tions that no longer apply.

5 (3) More rigorous disclosure and disclaimer re-
6 quirements are necessary to protect against the eva-
7 sion of current rules. Organizations that engage in
8 election-related communications have used a variety
9 of methods to attempt to obscure their sponsorship
10 of communications from the general public. Robust
11 disclosure and disclaimer requirements are necessary
12 to ensure that the electorate is informed about who
13 is paying for particular election-related communica-
14 tions, and so that the shareholders and members of
15 these organizations are aware of their organizations'
16 election-related spending.

17 (4) The current lack of accountability and
18 transparency allow special interest political spending
19 to serve as a private benefit for the officials of spe-
20 cial interest organizations, to the detriment of the
21 organizations and their shareholders and members.

22 (f) FINDINGS RELATING TO CAMPAIGN SPENDING BY
23 LOBBYISTS.—Congress finds and declares as follows:

1 (1) Lobbyists and lobbying organizations, and
2 through them, their clients, influence the public deci-
3 sion-making process in a variety of ways.

4 (2) In recent years, scandals involving undue
5 lobbyist influence have lowered public trust in gov-
6 ernment and jeopardized the willingness of voters to
7 take part in democratic governance.

8 (3) One way in which lobbyists may unduly in-
9 fluence Federal officials is through their or their cli-
10 ents making independent expenditures or election-
11 eering communications targeting elected officials.

12 (4) Disclosure of such independent expenditures
13 and electioneering communications will allow the
14 public to examine connections between such spend-
15 ing and official actions, and will therefore limit the
16 ability of lobbyists to exert an undue influence on
17 elected officials.

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

20 **SEC. 101. PROHIBITING INDEPENDENT EXPENDITURES AND**
21 **ELECTIONEERING COMMUNICATIONS BY**
22 **GOVERNMENT CONTRACTORS.**

23 (a) PROHIBITION APPLICABLE TO GOVERNMENT
24 CONTRACTORS.—

25 (1) PROHIBITION.—

1 (A) IN GENERAL.—Section 317(a)(1) of
2 the Federal Election Campaign Act (2 U.S.C.
3 441c(a)(1)) is amended by striking “purpose or
4 use; or” and inserting the following: “purpose
5 or use, to make any independent expenditure,
6 or to disburse any funds for an electioneering
7 communication; or”.

8 (B) CONFORMING AMENDMENT.—The
9 heading of section 317 of such Act (2 U.S.C.
10 441c) is amended by striking “CONTRIBU-
11 TIONS” and inserting “CONTRIBUTIONS, INDE-
12 PENDENT EXPENDITURES, AND ELECTION-
13 EERING COMMUNICATIONS”.

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

17 (A) by redesignating subsections (b) and
18 (c) as subsections (c) and (d); and

19 (B) by inserting after subsection (a) the
20 following new subsection:

21 “(b) To the extent that subsection (a)(1) prohibits
22 a person who enters into a contract described in such sub-
23 section from making any independent expenditure or dis-
24 bursing funds for an electioneering communication, such

1 subsection shall apply only if the value of the contract is
2 equal to or greater than \$50,000.”.

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

6 (1) by striking “or” at the end of paragraph
7 (1);

8 (2) by redesignating paragraph (2) as para-
9 graph (3); and

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

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

17 “(A) beginning on the later of the com-
18 mencement of the negotiations or the date of
19 the enactment of the Democracy is Strength-
20 ened by Casting Light on Spending in Elections
21 Act; and

22 “(B) ending with the later of the termi-
23 nation of such negotiations or the repayment of
24 such financial assistance;

1 directly or indirectly to make any contribution of
2 money or other things of value, or to promise ex-
3 pressly or impliedly to make any such contribution
4 to any political party, committee, or candidate for
5 public office or to any person for any political pur-
6 pose or use, to make any independent expenditure,
7 or to disburse any funds for an electioneering com-
8 munication; or”.

9 (c) TECHNICAL AMENDMENT.—Section 317 of such
10 Act (2 U.S.C. 441c) is amended by striking “section 321”
11 each place it appears and inserting “section 316”.

12 **SEC. 102. APPLICATION OF BAN ON CONTRIBUTIONS AND**
13 **EXPENDITURES BY FOREIGN NATIONALS TO**
14 **FOREIGN-CONTROLLED DOMESTIC COR-**
15 **PORATIONS.**

16 (a) APPLICATION OF BAN.—Section 319(b) of the
17 Federal Election Campaign Act of 1971 (2 U.S.C.
18 441e(b)) is amended—

19 (1) by striking “or” at the end of paragraph
20 (1);

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

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

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

3 “(A) in which a foreign national described
4 in paragraph (1) or (2) directly or indirectly
5 owns 20 percent or more of the voting shares;

6 “(B) with respect to which the majority of
7 the members of the board of directors are for-
8 eign nationals described in paragraph (1) or
9 (2);

10 “(C) over which one or more foreign na-
11 tionals described in paragraph (1) or (2) has
12 the power to direct, dictate, or control the deci-
13 sion-making process of the corporation with re-
14 spect to its interests in the United States; or

15 “(D) over which one or more foreign na-
16 tionals described in paragraph (1) or (2) has
17 the power to direct, dictate, or control the deci-
18 sion-making process of the corporation with re-
19 spect to activities in connection with a Federal,
20 State, or local election, including—

21 “(i) the making of a contribution, do-
22 nation, expenditure, independent expendi-
23 ture, or disbursement for an electioneering
24 communication (within the meaning of sec-
25 tion 304(f)(3)); or

1 “(ii) the administration of a political
2 committee established or maintained by the
3 corporation.”.

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

7 “(c) CERTIFICATION OF COMPLIANCE REQUIRED
8 PRIOR TO CARRYING OUT ACTIVITY.—Prior to the mak-
9 ing of any contribution, donation, expenditure, inde-
10 pendent expenditure, or disbursement for an election-
11 eering communication by a corporation during a year, the
12 chief executive officer of the corporation (or, if the cor-
13 poration does not have a chief executive officer, the high-
14 est ranking official of the corporation), shall file a certifi-
15 cation with the Commission, under penalty of perjury, that
16 the corporation is not prohibited from carrying out such
17 activity under subsection (b)(3), unless the chief executive
18 officer has previously filed such a certification during the
19 year.”.

20 (c) NO EFFECT ON OTHER LAWS.—Section 319 of
21 such Act (2 U.S.C. 441e), as amended by subsection (b),
22 is further amended by adding at the end the following new
23 subsection:

24 “(d) NO EFFECT ON OTHER LAWS.—Nothing in this
25 section shall be construed to affect the determination of

1 whether a corporation is treated as a foreign national for
2 purposes of any law other than this Act.”.

3 **SEC. 103. TREATMENT OF PAYMENTS FOR COORDINATED**
4 **COMMUNICATIONS AS CONTRIBUTIONS.**

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

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

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

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

13 “(iii) any payment made by any person
14 (other than a candidate, an authorized com-
15 mittee of a candidate, or a political committee
16 of a political party) for a coordinated commu-
17 nication (as determined under section 324).”.

18 (b) COORDINATED COMMUNICATIONS DESCRIBED.—
19 Section 324 of such Act (2 U.S.C. 431 et seq.) is amended
20 to read as follows:

21 **“SEC. 324. COORDINATED COMMUNICATIONS.**

22 “(a) COORDINATED COMMUNICATIONS DEFINED.—
23 For purposes of this Act, the term ‘coordinated commu-
24 nication’ means—

1 “(1) a covered communication which is made in
2 cooperation, consultation, or concert with, or at the
3 request or suggestion of, a candidate, an authorized
4 committee of a candidate, or a political committee of
5 a political party; or

6 “(2) any communication that republishes, dis-
7 seminate, or distributes, in whole or in part, any
8 broadcast or any written, graphic, or other form of
9 campaign material prepared by a candidate, an au-
10 thorized committee of a candidate, or their agents.

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 a publicly distributed or disseminated communica-
17 tion that refers to a clearly identified candidate for
18 Federal office and is publicly distributed or publicly
19 disseminated during such period.

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

23 “(A) in the case of a communication which
24 refers to a candidate for the office of President
25 or Vice President, the period—

1 “(i) beginning with the date that is
2 120 days before the date of the first pri-
3 mary election, preference election, or nomi-
4 nating convention for nomination for the
5 office of President which is held in any
6 State; and

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

9 “(B) in the case of a communication which
10 refers to a candidate for any other Federal of-
11 fice, the period—

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

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

20 “(3) SPECIAL RULE FOR PUBLIC DISTRIBUTION
21 OF COMMUNICATIONS INVOLVING CONGRESSIONAL
22 CANDIDATES.—For purposes of paragraph (1), in
23 the case of a communication involving a candidate
24 for an office other than President or Vice President,
25 the communication shall be considered to be publicly

1 distributed or publicly disseminated only if the dis-
2 semination or distribution occurs in the jurisdiction
3 of the office that the candidate is seeking.

4 “(4) EXCEPTION.—The term ‘covered commu-
5 nication’ does not include—

6 “(A) a communication appearing in a news
7 story, commentary, or editorial distributed
8 through the facilities of any broadcasting sta-
9 tion, newspaper, magazine, or other periodical
10 publication, unless such facilities are owned or
11 controlled by any political party, political com-
12 mittee, or candidate; or

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

20 “(c) TREATMENT OF COORDINATION WITH POLIT-
21 ICAL PARTIES FOR COMMUNICATIONS REFERRING TO
22 CANDIDATES.—For purposes of this section, if a commu-
23 nication which refers to any clearly identified candidate
24 or candidates of a political party or any opponent of such
25 a candidate or candidates is determined to have been made

1 in cooperation, consultation, or concert with or at the re-
2 quest or suggestion of a political committee of the political
3 party but not in cooperation, consultation, or concert with
4 or at the request or suggestion of such clearly identified
5 candidate or candidates, the communication shall be treat-
6 ed as having been made in cooperation, consultation, or
7 concert with or at the request or suggestion of the political
8 committee of the political party but not with or at the
9 request or suggestion of such clearly identified candidate
10 or candidates.”.

11 (c) EFFECTIVE DATE.—

12 (1) IN GENERAL.—This section and the amend-
13 ments made by this section shall apply with respect
14 to payments made on or after the expiration of the
15 30-day period which begins on the date of the enact-
16 ment of this Act, without regard to whether or not
17 the Federal Election Commission has promulgated
18 regulations to carry out such amendments.

19 (2) TRANSITION RULE FOR ACTIONS TAKEN
20 PRIOR TO ENACTMENT.—No person shall be consid-
21 ered to have made a payment for a coordinated com-
22 munication under section 324 of the Federal Elec-
23 tion Campaign Act of 1971 (as amended by sub-
24 section (b)) by reason of any action taken by the
25 person prior to the date of the enactment of this

1 Act. Nothing in the previous sentence shall be con-
2 strued to affect any determination under any other
3 provision of such Act which is in effect on the date
4 of the enactment of this Act regarding whether a
5 communication is made in cooperation, consultation,
6 or concert with, or at the request or suggestion of,
7 a candidate, an authorized committee of a candidate,
8 or a political committee of a political party.

9 **SEC. 104. TREATMENT OF POLITICAL PARTY COMMUNICA-**
10 **TIONS MADE ON BEHALF OF CANDIDATES.**

11 (a) TREATMENT OF PAYMENT FOR COMMUNICATION
12 AS CONTRIBUTION IF MADE UNDER CONTROL OR DIREC-
13 TION OF CANDIDATE.—Section 301(8)(A) of the Federal
14 Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)), as
15 amended by section 103(a), is amended—

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

17 (2) by striking the period at the end of clause

18 (iii) and inserting “; or”; and

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

21 “(iv) any payment by a political committee
22 of a political party for the direct costs of a com-
23 munication made on behalf of a candidate for
24 Federal office who is affiliated with such party,
25 but only if the communication is controlled by,

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

3 (b) REQUIRING CONTROL OR DIRECTION BY CAN-
4 DIDATE FOR TREATMENT AS COORDINATED PARTY EX-
5 PENDITURE.—

6 (1) IN GENERAL.—Paragraph (4) of section
7 315(d) of such Act (2 U.S.C. 441a(d)) is amended
8 to read as follows:

9 “(4) SPECIAL RULE FOR DIRECT COSTS OF COMMU-
10 NICATIONS.—The direct costs incurred by a political com-
11 mittee of a political party for a communication made in
12 connection with the campaign of a candidate for Federal
13 office shall not be subject to the limitations contained in
14 paragraphs (2) and (3) unless the communication is con-
15 trolled by, or made at the direction of, the candidate or
16 an authorized committee of the candidate.”.

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

21 (c) EFFECTIVE DATE.—This section and the amend-
22 ments made by this section shall apply with respect to pay-
23 ments made on or after the expiration of the 30-day period
24 which begins on the date of the enactment of this Act,
25 without regard to whether or not the Federal Election

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

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

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

10 **SEC. 201. INDEPENDENT EXPENDITURES.**

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

14 “(A) that, when taken as a whole, ex-
15 pressly advocates the election or defeat of a
16 clearly identified candidate, or is the functional
17 equivalent of express advocacy because it can be
18 interpreted by a reasonable person only as ad-
19 vocating the election or defeat of a candidate,
20 taking into account whether the communication
21 involved mentions a candidaey, a political party,
22 or a challenger to a candidate, or takes a posi-
23 tion on a candidate’s character, qualifications,
24 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 paragraph (2)
13 shall file a report describing the expenditures
14 within 24 hours.

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

23 “(2) THRESHOLD AMOUNT DESCRIBED.—In
24 paragraph (1), the ‘threshold amount’ means—

1 “(A) during the period up to and including
2 the 20th day before the date of an election,
3 \$10,000; or

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

7 (c) EFFECTIVE DATE.—

8 (1) IN GENERAL.—The amendment made by
9 subsection (a) shall apply with respect to contribu-
10 tions and expenditures made on or after the expira-
11 tion of the 30-day period which begins on the date
12 of the enactment of this Act, without regard to
13 whether or not the Federal Election Commission has
14 promulgated regulations to carry out such amend-
15 ments.

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

20 **SEC. 202. ELECTIONEERING COMMUNICATIONS.**

21 (a) PERIOD DURING WHICH COMMUNICATIONS
22 TREATED AS ELECTIONEERING COMMUNICATIONS.—

23 (1) EXPANSION OF PERIOD COVERING GENERAL
24 ELECTION.—Section 304(f)(3)(A)(i)(II)(aa) of the
25 Federal Election Campaign Act of 1971 (2 U.S.C.

1 434(f)(3)(A)(i)(II)(aa)) is amended by striking “60
2 days” and inserting “120 days”.

3 (2) EFFECTIVE DATE; TRANSITION FOR COM-
4 MUNICATIONS MADE PRIOR TO ENACTMENT.—The
5 amendment made by paragraph (1) shall apply with
6 respect to communications made on or after the date
7 of the enactment of this Act, without regard to
8 whether or not the Federal Election Commission has
9 promulgated regulations to carry out such amend-
10 ments, except that no communication which is made
11 prior to the date of the enactment of this Act shall
12 be treated as an electioneering communication under
13 section 304(f)(3)(A)(i)(II) of the Federal Election
14 Campaign Act of 1971 (as amended by paragraph
15 (1)) unless the communication would be treated as
16 an electioneering communication under such section
17 if the amendment made by paragraph (1) did not
18 apply.

19 (b) REQUIRING REPORTS TO INCLUDE INFORMATION
20 ON INTENDED TARGET OF COMMUNICATIONS.—Section
21 304(f)(2)(D) of such Act (2 U.S.C. 434(f)(2)(D)) is
22 amended—

23 (1) by striking “and the names” and inserting
24 “, the names”; and

1 (2) by inserting “, and (if applicable) a state-
2 ment regarding whether the communications are in-
3 tended to support or oppose such candidates” before
4 the period at the end.

5 **Subtitle B—Expanded Requirements**
6 **for Corporations and**
7 **Other Organizations**

8 **SEC. 211. ADDITIONAL INFORMATION REQUIRED TO BE IN-**
9 **CLUDED IN REPORTS ON DISBURSEMENTS BY**
10 **COVERED ORGANIZATIONS.**

11 (a) INDEPENDENT EXPENDITURE REPORTS.—Sec-
12 tion 304(g) of the Federal Election Campaign Act of 1971
13 (2 U.S.C. 434(g)) is amended by adding at the end the
14 following new paragraph:

15 “(5) DISCLOSURE OF ADDITIONAL INFORMA-
16 TION BY COVERED ORGANIZATIONS MAKING PAY-
17 MENTS FOR PUBLIC INDEPENDENT EXPENDI-
18 TURES.—

19 “(A) ADDITIONAL INFORMATION.—If a
20 covered organization makes or contracts to
21 make public independent expenditures in an ag-
22 gregate amount equal to or exceeding \$10,000
23 in a calendar year, the report filed by the orga-
24 nization under this subsection shall include, in

1 addition to the information required under
2 paragraph (3), the following information:

3 “(i) If any person made a donation or
4 payment to the covered organization dur-
5 ing the covered organization reporting pe-
6 riod which was provided for the purpose of
7 being used for campaign-related activity or
8 in response to a solicitation for funds to be
9 used for campaign-related activity—

10 “(I) subject to subparagraph (C),
11 the identification of each person who
12 made such donations or payments in
13 an aggregate amount equal to or ex-
14 ceeding \$600 during such period, pre-
15 sented in the order of the aggregate
16 amount of donations or payments
17 made by such persons during such pe-
18 riod (with the identification of the
19 person making the largest donation or
20 payment appearing first); and

21 “(II) if any person identified
22 under subclause (I) designated that
23 the donation or payment be used for
24 campaign-related activity with respect
25 to a specific election or in support of

1 a specific candidate, the name of the
2 election or candidate involved, and if
3 any such person designated that the
4 donation or payment be used for a
5 specific public independent expendi-
6 ture, a description of the expenditure.

7 “(ii) The identification of each person
8 who made unrestricted donor payments to
9 the organization during the covered organi-
10 zation reporting period—

11 “(I) in an aggregate amount
12 equal to or exceeding \$600 during
13 such period, if any of the disburse-
14 ments made by the organization for
15 any of the public independent expendi-
16 tures which are covered by the report
17 were not made from the organization’s
18 Campaign-Related Activity Account
19 under section 326; or

20 “(II) in an aggregate amount
21 equal to or exceeding \$6,000 during
22 such period, if the disbursements
23 made by the organization for all of
24 the public independent expenditures
25 which are covered by the report were

1 made exclusively from the organiza-
2 tion’s Campaign-Related Activity Ac-
3 count under section 326 (but only if
4 the organization has made deposits
5 described in subparagraph (D) of sec-
6 tion 326(a)(2) into that Account dur-
7 ing such period in an aggregate
8 amount equal to or greater than
9 \$10,000),

10 presented in the order of the aggregate
11 amount of payments made by such persons
12 during such period (with the identification
13 of the person making the largest payment
14 appearing first).

15 “(B) TREATMENT OF TRANSFERS MADE
16 TO OTHER PERSONS.—

17 “(i) IN GENERAL.—For purposes of
18 the requirement to file reports under this
19 subsection (including the requirement
20 under subparagraph (A) to include addi-
21 tional information in such reports), a cov-
22 ered organization which transfers amounts
23 to another person for the purpose of mak-
24 ing a public independent expenditure by
25 that person or by any other person, or (in

1 accordance with clause (ii)) which is
2 deemed to have transferred amounts to an-
3 other person for the purpose of making a
4 public independent expenditure by that
5 person or by any other person, shall be
6 considered to have made a public inde-
7 pendent expenditure.

8 “(ii) RULES FOR DEEMING TRANS-
9 FERS MADE FOR PURPOSE OF MAKING EX-
10 PENDITURES.—For purposes of clause (i),
11 in determining whether a covered organiza-
12 tion or any other person who transfers
13 amounts to another person shall be deemed
14 to have transferred the amounts for the
15 purpose of making a public independent
16 expenditure, the following rules apply:

17 “(I) The person shall be deemed
18 to have transferred the amounts for
19 the purpose of making a public inde-
20 pendent expenditure if—

21 “(aa) the person making the
22 public independent expenditure
23 or another person acting on that
24 person’s behalf solicited funding
25 from the person or from the per-

1 son to whom the amounts were
2 transferred for making any pub-
3 lic independent expenditures,

4 “(bb) the person and the
5 person to whom the amounts
6 were transferred engaged in sub-
7 stantial discussion (whether writ-
8 ten or verbal) regarding the mak-
9 ing of public independent expend-
10 itures,

11 “(cc) the person or the per-
12 son to whom the amounts were
13 transferred knew or should have
14 known of the covered organiza-
15 tion’s intent to make public inde-
16 pendent expenditures, or

17 “(dd) the person or the per-
18 son to whom the amounts were
19 transferred made a public inde-
20 pendent expenditure during the
21 election cycle involved or the pre-
22 vious election cycle (as defined in
23 section 301(25)).

24 “(II) The person shall not be
25 deemed to have transferred the

1 amounts for the purpose of making a
2 public independent expenditure if the
3 transfer was a commercial transaction
4 occurring in the ordinary course of
5 business between the person and the
6 person to whom the amounts were
7 transferred.

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

18 “(i) for campaign-related activity de-
19 scribed in clause (i) of section
20 325(d)(2)(A) (relating to independent ex-
21 penditures) with respect to a different elec-
22 tion, or with respect to a candidate in a
23 different election, than an election which is
24 the subject of any of the public inde-

1 pendent expenditures covered by the report
2 involved; or

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

7 “(D) EXCLUSION OF AMOUNTS PAID FROM
8 SEPARATE SEGREGATED FUND.—In deter-
9 mining the amount of public independent ex-
10 penditures made by a covered organization for
11 purposes of this paragraph, there shall be ex-
12 cluded any amounts paid from a separate seg-
13 regated fund established and administered by
14 the organization under section 316(b)(2)(C).

15 “(E) COVERED ORGANIZATION REPORTING
16 PERIOD DESCRIBED.—In this paragraph, the
17 ‘covered organization reporting period’ is, with
18 respect to a report filed by a covered organiza-
19 tion under this subsection—

20 “(i) in the case of the first report filed
21 by a covered organization under this sub-
22 section which includes information required
23 under this paragraph, the shorter of—

24 “(I) the period which begins on
25 the effective date of the Democracy is

1 Strengthened by Casting Light on
2 Spending in Elections Act and ends
3 on the last day covered by the report,
4 or

5 “(II) the 12-month period ending
6 on the last day covered by the report;
7 and

8 “(ii) in the case of any subsequent re-
9 port filed by a covered organization under
10 this subsection which includes information
11 required under this paragraph, the period
12 occurring since the most recent report filed
13 by the organization which includes such in-
14 formation.

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

18 “(i) Any corporation which is subject
19 to section 316(a).

20 “(ii) Any labor organization (as de-
21 fined in section 316).

22 “(iii) Any organization described in
23 paragraph (4), (5), or (6) of section 501(c)
24 of the Internal Revenue Code of 1986 and

1 exempt from tax under section 501(a) of
2 such Code.

3 “(iv) Any political organization under
4 section 527 of the Internal Revenue Code
5 of 1986, other than a political committee
6 under this Act.

7 “(G) OTHER DEFINITIONS.—In this para-
8 graph—

9 “(i) the terms ‘campaign-related activ-
10 ity’ and ‘unrestricted donor payment’ have
11 the meaning given such terms in section
12 325; and

13 “(ii) the term ‘public independent ex-
14 penditure’ means an independent expendi-
15 ture for a public communication (as de-
16 fined in section 301(22)).”.

17 (b) ELECTIONEERING COMMUNICATION REPORTS.—

18 (1) IN GENERAL.—Section 304(f) of such Act
19 (2 U.S.C. 434(f)) is amended—

20 (A) by redesignating paragraphs (6) and
21 (7) as paragraphs (7) and (8); and

22 (B) by inserting after paragraph (5) the
23 end the following new paragraph:

24 “(6) DISCLOSURE OF ADDITIONAL INFORMA-
25 TION BY COVERED ORGANIZATIONS.—

1 “(A) ADDITIONAL INFORMATION.—If a
2 covered organization files a statement under
3 this subsection, the statement shall include, in
4 addition to the information required under
5 paragraph (2), the following information:

6 “(i) If any person made a donation or
7 payment to the covered organization dur-
8 ing the covered organization reporting pe-
9 riod which was provided for the purpose of
10 being used for campaign-related activity or
11 in response to a solicitation for funds to be
12 used for campaign-related activity—

13 “(I) subject to subparagraph (C),
14 the identification of each person who
15 made such donations or payments in
16 an aggregate amount equal to or ex-
17 ceeding \$1,000 during such period,
18 presented in the order of the aggre-
19 gate amount of donations or payments
20 made by such persons during such pe-
21 riod (with the identification of the
22 person making the largest donation or
23 payment appearing first); and

24 “(II) if any person identified
25 under subclause (I) designated that

1 the donation or payment be used for
2 campaign-related activity with respect
3 to a specific election or in support of
4 a specific candidate, the name of the
5 election or candidate involved, and if
6 any such person designated that the
7 donation or payment be used for a
8 specific electioneering communication,
9 a description of the communication.

10 “(ii) The identification of each person
11 who made unrestricted donor payments to
12 the organization during the covered organi-
13 zation reporting period—

14 “(I) in an aggregate amount
15 equal to or exceeding \$1,000 during
16 such period, if any of the disburse-
17 ments made by the organization for
18 any of the electioneering communica-
19 tions which are covered by the state-
20 ment were not made from the organi-
21 zation’s Campaign-Related Activity
22 Account under section 326; or

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

1 made by the organization for all of
2 the electioneering communications
3 which are covered by the statement
4 were made exclusively from the orga-
5 nization’s Campaign-Related Activity
6 Account under section 326 (but only
7 if the organization has made deposits
8 described in subparagraph (D) of sec-
9 tion 326(a)(2) into that Account dur-
10 ing such period in an aggregate
11 amount equal to or greater than
12 \$10,000),

13 presented in the order of the aggregate
14 amount of payments made by such persons
15 during such period (with the identification
16 of the person making the largest payment
17 appearing first).

18 “(B) TREATMENT OF TRANSFERS MADE
19 TO OTHER PERSONS.—

20 “(i) IN GENERAL.—For purposes of
21 the requirement to file statements under
22 this subsection (including the requirement
23 under subparagraph (A) to include addi-
24 tional information in such statements), a
25 covered organization which transfers

1 amounts to another person for the purpose
2 of making an electioneering communication
3 by that person or by any other person, or
4 (in accordance with clause (ii)) which is
5 deemed to have transferred amounts to an-
6 other person for the purpose of making an
7 electioneering communication by that per-
8 son or by any other person, shall be con-
9 sidered to have made a disbursement for
10 an electioneering communication.

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

21 “(I) The person shall be deemed
22 to have transferred the amounts for
23 the purpose of making an election-
24 eering communication if—

1 “(aa) the person making the
2 public independent expenditure
3 or another person acting on that
4 person’s behalf solicited funding
5 from the person or from the per-
6 son to whom the amounts were
7 transferred for making any elec-
8 tioneering communications,

9 “(bb) the person and the
10 person to whom the amounts
11 were transferred engaged in sub-
12 stantial discussion (whether writ-
13 ten or verbal) regarding the mak-
14 ing of electioneering communica-
15 tions,

16 “(cc) the person or the per-
17 son to whom the amounts were
18 transferred knew or should have
19 known of the covered organiza-
20 tion’s intent to make election-
21 eering communications, or

22 “(dd) the person or the per-
23 son to whom the amounts were
24 transferred made an election-
25 eering communication during the

1 election cycle involved or the pre-
2 vious election cycle (as defined in
3 section 301(25)).

4 “(II) The person shall not be
5 considered to have transferred the
6 amounts for the purpose of making an
7 electioneering communication if the
8 transfer was a commercial transaction
9 occurring in the ordinary course of
10 business between the person and the
11 person to whom the amounts were
12 transferred.

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

23 “(i) for campaign-related activity de-
24 scribed in clause (ii) of section
25 325(d)(2)(A) (relating to electioneering

1 communications) with respect to a dif-
2 ferent election, or with respect to a can-
3 didate in a different election, than an elec-
4 tion which is the subject of any of the elec-
5 tioneering communications covered by the
6 statement involved; or

7 “(ii) for any campaign-related activity
8 described in clause (i) of section
9 325(d)(2)(A) (relating to independent ex-
10 penditures consisting of a public commu-
11 nication).

12 “(D) COVERED ORGANIZATION REPORTING
13 PERIOD DESCRIBED.—In this paragraph, the
14 ‘covered organization reporting period’ is, with
15 respect to a statement filed by a covered orga-
16 nization under this subsection—

17 “(i) in the case of the first statement
18 filed by a covered organization under this
19 subsection which includes information re-
20 quired under this paragraph, the shorter
21 of—

22 “(I) the period which begins on
23 the effective date of the Democracy is
24 Strengthened by Casting Light on
25 Spending in Elections Act and ends

1 on the disclosure date for the state-
2 ment, or

3 “(II) the 12-month period ending
4 on the disclosure date for the state-
5 ment; and

6 “(ii) in the case of any subsequent
7 statement filed by a covered organization
8 under this subsection which includes infor-
9 mation required under this paragraph, the
10 period occurring since the most recent
11 statement filed by the organization which
12 includes such information.

13 “(E) COVERED ORGANIZATION DE-
14 FINED.—In this paragraph, the term ‘covered
15 organization’ means any of the following:

16 “(i) Any corporation which is subject
17 to section 316(a).

18 “(ii) Any labor organization (as de-
19 fined in section 316).

20 “(iii) Any organization described in
21 paragraph (4), (5), or (6) of section 501(c)
22 of the Internal Revenue Code of 1986 and
23 exempt from tax under section 501(a) of
24 such Code.

1 “(iv) Any political organization under
2 section 527 of the Internal Revenue Code
3 of 1986, other than a political committee
4 under this Act.

5 “(F) OTHER DEFINITIONS.—In this para-
6 graph, the terms ‘campaign-related activity’ and
7 ‘unrestricted donor payment’ have the meaning
8 given such terms in section 325.”.

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

16 **SEC. 212. RULES REGARDING USE OF GENERAL TREASURY**
17 **FUNDS BY COVERED ORGANIZATIONS FOR**
18 **CAMPAIGN-RELATED ACTIVITY.**

19 Title III of the Federal Election Campaign Act of
20 1971 (2 U.S.C. 431 et seq.) is amended by adding at the
21 end the following new section:

1 **“SEC. 325. SPECIAL RULES FOR USE OF GENERAL TREAS-**
2 **URY FUNDS BY COVERED ORGANIZATIONS**
3 **FOR CAMPAIGN-RELATED ACTIVITY.**

4 “(a) USE OF FUNDS FOR CAMPAIGN-RELATED AC-
5 TIVITY.—

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

10 “(A) amounts paid or donated to the orga-
11 nization which are designated by the person
12 providing the amounts to be used for campaign-
13 related activity;

14 “(B) unrestricted donor payments made to
15 the organization; and

16 “(C) other funds of the organization, in-
17 cluding amounts received pursuant to commer-
18 cial activities in the regular course of a covered
19 organization’s business.

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

1 “(b) RESTRICTIONS ON USE OF FUNDS FOR CAM-
2 PAIGN-RELATED ACTIVITY.—

3 “(1) CERTIFICATION AFTER RECEIVING NOTIFI-
4 CATION BY DONOR TO NOT USE FUNDS FOR ACTIV-
5 ITY.—If any person who makes a donation, pay-
6 ment, or transfer to a covered organization (other
7 than the covered organization) notifies the organiza-
8 tion in writing (at the time of making the donation,
9 payment, or transfer) that the organization may not
10 use the donation, payment, or transfer for cam-
11 paign-related activity, not later than 7 days after the
12 organization receives the donation, payment, or
13 transfer the organization shall transmit to the per-
14 son a written certification by the chief financial offi-
15 cer of the covered organization (or, if the organiza-
16 tion does not have a chief financial officer, the high-
17 est ranking financial official of the organization),
18 under penalty of perjury, that—

19 “(A) the organization will not use the do-
20 nation, payment, or transfer for campaign-re-
21 lated activity; and

22 “(B) the organization will not include any
23 information on the person in any report filed by
24 the organization under section 304 with respect
25 to independent expenditures or electioneering

1 communications, so that the person will not be
2 required to appear in a significant funder state-
3 ment or a Top 5 Funders list under section
4 318(e).

5 “(2) EXCEPTION FOR PAYMENTS MADE PURSU-
6 ANT TO COMMERCIAL ACTIVITIES.—Paragraph (1)
7 does not apply with respect to any payment or trans-
8 fer made pursuant to commercial activities in the
9 regular course of a covered organization’s business.
10 “(c) CERTIFICATIONS REGARDING DISBURSEMENTS
11 FOR CAMPAIGN-RELATED ACTIVITY.—

12 “(1) CERTIFICATION BY CHIEF EXECUTIVE OF-
13 FICER.—If, at any time during a calendar quarter,
14 a covered organization makes a disbursement of
15 funds for campaign-related activity using funds de-
16 scribed in subsection (a)(1), the chief executive offi-
17 cer of the covered organization (or, if the organiza-
18 tion does not have a chief executive officer, the high-
19 est ranking official of the organization), under pen-
20 alty of perjury, shall file a statement with the Com-
21 mission which contains the following certifications:

22 “(A) None of the campaign-related activity
23 for which the organization disbursed the funds
24 during the quarter was made in cooperation,
25 consultation, or concert with, or at the request

1 or suggestion of, any candidate or any author-
2 ized committee or agent of such candidate, or
3 political committee of a political party or agent
4 of any political party.

5 “(B) The chief executive officer or highest
6 ranking official of the covered organization (as
7 the case may be) has reviewed and approved
8 each statement and report filed by the organi-
9 zation under section 304 with respect to any
10 such disbursement made during the quarter.

11 “(C) Each statement and report filed by
12 the organization under section 304 with respect
13 to any such disbursement made during the
14 quarter is complete and accurate and does not
15 contain an untrue statement of a material fact.

16 “(D) All such disbursements made during
17 the quarter are in compliance with this Act and
18 all other applicable Federal laws.

19 “(E) No portion of the amounts used to
20 make any such disbursements during the quar-
21 ter is attributable to funds received by the orga-
22 nization that were restricted by the person who
23 provided the funds from being used for cam-
24 paign-related activity pursuant to subsection
25 (b).

1 “(2) APPLICATION OF ELECTRONIC FILING
2 RULES.—Section 304(d)(1) shall apply with respect
3 to a statement required under this subsection in the
4 same manner as such section applies with respect to
5 a statement under subsection (c) or (g) of section
6 304.

7 “(3) DEADLINE.—The chief executive officer or
8 highest ranking official of a covered organization (as
9 the case may be) shall file the statement required
10 under this subsection with respect to a calendar
11 quarter not later than 15 days after the end of the
12 quarter.

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

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

17 “(A) Any corporation which is subject to
18 section 316(a).

19 “(B) Any labor organization (as defined in
20 section 316).

21 “(C) Any organization described in para-
22 graph (4), (5), or (6) of section 501(c) of the
23 Internal Revenue Code of 1986 and exempt
24 from tax under section 501(a) of such Code.

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

4 “(2) CAMPAIGN-RELATED ACTIVITY.—

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

7 “(i) an independent expenditure con-
8 sisting of a public communication (as de-
9 fined in section 301(22)), a transfer of
10 funds to another person for the purpose of
11 making such an independent expenditure
12 by that person or by any other person, or
13 (in accordance with subparagraph (B)) a
14 transfer of funds to another person which
15 is deemed to have been made for the pur-
16 pose of making such an independent ex-
17 penditure by that person or by any other
18 person; or

19 “(ii) an electioneering communication,
20 a transfer of funds to another person for
21 the purpose of making an electioneering
22 communication by that person or by any
23 other person, or (in accordance with sub-
24 paragraph (B)) a transfer of funds to an-
25 other person which is deemed to have been

1 made for the purpose of making an elec-
2 tioneering communication by that person
3 or by any other person.

4 “(B) RULE FOR DEEMING TRANSFERS
5 MADE FOR PURPOSE OF CAMPAIGN-RELATED
6 ACTIVITY.—For purposes of subparagraph (A),
7 in determining whether a transfer of funds by
8 one person to another person shall be deemed
9 to have been made for the purpose of making
10 an independent expenditure consisting of a pub-
11 lic communication or an electioneering commu-
12 nication, the following rules apply:

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

17 “(I) the person making the inde-
18 pendent expenditure or electioneering
19 communication or another person act-
20 ing on that person’s behalf solicited
21 funding from the person or from the
22 person to whom the amounts were
23 transferred for the purpose of making
24 any such independent expenditures or
25 electioneering communications,

1 “(II) the person and the person
2 to whom the amounts were trans-
3 ferred engaged in substantial discus-
4 sion (whether written or verbal) re-
5 garding the making of such inde-
6 pendent expenditures or electioneering
7 communications,

8 “(III) the person or the person to
9 whom the amounts were transferred
10 knew or should have known of the
11 covered organization’s intent to dis-
12 burse funds for campaign-related ac-
13 tivity, or

14 “(IV) the person or the person to
15 whom the amounts were transferred
16 made such an independent expendi-
17 ture or electioneering communication
18 during the election cycle involved or
19 the previous election cycle (as defined
20 in section 301(25)).

21 “(ii) The transfer shall not be deemed
22 to have been made for the purpose of mak-
23 ing such an independent expenditure or an
24 electioneering communication if the trans-
25 fer was a commercial transaction occurring

1 in the ordinary course of business between
2 the person and the person to whom the
3 amounts were transferred.

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

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

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

19 “(C) any donation or payment made by a
20 person who notifies the organization in writing
21 (at the time of making the payment) that the
22 organization may not use the donation or pay-
23 ment for campaign-related activity.”.

1 **SEC. 213. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-**
2 **ERED ORGANIZATIONS FOR CAMPAIGN-RE-**
3 **LATED ACTIVITY.**

4 Title III of the Federal Election Campaign Act of
5 1971 (2 U.S.C. 431 et seq.), as amended by section 212,
6 is further amended by adding at the end the following new
7 section:

8 **“SEC. 326. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-**
9 **ERED ORGANIZATIONS FOR CAMPAIGN-RE-**
10 **LATED ACTIVITY.**

11 “(a) **OPTIONAL USE OF SEPARATE ACCOUNT.—**

12 “(1) **ESTABLISHMENT OF ACCOUNT.—**

13 “(A) **IN GENERAL.—**At its option, a cov-
14 ered organization may make disbursements for
15 campaign-related activity using amounts from a
16 bank account established and controlled by the
17 organization to be known as the Campaign-Re-
18 lated Activity Account (hereafter in this section
19 referred to as the ‘Account’), which shall be
20 maintained separately from all other accounts
21 of the organization and which shall consist ex-
22 clusively of the deposits described in paragraph
23 (2).

24 “(B) **MANDATORY USE OF ACCOUNT**
25 **AFTER ESTABLISHMENT.—**If a covered organi-
26 zation establishes an Account under this sec-

1 tion, it may not make disbursements for cam-
2 paign-related activity from any source other
3 than amounts from the Account.

4 “(C) EXCLUSIVE USE OF ACCOUNT FOR
5 CAMPAIGN-RELATED ACTIVITY.—Amounts in
6 the Account shall be used exclusively for dis-
7 bursements by the covered organization for
8 campaign-related activity. After such disburse-
9 ments are made, information with respect to de-
10 posits made to the Account shall be disclosed in
11 accordance with section 304(g)(5) or section
12 304(f)(6).

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

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

24 “(B) Amounts donated or paid to the cov-
25 ered organization by a person other than the

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

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

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

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

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

24 “(1) IN GENERAL.—If a covered organization
25 which has established an Account obtains any reve-

1 nues during a year which are attributable to a dona-
2 tion or payment from a person other than the cov-
3 ered organization, and if any person who makes
4 such a donation or payment to the organization noti-
5 fies the organization in writing (at the time of mak-
6 ing the donation or payment) that the organization
7 may not use the donation or payment for campaign-
8 related activity, the organization shall reduce the
9 amount of its revenues available for deposits to the
10 Account which are described in subsection (a)(3)(D)
11 during the year by the amount of the donation or
12 payment.

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

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

20 “(1) Any corporation which is subject to section
21 316(a).

22 “(2) Any labor organization (as defined in sec-
23 tion 316).

24 “(3) Any organization described in paragraph
25 (4), (5), or (6) of section 501(c) of the Internal Rev-

1 enue Code of 1986 and exempt from tax under sec-
2 tion 501(a) of such Code.

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

6 “(d) CAMPAIGN-RELATED ACTIVITY DEFINED.—In
7 this section, the term ‘covered organization’ has the mean-
8 ing given such term in section 325.”.

9 **SEC. 214. MODIFICATION OF RULES RELATING TO DIS-**
10 **CLAIMER STATEMENTS REQUIRED FOR CER-**
11 **TAIN COMMUNICATIONS.**

12 (a) APPLYING REQUIREMENTS TO ALL INDE-
13 PENDENT EXPENDITURE COMMUNICATIONS.—Section
14 318(a) of the Federal Election Campaign Act of 1971 (2
15 U.S.C. 441d(a)) is amended by striking “for the purpose
16 of financing communications expressly advocating the
17 election or defeat of a clearly identified candidate” and
18 inserting “for an independent expenditure consisting of a
19 public communication”.

20 (b) STAND BY YOUR AD REQUIREMENTS.—

21 (1) MAINTENANCE OF EXISTING REQUIRE-
22 MENTS FOR COMMUNICATIONS BY POLITICAL PAR-
23 TIES AND OTHER POLITICAL COMMITTEES.—Section
24 318(d)(2) of such Act (2 U.S.C. 441d(d)(2)) is
25 amended—

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

3 (B) by striking “subsection (a)” and in-
4 serting “subsection (a) which is paid for by a
5 political committee (including a political com-
6 mittee of a political party)”; and

7 (C) by striking “or other person” each
8 place it appears.

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

13 “(e) COMMUNICATIONS BY OTHERS.—

14 “(1) IN GENERAL.—Any communication de-
15 scribed in paragraph (3) of subsection (a) which is
16 transmitted through radio or television (other than
17 a communication to which subsection (d)(2) applies
18 because the communication is paid for by a political
19 committee, including a political committee of a polit-
20 ical party) shall include, in addition to the require-
21 ments of that paragraph, the following:

22 “(A) The individual disclosure statement
23 described in paragraph (2) (if the person pay-
24 ing for the communication is an individual) or
25 the organizational disclosure statement de-

1 scribed in paragraph (3) (if the person paying
2 for the communication is not an individual).

3 “(B) If the communication is an election-
4 eering communication or an independent ex-
5 penditure consisting of a public communication
6 and is paid for in whole or in part with a pay-
7 ment which is treated as a disbursement by a
8 covered organization for campaign-related activ-
9 ity under section 325, the significant funder
10 disclosure statement described in paragraph (4)
11 (if applicable).

12 “(C) If the communication is transmitted
13 through television and is an electioneering com-
14 munication or an independent expenditure con-
15 sisting of a public communication and is paid
16 for in whole or in part with a payment which
17 is treated as a disbursement by a covered orga-
18 nization for campaign-related activity under
19 section 325, the Top Five Funders list de-
20 scribed in paragraph (5) (if applicable), unless,
21 on the basis of criteria established in regula-
22 tions promulgated by the Commission, the com-
23 munication is of such short duration that in-
24 cluding the Top Five Funders list in the com-
25 munication would constitute a hardship to the

1 person paying for the communication by requir-
2 ing a disproportionate amount of the commu-
3 nication's content to consist of the Top Five
4 Funders list.

5 “(2) INDIVIDUAL DISCLOSURE STATEMENT DE-
6 SCRIBED.—The individual disclosure statement de-
7 scribed in this paragraph is the following: ‘I am
8 _____, and I approve this message.’, with
9 the blank filled in with the name of the applicable
10 individual.

11 “(3) ORGANIZATIONAL DISCLOSURE STATE-
12 MENT DESCRIBED.—The organizational disclosure
13 statement described in this paragraph is the fol-
14 lowing: ‘I am _____, the _____
15 of _____, and _____ approves
16 this message.’, with—

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

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

21 “(C) the third and fourth blank each to be
22 filled in with the name of the organization or
23 other person paying for the communication.

24 “(4) SIGNIFICANT FUNDER DISCLOSURE STATE-
25 MENT DESCRIBED.—

1 “(A) STATEMENT IF SIGNIFICANT FUNDER
2 IS AN INDIVIDUAL.—If the significant funder of
3 a communication paid for in whole or in part
4 with a payment which is treated as a disburse-
5 ment by a covered organization for campaign-
6 related activity under section 325 is an indi-
7 vidual, the significant funder disclosure state-
8 ment described in this paragraph is the fol-
9 lowing: ‘I am _____. I helped to pay
10 for this message, and I approve it.’, with the
11 blank filled in with the name of the applicable
12 individual.

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

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

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

6 “(iii) the third, fourth, and fifth blank
7 each to be filled in with the name of the
8 significant funder of the communication.

9 “(C) SIGNIFICANT FUNDER DEFINED.—

10 “(i) INDEPENDENT EXPENDITURES.—
11 For purposes of this paragraph, the ‘sig-
12 nificant funder’ with respect to an inde-
13 pendent expenditure consisting of a public
14 communication paid for in whole or in part
15 with a payment which is treated as a dis-
16 bursement by a covered organization for
17 campaign-related activity under section
18 325 shall be determined as follows:

19 “(I) If any report filed by any or-
20 ganization with respect to the inde-
21 pendent expenditure under section
22 304 includes information on any per-
23 son who made a payment to the orga-
24 nization in an amount equal to or ex-
25 ceeding \$100,000 which was des-

1 ignated by the person to be used for
2 campaign-related activity consisting of
3 that specific independent expenditure
4 (as required to be included in the re-
5 port under section 304(g)(5)(A)(i)),
6 the person who is identified among all
7 such reports as making the largest
8 such payment.

9 “(II) If any report filed by any
10 organization with respect to the inde-
11 pendent expenditure under section
12 304 includes information on any per-
13 son who made a payment to the orga-
14 nization in an amount equal to or ex-
15 ceeding \$100,000 which was des-
16 ignated by the person to be used for
17 campaign-related activity with respect
18 to the same election or in support of
19 the same candidate (as required to be
20 included in the report under section
21 304(g)(5)(A)(i)) but subclause (I)
22 does not apply, the person who is
23 identified among all such reports as
24 making the largest such payment.

1 “(III) If any report filed by any
2 organization with respect to the inde-
3 pendent expenditure under section
4 304 includes information on any per-
5 son who made a payment to the orga-
6 nization which was provided for the
7 purpose of being used for campaign-
8 related activity or in response to a so-
9 licitation for funds to be used for
10 campaign-related activity (as required
11 to be included in the report under sec-
12 tion 304(g)(5)(A)(i)) but subclause (I)
13 or subclause (II) does not apply, the
14 person who is identified among all
15 such reports as making the largest
16 such payment.

17 “(IV) If none of the reports filed
18 by any organization with respect to
19 the independent expenditure under
20 section 304 includes information on
21 any person (other than the organiza-
22 tion) who made a payment to the or-
23 ganization which was provided for the
24 purpose of being used for campaign-
25 related activity or in response to a so-

1 licitation for funds to be used for
2 campaign-related activity, but any of
3 such reports includes information on
4 any person who made an unrestricted
5 donor payment to the organization (as
6 required to be included in the report
7 under section 304(g)(5)(A)(ii)), the
8 person who is identified among all
9 such reports as making the largest
10 such unrestricted donor payment.

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

20 “(I) If any report filed by any or-
21 ganization with respect to the elec-
22 tioneering communication under sec-
23 tion 304 includes information on any
24 person who made a payment to the
25 organization in an amount equal to or

1 exceeding \$100,000 which was des-
2 ignated by the person to be used for
3 campaign-related activity consisting of
4 that specific electioneering commu-
5 nication (as required to be included in
6 the report under section
7 304(f)(6)(A)(i)), the person who is
8 identified among all such reports as
9 making the largest such payment.

10 “(II) If any report filed by any
11 organization with respect to the elec-
12 tioneering communication under sec-
13 tion 304 includes information on any
14 person who made a payment to the
15 organization in an amount equal to or
16 exceeding \$100,000 which was des-
17 ignated by the person to be used for
18 campaign-related activity with respect
19 to the same election or in support of
20 the same candidate (as required to be
21 included in the report under section
22 304(f)(6)(A)(i)) but subclause (I)
23 does not apply, the person who is
24 identified among all such reports as
25 making the largest such payment.

1 “(III) If any report filed by any
2 organization with respect to the elec-
3 tioneering communication under sec-
4 tion 304 includes information on any
5 person who made a payment to the
6 organization which was provided for
7 the purpose of being used for cam-
8 paign-related activity or in response to
9 a solicitation for funds to be used for
10 campaign-related activity (as required
11 to be included in the report under sec-
12 tion 304(f)(6)(A)(i)) but subclause (I)
13 or subclause (II) does not apply, the
14 person who is identified among all
15 such reports as making the largest
16 such payment.

17 “(IV) If none of the reports filed
18 by any organization with respect to
19 the electioneering communication
20 under section 304 includes informa-
21 tion on any person who made a pay-
22 ment to the organization which was
23 provided for the purpose of being used
24 for campaign-related activity or in re-
25 sponse to a solicitation for funds to be

1 used for campaign-related activity, but
2 any of such reports includes informa-
3 tion on any person who made an unre-
4 stricted donor payment to the organi-
5 zation (as required to be included in
6 the report under section
7 304(f)(6)(A)(ii)), the person who is
8 identified among all such reports as
9 making the largest such unrestricted
10 donor payment.

11 “(5) TOP 5 FUNDERS LIST DESCRIBED.—With
12 respect to a communication paid for in whole or in
13 part with a payment which is treated as a disburse-
14 ment by a covered organization for campaign-related
15 activity under section 325, the Top 5 Funders list
16 described in this paragraph is—

17 “(A) in the case of a disbursement for an
18 independent expenditure consisting of a public
19 communication, a list of the 5 persons who pro-
20 vided the largest payments of any type which
21 are required under section 304(g)(5)(A) to be
22 included in the reports filed by any organization
23 with respect to that independent expenditure
24 under section 304, together with the amount of
25 the payments each such person provided; or

1 “(B) in the case of a disbursement for an
2 electioneering communication, a list of the 5
3 persons who provided the largest payments of
4 any type which are required under section
5 304(f)(6)(A) to be included in the reports filed
6 by any organization with respect to that elec-
7 tioneering communication under section 304,
8 together with the amount of the payments each
9 such person provided.

10 “(6) METHOD OF CONVEYANCE OF STATE-
11 MENT.—

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

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

24 “(i) shall appear in writing at the end
25 of the communication in a clearly readable

1 manner, with a reasonable degree of color
2 contrast between the background and the
3 printed statement, for a period of at least
4 6 seconds; and

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

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

17 “(A) if the communication is paid for by
18 an individual or if the significant funder of the
19 communication under paragraph (4) is an indi-
20 vidual, the individual involved;

21 “(B) if the communication is paid for by a
22 corporation or if the significant funder of the
23 communication under paragraph (4) is a cor-
24 poration, the chief executive officer of the cor-
25 poration (or, if the corporation does not have a

1 chief executive officer, the highest ranking offi-
2 cial of the corporation);

3 “(C) if the communication is paid for by a
4 labor organization or if the significant funder of
5 the communication under paragraph (4) is a
6 labor organization, the highest ranking officer
7 of the labor organization; or

8 “(D) if the communication is paid for by
9 any other person or if the significant funder of
10 the communication under paragraph (4) is any
11 other person, the highest ranking official of
12 such person.

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

16 “(A) Any corporation which is subject to
17 section 316(a).

18 “(B) Any labor organization (as defined in
19 section 316).

20 “(C) Any organization described in para-
21 graph (4), (5), or (6) of section 501(c) of the
22 Internal Revenue Code of 1986 and exempt
23 from tax under section 501(a) of such Code.

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

4 “(9) OTHER DEFINITIONS.—In this subsection,
5 the terms ‘campaign-related activity’ and ‘unre-
6 stricted donor payment’ have the meaning given
7 such terms in section 325.”.

8 **Subtitle C—Reporting Require-**
9 **ments for Registered Lobbyists**

10 **SEC. 221. REQUIRING REGISTERED LOBBYISTS TO REPORT**
11 **INFORMATION ON INDEPENDENT EXPENDI-**
12 **TURES AND ELECTIONEERING COMMUNICA-**
13 **TIONS.**

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

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

19 (2) by redesignating subparagraph (G) as sub-
20 paragraph (I); and

21 (3) by inserting after subparagraph (F) the fol-
22 lowing new subparagraphs:

23 “(G) the amount of any independent ex-
24 penditure (as defined in section 301(17) of the
25 Federal Election Campaign Act of 1971 (2

1 U.S.C. 431(17)) equal to or greater than
2 \$1,000 made by such person or organization,
3 and for each such expenditure the name of each
4 candidate being supported or opposed and the
5 amount spent supporting or opposing each such
6 candidate;

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

16 (b) EFFECTIVE DATE.—The amendments made by
17 this section shall apply with respect to reports for semi-
18 annual periods described in section 5(d)(1) of the Lob-
19 bing Disclosure Act of 1995 that begin after the date
20 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 213,
10 is amended by adding at the end the following new section:

11 **“SEC. 327. 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 the informa-
21 tion described in paragraph (2) with respect to the
22 disbursements made by the organization for cam-
23 paign-related activity during the period covered by
24 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, the office sought by
12 the candidate, and (if applicable) whether the
13 independent expenditure or electioneering com-
14 munication involved was in support of or in op-
15 position to the candidate;

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

21 “(E) the source of such funds; and

22 “(F) such other information as the Com-
23 mission determines is appropriate to further the
24 purposes of this subsection.

1 “(b) PUBLIC DISSEMINATION OF CERTAIN INFORMA-
2 TION.—

3 “(1) INFORMATION INCLUDED IN REPORTS.—

4 “(A) REQUIRING DISSEMINATION.—If a
5 covered organization maintains an Internet site,
6 the organization shall post on such Internet
7 site, in a machine-readable, searchable, sortable,
8 and downloadable manner and through a direct
9 link from the homepage of the organization, the
10 following information:

11 “(i) The information the organization
12 is required to report under section
13 304(g)(5)(A) with respect to public inde-
14 pendent expenditures.

15 “(ii) The information the organization
16 is required to include in a statement of dis-
17 bursements for electioneering communica-
18 tions under section 304(f)(6).

19 “(B) DEADLINE; DURATION OF POST-
20 ING.—The covered organization shall post the
21 information described in subparagraph (A) not
22 later than 24 hours after the organization files
23 the information with the Commission under the
24 applicable provision of this Act, and shall en-
25 sure that the information remains on the

1 website until the expiration of the 1-year period
2 which begins on the date of the election with re-
3 spect to which the public independent expendi-
4 tures or electioneering communications are
5 made.

6 “(2) INFORMATION ON BREAKDOWN OF DIS-
7 BURSEMENTS AMONG TYPES OF RECIPIENTS.—

8 “(A) REQUIRING DISSEMINATION.—If a
9 covered organization maintains an Internet site,
10 the organization shall post on such Internet
11 site, in a machine-readable, searchable, sortable,
12 and downloadable manner and through a direct
13 link from the homepage of the organization, the
14 following information with respect to the aggre-
15 gate amount of disbursements made by the or-
16 ganization for campaign-related activity during
17 a calendar year:

18 “(i) A breakdown by political party of
19 the total amount disbursed in support of
20 and in opposition to candidates of each po-
21 litical party.

22 “(ii) The total amount disbursed in
23 support of or opposition to—

24 “(I) incumbent candidates;

1 “(II) candidates challenging in-
2 cumbent candidates; and

3 “(III) candidates for election to
4 an office for which no incumbent is
5 seeking re-election.

6 “(B) DEADLINE; DURATION OF POST-
7 ING.—A covered organization shall post the in-
8 formation described in subparagraph (A) with
9 respect to a calendar year not later than the
10 first January 31 which follows that calendar
11 year, and shall ensure that the information re-
12 mains on the website until the end of the cal-
13 endar year in which the information is posted.

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

17 “(1) Any corporation which is subject to section
18 316(a).

19 “(2) Any labor organization (as defined in sec-
20 tion 316).

21 “(3) Any organization described in paragraph
22 (4), (5), or (6) of section 501(c) of the Internal Rev-
23 enue Code of 1986 and exempt from tax under sec-
24 tion 501(a) of such Code.

1 “(4) Any political organization under section
2 527 of the Internal Revenue Code of 1986, other
3 than a political committee under this Act.”.

4 **TITLE IV—OTHER PROVISIONS**

5 **SEC. 401. JUDICIAL REVIEW.**

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

11 (1) The action shall be filed in the United
12 States District Court for the District of Columbia,
13 and an appeal from a decision of the District Court
14 may be taken to the Court of Appeals for the Dis-
15 trict of Columbia Circuit.

16 (2) A copy of the complaint shall be delivered
17 promptly to the Clerk of the House of Representa-
18 tives and the Secretary of the Senate.

19 (3) It shall be the duty of the United States
20 District Court for the District of Columbia, the
21 Court of Appeals for the District of Columbia Cir-
22 cuit, and the Supreme Court of the United States to
23 advance on the docket and to expedite to the great-
24 est possible extent the disposition of the action and
25 appeal.

1 (b) INTERVENTION BY MEMBERS OF CONGRESS.—In
2 any action in which the constitutionality of any provision
3 of this Act or any amendment made by this Act is raised,
4 any member of the House of Representatives (including
5 a Delegate or Resident Commissioner to the Congress) or
6 Senate shall have the right to intervene either in support
7 of or opposition to the position of a party to the case re-
8 garding the constitutionality of the provision or amend-
9 ment. To avoid duplication of efforts and reduce the bur-
10 dens placed on the parties to the action, the court in any
11 such action may make such orders as it considers nec-
12 essary, including orders to require intervenors taking simi-
13 lar positions to file joint papers or to be represented by
14 a single attorney at oral argument.

15 (c) CHALLENGE BY MEMBERS OF CONGRESS.—Any
16 Member of the House of Representatives (including a Del-
17 egate or Resident Commissioner to the Congress) or Sen-
18 ate may bring an action, subject to the special rules de-
19 scribed in subsection (a), for declaratory or injunctive re-
20 lief to challenge the constitutionality of any provision of
21 this Act or any amendment made by this Act.

22 **SEC. 402. SEVERABILITY.**

23 If any provision of this Act or amendment made by
24 this Act, or the application of a provision or amendment
25 to any person or circumstance, is held to be unconstitu-

1 tional, the remainder of this Act and amendments made
2 by this Act, and the application of the provisions and
3 amendment to any person or circumstance, shall not be
4 affected by the holding.

5 **SEC. 403. EFFECTIVE DATE.**

6 Except as otherwise provided, this Act and the
7 amendments made by this Act shall take effect upon the
8 expiration of the 30-day period which begins on the date
9 of the enactment of this Act, and shall take effect without
10 regard to whether or not the Federal Election Commission
11 has promulgated regulations to carry out such amend-
12 ments.

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