111TH CONGRESS
2D Session

H. R. 5175

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

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 2010

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

A BILL

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

Be it enacted by the Senate and House of Representa-
SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Democracy is Strengthened by Casting Light on Spending in Elections Act” or the “DISCLOSE Act”.

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

TITLE I—REGULATION OF CERTAIN POLITICAL SPENDING

Sec. 101. Prohibiting independent expenditures and electioneering 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.

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.

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.

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.
1 SEC. 2. FINDINGS.

(a) GENERAL FINDINGS.—Congress finds and declares as follows:

(1) Throughout the history of the United States, the American people have been rightly concerned about the power of special interests to control our democratic processes. That was true over 100 years ago when Congress first enacted legislation intended to restrict corporate funds from being used in Federal elections, legislation that Congress in 1947 reaffirmed was intended to include independent expenditures. The Supreme Court held such legislation to be constitutional in 1990 in Austin v. Michigan Chamber of Commerce (494 U.S. 652) and again in 2003 in McConnell v. F.E.C. (540 U.S. 93).

(2) The Supreme Court’s decision in Citizens United v. Federal Election Commission on January 21, 2010, reverses established jurisprudence and sound policy to greatly increase the dangers of undue special interest influence over the democratic process. That decision has opened the floodgates for corporations and labor unions to spend unlimited
sums from their general treasury accounts to influence the outcome of elections.

(3) Congress must take action to ensure that the American public has all the information necessary to exercise its free speech and voting rights, and must otherwise take narrowly-tailed steps to regulate independent expenditures and electioneering communications in elections.

(b) Findings Relating to Government Contractors.—Congress finds and declares as follows:

(1) Government contracting is an activity that is particularly susceptible to improper influence, and to the appearance of improper influence. Government contracts must be awarded based on an objective evaluation of how well bidders or potential contractors meet relevant statutory criteria.

(2) Independent expenditures and electioneering communications that benefit particular candidates or elected officials or disfavor their opponents can lead to apparent and actual ingratiation, access, influence, and quid pro quo arrangements. Government contracts should be awarded based on an objective application of statutory criteria, not based on other forms of inappropriate or corrupting influence.
(3) Prohibiting independent expenditures and electioneering communications by persons negoti-
ating for or performing government contracts will prevent government officials involved in or with in-
fluence over the contracting process from influencing the contracting process based, consciously or other-
wise, on this kind of inappropriate or corrupting in-
fluence.

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

(5) Furthermore, because government contracts often involve large amounts of public money, it is
critical that the public perceive that the government contracts are awarded strictly in accordance with
prescribed statutory standards, and not based on other forms of inappropriate or corrupting influence.
The public’s confidence in government is under-
mined when corporations that make significant ex-
penditures during Federal election campaigns later receive government funds.

(6) Prohibiting independent expenditures and electioneering communications by persons negotiating for or performing government contracts will prevent any appearance that government contracts were awarded based in whole or in part on such expenditures or communications, or based on the inappropriate or corrupting influence such expenditures and communications can create and appear to create.

(7) In these ways, prohibiting independent expenditures and electioneering communications by persons negotiating for or performing government contracts will protect the actual and perceived integrity of the government contracting process.

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

(c) FINDINGS RELATING TO FOREIGN CORPORATIONS.—Congress finds and declares as follows:
(1) The Supreme Court’s decision in the Citizens United case has provided the means by which United States corporations controlled by foreign entities can freely spend money to influence United States elections.

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

(3) As recognized in many areas of the law, foreign ownership interests and influences are exerted in a perceptible way even when the entity is not majority-foreign-owned.

(4) The Federal Government has broad constitutional power to protect American interests and sovereignty from foreign interference and intrusion.

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

(d) FINDINGS RELATING TO COORDINATED EXPENDITURES.—Congress finds and declares as follows:

(1) It has been the consistent view of Congress and the courts that coordinated expenditures in
campaigns for election are no different in nature from contributions.

(2) Existing rules still allow donors to evade contribution limits by making campaign expenditures which, while technically qualifying as independent expenditures under law, are for all relevant purposes coordinated with candidates and political parties and thus raise the potential for corruption or the appearance of corruption.

(3) Such arrangements have the potential to give rise to the reality or appearance of corruption to the same degree that direct contributions to a candidate may give rise to the reality or appearance of corruption. Moreover, expenditures which are in fact made in coordination with a candidate or political party have the potential to lessen the public’s trust and faith in the rules and the integrity of the electoral process.

(4) The government therefore has a compelling interest in making sure that expenditures that are de facto coordinated with a candidate are treated as such to prevent corruption, the appearance of corruption, or the perception that some participants are circumventing the laws and regulations which govern the financing of election campaigns.
(c) **Findings Relating to Disclosures and Disclaimers.**—Congress finds and declares as follows:

(1) The American people have a compelling interest in knowing who is funding independent expenditures and electioneering communications to influence Federal elections, and the government has a compelling interest in providing the public with that information. Effective disclaimers and prompt disclosure of expenditures, and the disclosure of the funding sources for these expenditures, can provide shareholders, voters, and citizens with the information needed to evaluate the actions by special interests seeking influence over the democratic process. Transparency promotes accountability, increases the fund of information available to the public concerning the support given to candidates by special interests, sheds the light of publicity on political spending, and encourages the leaders of organizations to act only upon legitimate organizational purposes.

(2) Protecting this compelling interest has become particularly important to address the anticipated increase in special interest spending on election-related communications which will result from the Supreme Court’s decision in the Citizens United
case. The current disclosure and disclaimer require-
ments were designed for a campaign finance system
in which such expenditures were subject to prohibi-
tions that no longer apply.

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

(4) The current lack of accountability and
transparency allow special interest political spending
to serve as a private benefit for the officials of spe-
cial interest organizations, to the detriment of the
organizations and their shareholders and members.
(f) FINDINGS RELATING TO CAMPAIGN SPENDING BY
LOBBYISTS.—Congress finds and declares as follows:
(1) Lobbyists and lobbying organizations, and through them, their clients, influence the public decision-making process in a variety of ways.

(2) In recent years, scandals involving undue lobbyist influence have lowered public trust in government and jeopardized the willingness of voters to take part in democratic governance.

(3) One way in which lobbyists may unduly influence Federal officials is through their or their clients making independent expenditures or electioneering communications targeting elected officials.

(4) Disclosure of such independent expenditures and electioneering communications will allow the public to examine connections between such spending and official actions, and will therefore limit the ability of lobbyists to exert an undue influence on elected officials.

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

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

(a) Prohibition Applicable to Government Contractors.—

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

(B) CONFORMING AMENDMENT.—The heading of section 317 of such Act (2 U.S.C. 441c) is amended by striking “CONTRIBUTIONS” and inserting “CONTRIBUTIONS, INDEPENDENT EXPENDITURES, AND ELECTIONEERING COMMUNICATIONS”.

(2) THRESHOLD FOR APPLICATION OF BAN.—Section 317 of such Act (2 U.S.C. 441c) is amended—

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

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

“(b) To the extent that subsection (a)(1) prohibits a person who enters into a contract described in such subsection from making any independent expenditure or disbursing funds for an electioneering communication, such
subsection shall apply only if the value of the contract is equal to or greater than $50,000.”.

(b) Application to Recipients of Assistance Under Troubled Asset Program.—Section 317(a) of such Act (2 U.S.C. 441c(a)) is amended—

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

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

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

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

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

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

(e) Technical Amendment.—Section 317 of such Act (2 U.S.C. 441c) is amended by striking “section 321” each place it appears and inserting “section 316”.

SEC. 102. APPLICATION OF BAN ON CONTRIBUTIONS AND EXPENDITURES BY FOREIGN NATIONALS TO FOREIGN-CONTROLLED DOMESTIC CORPORATIONS.

(a) Application of Ban.—Section 319(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441c(b)) is amended—

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

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

(3) by adding at the end the following new paragraph:
“(3) any corporation which is not a foreign national described in paragraph (1) and—

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

“(B) with respect to which the majority of the members of the board of directors are foreign nationals described in paragraph (1) or (2);

“(C) over which one or more foreign nationals described in paragraph (1) or (2) has the power to direct, dictate, or control the decision-making process of the corporation with respect to its interests in the United States; or

“(D) over which one or more foreign nationals described in paragraph (1) or (2) has the power to direct, dictate, or control the decision-making process of the corporation with respect to activities in connection with a Federal, State, or local election, including—

“(i) the making of a contribution, donation, expenditure, independent expenditure, or disbursement for an electioneering communication (within the meaning of section 304(f)(3)); or
“(ii) the administration of a political committee established or maintained by the corporation.”.

(b) Certification of Compliance.—Section 319 of such Act (2 U.S.C. 441e) is amended by adding at the end the following new subsection:

“(c) Certification of Compliance Required Prior to Carrying Out Activity.—Prior to the making of any contribution, donation, expenditure, independent expenditure, or disbursement for an electioneering communication by a corporation during a year, the chief executive officer of the corporation (or, if the corporation does not have a chief executive officer, the highest ranking official of the corporation), shall file a certification with the Commission, under penalty of perjury, that the corporation is not prohibited from carrying out such activity under subsection (b)(3), unless the chief executive officer has previously filed such a certification during the year.”.

(e) No Effect on Other Laws.—Section 319 of such Act (2 U.S.C. 441e), as amended by subsection (b), is further amended by adding at the end the following new subsection:

“(d) No Effect on Other Laws.—Nothing in this section shall be construed to affect the determination of
whether a corporation is treated as a foreign national for purposes of any law other than this Act.”.

SEC. 103. TREATMENT OF PAYMENTS FOR COORDINATED COMMUNICATIONS AS CONTRIBUTIONS.

(a) In General.—Section 301(8)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended—

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

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

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

“(iii) any payment made by any person (other than a candidate, an authorized committee of a candidate, or a political committee of a political party) for a coordinated communication (as determined under section 324).”.

(b) Coordinated Communications Described.—

Section 324 of such Act (2 U.S.C. 431 et seq.) is amended to read as follows:

“SEC. 324. COORDINATED COMMUNICATIONS.

“(a) Coordinated Communications Defined.—

For purposes of this Act, the term ‘coordinated communication’ means—
“(1) a covered communication which is made in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, an authorized committee of a candidate, or a political committee of a political party; or

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

“(b) COVERED COMMUNICATION DEFINED.—

“(1) IN GENERAL.—Except as provided in paragraph (4), for purposes of this subsection, the term ‘covered communication’ means, for purposes of the applicable election period described in paragraph (2), a publicly distributed or disseminated communication that refers to a clearly identified candidate for Federal office and is publicly distributed or publicly disseminated during such period.

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

“(A) in the case of a communication which refers to a candidate for the office of President or Vice President, the period—
“(i) beginning with the date that is 120 days before the date of the first primary election, preference election, or nominating convention for nomination for the office of President which is held in any State; and

“(ii) ending with the date of the general election for such office; or

“(B) in the case of a communication which refers to a candidate for any other Federal office, the period—

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

“(ii) ending with the date of the general election for such office.

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

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

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

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

“(c) TREATMENT OF COORDINATION WITH POLIT-
ICAL PARTIES FOR COMMUNICATIONS REFERRING TO
CANDIDATES.—For purposes of this section, if a commu-
ication which refers to any clearly identified candidate
or candidates of a political party or any opponent of such
a candidate or candidates is determined to have been made
in cooperation, consultation, or concert with or at the request or suggestion of a political committee of the political party but not in cooperation, consultation, or concert with or at the request or suggestion of such clearly identified candidate or candidates, the communication shall be treated as having been made in cooperation, consultation, or concert with or at the request or suggestion of the political committee of the political party but not with or at the request or suggestion of such clearly identified candidate or candidates.”.

(c) EFFECTIVE DATE.—

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

(2) TRANSITION RULE FOR ACTIONS TAKEN PRIOR TO ENACTMENT.—No person shall be considered to have made a payment for a coordinated communication under section 324 of the Federal Election Campaign Act of 1971 (as amended by subsection (b)) by reason of any action taken by the person prior to the date of the enactment of this
Act. Nothing in the previous sentence shall be con-
strained to affect any determination under any other
provision of such Act which is in effect on the date
of the enactment of this Act regarding whether a
communication is made in cooperation, consultation,
or concert with, or at the request or suggestion of,
a candidate, an authorized committee of a candidate,
or a political committee of a political party.

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

(a) Treatment of Payment for Communication
as Contribution if Made Under Control or Direc-
tion of Candidate.—Section 301(8)(A) of the Federal
Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)), as
amended by section 103(a), is amended—

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

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

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

“(iv) any payment by a political committee
of a political party for the direct costs of a com-
munication made on behalf of a candidate for
Federal office who is affiliated with such party,
but only if the communication is controlled by,
or made at the direction of, the candidate or an
authorized committee of the candidate.”.

(b) Requiring Control or Direction by Can-
didate for Treatment as Coordinated Party Ex-
penditure.—

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

“(4) Special Rule for Direct Costs of Commu-
nications.—The direct costs incurred by a political com-
mittee of a political party for a communication made in
connection with the campaign of a candidate for Federal
office shall not be subject to the limitations contained in
paragraphs (2) and (3) unless the communication is con-
trolled by, or made at the direction of, the candidate or
an authorized committee of the candidate.”.

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

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

**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.**

(a) **Revision of Definition.**—Subparagraph (A) of section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) is amended to read as follows:

“(A) that, when taken as a whole, expressly advocates the election or defeat of a clearly identified candidate, or is the functional equivalent of express advocacy because it can be interpreted by a reasonable person only as advocating the election or defeat of a candidate, taking into account whether the communication involved mentions a candidacy, a political party, or a challenger to a candidate, or takes a position on a candidate’s character, qualifications, or fitness for office; and”.
(b) **Uniform 24-Hour Reporting For Persons Making Independent Expenditures Exceeding $10,000 At Any Time.**—Section 304(g) of such Act (2 U.S.C. 434(g)) is amended by striking paragraphs (1) and (2) and inserting the following:

“(1) **Independent expenditures exceeding threshold amount.**—

“(A) **Initial report.**—A person (including a political committee) that makes or contracts to make independent expenditures in an aggregate amount equal to or greater than the threshold amount described in paragraph (2) shall file a report describing the expenditures within 24 hours.

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

“(2) **Threshold amount described.**—In paragraph (1), the ‘threshold amount’ means—
“(A) during the period up to and including the 20th day before the date of an election, $10,000; or
“(B) during the period after the 20th day, but more than 24 hours, before the date of an election, $1,000.”.

(c) Effective Date.—

(1) In general.—The amendment made by subsection (a) shall apply with respect to contributions and expenditures made on or after the expiration of the 30-day period which begins on the date of the enactment of this Act, without regard to whether or not the Federal Election Commission has promulgated regulations to carry out such amendments.

(2) Reporting requirements.—The amendment made by subsection (b) shall apply with respect to reports required to be filed after the date of the enactment of this Act.

SEC. 202. ELECTIONEERING COMMUNICATIONS.

(a) Period during which communications treated as electioneering communications.—

(1) Expansion of period covering general election.—Section 304(f)(3)(A)(i)(II)(aa) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441(f)(3)(A)(i)(II)(aa)) is amended by striking the period of time ending with the 19th day before the date of an election and inserting the period of time ending with the 19th day before the date of an election and omitting the phrase “and” before the period of time ending with the 19th day before the date of an election.

SEC. 203. REPORTING REQUIREMENTS.
(2) Effective date; transition for communications made prior to enactment.—The amendment made by paragraph (1) shall apply with respect to communications made on or after the date of the enactment of this Act, without regard to whether or not the Federal Election Commission has promulgated regulations to carry out such amendments, except that no communication which is made prior to the date of the enactment of this Act shall be treated as an electioneering communication under section 304(f)(3)(A)(i)(II) of the Federal Election Campaign Act of 1971 (as amended by paragraph (1)) unless the communication would be treated as an electioneering communication under such section if the amendment made by paragraph (1) did not apply.

(b) Requiring Reports to Include Information on Intended Target of Communications.—Section 304(f)(2)(D) of such Act (2 U.S.C. 434(f)(2)(D)) is amended—

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

Subtitle B—Expanded Require-
ments for Corporations and
Other Organizations

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

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

“(5) DISCLOSURE OF ADDITIONAL INforma-
tion by Covered Organizations Making Pay-
ments for Public Independent Expensi-
tures.—

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

“(i) If any person made a donation or payment to the covered organization during the covered organization reporting period which was provided for the purpose of being used for campaign-related activity or in response to a solicitation for funds to be used for campaign-related activity—

“(I) subject to subparagraph (C), the identification of each person who made such donations or payments in an aggregate amount equal to or exceeding $600 during such period, presented in the order of the aggregate amount of donations or payments made by such persons during such period (with the identification of the person making the largest donation or payment appearing first); and

“(II) if any person identified under subclause (I) designated that the donation or payment be used for campaign-related activity with respect to a specific election or in support of
a specific candidate, the name of the
election or candidate involved, and if
any such person designated that the
donation or payment be used for a
specific public independent expendi-
ture, a description of the expenditure.
"(ii) The identification of each person
who made unrestricted donor payments to
the organization during the covered organi-
zation reporting period—
"(I) in an aggregate amount
equal to or exceeding $600 during
such period, if any of the disburse-
ments made by the organization for
any of the public independent expendi-
tures which are covered by the report
were not made from the organization’s
Campaign-Related Activity Account
under section 326; or
"(II) in an aggregate amount
equal to or exceeding $6,000 during
such period, if the disbursements
made by the organization for all of
the public independent expenditures
which are covered by the report were
made exclusively from the organization’s Campaign-Related Activity Account under section 326 (but only if the organization has made deposits described in subparagraph (D) of section 326(a)(2) into that Account during such period in an aggregate amount equal to or greater than $10,000), presented in the order of the aggregate amount of payments made by such persons during such period (with the identification of the person making the largest payment appearing first).

“(B) Treatment of Transfers Made to Other Persons.—

“(i) In General.—For purposes of the requirement to file reports under this subsection (including the requirement under subparagraph (A) to include additional information in such reports), a covered organization which transfers amounts to another person for the purpose of making a public independent expenditure by that person or by any other person, or (in
accordance with clause (ii)) which is deemed to have transferred amounts to another person for the purpose of making a public independent expenditure by that person or by any other person, shall be considered to have made a public independent expenditure.

“(ii) Rules for deeming transfers made for purpose of making expenditures.—For purposes of clause (i), in determining whether a covered organization or any other person who transfers amounts to another person shall be deemed to have transferred the amounts for the purpose of making a public independent expenditure, the following rules apply:

“(I) The person shall be deemed to have transferred the amounts for the purpose of making a public independent expenditure if—

“(aa) the person making the public independent expenditure or another person acting on that person’s behalf solicited funding from the person or from the per-
son to whom the amounts were transferred for making any public independent expenditures,

“(bb) the person and the person to whom the amounts were transferred engaged in substantial discussion (whether written or verbal) regarding the making of public independent expenditures,

“(cc) the person or the person to whom the amounts were transferred knew or should have known of the covered organization’s intent to make public independent expenditures, or

“(dd) the person or the person to whom the amounts were transferred made a public independent expenditure during the election cycle involved or the previous election cycle (as defined in section 301(25)).

“(II) The person shall not be deemed to have transferred the
amounts for the purpose of making a public independent expenditure if the transfer was a commercial transaction occurring in the ordinary course of business between the person and the person to whom the amounts were transferred.

“(C) EXCLUSION OF AMOUNTS DESIGNATED FOR OTHER CAMPAIGN-RELATED ACTIVITY.—For purposes of subparagraph (A)(i), in determining the amount of a donation or payment made by a person which was provided for the purpose of being used for campaign-related activity or in response to a solicitation for funds to be used for campaign-related activity, there shall be excluded any amount which was designated by the person to be used—

“(i) for campaign-related activity described in clause (i) of section 325(d)(2)(A) (relating to independent expenditures) with respect to a different election, or with respect to a candidate in a different election, than an election which is the subject of any of the public inde-
dependent expenditures covered by the report involved; or

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

“(D) EXCLUSION OF AMOUNTS PAID FROM SEPARATE SEGREGATED FUND.—In determining the amount of public independent expenditures made by a covered organization for purposes of this paragraph, there shall be excluded any amounts paid from a separate segregated fund established and administered by the organization under section 316(b)(2)(C).

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

“(i) in the case of the first report filed by a covered organization under this subsection which includes information required under this paragraph, the shorter of—

“(I) the period which begins on the effective date of the Democracy is
Strengthened by Casting Light on
Spending in Elections Act and ends
on the last day covered by the report,
or
“(II) the 12-month period ending
on the last day covered by the report;
and
“(ii) in the case of any subsequent re-
port filed by a covered organization under
this subsection which includes information
required under this paragraph, the period
occurring since the most recent report filed
by the organization which includes such in-
formation.
“(F) COVERED ORGANIZATION DEFINED.—
In this paragraph, the term ‘covered organiza-
tion’ means any of the following:
“(i) Any corporation which is subject
to section 316(a).
“(ii) Any labor organization (as de-
fined in section 316).
“(iii) Any organization described in
paragraph (4), (5), or (6) of section 501(c)
of the Internal Revenue Code of 1986 and
exempt from tax under section 501(a) of such Code.

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

“(G) OTHER DEFINITIONS.—In this paragraph—

“(i) the terms ‘campaign-related activity’ and ‘unrestricted donor payment’ have the meaning given such terms in section 325; and

“(ii) the term ‘public independent expenditure’ means an independent expenditure for a public communication (as defined in section 301(22)).”.

(b) ELECTIONEERING COMMUNICATION REPORTS.—

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

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

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

“(6) DISCLOSURE OF ADDITIONAL INFORMATION BY COVERED ORGANIZATIONS.—
“(A) ADDITIONAL INFORMATION.—If a covered organization files a statement under this subsection, the statement shall include, in addition to the information required under paragraph (2), the following information:

“(i) If any person made a donation or payment to the covered organization during the covered organization reporting period which was provided for the purpose of being used for campaign-related activity or in response to a solicitation for funds to be used for campaign-related activity—

“(II) subject to subparagraph (C), the identification of each person who made such donations or payments in an aggregate amount equal to or exceeding $1,000 during such period, presented in the order of the aggregate amount of donations or payments made by such persons during such period (with the identification of the person making the largest donation or payment appearing first); and

“(II) if any person identified under subclause (I) designated that
the donation or payment be used for campaign-related activity with respect to a specific election or in support of a specific candidate, the name of the election or candidate involved, and if any such person designated that the donation or payment be used for a specific electioneering communication, a description of the communication.

“(ii) The identification of each person who made unrestricted donor payments to the organization during the covered organization reporting period—

“(I) in an aggregate amount equal to or exceeding $1,000 during such period, if any of the disbursements made by the organization for any of the electioneering communications which are covered by the statement were not made from the organization’s Campaign-Related Activity Account under section 326; or

“(II) in an aggregate amount equal to or exceeding $10,000 during such period, if the disbursements
made by the organization for all of the electioneering communications which are covered by the statement were made exclusively from the organization’s Campaign-Related Activity Account under section 326 (but only if the organization has made deposits described in subparagraph (D) of section 326(a)(2) into that Account during such period in an aggregate amount equal to or greater than $10,000),

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

“(B) Treatment of transfers made to other persons.—

“(i) In general.—For purposes of the requirement to file statements under this subsection (including the requirement under subparagraph (A) to include additional information in such statements), a covered organization which transfers
amounts to another person for the purpose of making an electioneering communication by that person or by any other person, or (in accordance with clause (ii)) which is deemed to have transferred amounts to another person for the purpose of making an electioneering communication by that person or by any other person, shall be considered to have made a disbursement for an electioneering communication.

“(ii) Rules for deeming transfers made for purpose of making communications.—For purposes of clause (i), in determining whether a covered organization or any other person who transfers amounts to another person shall be deemed to have transferred the amounts for the purpose of making an electioneering communication, the following rules apply:

“(I) The person shall be deemed to have transferred the amounts for the purpose of making an electioneering communication if—
“(aa) the person making the public independent expenditure or another person acting on that person’s behalf solicited funding from the person or from the person to whom the amounts were transferred for making any electioneering communications,

“(bb) the person and the person to whom the amounts were transferred engaged in substantial discussion (whether written or verbal) regarding the making of electioneering communications,

“(cc) the person or the person to whom the amounts were transferred knew or should have known of the covered organization’s intent to make electioneering communications, or

“(dd) the person or the person to whom the amounts were transferred made an electioneering communication during the
election cycle involved or the previous election cycle (as defined in section 301(25)).

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

“(C) EXCLUSION OF AMOUNTS DESIGNATED FOR OTHER CAMPAIGN-RELATED ACTIVITY.—For purposes of subparagraph (A)(i), in determining the amount of a donation or payment made by a person which was provided for the purpose of being used for campaign-related activity or in response to a solicitation for funds to be used for campaign-related activity, there shall be excluded any amount which was designated by the person to be used—

“(i) for campaign-related activity described in clause (ii) of section 325(d)(2)(A) (relating to electioneering
communications) with respect to a different election, or with respect to a candidate in a different election, than an election which is the subject of any of the electioneering communications covered by the statement involved; or

“(ii) for any campaign-related activity described in clause (i) of section 325(d)(2)(A) (relating to independent expenditures consisting of a public communication).

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

“(i) in the case of the first statement filed by a covered organization under this subsection which includes information required under this paragraph, the shorter of—

“(I) the period which begins on the effective date of the Democracy is Strengthened by Casting Light on Spending in Elections Act and ends
on the disclosure date for the statement, or

“(II) the 12-month period ending on the disclosure date for the state-

ment; and

“(ii) in the case of any subsequent statement filed by a covered organization under this subsection which includes informa-

tion required under this paragraph, the period occurring since the most recent statement filed by the organization which includes such information.

“(E) COVERED ORGANIZATION DEFINED.—In this paragraph, the term ‘covered organization’ means any of the following:

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

“(ii) Any labor organization (as de-

fined in section 316).

“(iii) Any organization described in paragraph (4), (5), or (6) of section 501(e) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.
“(iv) Any political organization under section 527 of the Internal Revenue Code of 1986, other than a political committee under this Act.

“(F) Other definitions.—In this paragraph, the terms ‘campaign-related activity’ and ‘unrestricted donor payment’ have the meaning given such terms in section 325.”.

(2) Conforming amendment.—Section 304(2) of such Act (2 U.S.C. 434(f)(2)) is amended by striking “If the disbursements” each place it appears in subparagraph (E) and (F) and inserting the following: “Except in the case of a statement which is required to include additional information under paragraph (6), if the disbursements”.

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

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:
“SEC. 325. SPECIAL RULES FOR USE OF GENERAL TREASURY FUNDS BY COVERED ORGANIZATIONS FOR CAMPAIGN-RELATED ACTIVITY.

“(a) USE OF FUNDS FOR CAMPAIGN-RELATED ACTIVITY.—

“(1) IN GENERAL.—Subject to any applicable restrictions and prohibitions under this Act, a covered organization may make disbursements for campaign-related activity using—

“(A) amounts paid or donated to the organization which are designated by the person providing the amounts to be used for campaign-related activity;

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

“(C) other funds of the organization, including amounts received pursuant to commercial activities in the regular course of a covered organization’s business.

“(2) NO EFFECT ON USE OF SEPARATE SEGREGATED FUND.—Nothing in this section shall be construed to affect the authority of a covered organization to make disbursements from a separate segregated fund established and administered by the organization under section 316(b)(2)(C).
“(b) Restrictions on Use of Funds for Campaign-Related Activity.—

“(1) Certification after receiving notification by donor to not use funds for activity.—If any person who makes a donation, payment, or transfer to a covered organization (other than the covered organization) notifies the organization in writing (at the time of making the donation, payment, or transfer) that the organization may not use the donation, payment, or transfer for campaign-related activity, not later than 7 days after the organization receives the donation, payment, or transfer the organization shall transmit to the person a written certification by the chief financial officer of the covered organization (or, if the organization does not have a chief financial officer, the highest ranking financial official of the organization), under penalty of perjury, that—

“(A) the organization will not use the donation, payment, or transfer for campaign-related activity; and

“(B) the organization will not include any information on the person in any report filed by the organization under section 304 with respect to independent expenditures or electioneering
communications, so that the person will not be required to appear in a significant funder statement or a Top 5 Funders list under section 318(e).

“(2) Exception for Payments Made Pursuant to Commercial Activities.—Paragraph (1) does not apply with respect to any payment or transfer made pursuant to commercial activities in the regular course of a covered organization’s business.

“(c) Certifications Regarding Disbursements for Campaign-Related Activity.—

“(1) Certification by Chief Executive Officer.—If, at any time during a calendar quarter, a covered organization makes a disbursement of funds for campaign-related activity using funds described in subsection (a)(1), the chief executive officer of the covered organization (or, if the organization does not have a chief executive officer, the highest ranking official of the organization), under penalty of perjury, shall file a statement with the Commission which contains the following certifications:

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

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

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

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

“(E) No portion of the amounts used to
make any such disbursements during the quar-
ter is attributable to funds received by the orga-
nization that were restricted by the person who
provided the funds from being used for cam-
paign-related activity pursuant to subsection
(b).
“(2) Application of electronic filing rules.—Section 304(d)(1) shall apply with respect to a statement required under this subsection in the same manner as such section applies with respect to a statement under subsection (c) or (g) of section 304.

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

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

“(1) Covered organization.—The term ‘covered organization’ means any of the following:

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

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

“(C) Any organization described in paragraph (4), (5), or (6) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.
“(D) Any political organization under section 527 of the Internal Revenue Code of 1986, other than a political committee under this Act.

“(2) CAMPAIGN-RELATED ACTIVITY.—

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

“(i) an independent expenditure consisting of a public communication (as defined in section 301(22)), a transfer of funds to another person for the purpose of making such an independent expenditure by that person or by any other person, or (in accordance with subparagraph (B)) a transfer of funds to another person which is deemed to have been made for the purpose of making such an independent expenditure by that person or by any other person; or

“(ii) an electioneering communication, a transfer of funds to another person for the purpose of making an electioneering communication by that person or by any other person, or (in accordance with subparagraph (B)) a transfer of funds to another person which is deemed to have been
made for the purpose of making an elec-
tioneering communication by that person
or by any other person.

“(B) Rule for deeming transfers
made for purpose of campaign-related
activity.—For purposes of subparagraph (A),
in determining whether a transfer of funds by
one person to another person shall be deemed
to have been made for the purpose of making
an independent expenditure consisting of a pub-
lic communication or an electioneering commu-
nication, the following rules apply:

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

“(I) the person making the inde-
pendent expenditure or electioneering
communication or another person act-
ing on that person’s behalf solicited
funding from the person or from the
person to whom the amounts were
transferred for the purpose of making
any such independent expenditures or
electioneering communications,
“(II) the person and the person to whom the amounts were transferred engaged in substantial discussion (whether written or verbal) regarding the making of such independent expenditures or electioneering communications,

“(III) the person or the person to whom the amounts were transferred knew or should have known of the covered organization’s intent to disburse funds for campaign-related activity, or

“(IV) the person or the person to whom the amounts were transferred made such an independent expenditure or electioneering communication during the election cycle involved or the previous election cycle (as defined in section 301(25)).

“(ii) The transfer shall not be deemed to have been made for the purpose of making such an independent expenditure or an electioneering communication if the transfer was a commercial transaction occurring
in the ordinary course of business between
the person and the person to whom the
amounts were transferred.

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

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

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

“(C) any donation or payment made by a
person who notifies the organization in writing
(at the time of making the payment) that the
organization may not use the donation or pay-
ment for campaign-related activity.”.
SEC. 213. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-
ERED ORGANIZATIONS FOR CAMPAIGN-RE-
LATED ACTIVITY.

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

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

“(a) Optional Use of Separate Account.—

“(1) Establishment of Account.—

“(A) In general.—At its option, a covered organization may make disbursements for campaign-related activity using amounts from a bank account established and controlled by the organization to be known as the Campaign-Related Activity Account (hereafter in this section referred to as the ‘Account’), which shall be maintained separately from all other accounts of the organization and which shall consist exclusively of the deposits described in paragraph (2).

“(B) Mandatory Use of Account after Establishment.—If a covered organization establishes an Account under this sec-

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tion, it may not make disbursements for campaign-related activity from any source other than amounts from the Account.

“(C) **EXCLUSIVE USE OF ACCOUNT FOR CAMPAIGN-RELATED ACTIVITY.**—Amounts in the Account shall be used exclusively for disbursements by the covered organization for campaign-related activity. After such disbursements are made, information with respect to deposits made to the Account shall be disclosed in accordance with section 304(g)(5) or section 304(f)(6).

“(2) **DEPOSITS DESCRIBED.**—The deposits described in this paragraph are deposits of the following amounts:

“(A) Amounts donated or paid to the covered organization by a person other than the organization for the purpose of being used for campaign-related activity, and for which the person providing the amounts has designated that the amounts be used for campaign-related activity with respect to a specific election or specific candidate.

“(B) Amounts donated or paid to the covered organization by a person other than the
organization for the purpose of being used for
campaign-related activity, and for which the
person providing the amounts has not des-
ignated that the amounts be used for campaign-
related activity with respect to a specific elec-
tion or specific candidate.

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

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

“(3) No treatment as political com-
mittee.—The establishment and administration of
an Account in accordance with this subsection shall
not by itself be treated as the establishment or ad-
ministration of a political committee for any purpose
of this Act.

“(b) Reduction in amounts otherwise avail-
able for account in response to demand of gen-
eral donors.—

“(1) In general.—If a covered organization
which has established an Account obtains any reve-
nues during a year which are attributable to a donation or payment from a person other than the covered organization, and if any person who makes such a donation or payment to the organization notifies the organization in writing (at the time of making the donation or payment) that the organization may not use the donation or payment for campaign-related activity, the organization shall reduce the amount of its revenues available for deposits to the Account which are described in subsection (a)(3)(D) during the year by the amount of the donation or payment.

“(2) Exception.—Paragraph (1) does not apply with respect to any payment made pursuant to commercial activities in the regular course of a covered organization’s business.

“(c) Covered Organization Defined.—In this section, the term ‘covered organization’ means any of the following:

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

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

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

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

“(d) Campaign-Related Activity Defined.—In this section, the term ‘covered organization’ has the meaning given such term in section 325.”.

SEC. 214. MODIFICATION OF RULES RELATING TO DISCLAIMER STATEMENTS REQUIRED FOR CERTAIN COMMUNICATIONS.

(a) Applying Requirements to All Independent Expenditure Communications.—Section 318(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)) is amended by striking “for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate” and inserting “for an independent expenditure consisting of a public communication”.

(b) Stand by Your Ad Requirements.—

(1) Maintenance of Existing Requirements for Communications by Political Parties and Other Political Committees.—Section 318(d)(2) of such Act (2 U.S.C. 441d(d)(2)) is amended—
(A) in the heading, by striking “OTHERS” and inserting “POLITICAL COMMITTEES”;

(B) by striking “subsection (a)” and inserting “subsection (a) which is paid for by a political committee (including a political committee of a political party)”;

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

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

“(e) COMMUNICATIONS BY OTHERS.—

“(1) IN GENERAL.—Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television (other than a communication to which subsection (d)(2) applies because the communication is paid for by a political committee, including a political committee of a political party) shall include, in addition to the requirements of that paragraph, the following:

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

“(B) If the communication is an electioneering communication or an independent expenditure consisting of a public communication and is paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325, the significant funder disclosure statement described in paragraph (4) (if applicable).

“(C) If the communication is transmitted through television and is an electioneering communication or an independent expenditure consisting of a public communication and is paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325, the Top Five Funders list described in paragraph (5) (if applicable), unless, on the basis of criteria established in regulations promulgated by the Commission, the communication is of such short duration that including the Top Five Funders list in the communication would constitute a hardship to the
person paying for the communication by requiring a disproportionate amount of the communication’s content to consist of the Top Five Funders list.

“(2) Individual disclosure statement described.—The individual disclosure statement described in this paragraph is the following: ‘I am ____________, and I approve this message.’, with the blank filled in with the name of the applicable individual.

“(3) Organizational disclosure statement described.—The organizational disclosure statement described in this paragraph is the following: ‘I am ____________, the ____________ of ____________, and ____________ approves this message.’, with—

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

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

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

“(4) Significant funder disclosure statement described.—
“(A) Statement if significant funder is an individual.—If the significant funder of a communication paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325 is an individual, the significant funder disclosure statement described in this paragraph is the following: ‘I am ____________, I helped to pay for this message, and I approve it.’, with the blank filled in with the name of the applicable individual.

“(B) Statement if significant funder is not an individual.—If the significant funder of a communication paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325 is not an individual, the significant funder disclosure statement described in this paragraph is the following: ‘I am ____________, the ____________ of ____________. ____________ helped to pay for this message, and ____________ approves it.’, with—
“(i) the first blank to be filled in with
the name of the applicable individual;

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

and

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

“(C) SIGNIFICANT FUNDER DEFINED.—

“(i) INDEPENDENT EXPENDITURES.—

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

“(I) If any report filed by any or-
ganization with respect to the inde-
pendent expenditure under section
304 includes information on any per-
son who made a payment to the orga-
nization in an amount equal to or ex-
ceeding $100,000 which was des-
ignated by the person to be used for campaign-related activity consisting of that specific independent expenditure (as required to be included in the report under section 304(g)(5)(A)(i)), the person who is identified among all such reports as making the largest such payment.

“(II) If any report filed by any organization with respect to the independent expenditure under section 304 includes information on any person who made a payment to the organization in an amount equal to or exceeding $100,000 which was designated by the person to be used for campaign-related activity with respect to the same election or in support of the same candidate (as required to be included in the report under section 304(g)(5)(A)(i)) but subclause (I) does not apply, the person who is identified among all such reports as making the largest such payment.
“(III) If any report filed by any organization with respect to the independent expenditure under section 304 includes information on any person who made a payment to the organization which was provided for the purpose of being used for campaign-related activity or in response to a solicitation for funds to be used for campaign-related activity (as required to be included in the report under section 304(g)(5)(A)(i)) but subclause (I) or subclause (II) does not apply, the person who is identified among all such reports as making the largest such payment.

“(IV) If none of the reports filed by any organization with respect to the independent expenditure under section 304 includes information on any person (other than the organization) who made a payment to the organization which was provided for the purpose of being used for campaign-related activity or in response to a so-
licitation for funds to be used for campaign-related activity, but any of such reports includes information on any person who made an unrestricted donor payment to the organization (as required to be included in the report under section 304(g)(5)(A)(ii)), the person who is identified among all such reports as making the largest such unrestricted donor payment.

“(ii) ELECTIONEERING COMMUNICATIONS.—For purposes of this paragraph, the ‘significant funder’ with respect to an electioneering communication paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325, shall be determined as follows:

“(I) If any report filed by any organization with respect to the electioneering communication under section 304 includes information on any person who made a payment to the organization in an amount equal to or
exceeding $100,000 which was designated by the person to be used for campaign-related activity consisting of that specific electioneering communication (as required to be included in the report under section 304(f)(6)(A)(i)), the person who is identified among all such reports as making the largest such payment.

“(II) If any report filed by any organization with respect to the electioneering communication under section 304 includes information on any person who made a payment to the organization in an amount equal to or exceeding $100,000 which was designated by the person to be used for campaign-related activity with respect to the same election or in support of the same candidate (as required to be included in the report under section 304(f)(6)(A)(i)) but subclause (I) does not apply, the person who is identified among all such reports as making the largest such payment.
“(III) If any report filed by any organization with respect to the electioneering communication under section 304 includes information on any person who made a payment to the organization which was provided for the purpose of being used for campaign-related activity or in response to a solicitation for funds to be used for campaign-related activity (as required to be included in the report under section 304(f)(6)(A)(i)) but subclause (I) or subclause (II) does not apply, the person who is identified among all such reports as making the largest such payment.

“(IV) If none of the reports filed by any organization with respect to the electioneering communication under section 304 includes information on any person who made a payment to the organization which was provided for the purpose of being used for campaign-related activity or in response to a solicitation for funds to be
used for campaign-related activity, but any of such reports includes information on any person who made an unrestricted donor payment to the organization (as required to be included in the report under section 304(f)(6)(A)(ii)), the person who is identified among all such reports as making the largest such unrestricted donor payment.

“(5) Top 5 Funders List Described.—With respect to a communication paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325, the Top 5 Funders list described in this paragraph is—

“(A) in the case of a disbursement for an independent expenditure consisting of a public communication, a list of the 5 persons who provided the largest payments of any type which are required under section 304(g)(5)(A) to be included in the reports filed by any organization with respect to that independent expenditure under section 304, together with the amount of the payments each such person provided; or
“(B) in the case of a disbursement for an electioneering communication, a list of the 5 persons who provided the largest payments of any type which are required under section 304(f)(6)(A) to be included in the reports filed by any organization with respect to that electioneering communication under section 304, together with the amount of the payments each such person provided.

“(6) METHOD OF CONVEYANCE OF STATEMENT.—

“(A) COMMUNICATIONS TRANSMITTED THROUGH RADIO.—In the case of a communication to which this subsection applies which is transmitted through radio, the disclosure statements required under paragraph (1) shall be made by audio by the applicable individual in a clearly spoken manner.

“(B) COMMUNICATIONS TRANSMITTED THROUGH TELEVISION.—In the case of a communication to which this subsection applies which is transmitted through television, the information required under paragraph (1)—

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

“(ii) except in the case of a Top 5 Funders list described in paragraph (5), shall also be conveyed by an unobscured, full-screen view of the applicable individual, or by the applicable individual making the statement in voice-over accompanied by a clearly identifiable photograph or similar image of the individual.

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

“(A) if the communication is paid for by an individual or if the significant funder of the communication under paragraph (4) is an individual, the individual involved;

“(B) if the communication is paid for by a corporation or if the significant funder of the communication under paragraph (4) is a corporation, the chief executive officer of the corporation (or, if the corporation does not have a
chief executive officer, the highest ranking official of the corporation);

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

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

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

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

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

“(C) Any organization described in paragraph (4), (5), or (6) of section 501(e) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.
“(D) Any political organization under section 527 of the Internal Revenue Code of 1986, other than a political committee under this Act. “

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

Subtitle C—Reporting Requirements for Registered Lobbyists

SEC. 221. REQUIRING REGISTERED LOBBYISTS TO REPORT INFORMATION ON INDEPENDENT EXPENDITURES AND ELECTIONEERING COMMUNICATIONS.

(a) In General.—Section 5(d)(1) of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1604(d)(1)) is amended—

(1) by striking “and” at the end of subparagraph (F);

(2) by redesignating subparagraph (G) as subparagraph (I); and

(3) by inserting after subparagraph (F) the following new subparagraphs:

“(G) the amount of any independent expenditure (as defined in section 301(17) of the Federal Election Campaign Act of 1971 (2

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

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

(b) Effective Date.—The amendments made by
this section shall apply with respect to reports for semi-
annual periods described in section 5(d)(1) of the Lobby-
bying Disclosure Act of 1995 that begin after the date
of the enactment of this Act.
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 III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 213, is amended by adding at the end the following new section:

“SEC. 327. DISCLOSURES BY COVERED ORGANIZATIONS TO SHAREHOLDERS, MEMBERS, AND DONORS OF INFORMATION ON DISBURSEMENTS FOR CAMPAIGN-RELATED ACTIVITY.

“(a) INCLUDING INFORMATION IN REGULAR PERIODIC REPORTS.—

“(1) IN GENERAL.—A covered organization which submits regular, periodic reports to its shareholders, members, or donors on its finances or activities shall include in each such report the information described in paragraph (2) with respect to the disbursements made by the organization for campaign-related activity during the period covered by the report.
“(2) INFORMATION DESCRIBED.—The information described in this paragraph is, for each disbursement for campaign-related activity—

“(A) the date of the independent expenditure or electioneering communication involved;

“(B) the amount of the independent expenditure or electioneering communication involved;

“(C) the name of the candidate identified in the independent expenditure or electioneering communication involved, the office sought by the candidate, and (if applicable) whether the independent expenditure or electioneering communication involved was in support of or in opposition to the candidate;

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

“(E) the source of such funds; and

“(F) such other information as the Commission determines is appropriate to further the purposes of this subsection.
“(b) Public Dissemination of Certain Information.—

“(1) Information included in reports.—

“(A) Requiring dissemination.—If a covered organization maintains an Internet site, the organization shall post on such Internet site, in a machine-readable, searchable, sortable, and downloadable manner and through a direct link from the homepage of the organization, the following information:

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

“(ii) The information the organization is required to include in a statement of disbursements for electioneering communications under section 304(f)(6).

“(B) Deadline; duration of posting.—The covered organization shall post the information described in subparagraph (A) not later than 24 hours after the organization files the information with the Commission under the applicable provision of this Act, and shall ensure that the information remains on the
website until the expiration of the 1-year period which begins on the date of the election with respect to which the public independent expenditures or electioneering communications are made.

“(2) Information on breakdown of disbursements among types of recipients.—

“(A) Requiring dissemination.—If a covered organization maintains an Internet site, the organization shall post on such Internet site, in a machine-readable, searchable, sortable, and downloadable manner and through a direct link from the homepage of the organization, the following information with respect to the aggregate amount of disbursements made by the organization for campaign-related activity during a calendar year:

“(i) A breakdown by political party of the total amount disbursed in support of and in opposition to candidates of each political party.

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

“(I) incumbent candidates;
“(II) candidates challenging incumbent candidates; and

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

“(B) DEADLINE; DURATION OF POSTING.—A covered organization shall post the information described in subparagraph (A) with respect to a calendar year not later than the first January 31 which follows that calendar year, and shall ensure that the information remains on the website until the end of the calendar year in which the information is posted.

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

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

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

“(3) Any organization described in paragraph (4), (5), or (6) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.
“(4) Any political organization under section 527 of the Internal Revenue Code of 1986, other than a political committee under this Act.”

TITLE IV—OTHER PROVISIONS

SEC. 401. JUDICIAL REVIEW.

(a) Special Rules for Actions Brought on Constitutional Grounds.—If any action is brought for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or any amendment made by this Act, the following rules shall apply:

(1) The action shall be filed in the United States District Court for the District of Columbia, and an appeal from a decision of the District Court may be taken to the Court of Appeals for the District of Columbia Circuit.

(2) A copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives and the Secretary of the Senate.

(3) It shall be the duty of the United States District Court for the District of Columbia, the Court of Appeals for the District of Columbia Circuit, and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of the action and appeal.
(b) Intervention by Members of Congress.—In any action in which the constitutionality of any provision of this Act or any amendment made by this Act is raised, any member of the House of Representatives (including a Delegate or Resident Commissioner to the Congress) or Senate shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the constitutionality of the provision or amendment. To avoid duplication of efforts and reduce the burdens placed on the parties to the action, the court in any such action may make such orders as it considers necessary, including orders to require intervenors taking similar positions to file joint papers or to be represented by a single attorney at oral argument.

(c) Challenge by Members of Congress.—Any Member of the House of Representatives (including a Delegate or Resident Commissioner to the Congress) or Senate may bring an action, subject to the special rules described in subsection (a), for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or any amendment made by this Act.

SEC. 402. SEVERABILITY.

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

SEC. 403. EFFECTIVE DATE.

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