

## Calendar No. 448

111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION**H. R. 5175**

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IN THE SENATE OF THE UNITED STATES

JUNE 28, 2010

Received and read the first time

JUNE 29, 2010

Read the second time and placed on the calendar

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**AN ACT**

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

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

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

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

1 (b) TABLE OF CONTENTS.—The table of contents of  
 2 this Act is as follows:

Sec. 1. Short title; table of contents.

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

Sec. 101. Prohibiting independent expenditures and electioneering communications by government contractors.

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

Sec. 103. Treatment of payments for coordinated communications as contributions.

Sec. 104. Treatment of political party communications made on behalf of candidates.

Sec. 105. Restriction on internet communications treated as public communications.

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

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

Sec. 201. Independent expenditures.

Sec. 202. Electioneering communications.

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

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

Sec. 211. Additional information required to be included in reports on disbursements by covered organizations.

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

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

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

Sec. 215. Indexing of certain amounts.

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

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

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

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

#### TITLE IV—OTHER PROVISIONS

Sec. 401. Judicial review.

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

Sec. 403. Severability.

Sec. 404. Effective date.

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

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

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

8                   (1) PROHIBITION.—

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

16                           (B) CONFORMING AMENDMENT.—The  
 17 heading of section 317 of such Act (2 U.S.C.  
 18 441c) is amended by striking “CONTRIBU-  
 19 TIONS” and inserting “CONTRIBUTIONS, INDE-  
 20 PENDENT EXPENDITURES, AND ELECTION-  
 21 EERING COMMUNICATIONS”.

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

4           (A) by redesignating subsections (b) and  
5       (c) as subsections (c) and (d); and

6           (B) by inserting after subsection (a) the  
7       following new subsection:

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

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

17           (1) by striking “or” at the end of paragraph  
18      (1);

19           (2) by redesignating paragraph (2) as para-  
20      graph (3); and

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

23           “(2) who enters into negotiations for financial  
24      assistance under title I of the Emergency Economic  
25      Stabilization Act of 2008 (12 U.S.C. 5211 et seq.)

1 (relating to the purchase of troubled assets by the  
2 Secretary of the Treasury), during the period—

3 “(A) beginning on the later of the com-  
4 mencement of the negotiations or the date of  
5 the enactment of the Democracy is Strength-  
6 ened by Casting Light on Spending in Elections  
7 Act; and

8 “(B) ending with the later of the termi-  
9 nation of such negotiations or the repayment of  
10 such financial assistance;

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

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

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

23 (1);

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

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

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

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

12                   “(B) ending with the later of the termi-  
13                  nation of such negotiations or the termination  
14                  of such lease;

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

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

1 **SEC. 102. APPLICATION OF BAN ON CONTRIBUTIONS AND**  
2 **EXPENDITURES BY FOREIGN NATIONALS TO**  
3 **FOREIGN-CONTROLLED DOMESTIC COR-**  
4 **PORATIONS.**

5 (a) APPLICATION OF BAN.—Section 319(b) of the  
6 Federal Election Campaign Act of 1971 (2 U.S.C.  
7 441e(b)) is amended—

8 (1) by striking “or” at the end of paragraph  
9 (1);

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

12 (3) by adding at the end the following new  
13 paragraph:

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

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

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

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

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

9                   “(C) with respect to which the majority of  
10                  the members of the board of directors are for-  
11                  eign nationals described in paragraph (1) or  
12                  (2);

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

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

24                         “(i) the making of a contribution, do-  
25                         nation, expenditure, independent expendi-

1                   ture, or disbursement for an electioneering  
2                   communication (within the meaning of sec-  
3                   tion 304(f)(3)); or

4                   “(ii) the administration of a political  
5                   committee established or maintained by the  
6                   corporation.”.

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

10           “(c) CERTIFICATION OF COMPLIANCE REQUIRED  
11 PRIOR TO CARRYING OUT ACTIVITY.—Prior to the mak-  
12 ing in connection with an election for Federal office of any  
13 contribution, donation, expenditure, independent expendi-  
14 ture, or disbursement for an electioneering communication  
15 by a corporation during a year, the chief executive officer  
16 of the corporation (or, if the corporation does not have  
17 a chief executive officer, the highest ranking official of the  
18 corporation), shall file a certification with the Commission,  
19 under penalty of perjury, that the corporation is not pro-  
20 hibited from carrying out such activity under subsection  
21 (b)(3), unless the chief executive officer has previously  
22 filed such a certification during the year. Nothing in this  
23 subsection shall be construed to apply to any contribution,  
24 donation, expenditure, independent expenditure, or dis-  
25 bursement from a separate segregated fund established

1 and administered by a corporation under section  
2 316(b)(2)(C).”.

3 (c) NO EFFECT ON CERTAIN ACTIVITIES OF DOMES-  
4 TIC CORPORATIONS.—Section 319 of such Act (2 U.S.C.  
5 441e), as amended by subsection (b), is further amended  
6 by adding at the end the following new subsection:

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

9 “(1) SEPARATE SEGREGATED FUNDS.—Nothing  
10 in this section shall be construed to prohibit any cor-  
11 poration which is not a foreign national described in  
12 paragraph (1) of subsection (b) from establishing,  
13 administering, and soliciting contributions to a sepa-  
14 rate segregated fund under section 316(b)(2)(C), so  
15 long as none of the amounts in the fund are pro-  
16 vided by any foreign national described in paragraph  
17 (1) or (2) of subsection (b) and no foreign national  
18 described in paragraph (1) or (2) of subsection (b)  
19 has the power to direct, dictate, or control the estab-  
20 lishment or administration of the fund.

21 “(2) STATE AND LOCAL ELECTIONS.—Nothing  
22 in this section shall be construed to prohibit any cor-  
23 poration which is not a foreign national described in  
24 paragraph (1) of subsection (b) from making a con-  
25 tribution or donation in connection with a State or

1 local election to the extent permitted under State or  
2 local law, so long as no foreign national described in  
3 paragraph (1) or (2) of subsection (b) has the power  
4 to direct, dictate, or control such contribution or do-  
5 nation.

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

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

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

1 **SEC. 103. TREATMENT OF PAYMENTS FOR COORDINATED**  
2 **COMMUNICATIONS AS CONTRIBUTIONS.**

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

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

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

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

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

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

19 **“SEC. 324. COORDINATED COMMUNICATIONS.**

20 **“(a) COORDINATED COMMUNICATIONS DEFINED.—**

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

23 **“(A)** a covered communication which, sub-  
24 ject to subsection (c), is made in cooperation,  
25 consultation, or concert with, or at the request  
26 or suggestion of, a candidate, an authorized

1 committee of a candidate, or a political com-  
2 mittee of a political party; or

3 “(B) any communication that republishes,  
4 disseminates, or distributes, in whole or in part,  
5 any broadcast or any written, graphic, or other  
6 form of campaign material prepared by a can-  
7 didate, an authorized committee of a candidate,  
8 or their agents.

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

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

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

25 “(b) COVERED COMMUNICATION DEFINED.—

1           “(1) IN GENERAL.—Except as provided in para-  
2           graph (4), for purposes of this subsection, the term  
3           ‘covered communication’ means, for purposes of the  
4           applicable election period described in paragraph (2)  
5           and with respect to the coordinated communication  
6           involved, a public communication (as defined in sec-  
7           tion 301(22)) that refers to the candidate described  
8           in subsection (a)(1)(A) or an opponent of such can-  
9           didate and is publicly distributed or publicly dissemi-  
10          nated during such period.

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

14               “(A) in the case of a communication which  
15               refers to a candidate for the office of President  
16               or Vice President, the period—

17                       “(i) beginning with the date that is  
18                       120 days before the date of the first pri-  
19                       mary election, preference election, or nomi-  
20                       nating convention for nomination for the  
21                       office of President which is held in any  
22                       State; and

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

1           “(B) in the case of a communication which  
2           refers to a candidate for any other Federal of-  
3           fice, the period—

4                   “(i) beginning with the date that is 90  
5                   days before the earliest of the primary  
6                   election, preference election, or nominating  
7                   convention with respect to the nomination  
8                   for the office that the candidate is seeking;  
9                   and

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

12           “(3) SPECIAL RULE FOR PUBLIC DISTRIBUTION  
13           OF COMMUNICATIONS INVOLVING CONGRESSIONAL  
14           CANDIDATES.—For purposes of paragraph (1), in  
15           the case of a communication involving a candidate  
16           for an office other than President or Vice President,  
17           the communication shall be considered to be publicly  
18           distributed or publicly disseminated only if the dis-  
19           semination or distribution occurs in the jurisdiction  
20           of the office that the candidate is seeking.

21           “(c) NO FINDING OF COORDINATION BASED SOLELY  
22           ON SHARING OF INFORMATION REGARDING LEGISLATIVE  
23           OR POLICY POSITION.—For purposes of subsection (a)(1),  
24           a covered communication shall not be considered to be  
25           made in cooperation, consultation, or concert with, or at

1 the request or suggestion of, a candidate, an authorized  
2 committee of a candidate, or a political committee of a  
3 political party solely on the grounds that a person or an  
4 agent thereof engaged in discussions with to the candidate  
5 or committee regarding that person’s position on a legisla-  
6 tive or policy matter (including urging the candidate or  
7 party to adopt that person’s position), so long as there  
8 is no discussion between the person and the candidate or  
9 committee regarding the candidate’s campaign plans,  
10 projects, activities, or needs.

11 “(d) PRESERVATION OF CERTAIN SAFE HARBORS  
12 AND FIREWALLS.—Nothing in this section may be con-  
13 strued to affect 11 CFR 109.21(g) or (h), as in effect on  
14 the date of the enactment of the Democracy is Strength-  
15 ened by Casting Light on Spending in Elections Act.

16 “(e) TREATMENT OF COORDINATION WITH POLIT-  
17 ICAL PARTIES FOR COMMUNICATIONS REFERRING TO  
18 CANDIDATES.—For purposes of this section, if a commu-  
19 nication which refers to any clearly identified candidate  
20 or candidates of a political party or any opponent of such  
21 a candidate or candidates is determined to have been made  
22 in cooperation, consultation, or concert with or at the re-  
23 quest or suggestion of a political committee of the political  
24 party but not in cooperation, consultation, or concert with  
25 or at the request or suggestion of such clearly identified

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

7 (c) EFFECTIVE DATE.—

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

15 (2) TRANSITION RULE FOR ACTIONS TAKEN  
16 PRIOR TO ENACTMENT.—No person shall be consid-  
17 ered to have made a payment for a coordinated com-  
18 munication under section 324 of the Federal Elec-  
19 tion Campaign Act of 1971 (as amended by sub-  
20 section (b)) by reason of any action taken by the  
21 person prior to the date of the enactment of this  
22 Act. Nothing in the previous sentence shall be con-  
23 strued to affect any determination under any other  
24 provision of such Act which is in effect on the date  
25 of the enactment of this Act regarding whether a

1 communication is made in cooperation, consultation,  
2 or concert with, or at the request or suggestion of,  
3 a candidate, an authorized committee of a candidate,  
4 or a political committee of a political party.

5 **SEC. 104. TREATMENT OF POLITICAL PARTY COMMUNICA-**  
6 **TIONS MADE ON BEHALF OF CANDIDATES.**

7 (a) TREATMENT OF PAYMENT FOR PUBLIC COMMU-  
8 NICATION AS CONTRIBUTION IF MADE UNDER CONTROL  
9 OR DIRECTION OF CANDIDATE.—Section 301(8)(A) of the  
10 Federal Election Campaign Act of 1971 (2 U.S.C.  
11 431(8)(A)), as amended by section 103(a), is amended—

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

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

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

17 “(iv) any payment by a political committee  
18 of a political party for the direct costs of a pub-  
19 lic communication (as defined in paragraph  
20 (22)) made on behalf of a candidate for Federal  
21 office who is affiliated with such party, but only  
22 if the communication is controlled by, or made  
23 at the direction of, the candidate or an author-  
24 ized committee of the candidate.”.

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

4 (1) IN GENERAL.—Paragraph (4) of section  
5 315(d) of such Act (2 U.S.C. 441a(d)) is amended  
6 to read as follows:

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

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

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

1 **SEC. 105. RESTRICTION ON INTERNET COMMUNICATIONS**  
2 **TREATED AS PUBLIC COMMUNICATIONS.**

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

11 (b) **EFFECTIVE DATE.**—The amendment made by  
12 subsection (a) shall take effect on the date of the enact-  
13 ment of this Act.

14 **TITLE II—PROMOTING EFFEC-**  
15 **TIVE DISCLOSURE OF CAM-**  
16 **PAIGN-RELATED ACTIVITY**  
17 **Subtitle A—Treatment of Inde-**  
18 **pendent Expenditures and Elec-**  
19 **tioneering Communications**  
20 **Made by All Persons**

21 **SEC. 201. INDEPENDENT EXPENDITURES.**

22 (a) **REVISION OF DEFINITION.**—Subparagraph (A) of  
23 section 301(17) of the Federal Election Campaign Act of  
24 1971 (2 U.S.C. 431(17)) is amended to read as follows:

25 “(A) that, when taken as a whole, ex-  
26 pressly advocates the election or defeat of a

1 clearly identified candidate, or is the functional  
2 equivalent of express advocacy because it can be  
3 interpreted by a reasonable person only as ad-  
4 vocating the election or defeat of a candidate,  
5 taking into account whether the communication  
6 involved mentions a candidacy, a political party,  
7 or a challenger to a candidate, or takes a posi-  
8 tion on a candidate's character, qualifications,  
9 or fitness for office; and”.

10 (b) UNIFORM 24-HOUR REPORTING FOR PERSONS  
11 MAKING INDEPENDENT EXPENDITURES EXCEEDING  
12 \$10,000 AT ANY TIME.—Section 304(g) of such Act (2  
13 U.S.C. 434(g)) is amended by striking paragraphs (1) and  
14 (2) and inserting the following:

15 “(1) INDEPENDENT EXPENDITURES EXCEED-  
16 ING THRESHOLD AMOUNT.—

17 “(A) INITIAL REPORT.—A person (includ-  
18 ing a political committee) that makes or con-  
19 tracts to make independent expenditures in an  
20 aggregate amount equal to or greater than the  
21 threshold amount described in subparagraph  
22 (C) shall electronically file a report describing  
23 the expenditures within 24 hours.

24 “(B) ADDITIONAL REPORTS.—After a per-  
25 son files a report under subparagraph (A), the

1 person shall electronically file an additional re-  
2 port within 24 hours after each time the person  
3 makes or contracts to make independent ex-  
4 penditures in an aggregate amount equal to or  
5 greater than the threshold amount with respect  
6 to the same election as that to which the initial  
7 report relates.

8 “(C) THRESHOLD AMOUNT DESCRIBED.—

9 In this paragraph, the ‘threshold amount’  
10 means—

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

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

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

24 (c) EFFECTIVE DATE.—

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

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

13 **SEC. 202. ELECTIONEERING COMMUNICATIONS.**

14          (a) EXPANSION OF PERIOD COVERING GENERAL  
15          ELECTION.—Section 304(f)(3)(A)(i)(II)(aa) of the Fed-  
16          eral Election Campaign Act of 1971 (2 U.S.C.  
17          434(f)(3)(A)(i)(II)(aa)) is amended by striking “60 days”  
18          and inserting “120 days”.

19          (b) EFFECTIVE DATE; TRANSITION FOR COMMU-  
20          NICATIONS MADE PRIOR TO ENACTMENT.—The amend-  
21          ment made by subsection (a) shall apply with respect to  
22          communications made on or after the date of the enact-  
23          ment of this Act, without regard to whether or not the  
24          Federal Election Commission has promulgated regulations  
25          to carry out such amendments, except that no communica-

1 tion which is made prior to the date of the enactment of  
2 this Act shall be treated as an electioneering communica-  
3 tion under section 304(f)(3)(A)(i)(II) of the Federal Elec-  
4 tion Campaign Act of 1971 (as amended by subsection  
5 (a)) unless the communication would be treated as an elec-  
6 tioneering communication under such section if the  
7 amendment made by subsection (a) did not apply.

8 **SEC. 203. MANDATORY ELECTRONIC FILING BY PERSONS**  
9 **MAKING INDEPENDENT EXPENDITURES OR**  
10 **ELECTIONEERING COMMUNICATIONS EX-**  
11 **CEEDING \$10,000 AT ANY TIME.**

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

14 (1) by striking “or (g)”; and

15 (2) by adding at the end the following: “Not-  
16 withstanding any other provision of this section, any  
17 person who is required to file a statement under  
18 subsection (f) or subsection (g) shall file the state-  
19 ment in electronic form accessible by computers, in  
20 a manner which ensures that the information pro-  
21 vided is searchable, sortable, and downloadable.”.

1 **Subtitle B—Expanded Require-**  
2 **ments for Corporations and**  
3 **Other Organizations**

4 **SEC. 211. ADDITIONAL INFORMATION REQUIRED TO BE IN-**  
5 **CLUDED IN REPORTS ON DISBURSEMENTS BY**  
6 **COVERED ORGANIZATIONS.**

7 (a) INDEPENDENT EXPENDITURE REPORTS.—Sec-  
8 tion 304(g) of the Federal Election Campaign Act of 1971  
9 (2 U.S.C. 434(g)) is amended by adding at the end the  
10 following new paragraph:

11 “(5) DISCLOSURE OF ADDITIONAL INFORMA-  
12 TION BY COVERED ORGANIZATIONS MAKING PAY-  
13 MENTS FOR PUBLIC INDEPENDENT EXPENDI-  
14 TURES.—

15 “(A) ADDITIONAL INFORMATION.—If a  
16 covered organization makes or contracts to  
17 make public independent expenditures in an ag-  
18 gregate amount equal to or exceeding \$10,000  
19 in a calendar year, the report filed by the orga-  
20 nization under this subsection shall include, in  
21 addition to the information required under  
22 paragraph (3), the following information (sub-  
23 ject to subparagraph (B)(iv)):

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

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

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

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

1 specific public independent expendi-  
2 ture, a description of the expenditure.

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

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

16 “(II) in an aggregate amount  
17 equal to or exceeding \$6,000 during  
18 such period, if the disbursements  
19 made by the organization for all of  
20 the public independent expenditures  
21 which are covered by the report were  
22 made exclusively from the organiza-  
23 tion’s Campaign-Related Activity Ac-  
24 count under section 326 (but only if  
25 the organization has made deposits

1           described in subparagraph (D) of sec-  
2           tion 326(a)(2) into that Account dur-  
3           ing such period in an aggregate  
4           amount equal to or greater than  
5           \$10,000),  
6           presented in the order of the aggregate  
7           amount of payments made by such persons  
8           during such period (with the identification  
9           of the person making the largest payment  
10          appearing first).

11          “(B) TREATMENT OF TRANSFERS MADE  
12          TO OTHER PERSONS.—

13                 “(i) IN GENERAL.—Subject to clause  
14                 (iii), for purposes of the requirement to file  
15                 reports under this subsection (including  
16                 the requirement under subparagraph (A)  
17                 to include additional information in such  
18                 reports), a covered organization which  
19                 transfers amounts to another person (other  
20                 than the covered organization itself) for  
21                 the purpose of making a public inde-  
22                 pendent expenditure by that person or by  
23                 any other person, or (in accordance with  
24                 clause (ii)) which is deemed to have trans-  
25                 ferred amounts to another person (other

1 than the covered organization itself) for  
2 the purpose of making a public inde-  
3 pendent expenditure by that person or by  
4 any other person, shall be considered to  
5 have made a public independent expendi-  
6 ture.

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

16 “(I) The covered organization  
17 shall be deemed to have transferred  
18 the amounts for the purpose of mak-  
19 ing a public independent expenditure  
20 if—

21 “(aa) the covered organiza-  
22 tion designates, requests, or sug-  
23 gests that the amounts be used  
24 for public independent expendi-  
25 tures and the person to whom

1 the amounts were transferred  
2 agrees to do so;

3 “(bb) the person making the  
4 public independent expenditure  
5 or another person acting on that  
6 person’s behalf expressly solicited  
7 the covered organization for a do-  
8 nation or payment for making or  
9 paying for any public inde-  
10 pendent expenditures;

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

21 “(dd) the covered organiza-  
22 tion which transferred the funds  
23 knew or had reason to know that  
24 the person to whom the amounts  
25 were transferred intended to

1 make public independent expendi-  
2 tures; or

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

13 “(II) The covered organization  
14 shall not be deemed to have trans-  
15 ferred the amounts for the purpose of  
16 making a public independent expendi-  
17 ture if—

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

1 the purpose of making a public  
2 independent expenditure; or

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

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

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

24 “(II) DESCRIPTION OF TRANS-  
25 FERS BETWEEN AFFILIATES.—A

1 transfer of amounts from one covered  
2 organization to another covered orga-  
3 nization shall be treated as a transfer  
4 between affiliates if—

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

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

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

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

21 “(aa) the governing instru-  
22 ment of the organization requires  
23 it to be bound by decisions of the  
24 other organization;

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

12           “(cc) the organization is  
13          chartered by the other organiza-  
14          tion.

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

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

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

24                  “(v) WAIVER OF REQUIREMENT TO  
25                  FILE REPORT.—Notwithstanding clause

1 (i), a covered organization which is consid-  
2 ered to have made a public independent ex-  
3 penditure under such clause shall not be  
4 required to file a report under this sub-  
5 section if—

6 “(I) the organization would be  
7 required to file the report solely be-  
8 cause the organization is deemed (in  
9 accordance with clause (ii)) to have  
10 transferred amounts for the purpose  
11 of making a public independent ex-  
12 penditure;

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

24 “(III) all of the persons who  
25 made donations or payments (in the

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

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

19 “(i) for campaign-related activity de-  
20 scribed in clause (i) of section  
21 325(d)(2)(A) (relating to independent ex-  
22 penditures) with respect to a different elec-  
23 tion, or with respect to a candidate in a  
24 different election, than an election which is  
25 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) DETERMINATION OF AMOUNT OF  
16          CERTAIN PAYMENTS AMONG AFFILIATES.—For  
17          purposes of determining the amount of any do-  
18          nation, payment, or transfer under this sub-  
19          section which is made by a covered organization  
20          to another covered organization which is an af-  
21          filiate of the covered organization or each of  
22          which is an affiliate of the same organization  
23          (as determined in accordance with subpara-  
24          graph (B)(iii)), to the extent that the donation,  
25          payment, or transfer consists of funds attrib-

1           utable to dues, fees, or assessments which are  
2           paid by individuals on a regular, periodic basis  
3           in accordance with a per-individual calculation  
4           which is made on a regular basis, the donation,  
5           payment, or transfer shall be attributed to the  
6           individuals paying the dues, fees, or assess-  
7           ments and shall not be attributed to the covered  
8           organization.

9           “(F) COVERED ORGANIZATION REPORTING  
10          PERIOD DESCRIBED.—In this paragraph, the  
11          ‘covered organization reporting period’ is, with  
12          respect to a report filed by a covered organiza-  
13          tion under this subsection—

14                 “(i) in the case of the first report filed  
15                 by a covered organization under this sub-  
16                 section which includes information required  
17                 under this paragraph, the shorter of—

18                         “(I) the period which begins on  
19                         the effective date of the Democracy is  
20                         Strengthened by Casting Light on  
21                         Spending in Elections Act and ends  
22                         on the last day covered by the report,  
23                         or

1                   “(II) the 12-month period ending  
2                   on the last day covered by the report;  
3                   and

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

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

14                   “(i) Any corporation which is subject  
15                   to section 316(a), other than a corporation  
16                   which is an organization described in para-  
17                   graph (3) of section 501(c) of the Internal  
18                   Revenue Code of 1986 and exempt from  
19                   tax under section 501(a) of such Code.

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  
25                   exempt from tax under section 501(a) of

1 such Code, other than an exempt section  
2 501(c)(4) organization (as defined in sec-  
3 tion 301(27)).

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

8 “(H) OTHER DEFINITIONS.—In this para-  
9 graph—

10 “(i) the terms ‘campaign-related activ-  
11 ity’ and ‘unrestricted donor payment’ have  
12 the meaning given such terms in section  
13 325; and

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

18 (b) ELECTIONEERING COMMUNICATION REPORTS.—

19 (1) IN GENERAL.—Section 304(f) of such Act  
20 (2 U.S.C. 434(f)) is amended—

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

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

1           “(6) DISCLOSURE OF ADDITIONAL INFORMA-  
2           TION BY COVERED ORGANIZATIONS.—

3           “(A) ADDITIONAL INFORMATION.—If a  
4           covered organization files a statement under  
5           this subsection, the statement shall include, in  
6           addition to the information required under  
7           paragraph (2), the following information (sub-  
8           ject to subparagraph (B)(iv)):

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

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

1 person making the largest donation or  
2 payment appearing first); and

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

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

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

1                   “(II) in an aggregate amount  
2                   equal to or exceeding \$10,000 during  
3                   such period, if the organization made  
4                   from its Campaign-Related Activity  
5                   Account under section 326 all of its  
6                   disbursements for electioneering com-  
7                   munications during such period which  
8                   are, on the basis of a reasonable belief  
9                   by the organization, subject to treat-  
10                  ment as disbursements for an exempt  
11                  function for purposes of section 527(f)  
12                  of the Internal Revenue Code of 1986  
13                  (but only if the organization has made  
14                  deposits described in subparagraph  
15                  (D) of section 326(a)(2) into that Ac-  
16                  count during such period in an aggre-  
17                  gate amount equal to or greater than  
18                  \$10,000),

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

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

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

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

1 transferred the amounts for the purpose of  
2 making an electioneering communication,  
3 the following rules apply:

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

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

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

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

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

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

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

1           “(II) The covered organization  
2 shall not be deemed to have trans-  
3 ferred the amounts for the purpose of  
4 making an electioneering communica-  
5 tion if—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 of making an electioneering commu-  
2 nication;

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

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

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

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

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

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

22 “(D) DETERMINATION OF AMOUNT OF  
23 CERTAIN PAYMENTS AMONG AFFILIATES.—For  
24 purposes of determining the amount of any do-  
25 nation, payment, or transfer under this sub-

1 section which is made by a covered organization  
2 to another covered organization which is an af-  
3 filiate of the covered organization or each of  
4 which is an affiliate of the same organization  
5 (as determined in accordance with subpara-  
6 graph (B)(iii)), to the extent that the donation,  
7 payment, or transfer consists of funds attrib-  
8 utable to dues, fees, or assessments which are  
9 paid by individuals on a regular, periodic basis  
10 in accordance with a per-individual calculation  
11 which is made on a regular basis, the donation,  
12 payment, or transfer shall be attributed to the  
13 individuals paying the dues, fees, or assess-  
14 ments and shall not be attributed to the covered  
15 organization.

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

21 “(i) in the case of the first statement  
22 filed by a covered organization under this  
23 subsection which includes information re-  
24 quired under this paragraph, the shorter  
25 of—

1           “(I) the period which begins on  
2           the effective date of the Democracy is  
3           Strengthened by Casting Light on  
4           Spending in Elections Act and ends  
5           on the disclosure date for the state-  
6           ment, or

7           “(II) the 12-month period ending  
8           on the disclosure date for the state-  
9           ment; and

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

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

20               “(i) Any corporation which is subject  
21               to section 316(a), other than a corporation  
22               which is an organization described in para-  
23               graph (3) of section 501(c) of the Internal  
24               Revenue Code of 1986 and exempt from  
25               tax under section 501(a) of such Code.

1           “(ii) Any labor organization (as de-  
2           fined in section 316).

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

10           “(iv) Any political organization under  
11           section 527 of the Internal Revenue Code  
12           of 1986, other than a political committee  
13           under this Act.

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

18           (2) CONFORMING AMENDMENT.—Section  
19           304(f)(2) of such Act (2 U.S.C. 434(f)(2)) is  
20           amended by striking “If the disbursements” each  
21           place it appears in subparagraph (E) and (F) and  
22           inserting the following: “Except in the case of a  
23           statement which is required to include additional in-  
24           formation under paragraph (6), if the disburse-  
25           ments”.

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

4 “(27) EXEMPT SECTION 501(C)(4) ORGANIZA-  
5 TION.—The term ‘exempt section 501(c)(4) organi-  
6 zation’ means, with respect to disbursements made  
7 by an organization during a calendar year, an orga-  
8 nization for which the chief executive officer of the  
9 organization certifies to the Commission (prior to  
10 the first disbursement made by the organization dur-  
11 ing the year) that each of the following applies:

12 “(A) The organization is described in para-  
13 graph (4) of section 501(c) of the Internal Rev-  
14 enue Code of 1986 and exempt from tax under  
15 section 501(a) of such Code, and was so de-  
16 scribed and so exempt during each of the 10  
17 previous calendar years.

18 “(B) The organization has at least  
19 500,000 individuals who paid membership dues  
20 during the previous calendar year (determined  
21 as of the last day of that year).

22 “(C) The dues-paying membership of the  
23 organization includes at least one individual  
24 from each State. For purposes of this subpara-  
25 graph, the term ‘State’ means each of the sev-

1 eral States, the District of Columbia, and the  
2 Commonwealth of Puerto Rico.

3 “(D) During the previous calendar year,  
4 the portion of funds provided to the organiza-  
5 tion by corporations (as described in section  
6 316) or labor organizations (as defined in sec-  
7 tion 316), other than funds provided pursuant  
8 to commercial transactions occurring in the or-  
9 dinary course of business, did not exceed 15  
10 percent of the total amount of all funds pro-  
11 vided to the organization from all sources.

12 “(E) The organization does not use any of  
13 the funds provided to the organization by cor-  
14 porations (as described in section 316) or labor  
15 organizations (as defined in section 316) for  
16 campaign-related activity (as defined in section  
17 325).”.

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

21 Title III of the Federal Election Campaign Act of  
22 1971 (2 U.S.C. 431 et seq.) is amended by adding at the  
23 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) MUTUALLY AGREED RESTRICTIONS ON USE OF  
2 FUNDS FOR CAMPAIGN-RELATED ACTIVITY.—

3           “(1) AGREEMENT AND CERTIFICATION.—If a  
4 covered organization and a person mutually agree,  
5 at the time the person makes a donation, payment,  
6 or transfer to the organization which would require  
7 the organization to disclose the person’s identifica-  
8 tion under section 304(g)(5)(A)(ii) or section  
9 304(f)(6)(A)(ii), that the organization will not use  
10 the donation, payment, or transfer for campaign-re-  
11 lated activity, then not later than 30 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 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 the chief executive  
18           officer’s designee (or, if the organization does not  
19           have a chief executive officer, the highest ranking of-  
20           ficial of the organization or the highest ranking offi-  
21           cial’s designee) shall file a statement with the Com-  
22           mission which contains the following certifications:

23           “(A) None of the campaign-related activity  
24           for which the organization disbursed the funds  
25           during the quarter was made in cooperation,

1           consultation, or concert with, or at the request  
2           or suggestion of, any candidate or any author-  
3           ized committee or agent of such candidate, or  
4           political committee of a political party or agent  
5           of any political party.

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

12          “(C) Each statement and report filed by  
13          the organization under section 304 with respect  
14          to any such disbursement made during the  
15          quarter is complete and accurate.

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

18          “(E) No portion of the amounts used to  
19          make any such disbursements during the quar-  
20          ter is attributable to funds received by the orga-  
21          nization that were subject to a mutual agree-  
22          ment (as provided in subsection (b)(1)) that the  
23          organization will not use the funds for cam-  
24          paign-related activity by the person who pro-

1           vided the funds from being used for campaign-  
2           related activity pursuant to subsection (b).

3           “(2) APPLICATION OF ELECTRONIC FILING  
4           RULES.—Section 304(d)(1) shall apply with respect  
5           to a statement required under this subsection in the  
6           same manner as such section applies with respect to  
7           a statement under subsection (c) or (g) of section  
8           304.

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

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

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

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

1           “(B) Any labor organization (as defined in  
2 section 316).

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

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

12           “(2) CAMPAIGN-RELATED ACTIVITY.—

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

15           “(i) an independent expenditure con-  
16 sisting of a public communication (as de-  
17 fined in section 301(22)), a transfer of  
18 funds to another person (other than the  
19 transferor itself) for the purpose of making  
20 such an independent expenditure by that  
21 person or by any other person (subject to  
22 subparagraph (C)), or (in accordance with  
23 subparagraph (B) and subject to subpara-  
24 graph (C)) a transfer of funds to another  
25 person (other than the transferor itself)

1           which is deemed to have been made for the  
2           purpose of making such an independent ex-  
3           penditure by that person or by any other  
4           person; or

5           “(ii) an electioneering communication,  
6           a transfer of funds to another person  
7           (other than the transferor itself) for the  
8           purpose of making an electioneering com-  
9           munication by that person or by any other  
10          person (subject to subparagraph (C)), or  
11          (in accordance with subparagraph (B) and  
12          subject to subparagraph (C)) a transfer of  
13          funds to another person (other than the  
14          transferor itself) which is deemed to have  
15          been made for the purpose of making an  
16          electioneering communication by that per-  
17          son or by any other person.

18          “(B) RULE FOR DEEMING TRANSFERS  
19          MADE FOR PURPOSE OF CAMPAIGN-RELATED  
20          ACTIVITY.—For purposes of subparagraph (A),  
21          in determining whether a transfer of funds by  
22          a covered organization to another person shall  
23          be deemed to have been made for the purpose  
24          of making an independent expenditure con-  
25          sisting of a public communication or an elec-

1           tioneering communication, the following rules  
2           apply:

3                   “(i) The transfer shall be deemed to  
4                   have been made for the purpose of making  
5                   such an independent expenditure or an  
6                   electioneering communication if—

7                           “(I) the covered organization des-  
8                           ignates, requests, or suggests that the  
9                           amounts be used for such independent  
10                           expenditures or electioneering commu-  
11                           nications and the person to whom the  
12                           amounts were transferred agrees to do  
13                           so;

14                           “(II) the person making such  
15                           independent expenditures or election-  
16                           eering communications or another  
17                           person acting on that person’s behalf  
18                           expressly solicited the covered organi-  
19                           zation for a donation or payment for  
20                           making or paying for any such inde-  
21                           pendent expenditure or electioneering  
22                           communication;

23                           “(III) the covered organization  
24                           and the person to whom the amounts  
25                           were transferred engaged in written or

1 oral discussion regarding the person  
2 either making, or paying for, such  
3 independent expenditures or election-  
4 eering communications, or donating or  
5 transferring the amounts to another  
6 person for that purpose;

7 “(IV) the covered organization  
8 which transferred the funds knew or  
9 had reason to know that the person to  
10 whom the amounts were transferred  
11 intended to make such independent  
12 expenditures or electioneering commu-  
13 nications; or

14 “(V) the covered organization  
15 which transferred the funds or the  
16 person to whom the amounts were  
17 transferred made one or more such  
18 independent expenditures or election-  
19 eering communications in an aggre-  
20 gate amount of \$50,000 or more dur-  
21 ing the 2-year period which ends on  
22 the date on which the amounts were  
23 transferred.

24 “(ii) The transfer shall not be deemed  
25 to have been made for the purpose of mak-

1 ing such an independent expenditure or an  
2 electioneering communication if—

3 “(I) the transfer was a commer-  
4 cial transaction occurring in the ordi-  
5 nary course of business between the  
6 covered organization and the person  
7 to whom the amounts were trans-  
8 ferred, unless there is affirmative evi-  
9 dence that the amounts were trans-  
10 ferred for the purpose of making such  
11 an independent expenditure or elec-  
12 tioneering communication; or

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

19 “(C) SPECIAL RULE REGARDING TRANS-  
20 FERS AMONG AFFILIATES.—

21 “(I) SPECIAL RULE.—In the case of a  
22 transfer of an amount by one covered orga-  
23 nization to another covered organization  
24 which is treated as a transfer between af-  
25 filiates under clause (ii), subparagraphs

1 (A) and (B) shall apply to the transfer  
2 only if the aggregate amount transferred  
3 during the year by such covered organiza-  
4 tion to that same covered organization is  
5 equal to or greater than \$50,000.

6 “(ii) DETERMINATION OF AMOUNT OF  
7 CERTAIN TRANSFERS AMONG AFFILI-  
8 ATES.—In determining the amount of a  
9 transfer between affiliates for purposes of  
10 clause (I), to the extent that the transfer  
11 consists of funds attributable to dues, fees,  
12 or assessments which are paid by individ-  
13 uals on a regular, periodic basis in accord-  
14 ance with a per-individual calculation  
15 which is made on a regular basis, the  
16 transfer shall be attributed to the individ-  
17 uals paying the dues, fees, or assessments  
18 and shall not be attributed to the covered  
19 organization.

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

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

4                   “(II) each of the organizations is  
5                   an affiliate of the same organization,  
6                   except that the transfer shall not be treat-  
7                   ed as a transfer between affiliates if one of  
8                   the organizations is established for the  
9                   purpose of disbursing funds for campaign-  
10                  related activity.

11                  “(iv) DETERMINATION OF AFFILIATE  
12                  STATUS.—For purposes of clause (ii), a  
13                  covered organization is an affiliate of an-  
14                  other covered organization if—

15                         “(I) the governing instrument of  
16                         the organization requires it to be  
17                         bound by decisions of the other orga-  
18                         nization;

19                         “(II) the governing board of the  
20                         organization includes persons who are  
21                         specifically designated representatives  
22                         of the other organization or are mem-  
23                         bers of the governing board, officers,  
24                         or paid executive staff members of the  
25                         other organization, or whose service

1 on the governing board is contingent  
2 upon the approval of the other organi-  
3 zation; or

4 “(III) the organization is char-  
5 tered by the other organization.

6 “(v) COVERAGE OF TRANSFERS TO  
7 AFFILIATED SECTION 501(C)(3) ORGANIZA-  
8 TIONS.—This subparagraph shall apply  
9 with respect to an amount transferred by  
10 a covered organization to an organization  
11 described in paragraph (3) of section  
12 501(e) of the Internal Revenue Code of  
13 1986 and exempt from tax under section  
14 501(a) of such Code in the same manner  
15 as this subparagraph applies to an amount  
16 transferred by a covered organization to  
17 another covered organization.

18 “(3) UNRESTRICTED DONOR PAYMENT.—The  
19 term ‘unrestricted donor payment’ means a payment  
20 to a covered organization which consists of a dona-  
21 tion or payment from a person other than the cov-  
22 ered organization, except that such term does not in-  
23 clude—

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

4           “(B) any donation or payment which is  
5           designated by the person making the donation  
6           or payment to be used for campaign-related ac-  
7           tivity or made in response to a solicitation for  
8           funds to be used for campaign-related activ-  
9           ity.”.

10 **SEC. 213. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-**  
11 **ERED ORGANIZATIONS FOR CAMPAIGN-RE-**  
12 **LATED ACTIVITY.**

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

17 **“SEC. 326. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-**  
18 **ERED ORGANIZATIONS FOR CAMPAIGN-RE-**  
19 **LATED ACTIVITY.**

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

21           “(1) ESTABLISHMENT OF ACCOUNT.—

22           “(A) IN GENERAL.—At its option, a cov-  
23           ered organization may make disbursements for  
24           campaign-related activity using amounts from a  
25           bank account established and controlled by the

1 organization to be known as the Campaign-Related  
2 Activity Account (hereafter in this section  
3 referred to as the ‘Account’), which shall be  
4 maintained separately from all other accounts  
5 of the organization and which shall consist ex-  
6 clusively of the deposits described in paragraph  
7 (2).

8 “(B) MANDATORY USE OF ACCOUNT  
9 AFTER ESTABLISHMENT.—If a covered organi-  
10 zation establishes an Account under this sec-  
11 tion, it may not make disbursements for cam-  
12 paign-related activity from any source other  
13 than amounts from the Account, other than dis-  
14 bursements for campaign-related activity which,  
15 on the basis of a reasonable belief by the orga-  
16 nization, would not be treated as disbursements  
17 for an exempt function for purposes of section  
18 527(f) of the Internal Revenue Code of 1986.

19 “(C) EXCLUSIVE USE OF ACCOUNT FOR  
20 CAMPAIGN-RELATED ACTIVITY.—Amounts in  
21 the Account shall be used exclusively for dis-  
22 bursements by the covered organization for  
23 campaign-related activity. After such disburse-  
24 ments are made, information with respect to de-  
25 posits made to the Account shall be disclosed in

1           accordance with section 304(g)(5) or section  
2           304(f)(6).

3           “(2) DEPOSITS DESCRIBED.—The deposits de-  
4           scribed in this paragraph are deposits of the fol-  
5           lowing amounts:

6                   “(A) Amounts donated or paid to the cov-  
7                   ered organization by a person other than the  
8                   organization for the purpose of being used for  
9                   campaign-related activity, and for which the  
10                  person providing the amounts has designated  
11                  that the amounts be used for campaign-related  
12                  activity with respect to a specific election or  
13                  specific candidate.

14                  “(B) Amounts donated or paid to the cov-  
15                  ered organization by a person other than the  
16                  organization for the purpose of being used for  
17                  campaign-related activity, and for which the  
18                  person providing the amounts has not des-  
19                  ignated that the amounts be used for campaign-  
20                  related activity with respect to a specific elec-  
21                  tion or specific candidate.

22                  “(C) Amounts donated or paid to the cov-  
23                  ered organization by a person other than the  
24                  organization in response to a solicitation for  
25                  funds to be used for campaign-related activity.

1           “(D) Amounts transferred to the Account  
2           by the covered organization from other accounts  
3           of the organization, including from the organi-  
4           zation’s general treasury funds.

5           “(3) NO TREATMENT AS POLITICAL COM-  
6           MITTEE.—The establishment and administration of  
7           an Account in accordance with this subsection shall  
8           not by itself be treated as the establishment or ad-  
9           ministration of a political committee for any purpose  
10          of this Act.

11          “(b) REDUCTION IN AMOUNTS OTHERWISE AVAIL-  
12          ABLE FOR ACCOUNT IN RESPONSE TO DEMAND OF GEN-  
13          ERAL DONORS.—

14           “(1) IN GENERAL.—If a covered organization  
15          which has established an Account obtains any reve-  
16          nues during a year which are attributable to a dona-  
17          tion or payment from a person other than the cov-  
18          ered organization, and if the organization and any  
19          such person have mutually agreed (as provided in  
20          section 325(b)(1)) that the organization will not use  
21          the person’s donation, payment, or transfer for cam-  
22          paign-related activity, the organization shall reduce  
23          the amount of its revenues available for deposits to  
24          the Account which are described in subsection  
25          (a)(3)(D) during the year by the amount of the do-

1 nation or payment which is subject to the mutual  
2 agreement.

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

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

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

15 “(2) Any labor organization (as defined in sec-  
16 tion 316).

17 “(3) Any organization described in paragraph  
18 (4), (5), or (6) of section 501(c) of the Internal Rev-  
19 enue Code of 1986 and exempt from tax under sec-  
20 tion 501(a) of such Code, other than an exempt sec-  
21 tion 501(c)(4) organization (as defined in section  
22 301(27)).

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

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

4       (b) CLARIFICATION OF TREATMENT AS SEPARATE  
5 SEGREGATED FUND.—A Campaign-Related Activity Ac-  
6 count (within the meaning of section 326 of the Federal  
7 Election Campaign Act of 1971, as added by subsection  
8 (a)) may be treated as a separate segregated fund for pur-  
9 poses of section 527(f)(3) of the Internal Revenue Code  
10 of 1986.

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

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

22       (b) STAND BY YOUR AD REQUIREMENTS.—

23               (1) MAINTENANCE OF EXISTING REQUIRE-  
24 MENTS FOR COMMUNICATIONS BY POLITICAL PAR-  
25 TIES AND OTHER POLITICAL COMMITTEES.—Section

1 318(d)(2) of such Act (2 U.S.C. 441d(d)(2)) is  
2 amended—

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

5 (B) by striking “subsection (a)” and in-  
6 serting “subsection (a) which is paid for by a  
7 political committee (including a political com-  
8 mittee of a political party), other than a polit-  
9 ical committee which is described in subsection  
10 (e)(7)(B),”; and

11 (C) by striking “or other person” each  
12 place it appears.

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

17 “(e) COMMUNICATIONS BY OTHERS.—

18 “(1) IN GENERAL.—Any communication de-  
19 scribed in paragraph (3) of subsection (a) which is  
20 transmitted through radio or television (other than  
21 a communication to which subsection (d)(2) applies  
22 because the communication is paid for by a political  
23 committee, including a political committee of a polit-  
24 ical party, other than a political committee which is  
25 described in paragraph (7)(B)) shall include, in ad-

1       dition to the requirements of that paragraph, the  
2       following:

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

9               “(B) If the communication is an election-  
10              eering communication or an independent ex-  
11              penditure consisting of a public communication  
12              and is paid for in whole or in part with a pay-  
13              ment which is treated as a disbursement by a  
14              covered organization for campaign-related activ-  
15              ity under section 325, the significant funder  
16              disclosure statement described in paragraph (4)  
17              (if applicable), unless, on the basis of criteria  
18              established in regulations promulgated by the  
19              Commission, the communication is of such  
20              short duration that including the statement in  
21              the communication would constitute a hardship  
22              to the person paying for the communication by  
23              requiring a disproportionate amount of the  
24              communication’s content to consist of the state-  
25              ment.

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

18          “(2) INDIVIDUAL DISCLOSURE STATEMENT DE-  
19          SCRIBED.—The individual disclosure statement de-  
20          scribed in this paragraph is the following: ‘I am  
21          \_\_\_\_\_, of \_\_\_\_\_,  
22          \_\_\_\_\_, and I approve this message.’,  
23          with—

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

1           “(B) the second blank filled in with the  
2           local jurisdiction in which the applicable indi-  
3           vidual resides; and

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

6           “(3) ORGANIZATIONAL DISCLOSURE STATE-  
7           MENT DESCRIBED.—The organizational disclosure  
8           statement described in this paragraph is the fol-  
9           lowing: ‘I am \_\_\_\_\_, the \_\_\_\_\_  
10          of \_\_\_\_\_, located in \_\_\_\_\_,  
11          \_\_\_\_\_, and \_\_\_\_\_ approves  
12          this message.’, with—

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

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

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

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

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

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

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

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

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

18                   “(ii) the second blank filled in with  
19                   the local jurisdiction in which the applica-  
20                   ble individual resides; and

21                   “(iii) the third blank filled in with the  
22                   State in which the applicable individual re-  
23                   sides.

24           “(B) STATEMENT IF SIGNIFICANT FUNDER  
25           IS NOT AN INDIVIDUAL.—If the significant

1 funder of a communication paid for in whole or  
2 in part with a payment which is treated as a  
3 disbursement by a covered organization for  
4 campaign-related activity under section 325 is  
5 not an individual, the significant funder disclo-  
6 sure statement described in this paragraph is  
7 the following: ‘I am \_\_\_\_\_, the  
8 \_\_\_\_\_ of \_\_\_\_\_, located  
9 in \_\_\_\_\_,  
10 \_\_\_\_\_ helped to pay for this mes-  
11 sage, and \_\_\_\_\_ approves it.’, with—

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

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

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

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

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

1           “(vi) the sixth and seventh blank each  
2           to be filled in with the name of the signifi-  
3           cant funder of the communication.

4           “(C) SIGNIFICANT FUNDER DEFINED.—

5           “(i) INDEPENDENT EXPENDITURES.—

6           For purposes of this paragraph, the ‘sig-  
7           nificant funder’ with respect to an inde-  
8           pendent expenditure consisting of a public  
9           communication paid for in whole or in part  
10          with a payment which is treated as a dis-  
11          bursement by a covered organization for  
12          campaign-related activity under section  
13          325 shall be determined as follows:

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

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

6           “(II) If any report filed by any  
7           organization with respect to the inde-  
8           pendent expenditure under section  
9           304 during the 12-month period  
10          which ends on the date of the dis-  
11          bursement includes information on  
12          any person who made a payment to  
13          the organization in an amount equal  
14          to or exceeding \$100,000 which was  
15          designated by the person to be used  
16          for campaign-related activity with re-  
17          spect to the same election or in sup-  
18          port of the same candidate (as re-  
19          quired to be included in the report  
20          under section 304(g)(5)(A)(i)) but  
21          subclause (I) does not apply, the per-  
22          son who is identified among all such  
23          reports as making the largest such  
24          payment.

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

20                  “(IV) If none of the reports filed  
21                  by any organization with respect to  
22                  the independent expenditure under  
23                  section 304 during the 12-month pe-  
24                  riod which ends on the date of the dis-  
25                  bursement includes information on

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

19 “(ii) ELECTIONEERING COMMUNICA-  
20 TIONS.—For purposes of this paragraph,  
21 the ‘significant funder’ with respect to an  
22 electioneering communication paid for in  
23 whole or in part with a payment which is  
24 treated as a disbursement by a covered or-  
25 ganization for campaign-related activity

1 under section 325, shall be determined as  
2 follows:

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

20 “(II) If any report filed by any  
21 organization with respect to the elec-  
22 tioneering communication under sec-  
23 tion 304 during the 12-month period  
24 which ends on the date of the dis-  
25 bursement includes information on

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

14 “(III) If any report filed by any  
15 organization with respect to the elec-  
16 tioneeing communication under sec-  
17 tion 304 during the 12-month period  
18 which ends on the date of the dis-  
19 bursement includes information on  
20 any person who made a payment to  
21 the organization in an amount equal  
22 to or exceeding \$10,000 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 (as  
2 required to be included in the report  
3 under section 304(f)(6)(A)(i)) but  
4 subclause (I) or subclause (II) does  
5 not apply, the person who is identified  
6 among all such reports as making the  
7 largest such payment.

8 “(IV) If none of the reports filed  
9 by any organization with respect to  
10 the electioneering communication  
11 under section 304 during the 12-  
12 month period which ends on the date  
13 of the disbursement includes informa-  
14 tion on any person who made a pay-  
15 ment to the organization in an  
16 amount equal to or exceeding \$10,000  
17 which was provided for the purpose of  
18 being used for campaign-related activ-  
19 ity or in response to a solicitation for  
20 funds to be used for campaign-related  
21 activity, but any of such reports in-  
22 cludes information on any person who  
23 made an unrestricted donor payment  
24 to the organization (as required to be  
25 included in the report under section

1                   304(f)(6)(A)(ii)) in an amount equal  
2                   to or exceeding \$10,000, the person  
3                   who is identified among all such re-  
4                   ports as making the largest such un-  
5                   restricted donor payment.

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

12                  “(A) in the case of a disbursement for an  
13                  independent expenditure consisting of a public  
14                  communication, a list of the 5 persons (or, in  
15                  the case of a communication transmitted  
16                  through radio, the 2 persons) who provided the  
17                  largest payments of any type in an aggregate  
18                  amount equal to or exceeding \$10,000 which  
19                  are required under section 304(g)(5)(A) to be  
20                  included in the reports filed by any organization  
21                  with respect to that independent expenditure  
22                  under section 304 during the 12-month period  
23                  which ends on the date of the disbursement, to-  
24                  gether with the amount of the payments each  
25                  such person provided and the local jurisdiction

1 and State in which each such person lives (in  
2 the case of a person who is an individual) or is  
3 located (in the case of any other person); or

4 “(B) in the case of a disbursement for an  
5 electioneering communication, a list of the 5  
6 persons (or, in the case of a communication  
7 transmitted through radio, the 2 persons) who  
8 provided the largest payments of any type in an  
9 aggregate amount equal to or exceeding  
10 \$10,000 which are required under section  
11 304(f)(6)(A) to be included in the reports filed  
12 by any organization with respect to that elec-  
13 tioneering communication under section 304  
14 during the 12-month period which ends on the  
15 date of the disbursement, together with the  
16 amount of the payments each such person pro-  
17 vided and the local jurisdiction and State in  
18 which each such person lives (in the case of a  
19 person who is an individual) or is located (in  
20 the case of any other person).

21 “(6) METHOD OF CONVEYANCE OF STATE-  
22 MENT.—

23 “(A) COMMUNICATIONS TRANSMITTED  
24 THROUGH RADIO.—In the case of a communica-  
25 tion to which this subsection applies which is

1 transmitted through radio, the disclosure state-  
2 ments required under paragraph (1) shall be  
3 made by audio by the applicable individual in a  
4 clearly spoken manner.

5 “(B) COMMUNICATIONS TRANSMITTED  
6 THROUGH TELEVISION.—In the case of a com-  
7 munication to which this subsection applies  
8 which is transmitted through television, the in-  
9 formation required under paragraph (1)—

10 “(i) shall appear in writing at the end  
11 of the communication in a clearly readable  
12 manner, with a reasonable degree of color  
13 contrast between the background and the  
14 printed statement, for a period of at least  
15 6 seconds; and

16 “(ii) except in the case of a Top 5  
17 Funders list described in paragraph (5),  
18 shall also be conveyed by an unobscured,  
19 full-screen view of the applicable indi-  
20 vidual, or by the applicable individual mak-  
21 ing the statement in voice-over accom-  
22 panied by a clearly identifiable photograph  
23 or similar image of the individual.

24 “(7) APPLICATION TO CERTAIN PACS.—

1           “(A) APPLICATION.—This subsection shall  
2           apply with respect to an electioneering commu-  
3           nication, and to an independent expenditure  
4           consisting of a public communication, which is  
5           paid for in whole or in part with a payment by  
6           a political committee described in subparagraph  
7           (B) in the same manner as this subsection ap-  
8           plies with respect to an electioneering commu-  
9           nication and an independent expenditure con-  
10          sisting of a public communication which is paid  
11          for in whole or in part with a payment which  
12          is treated as a disbursement by a covered orga-  
13          nization under section 325, except that—

14                 “(i) in applying paragraph (4)(C), the  
15                 ‘significant funder’ with respect to such an  
16                 electioneering communication or such an  
17                 independent expenditure shall be the per-  
18                 son who is identified as providing the larg-  
19                 est aggregate amount of contributions, do-  
20                 nations, or payments to the political com-  
21                 mittee during the 12-month period which  
22                 ends on the date the committee made the  
23                 disbursement for the electioneering com-  
24                 munication or independent expenditure (as  
25                 determined on the basis of the information

1 contained in all reports filed by the com-  
2 mittee under section 304 during such pe-  
3 riod); and

4 “(ii) in applying paragraph (5), the  
5 ‘Top 5 Funders list’ shall be a list of the  
6 5 persons who are identified as providing  
7 the largest aggregate amounts of contribu-  
8 tions, donations, or payments to the polit-  
9 ical committee during such 12-month pe-  
10 riod (as determined on the basis of the in-  
11 formation contained in all such reports).

12 “(B) POLITICAL COMMITTEE DE-  
13 SCRIBED.—A political committee described in  
14 this subparagraph is a political committee  
15 which receives or accepts contributions or dona-  
16 tions which do not comply with the contribution  
17 limits or source prohibitions of this Act.

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

22 “(A) if the communication is paid for by  
23 an individual or if the significant funder of the  
24 communication under paragraph (4) is an indi-  
25 vidual, the individual involved;

1           “(B) if the communication is paid for by a  
2 corporation or if the significant funder of the  
3 communication under paragraph (4) is a cor-  
4 poration, the chief executive officer of the cor-  
5 poration (or, if the corporation does not have a  
6 chief executive officer, the highest ranking offi-  
7 cial of the corporation);

8           “(C) if the communication is paid for by a  
9 labor organization or if the significant funder of  
10 the communication under paragraph (4) is a  
11 labor organization, the highest ranking officer  
12 of the labor organization; or

13           “(D) if the communication is paid for by  
14 any other person or if the significant funder of  
15 the communication under paragraph (4) is any  
16 other person, the highest ranking official of  
17 such person.

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

21           “(A) Any corporation which is subject to  
22 section 316(a), other than a corporation which  
23 is an organization described in paragraph (3) of  
24 section 501(c) of the Internal Revenue Code of

1 1986 and exempt from tax under section 501(a)  
2 of such Code.

3 “(B) Any labor organization (as defined in  
4 section 316).

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

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

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

18 (3) APPLICATION TO CERTAIN MASS MAIL-  
19 INGS.—Section 318(a)(3) of such Act (2 U.S.C.  
20 441d(a)(3)) is amended to read as follows:

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

24 “(A) the name and permanent street ad-  
25 dress, telephone number, or World Wide Web

1 address of the person who paid for the commu-  
2 nication;

3 “(B) if the communication is an inde-  
4 pendent expenditure consisting of a mass mail-  
5 ing (as defined in section 301(23)) which is  
6 paid for in whole or in part with a payment  
7 which is treated as a disbursement by a covered  
8 organization for campaign-related activity under  
9 section 325, or which is paid for in whole or in  
10 part by a political committee described in sub-  
11 section (e)(7)(B), the name and permanent  
12 street address, telephone number, or World  
13 Wide Web address of—

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

18 “(ii) each person who would be in-  
19 cluded in the Top 5 Funders list which  
20 would be submitted with respect to the  
21 communication if the communication were  
22 transmitted through television, if any (as  
23 determined in accordance with subsection  
24 (e)(5) or (e)(7)(A)(ii)); and

1           “(C) that the communication is not au-  
2           thorized by any candidate or candidate’s com-  
3           mittee.”.

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

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

9           “(1) REQUIRING COMMUNICATIONS TO INCLUDE  
10           CERTAIN DISCLAIMER STATEMENTS.—Any commu-  
11           nication consisting of a political robocall which  
12           would be subject to the requirements of subsection  
13           (e) if the communication were transmitted through  
14           radio or television shall include the following:

15           “(A) The individual disclosure statement  
16           described in subsection (e)(2) (if the person  
17           paying for the communication is an individual)  
18           or the organizational disclosure statement de-  
19           scribed in subsection (e)(3) (if the person pay-  
20           ing for the communication is not an individual).

21           “(B) If the communication is an election-  
22           eering communication or an independent ex-  
23           penditure consisting of a public communication  
24           and is paid for in whole or in part with a pay-  
25           ment which is treated as a disbursement by a

1 covered organization for campaign-related activ-  
2 ity under section 325, or which is paid for in  
3 whole or in part by a political committee de-  
4 scribed in subsection (e)(7)(B), the significant  
5 funder disclosure statement described in sub-  
6 section (e)(4) or (e)(7) (if applicable).

7 “(2) TIMING OF CERTAIN STATEMENT.—The  
8 statements required to be included under paragraph  
9 (1) shall be made at the beginning of the political  
10 robocall, unless, on the basis of criteria established  
11 in regulations promulgated by the Commission, the  
12 communication is of such short duration that includ-  
13 ing the statement in the communication would con-  
14 stitute a hardship to the person paying for the com-  
15 munication by requiring a disproportionate amount  
16 of the communication’s content to consist of the  
17 statement.

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

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

1           “(B) which promotes, supports, attacks, or  
2           opposes a candidate for election for Federal of-  
3           fice.”.

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

5           Title III of the Federal Election Campaign Act of  
6 1971, as amended by section 213, is amended by adding  
7 at the end the following new section:

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

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

10           “(1) each of the amounts referred to in sub-  
11           section (b) shall be increased by the percent dif-  
12           ference determined under subparagraph (A) of sec-  
13           tion 315(c)(1), except that for purposes of this para-  
14           graph, such percent difference shall be determined  
15           as if the base year referred to in such subparagraph  
16           were 2009;

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

19           “(3) if any amount after adjustment under  
20           paragraph (1) is not a multiple of \$100, such  
21           amount shall be rounded to the nearest multiple of  
22           \$100.

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

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

3           “(2) The amount referred to in section  
4 304(g)(5)(A)(ii)(I).

5           “(3) Each of the amounts referred to in section  
6 304(g)(5)(A)(ii)(II).

7           “(4) The amount referred to in section  
8 304(g)(5)(B)(ii)(I)(ee).

9           “(5) The amount referred to in section  
10 304(g)(5)(B)(iii)(I).

11          “(6) The amount referred to in section  
12 304(f)(6)(A)(i)(I).

13          “(7) The amount referred to in section  
14 304(f)(6)(A)(ii)(I).

15          “(8) Each of the amounts referred to in section  
16 304(f)(6)(A)(ii)(II).

17          “(9) The amount referred to in section  
18 304(f)(6)(B)(ii)(I)(ee).

19          “(10) The amount referred to in section  
20 304(f)(6)(B)(iii)(I).

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

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

24          “(13) The amount referred to in section  
25 325(d)(2)(B)(i)(V).

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

3       **Subtitle C—Reporting Require-**  
4       **ments for Registered Lobbyists**

5       **SEC. 221. REQUIRING REGISTERED LOBBYISTS TO REPORT**  
6                       **INFORMATION ON INDEPENDENT EXPENDI-**  
7                       **TURES AND ELECTIONEERING COMMUNICA-**  
8                       **TIONS.**

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

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

14               (2) by redesignating subparagraph (G) as sub-  
15       paragraph (I); and

16               (3) by inserting after subparagraph (F) the fol-  
17       lowing new subparagraphs:

18                       “(G) the amount of any independent ex-  
19       penditure (as defined in section 301(17) of the  
20       Federal Election Campaign Act of 1971 (2  
21       U.S.C. 431(17)) equal to or greater than  
22       \$1,000 made by such person or organization,  
23       and for each such expenditure the name of each  
24       candidate being supported or opposed and the

1 amount spent supporting or opposing each such  
2 candidate;

3 “(H) the amount of any electioneering  
4 communication (as defined in section 304(f)(3)  
5 of such Act (2 U.S.C. 434(f)(3)) equal to or  
6 greater than \$1,000 made by such person or or-  
7 ganization, and for each such communication  
8 the name of the candidate referred to in the  
9 communication; and”.

10 (b) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply with respect to reports for semi-  
12 annual periods described in section 5(d)(1) of the Lob-  
13 bing Disclosure Act of 1995 that begin after the date  
14 of the enactment of this Act.

15 **TITLE III—DISCLOSURE BY COV-**  
16 **ERED ORGANIZATIONS OF IN-**  
17 **FORMATION ON CAMPAIGN-**  
18 **RELATED ACTIVITY**

19 **SEC. 301. REQUIRING DISCLOSURE BY COVERED ORGANI-**  
20 **ZATIONS OF INFORMATION ON CAMPAIGN-**  
21 **RELATED ACTIVITY.**

22 Title III of the Federal Election Campaign Act of  
23 1971 (2 U.S.C. 431 et seq.), as amended by section 215,  
24 is amended by adding at the end the following new section:

1 **“SEC. 328. DISCLOSURES BY COVERED ORGANIZATIONS TO**  
2 **SHAREHOLDERS, MEMBERS, AND DONORS OF**  
3 **INFORMATION ON DISBURSEMENTS FOR**  
4 **CAMPAIGN-RELATED ACTIVITY.**

5 “(a) INCLUDING INFORMATION IN REGULAR PERI-  
6 ODIC REPORTS.—

7 “(1) IN GENERAL.—A covered organization  
8 which submits regular, periodic reports to its share-  
9 holders, members, or donors on its finances or ac-  
10 tivities shall include in each such report, in a clear  
11 and conspicuous manner, the information described  
12 in paragraph (2) with respect to the disbursements  
13 made by the organization for campaign-related activ-  
14 ity during the period covered by the report.

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

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

20 “(B) the amount of the independent ex-  
21 penditure or electioneering communication in-  
22 volved;

23 “(C) the name of the candidate identified  
24 in the independent expenditure or electioneering  
25 communication involved and the office sought  
26 by the candidate;

1           “(D) in the case of a transfer of funds to  
2 another person, the information required by  
3 subparagraphs (A) through (C), as well as the  
4 name of the recipient of the funds and the date  
5 and amount of the funds transferred;

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

7           “(F) such other information as the Com-  
8 mission determines is appropriate to further the  
9 purposes of this subsection.

10       “(b) HYPERLINK TO INFORMATION INCLUDED IN  
11 REPORTS FILED WITH COMMISSION.—

12           “(1) REQUIRING POSTING OF HYPERLINK.—If a  
13 covered organization maintains an Internet site, the  
14 organization shall post on such Internet site a  
15 hyperlink from its homepage to the location on the  
16 Internet site of the Commission which contains the  
17 following information:

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

21           “(B) The information the organization is  
22 required to include in a statement of disburse-  
23 ments for electioneering communications under  
24 section 304(f)(6).

1           “(2) DEADLINE; DURATION OF POSTING.—The  
2 covered organization shall post the hyperlink de-  
3 scribed in paragraph (1) not later than 24 hours  
4 after the Commission posts the information de-  
5 scribed in such paragraph on the Internet site of the  
6 Commission, and shall ensure that the hyperlink re-  
7 mains on the Internet site of the covered organiza-  
8 tion until the expiration of the 1-year period which  
9 begins on the date of the election with respect to  
10 which the public independent expenditures or elec-  
11 tioneeing communications are made.

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

15           “(1) Any corporation which is subject to section  
16 316(a), other than a corporation which is an organi-  
17 zation described in paragraph (3) of section 501(c)  
18 of the Internal Revenue Code of 1986 and exempt  
19 from tax under section 501(a) of such Code.

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

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

1       tion 501(c)(4) organization (as defined in section  
2       301(27)).

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       **TITLE IV—OTHER PROVISIONS**

### 7       **SEC. 401. JUDICIAL REVIEW.**

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

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

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

21      (b) INTERVENTION BY MEMBERS OF CONGRESS.—In  
22      any action in which the constitutionality of any provision  
23      of this Act or any amendment made by this Act is raised,  
24      any member of the House of Representatives (including  
25      a Delegate or Resident Commissioner to the Congress) or

1 Senate who satisfies the requirements for standing under  
2 article III of the Constitution shall have the right to inter-  
3 vene either in support of or opposition to the position of  
4 a party to the case regarding the constitutionality of the  
5 provision or amendment. To avoid duplication of efforts  
6 and reduce the burdens placed on the parties to the action,  
7 the court in any such action may make such orders as  
8 it considers necessary, including orders to require interve-  
9 nors taking similar positions to file joint papers or to be  
10 represented by a single attorney at oral argument.

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

18 **SEC. 402. NO EFFECT ON PROTECTIONS AGAINST THREATS,**

19 **HARASSMENTS, AND REPRISALS.**

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

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

3 **SEC. 403. SEVERABILITY.**

4 If any provision of this Act or amendment made by  
5 this Act, or the application of a provision or amendment  
6 to any person or circumstance, is held to be unconstitu-  
7 tional, the remainder of this Act and amendments made  
8 by this Act, and the application of the provisions and  
9 amendment to any person or circumstance, shall not be  
10 affected by the holding.

11 **SEC. 404. EFFECTIVE DATE.**

12 Except as otherwise provided, this Act and the  
13 amendments made by this Act shall take effect upon the  
14 expiration of the 30-day period which begins on the date  
15 of the enactment of this Act, and shall take effect without  
16 regard to whether or not the Federal Election Commission  
17 has promulgated regulations to carry out such amend-  
18 ments.

Passed the House of Representatives June 24, 2010.

Attest: LORRAINE C. MILLER,  
*Clerk.*

Calendar No. 448

11<sup>TH</sup> CONGRESS  
2<sup>D</sup> Session

**H. R. 5175**

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**AN ACT**

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

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JUNE 29, 2010

Read the second time and placed on the calendar