

111TH CONGRESS
2D SESSION

S. _____

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 SENATE OF THE UNITED STATES

Mr. SCHUMER (for himself, _____) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

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

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

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

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

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

Sec. 1. Short title; table of contents.

Sec. 2. Findings.

TITLE I—REGULATION OF CERTAIN POLITICAL SPENDING

Sec. 101. Prohibiting independent expenditures and electioneering communica-
 tions by government contractors.

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

Sec. 103. Treatment of payments for coordinated communications as contribu-
 tions.

Sec. 104. Treatment of political party communications made on behalf of can-
 didates.

TITLE II—PROMOTING EFFECTIVE DISCLOSURE OF CAMPAIGN-
 RELATED ACTIVITY

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

Sec. 201. Independent expenditures.

Sec. 202. Electioneering communications.

Subtitle B—Expanded Requirements for Corporations and Other
 Organizations

Sec. 211. Additional information required to be included in reports on disburse-
 ments by covered organizations.

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

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

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

Subtitle C—Reporting Requirements for Registered Lobbyists

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

Subtitle D—Filing by Senate Candidates With Commission

Sec. 231. Filing by Senate candidates with Commission.

3

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—TELEVISION MEDIA RATES

Sec. 401. Television media rates.

TITLE V—OTHER PROVISIONS

Sec. 501. Judicial review.

Sec. 502. Severability.

Sec. 503. Effective date.

1 **SEC. 2. FINDINGS.**

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

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

16 (2) The Supreme Court's decision in *Citizens*
17 *United v. Federal Election Commission* on January
18 21, 2010, reverses established jurisprudence and
19 sound policy to greatly increase the dangers of

1 undue special interest influence over the democratic
2 process. That decision has opened the floodgates for
3 corporations and labor unions to spend unlimited
4 sums from their general treasury accounts to influ-
5 ence the outcome of elections.

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

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

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

20 (2) Independent expenditures and electioneering
21 communications that benefit particular candidates or
22 elected officials or disfavor their opponents can lead
23 to apparent and actual ingratiation, access, influ-
24 ence, and quid pro quo arrangements. Government
25 contracts should be awarded based on an objective

1 application of statutory criteria, not based on other
2 forms of inappropriate or corrupting influence.

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

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

20 (5) Furthermore, because government contracts
21 often involve large amounts of public money, it is
22 critical that the public perceive that the government
23 contracts are awarded strictly in accordance with
24 prescribed statutory standards, and not based on
25 other forms of inappropriate or corrupting influence.

1 The public's confidence in government is under-
2 mined when corporations that make significant ex-
3 penditures during Federal election campaigns later
4 receive government funds.

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

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

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

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

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

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

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

18 (4) The Federal government has broad con-
19 stitutional power to protect American interests and
20 sovereignty from foreign interference and intrusion.

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

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

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

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

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

21 (4) The government therefore has a compelling
22 interest in making sure that expenditures that are
23 de facto coordinated with a candidate are treated as
24 such to prevent corruption, the appearance of cor-
25 ruption, or the perception that some participants are

1 circumventing the laws and regulations which govern
2 the financing of election campaigns.

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

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

23 (2) Protecting this compelling interest has be-
24 come particularly important to address the antici-
25 pated increase in special interest spending on elec-

1 tion-related communications which will result from
2 the Supreme Court's decision in the *Citizens United*
3 case. The current disclosure and disclaimer require-
4 ments were designed for a campaign finance system
5 in which such expenditures were subject to prohibi-
6 tions that no longer apply.

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

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

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

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

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

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

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

18 (g) FINDINGS RELATING TO LOWEST UNIT
19 CHARGE.—Congress finds and declares as follows:

20 (1) The purpose of the First Amendment is to
21 ensure a robust marketplace of ideas. The govern-
22 ment has a compelling interest in ensuring that
23 Americans have access to this robust marketplace of
24 ideas through the variety of media supported by the
25 government.

1 (2) In recent years, the cost of political commu-
2 nication has been artificially inflated as candidates,
3 parties, interest groups, and commercial advertisers
4 compete for a dwindling supply of airtime in the pe-
5 riods before elections. Candidates for Federal elec-
6 tion are currently forced to pay higher premiums for
7 “nonpreemptible” advertisement time so as not to be
8 replaced by commercial advertisements in such peri-
9 ods.

10 (3) The high cost of advertising for Federal
11 candidates and their political parties makes it less
12 likely that Americans will receive information nec-
13 essary to engage fully in the electoral process and
14 hear directly from all participants. The high cost of
15 advertising for Federal candidates and political par-
16 ties also drives the demand for large, potentially cor-
17 rupting contributions to Federal election campaigns
18 and forces elected officials to spend more time rais-
19 ing money and less time performing their official re-
20 sponsibilities.

21 (4) Lower advertising costs enhance the ability
22 of candidates to present and the public to receive in-
23 formation necessary for the effective operation of the
24 democratic process. Lower advertising costs reduce
25 the potential for corrupting contributions to Federal

1 election campaigns. Lower advertising costs allow
2 elected officials to spend more time serving the pub-
3 lic interest instead of raising funds to pay for cam-
4 paign advertisements.

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

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

10 (a) PROHIBITION APPLICABLE TO GOVERNMENT
11 CONTRACTORS.—

12 (1) PROHIBITION.—

13 (A) IN GENERAL.—Section 317(a)(1) of
14 the Federal Election Campaign Act (2 U.S.C.
15 441c(a)(1)) is amended by striking “purpose or
16 use; or” and inserting the following: “purpose
17 or use, to make any independent expenditure,
18 or to disburse any funds for an electioneering
19 communication; or”.

20 (B) CONFORMING AMENDMENT.—The
21 heading of section 317 of such Act (2 U.S.C.
22 441c) is amended by striking “CONTRIBU-
23 TIONS” and inserting “CONTRIBUTIONS, INDE-
24 PENDENT EXPENDITURES, AND ELECTION-
25 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 \$50,000.”.

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 Elec-
7 tions 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) TECHNICAL AMENDMENT.—Section 317 of such
20 Act (2 U.S.C. 441c) is amended by striking “section 321”
21 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 20 percent or more of the voting shares;

19 “(B) with respect to which the majority of
20 the members of the board of directors are for-
21 eign nationals described in paragraph (1) or
22 (2);

23 “(C) over which one or more foreign na-
24 tionals described in paragraph (1) or (2) has
25 the power to direct, dictate, or control the deci-

1 sion-making process of the corporation with re-
2 spect to its interests in the United States; or

3 “(D) over which one or more foreign na-
4 tionals described in paragraph (1) or (2) has
5 the power to direct, dictate, or control the deci-
6 sion-making process of the corporation with re-
7 spect to activities in connection with a Federal,
8 State, or local election, including—

9 “(i) the making of a contribution, do-
10 nation, expenditure, independent expendi-
11 ture, or disbursement for an electioneering
12 communication (within the meaning of sec-
13 tion 304(f)(3)); or

14 “(ii) the administration of a political
15 committee established or maintained by the
16 corporation.”.

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

20 “(c) CERTIFICATION OF COMPLIANCE REQUIRED
21 PRIOR TO CARRYING OUT ACTIVITY.—Prior to the mak-
22 ing of any contribution, donation, expenditure, inde-
23 pendent expenditure, or disbursement for an election-
24 eering communication by a corporation during a year, the
25 chief executive officer of the corporation (or, if the cor-

1 poration does not have a chief executive officer, the high-
2 est ranking official of the corporation), shall file a certifi-
3 cation with the Commission, under penalty of perjury, that
4 the corporation is not prohibited from carrying out such
5 activity under subsection (b)(3), unless the chief executive
6 officer has previously filed such a certification during the
7 year.”.

8 **SEC. 103. TREATMENT OF PAYMENTS FOR COORDINATED**
9 **COMMUNICATIONS AS CONTRIBUTIONS.**

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

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

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

15 (ii) and inserting “; or”; and

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

18 “(iii) any payment made by any person
19 (other than a candidate, an authorized com-
20 mittee of a candidate, or a political committee
21 of a political party) for a coordinated commu-
22 nication (as determined under section 324).”.

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

1 **“SEC. 324. COORDINATED COMMUNICATIONS.**

2 “(a) COORDINATED COMMUNICATIONS DEFINED.—

3 For purposes of this Act, the term ‘coordinated commu-
4 nication’ means—

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

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

15 “(b) COVERED COMMUNICATION DEFINED.—

16 “(1) IN GENERAL.—Except as provided in para-
17 graph (4), for purposes of this subsection, the term
18 ‘covered communication’ means, for purposes of the
19 applicable election period described in paragraph (2),
20 a publicly distributed or disseminated communica-
21 tion that refers to a clearly identified candidate for
22 Federal office and is publicly distributed or publicly
23 disseminated during such period.

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

1 “(A) in the case of a communication which
2 refers to a candidate for the office of President
3 or Vice President, the period—

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

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

12 “(B) in the case of a communication which
13 refers to a candidate for any other Federal of-
14 fice, the period—

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

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

23 “(3) SPECIAL RULE FOR PUBLIC DISTRIBUTION
24 OF COMMUNICATIONS INVOLVING CONGRESSIONAL
25 CANDIDATES.—For purposes of paragraph (1), in

1 the case of a communication involving a candidate
2 for an office other than President or Vice President,
3 the communication shall be considered to be publicly
4 distributed or publicly disseminated only if the dis-
5 semination or distribution occurs in the jurisdiction
6 of the office that the candidate is seeking.

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

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

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

23 “(c) TREATMENT OF COORDINATION WITH POLIT-
24 ICAL PARTIES FOR COMMUNICATIONS REFERRING TO
25 CANDIDATES.—For purposes of this section, if a commu-

1 nication which refers to any clearly identified candidate
2 or candidates of a political party or any opponent of such
3 a candidate or candidates is determined to have been made
4 in cooperation, consultation, or concert with or at the re-
5 quest or suggestion of a political committee of the political
6 party but not in cooperation, consultation, or concert with
7 or at the request or suggestion of such clearly identified
8 candidate or candidates, the communication shall be treat-
9 ed as having been made in cooperation, consultation, or
10 concert with or at the request or suggestion of the political
11 committee of the political party but not with or at the
12 request or suggestion of such clearly identified candidate
13 or candidates.”.

14 (c) EFFECTIVE DATE.—

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

22 (2) TRANSITION RULE FOR ACTIONS TAKEN
23 PRIOR TO ENACTMENT.—No person shall be consid-
24 ered to have made a payment for a coordinated com-
25 munication under section 324 of the Federal Elec-

1 tion Campaign Act of 1971 (as amended by sub-
2 section (b)) by reason of any action taken by the
3 person prior to the date of the enactment of this
4 Act. Nothing in the previous sentence shall be con-
5 strued to affect any determination under any other
6 provision of such Act which is in effect on the date
7 of the enactment of this Act regarding whether a
8 communication is made in cooperation, consultation,
9 or concert with, or at the request or suggestion of,
10 a candidate, an authorized committee of a candidate,
11 or a political committee of a political party.

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

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

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

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

21 (iii) and inserting “; or”; and

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

24 “(iv) any payment by a political committee
25 of a political party for the direct costs of a com-

1 munication made on behalf of a candidate for
2 Federal office who is affiliated with such party,
3 but only if the communication is controlled by,
4 or made at the direction of, the candidate or an
5 authorized committee of the candidate.”.

6 (b) REQUIRING CONTROL OR DIRECTION BY CAN-
7 DIDATE FOR TREATMENT AS COORDINATED PARTY EX-
8 PENDITURE.—

9 (1) IN GENERAL.—Paragraph (4) of section
10 315(d) of such Act (2 U.S.C. 441a(d)) is amended
11 to read as follows:

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

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

24 (c) EFFECTIVE DATE.—This section and the amend-
25 ments made by this section shall apply with respect to pay-

1 ments made on or after the expiration of the 30-day period
2 which begins on the date of the enactment of this Act,
3 without regard to whether or not the Federal Election
4 Commission has promulgated regulations to carry out
5 such amendments.

6 **TITLE II—PROMOTING EFFEC-**
7 **TIVE DISCLOSURE OF CAM-**
8 **PAIGN-RELATED ACTIVITY**

9 **Subtitle A—Treatment of Inde-**
10 **pendent Expenditures and Elec-**
11 **tioneering Communications**
12 **Made by All Persons**

13 **SEC. 201. INDEPENDENT EXPENDITURES.**

14 (a) REVISION OF DEFINITION.—Subparagraph (A) of
15 section 301(17) of the Federal Election Campaign Act of
16 1971 (2 U.S.C. 431(17)) is amended to read as follows:

17 “(A) that, when taken as a whole, ex-
18 pressly advocates the election or defeat of a
19 clearly identified candidate, or is the functional
20 equivalent of express advocacy because it can be
21 interpreted by a reasonable person only as ad-
22 vocating the election or defeat of a candidate,
23 taking into account whether the communication
24 involved mentions a candidacy, a political party,
25 or a challenger to a candidate, or takes a posi-

1 tion on a candidate’s character, qualifications,
2 or fitness for office; and”.

3 (b) UNIFORM 24-HOUR REPORTING FOR PERSONS
4 MAKING INDEPENDENT EXPENDITURES EXCEEDING
5 \$10,000 AT ANY TIME.—Section 304(g) of such Act (2
6 U.S.C. 434(g)) is amended by striking paragraphs (1) and
7 (2) and inserting the following:

8 “(1) INDEPENDENT EXPENDITURES EXCEED-
9 ING THRESHOLD AMOUNT.—

10 “(A) INITIAL REPORT.—A person (includ-
11 ing a political committee) that makes or con-
12 tracts to make independent expenditures in an
13 aggregate amount equal to or greater than the
14 threshold amount described in paragraph (2)
15 shall file a report describing the expenditures
16 within 24 hours.

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

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

3 “(A) during the period up to and including
4 the 20th day before the date of an election,
5 \$10,000; or

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

9 (c) EFFECTIVE DATE.—

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

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

22 **SEC. 202. ELECTIONEERING COMMUNICATIONS.**

23 (a) PERIOD DURING WHICH COMMUNICATIONS
24 TREATED AS ELECTIONEERING COMMUNICATIONS.—

1 (1) EXPANSION OF PERIOD.—Section
2 304(f)(3)(A)(i)(II) of the Federal Election Cam-
3 paign Act of 1971 (2 U.S.C. 434(f)(3)(A)(i)(II)) is
4 amended to read as follows:

5 “(II) is made during the period
6 beginning with the date that is 90
7 days before the earliest of the primary
8 election, preference election, or nomi-
9 nating convention with respect to the
10 nomination for the office that the can-
11 didate is seeking and ending with the
12 date of the general election for such
13 office.”.

14 (2) EFFECTIVE DATE; TRANSITION FOR COM-
15 MUNICATIONS MADE PRIOR TO ENACTMENT.—The
16 amendment made by paragraph (1) shall apply with
17 respect to communications made on or after the date
18 of the enactment of this Act, without regard to
19 whether or not the Federal Election Commission has
20 promulgated regulations to carry out such amend-
21 ments, except that no communication which is made
22 prior to the date of the enactment of this Act shall
23 be treated as an electioneering communication under
24 section 304(f)(3)(A)(i)(II) of the Federal Election
25 Campaign Act of 1971 (as amended by paragraph

1 (1)) unless the communication would be treated as
2 an electioneering communication under such section
3 if the amendment made by paragraph (1) did not
4 apply.

5 (b) REQUIRING REPORTS TO INCLUDE INFORMATION
6 ON INTENDED TARGET OF COMMUNICATIONS.—Section
7 304(f)(2)(D) of such Act (2 U.S.C. 434(f)(2)(D)) is
8 amended—

9 (1) by striking “and the names” and inserting
10 “, the names”; and

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

15 **Subtitle B—Expanded Require-**
16 **ments for Corporations and**
17 **Other Organizations**

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

21 (a) INDEPENDENT EXPENDITURE REPORTS.—Sec-
22 tion 304(g) of the Federal Election Campaign Act of 1971
23 (2 U.S.C. 434(g)) is amended by adding at the end the
24 following new paragraph:

1 “(5) DISCLOSURE OF ADDITIONAL INFORMA-
2 TION BY COVERED ORGANIZATIONS MAKING PAY-
3 MENTS FOR PUBLIC INDEPENDENT EXPENDI-
4 TURES.—

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

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

20 “(I) subject to subparagraph (C),
21 the identification of each person who
22 made such donations or payments in
23 an aggregate amount equal to or ex-
24 ceeding \$1,000 during such period,
25 presented in the order of the aggre-

1 gate amount of donations or payments
2 made by such persons during such pe-
3 riod (with the identification of the
4 person making the largest donation or
5 payment appearing first); and

6 “(II) if any person identified
7 under subclause (I) designated that
8 the donation or payment be used for
9 campaign-related activity with respect
10 to a specific election or in support of
11 a specific candidate, the name of the
12 election or candidate involved, and if
13 any such person designated that the
14 donation or payment be used for a
15 specific public independent expendi-
16 ture, a description of the expenditure.

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

21 “(I) in an aggregate amount
22 equal to or exceeding \$1,000 during
23 such period, if any of the disburse-
24 ments made by the organization for
25 any of the public independent expendi-

1 tures which are covered by the report
2 were not made from the organization's
3 Campaign-Related Activity Account
4 under section 326; or

5 “(II) in an aggregate amount
6 equal to or exceeding \$10,000 during
7 such period, if the disbursements
8 made by the organization for all of
9 the public independent expenditures
10 which are covered by the report were
11 made exclusively from the organiza-
12 tion's Campaign-Related Activity Ac-
13 count under section 326 (but only if
14 the organization has made deposits
15 described in subparagraph (D) of sec-
16 tion 326(a)(2) into that Account dur-
17 ing such period in an aggregate
18 amount equal to or greater than
19 \$10,000),

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

1 “(B) TREATMENT OF TRANSFERS MADE
2 TO OTHER PERSONS.—

3 “(i) IN GENERAL.—For purposes of
4 the requirement to file reports under this
5 subsection (including the requirement
6 under subparagraph (A) to include addi-
7 tional information in such reports), a cov-
8 ered organization which transfers amounts
9 to another person for the purpose of mak-
10 ing a public independent expenditure by
11 that person or by any other person, or (in
12 accordance with clause (ii)) which is
13 deemed to have transferred amounts to an-
14 other person for the purpose of making a
15 public independent expenditure by that
16 person or by any other person, shall be
17 considered to have made a public inde-
18 pendent expenditure.

19 “(ii) RULES FOR DEEMING TRANS-
20 FERS MADE FOR PURPOSE OF MAKING EX-
21 PENDITURES.—For purposes of clause (i),
22 in determining whether a covered organiza-
23 tion or any other person who transfers
24 amounts to another person shall be deemed
25 to have transferred the amounts for the

1 purpose of making a public independent
2 expenditure, the following rules apply:

3 “(I) The person shall be deemed
4 to have transferred the amounts for
5 the purpose of making a public inde-
6 pendent expenditure if—

7 “(aa) the person making the
8 public independent expenditure
9 or another person acting on that
10 person’s behalf solicited funding
11 from the person or from the per-
12 son to whom the amounts were
13 transferred for making any pub-
14 lic independent expenditures,

15 “(bb) the person and the
16 person to whom the amounts
17 were transferred engaged in sub-
18 stantial discussion (whether writ-
19 ten or verbal) regarding the mak-
20 ing of public independent expend-
21 itures,

22 “(cc) the person or the per-
23 son to whom the amounts were
24 transferred knew or should have
25 known of the covered organiza-

1 tion’s intent to make public inde-
2 pendent expenditures, or

3 “(dd) the person or the per-
4 son to whom the amounts were
5 transferred made a public inde-
6 pendent expenditure during the
7 election cycle involved or the pre-
8 vious election cycle (as defined in
9 section 301(25)).

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

19 “(C) EXCLUSION OF AMOUNTS DES-
20 IGNATED FOR OTHER CAMPAIGN-RELATED AC-
21 TIVITY.—For purposes of subparagraph (A)(i),
22 in determining the amount of a donation or
23 payment made by a person which was provided
24 for the purpose of being used for campaign-re-
25 lated activity or in response to a solicitation for

1 funds to be used for campaign-related activity,
2 there shall be excluded any amount which was
3 designated by the person to be used—

4 “(i) for campaign-related activity de-
5 scribed in clause (i) of section
6 325(d)(2)(A) (relating to independent ex-
7 penditures) with respect to a different elec-
8 tion, or with respect to a candidate in a
9 different election, than an election which is
10 the subject of any of the public inde-
11 pendent expenditures covered by the report
12 involved; or

13 “(ii) for any campaign-related activity
14 described in clause (ii) of section
15 325(d)(2)(A) (relating to electioneering
16 communications).

17 “(D) EXCLUSION OF AMOUNTS PAID FROM
18 SEPARATE SEGREGATED FUND.—In deter-
19 mining the amount of public independent ex-
20 penditures made by a covered organization for
21 purposes of this paragraph, there shall be ex-
22 cluded any amounts paid from a separate seg-
23 regated fund established and administered by
24 the organization under section 316(b)(2)(C).

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

6 “(i) in the case of the first report filed
7 by a covered organization under this sub-
8 section which includes information required
9 under this paragraph, the shorter of—

10 “(I) the period which begins on
11 the effective date of the Democracy Is
12 Strengthened by Casting Light On
13 Spending in Elections Act and ends
14 on the last day covered by the report,
15 or

16 “(II) the 12-month period ending
17 on the last day covered by the report;
18 and

19 “(ii) in the case of any subsequent re-
20 port filed by a covered organization under
21 this subsection which includes information
22 required under this paragraph, the period
23 occurring since the most recent report filed
24 by the organization which includes such in-
25 formation.

1 “(F) DEFINITIONS.—In this paragraph—

2 “(i) the terms ‘covered organization’,
3 ‘campaign-related activity’, and ‘unre-
4 stricted donor payment’ have the meaning
5 given such terms in section 325; and

6 “(ii) the term ‘public independent ex-
7 penditure’ means an independent expendi-
8 ture for a public communication (as de-
9 fined in section 301(22)).”.

10 (b) ELECTIONEERING COMMUNICATION REPORTS.—

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

12 (1) by redesignating paragraphs (6) and (7) as
13 paragraphs (7) and (8); and

14 (2) by inserting after paragraph (5) the end the
15 following new paragraph:

16 “(6) DISCLOSURE OF ADDITIONAL INFORMA-
17 TION BY COVERED ORGANIZATIONS.—

18 “(A) ADDITIONAL INFORMATION.—If a
19 covered organization files a statement under
20 this subsection, the statement shall include, in
21 addition to the information required under
22 paragraph (2), the following information:

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

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

5 “(I) subject to subparagraph (C),
6 the identification of each person who
7 made such donations or payments in
8 an aggregate amount equal to or ex-
9 ceeding \$1,000 during such period,
10 presented in the order of the aggre-
11 gate amount of donations or payments
12 made by such persons during such pe-
13 riod (with the identification of the
14 person making the largest donation or
15 payment appearing first); and

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

1 specific electioneering communication,
2 a description of the communication.

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 \$1,000 during
9 such period, if any of the disburse-
10 ments made by the organization for
11 any of the electioneering communica-
12 tions which are covered by the state-
13 ment were not made from the organi-
14 zation’s Campaign-Related Activity
15 Account under section 326; or

16 “(II) in an aggregate amount
17 equal to or exceeding \$10,000 during
18 such period, if the disbursements
19 made by the organization for all of
20 the electioneering communications
21 which are covered by the statement
22 were made exclusively from the orga-
23 nization’s Campaign-Related Activity
24 Account under section 326 (but only
25 if 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.—For purposes of
14 the requirement to file statements under
15 this subsection (including the requirement
16 under subparagraph (A) to include addi-
17 tional information in such statements), a
18 covered organization which transfers
19 amounts to another person for the purpose
20 of making an electioneering communication
21 by that person or by any other person, or
22 (in accordance with clause (ii)) which is
23 deemed to have transferred amounts to an-
24 other person for the purpose of making an
25 electioneering communication by that per-

1 son or by any other person, shall be con-
2 sidered to have made a disbursement for
3 an electioneering communication.

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

14 “(I) The person shall be deemed
15 to have transferred the amounts for
16 the purpose of making an election-
17 eering communication if—

18 “(aa) the person making the
19 public independent expenditure
20 or another person acting on that
21 person’s behalf solicited funding
22 from the person or from the per-
23 son to whom the amounts were
24 transferred for making any elec-
25 tioneering communications,

1 “(bb) the person and the
2 person to whom the amounts
3 were transferred engaged in sub-
4 stantial discussion (whether writ-
5 ten or verbal) regarding the mak-
6 ing of electioneering communica-
7 tions,

8 “(cc) the person or the per-
9 son to whom the amounts were
10 transferred knew or should have
11 known of the covered organiza-
12 tion’s intent to make election-
13 eering communications, or

14 “(dd) the person or the per-
15 son to whom the amounts were
16 transferred made an election-
17 eering communication during the
18 election cycle involved or the pre-
19 vious election cycle (as defined in
20 section 301(25)).

21 “(II) The person shall not be
22 considered to have transferred the
23 amounts for the purpose of making an
24 electioneering communication if the
25 transfer was a commercial transaction

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

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

15 “(i) for campaign-related activity de-
16 scribed in clause (ii) of section
17 325(d)(2)(A) (relating to electioneering
18 communications) with respect to a dif-
19 ferent election, or with respect to a can-
20 didate in a different election, than an elec-
21 tion which is the subject of any of the elec-
22 tioneering communications covered by the
23 statement involved; or

24 “(ii) for any campaign-related activity
25 described in clause (i) of section

1 325(d)(2)(A) (relating to independent ex-
2 penditures consisting of a public commu-
3 nication).

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

9 “(i) in the case of the first statement
10 filed by a covered organization under this
11 subsection which includes information re-
12 quired under this paragraph, the shorter
13 of—

14 “(I) the period which begins on
15 the effective date of the Democracy Is
16 Strengthened by Casting Light On
17 Spending in Elections Act and ends
18 on the disclosure date for the state-
19 ment, or

20 “(II) the 12-month period ending
21 on the disclosure date for the state-
22 ment; and

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

1 mation required under this paragraph, the
2 period occurring since the most recent
3 statement filed by the organization which
4 includes such information.

5 “(E) DEFINITIONS.—In this paragraph,
6 the terms ‘covered organization’, ‘campaign-re-
7 lated activity’, and ‘unrestricted donor payment’
8 have the meaning given such terms in section
9 325.”.

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

13 Title III of the Federal Election Campaign Act of
14 1971 (2 U.S.C. 431 et seq.) is amended by adding at the
15 end the following new section:

16 **“SEC. 325. SPECIAL RULES FOR USE OF GENERAL TREAS-**
17 **URY FUNDS BY COVERED ORGANIZATIONS**
18 **FOR CAMPAIGN-RELATED ACTIVITY.**

19 “(a) USE OF FUNDS FOR CAMPAIGN-RELATED AC-
20 TIVITY.—

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

1 “(A) amounts paid or donated to the orga-
2 nization which are designated by the person
3 providing the amounts to be used for campaign-
4 related activity;

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

7 “(C) other funds of the organization, in-
8 cluding amounts received pursuant to commer-
9 cial activities in the regular course of a covered
10 organization’s business.

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

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

19 “(1) CERTIFICATION AFTER RECEIVING NOTIFI-
20 CATION BY DONOR TO NOT USE FUNDS FOR ACTIV-
21 ITY.—If any person who makes a donation, pay-
22 ment, or transfer to a covered organization (other
23 than the covered organization) notifies the organiza-
24 tion in writing (at the time of making the donation,
25 payment, or transfer) that the organization may not

1 use the donation, payment, or transfer for cam-
2 paign-related activity, not later than 7 days after the
3 organization receives the donation, payment, or
4 transfer the organization shall transmit to the per-
5 son a written certification by the chief financial offi-
6 cer of the covered organization (or, if the organiza-
7 tion does not have a chief financial officer, the high-
8 est ranking financial official of the organization),
9 under penalty of perjury, that—

10 “(A) the organization will not use the do-
11 nation, payment, or transfer for campaign-re-
12 lated activity; and

13 “(B) the organization will not include any
14 information on the person in any report filed by
15 the organization under section 304 with respect
16 to independent expenditures or electioneering
17 communications, so that the person will not be
18 required to appear in a significant funder state-
19 ment or a Top 5 Funders list under section
20 318(e).

21 “(2) EXCEPTION FOR PAYMENTS MADE PURSU-
22 ANT TO COMMERCIAL ACTIVITIES.—Paragraph (1)
23 does not apply with respect to any payment or trans-
24 fer made pursuant to commercial activities in the
25 regular course of a covered organization’s business.

1 “(c) CERTIFICATIONS REGARDING DISBURSEMENTS
2 FOR CAMPAIGN-RELATED ACTIVITY.—

3 “(1) CERTIFICATION BY CHIEF EXECUTIVE OF-
4 FICER.—If, at any time during a calendar quarter,
5 a covered organization makes a disbursement of
6 funds for campaign-related activity using funds de-
7 scribed in subsection (a)(1), the chief executive offi-
8 cer of the covered organization (or, if the organiza-
9 tion does not have a chief executive officer, the high-
10 est ranking official of the organization), under pen-
11 alty of perjury, shall file a statement with the Com-
12 mission which contains the following certifications:

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

21 “(B) The chief executive officer or highest
22 ranking official of the covered organization (as
23 the case may be) has reviewed and approved
24 each statement and report filed by the organi-

1 zation under section 304 with respect to any
2 such disbursement made during the quarter.

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

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

11 “(E) No portion of the amounts used to
12 make any such disbursements during the quar-
13 ter is attributable to funds received by the orga-
14 nization that were restricted by the person who
15 provided the funds from being used for cam-
16 paign-related activity pursuant to subsection
17 (b).

18 “(2) APPLICATION OF ELECTRONIC FILING
19 RULES.—Section 304(d)(1) shall apply with respect
20 to a statement required under this subsection in the
21 same manner as such section applies with respect to
22 a statement under subsection (c) or (g) of section
23 304.

24 “(3) DEADLINE.—The chief executive officer or
25 highest ranking official of a covered organization (as

1 the case may be) shall file the statement required
2 under this subsection with respect to a calendar
3 quarter not later than 15 days after the end of the
4 quarter.

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

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

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

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

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

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

20 “(2) CAMPAIGN-RELATED ACTIVITY.—

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

23 “(i) an independent expenditure con-
24 sisting of a public communication (as de-
25 fined in section 301(22)), a transfer of

1 funds to another person for the purpose of
2 making such an independent expenditure
3 by that person or by any other person, or
4 (in accordance with subparagraph (B)) a
5 transfer of funds to another person which
6 is deemed to have been made for the pur-
7 pose of making such an independent ex-
8 penditure by that person or by any other
9 person; or

10 “(ii) an electioneering communication,
11 a transfer of funds to another person for
12 the purpose of making an electioneering
13 communication by that person or by any
14 other person, or (in accordance with sub-
15 paragraph (B)) a transfer of funds to an-
16 other person which is deemed to have been
17 made for the purpose of making an elec-
18 tioneering communication by that person
19 or by any other person.

20 “(B) RULE FOR DEEMING TRANSFERS
21 MADE FOR PURPOSE OF CAMPAIGN-RELATED
22 ACTIVITY.—For purposes of subparagraph (A),
23 in determining whether a transfer of funds by
24 one person to another person shall be deemed
25 to have been made for the purpose of making

1 an independent expenditure consisting of a pub-
2 lic communication or an electioneering commu-
3 nication, the following rules apply:

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

8 “(I) the person making the inde-
9 pendent expenditure or electioneering
10 communication or another person act-
11 ing on that person’s behalf solicited
12 funding from the person or from the
13 person to whom the amounts were
14 transferred for the purpose of making
15 any such independent expenditures or
16 electioneering communications,

17 “(II) the person and the person
18 to whom the amounts were trans-
19 ferred engaged in substantial discus-
20 sion (whether written or verbal) re-
21 garding the making of such inde-
22 pendent expenditures or electioneering
23 communications,

24 “(III) the person or the person to
25 whom the amounts were transferred

1 knew or should have known of the
2 covered organization’s intent to dis-
3 burse funds for campaign-related ac-
4 tivity, or

5 “(IV) the person or the person to
6 whom the amounts were transferred
7 made such an independent expendi-
8 ture or electioneering communication
9 during the election cycle involved or
10 the previous election cycle (as defined
11 in section 301(25)).

12 “(ii) The transfer shall not be deemed
13 to have been made for the purpose of mak-
14 ing such an independent expenditure or an
15 electioneering communication if the trans-
16 fer was a commercial transaction occurring
17 in the ordinary course of business between
18 the person and the person to whom the
19 amounts were transferred.

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

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

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 activity;
9 or

10 “(C) any donation or payment made by a
11 person who notifies the organization in writing
12 (at the time of making the payment) that the
13 organization may not use the donation or pay-
14 ment for campaign-related activity.”.

15 **SEC. 213. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-**
16 **ERED ORGANIZATIONS FOR CAMPAIGN-RE-**
17 **LATED ACTIVITY.**

18 Title III of the Federal Election Campaign Act of
19 1971 (2 U.S.C. 431 et seq.), as amended by section 212,
20 is further amended by adding at the end the following new
21 section:

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

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

1 “(1) ESTABLISHMENT OF ACCOUNT.—

2 “(A) IN GENERAL.—At its option, a cov-
3 ered organization described in section 325 may
4 make disbursements for campaign-related activ-
5 ity using amounts from a bank account estab-
6 lished and controlled by the organization to be
7 known as the Campaign-Related Activity Ac-
8 count (hereafter in this section referred to as
9 the ‘Account’), which shall be maintained sepa-
10 rately from all other accounts of the organiza-
11 tion and which shall consist exclusively of the
12 deposits described in paragraph (2).

13 “(B) MANDATORY USE OF ACCOUNT
14 AFTER ESTABLISHMENT.—If a covered organi-
15 zation establishes an Account under this sec-
16 tion, it may not make disbursements for cam-
17 paign-related activity from any source other
18 than amounts from the Account.

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 any person who makes
19 such a donation or payment to the organization noti-
20 fies the organization in writing (at the time of mak-
21 ing the donation or payment) that the organization
22 may not use the donation or payment for campaign-
23 related activity, the organization shall reduce the
24 amount of its revenues available for deposits to the
25 Account which are described in subsection (a)(3)(D)

1 during the year by the amount of the donation or
2 payment.

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) DEFINITIONS.—In this section, the terms ‘cam-
8 paign-related activity’ and ‘covered organization’ have the
9 meaning given such terms in section 325.”.

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

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

21 (b) STAND BY YOUR AD REQUIREMENTS.—

22 (1) MAINTENANCE OF EXISTING REQUIRE-
23 MENTS FOR COMMUNICATIONS BY POLITICAL PAR-
24 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)”; and

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

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

15 “(e) COMMUNICATIONS BY OTHERS.—

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

24 “(A) The individual disclosure statement
25 described in paragraph (2) (if the person pay-

1 ing for the communication is an individual) or
2 the organizational disclosure statement de-
3 scribed in paragraph (3) (if the person paying
4 for the communication is not an individual).

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

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

1 including the Top Five Funders list in the com-
2 munication would constitute a hardship to the
3 person paying for the communication by requir-
4 ing a disproportionate amount of the commu-
5 nication's content to consist of the Top Five
6 Funders list.

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

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

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

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

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

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

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

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

1 _____ helped to pay for this mes-
2 sage, and _____ approves it.’, with—

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

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

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

11 “(C) SIGNIFICANT FUNDER DEFINED.—

12 “(i) INDEPENDENT EXPENDITURES.—

13 For purposes of this paragraph, the ‘sig-
14 nificant funder’ with respect to an inde-
15 pendent expenditure consisting of a public
16 communication paid for in whole or in part
17 with a payment which is treated as a dis-
18 bursement by a covered organization for
19 campaign-related activity under section
20 325 shall be determined as follows:

21 “(I) If any report filed by any or-
22 ganization with respect to the inde-
23 pendent expenditure under section
24 304 includes information on any per-
25 son who made a payment to the orga-

1 nization in an amount equal to or ex-
2 ceeding \$100,000 which was des-
3 ignated by the person to be used for
4 campaign-related activity consisting of
5 that specific independent expenditure
6 (as required to be included in the re-
7 port under section 304(g)(5)(A)(i)),
8 the person who is identified among all
9 such reports as making the largest
10 such payment.

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

1 identified among all such reports as
2 making the largest such payment.

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

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

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

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

22 “(I) If any report filed by any or-
23 ganization with respect to the elec-
24 tioneering communication under sec-
25 tion 304 includes information on any

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

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

1 identified among all such reports as
2 making the largest such payment.

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

19 “(IV) If none of the reports filed
20 by any organization with respect to
21 the electioneering communication
22 under section 304 includes informa-
23 tion on any person who made a pay-
24 ment to the organization which was
25 provided for the purpose of being used

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

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

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

1 under section 304, together with the amount of
2 the payments each such person provided; or

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

12 “(6) METHOD OF CONVEYANCE OF STATE-
13 MENT.—

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

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

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

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

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

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

23 “(B) if the communication is paid for by a
24 corporation or if the significant funder of the
25 communication under paragraph (4) is a cor-

1 poration, the chief executive officer of the cor-
2 poration (or, if the corporation does not have a
3 chief executive officer, the highest ranking offi-
4 cial of the corporation);

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

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

15 “(8) OTHER DEFINITIONS.—In this subsection,
16 the terms ‘campaign-related activity’, ‘covered orga-
17 nization’, and ‘unrestricted donor payment’ have the
18 meaning given such terms in section 325.’.”

1 **Subtitle C—Reporting Require-**
2 **ments for Registered Lobbyists**

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

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

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

12 (2) by redesignating subparagraph (G) as sub-
13 paragraph (I); and

14 (3) by inserting after subparagraph (F) the fol-
15 lowing new subparagraphs:

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

1 “(H) the amount of any electioneering
2 communication (as defined in section 304(f)(3)
3 of such Act (2 U.S.C. 434(f)(3)) equal to or
4 greater than \$1,000 made by such person or or-
5 ganization, and for each such communication
6 the name of the candidate referred to in the
7 communication and whether the communication
8 involved was in support of or in opposition to
9 the candidate; 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 **Subtitle D—Filing by Senate**
16 **Candidates With Commission**

17 **SEC. 231. FILING BY SENATE CANDIDATES WITH COMMIS-**
18 **SION.**

19 Section 302(g) of the Federal Election Campaign Act
20 of 1971 (2 U.S.C. 432(g)) is amended to read as follows:

21 “(g) FILING WITH THE COMMISSION.—All des-
22 ignations, statements, and reports required to be
23 filed under this Act shall be filed with the Commis-
24 sion.”.

1 **TITLE III—DISCLOSURE BY COV-**
2 **ERED ORGANIZATIONS OF IN-**
3 **FORMATION ON CAMPAIGN-**
4 **RELATED ACTIVITY**

5 **SEC. 301. REQUIRING DISCLOSURE BY COVERED ORGANI-**
6 **ZATIONS OF INFORMATION ON CAMPAIGN-**
7 **RELATED ACTIVITY.**

8 Section 325 of the Federal Election Campaign Act
9 of 1971, as added by section 212, is amended—

10 (1) by redesignating subsections (c) and (d) as
11 subsections (e) and (f); and

12 (2) by inserting after subsection (b) the fol-
13 lowing new subsections:

14 “(c) DISCLOSURES TO SHAREHOLDERS, MEMBERS,
15 AND DONORS OF INFORMATION ON DISBURSEMENTS FOR
16 CAMPAIGN-RELATED ACTIVITY.—

17 “(1) INCLUDING INFORMATION IN REGULAR
18 PERIODIC REPORTS.—A covered organization which
19 submits regular, periodic reports to its shareholders,
20 members, or donors on its finances or activities shall
21 include in each such report the information de-
22 scribed in paragraph (2) with respect to the dis-
23 bursements made by the organization for campaign-
24 related activity during the period covered by the re-
25 port.

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

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

6 “(B) the amount of the independent ex-
7 penditure or electioneering communication in-
8 volved;

9 “(C) the name of the candidate identified
10 in the independent expenditure or electioneering
11 communication involved, the office sought by
12 the candidate, and (if applicable) whether the
13 independent expenditure or electioneering com-
14 munication involved was in support of or in op-
15 position to the candidate;

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

21 “(E) the source of such funds; and

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

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

3 “(1) INFORMATION INCLUDED IN REPORTS.—

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

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

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

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

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

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

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

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

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

24 “(I) incumbent candidates;

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

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

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

14 **TITLE IV—TELEVISION MEDIA**
15 **RATES**

16 **SEC. 401. TELEVISION MEDIA RATES.**

17 (a) APPLICATION OF EQUAL OPPORTUNITIES RE-
18 QUIREMENT AND PROHIBITION OF CENSORSHIP TO CAN-
19 DIDATE AND NATIONAL COMMITTEES OF POLITICAL PAR-
20 TIES.—

21 (1) IN GENERAL.—The matter preceding para-
22 graph (1) of section 315(a) of the Communications
23 Act of 1934 (47 U.S.C. 315(a)) is amended to read
24 as follows:

1 “(a) IN GENERAL.—If any licensee shall permit any
2 person who is a legally qualified candidate for any public
3 office or any national committee of a political party in con-
4 nection with a campaign of a legally qualified candidate
5 for Federal office to use a broadcasting station, the li-
6 censee shall afford equal opportunities in the use of such
7 broadcasting station to all other such candidates for that
8 office or national committees of political parties in connec-
9 tion with such campaign for such office: Provided, That
10 such licensee shall have no power of censorship over the
11 material broadcast under the provisions of this section. No
12 obligation is imposed under this subsection upon any li-
13 censee to allow the use of its station by any such candidate
14 or national committee. Appearance by a legally qualified
15 candidate or a representative of a national committee of
16 a political party on behalf of any legally qualified can-
17 didate for Federal office on any—”.

18 (2) CONFORMING AMENDMENT.—Section
19 315(a)(3) of such Act (47 U.S.C. 315(a)(3)) is
20 amended by striking “candidate” and inserting
21 “candidate or representative”.

22 (b) REASONABLE ACCESS TO PURCHASE BROAD-
23 CASTING TIME.—

1 (1) REASONABLE ACCESS BY POLITICAL PAR-
2 TIES.—Section 312(a)(7) of such Act (47 U.S.C.
3 312(a)(7)) is amended—

4 (A) by striking “reasonable amounts of
5 time” and inserting “reasonable amounts of
6 time, including reasonable amounts of time pur-
7 chased at the lowest unit charge under section
8 315(b),”;

9 (B) by striking “elective”; and

10 (C) by striking the period at the end and
11 inserting the following: “or by a national com-
12 mittee of a political party (including a national
13 congressional campaign committee of a political
14 party) in connection with the campaign of such
15 candidate.”.

16 (2) DETERMINATION.—Section 312(c) of such
17 Act (47 U.S.C. 312(c)) is amended by inserting
18 after the second sentence the following: “In deter-
19 mining whether reasonable amounts of time, includ-
20 ing reasonable amounts of time purchased at the
21 lowest unit charge under section 315(b), have been
22 provided under subsection (a)(7), the Commission
23 shall examine and consider the time provided by the
24 licensee, permittee, or person to purchase time, in-
25 cluding nonpreemptible time, by purchasers other

1 than a legally qualified candidate for Federal office
2 on behalf of his candidacy or by a national com-
3 mittee of a political party (including a national con-
4 gressional campaign committee of a political party)
5 in connection with such campaign.”

6 (c) LOWEST UNIT CHARGE.—

7 (1) CHARGES FOR CANDIDATES FOR FEDERAL
8 OFFICE.—Section 315(b) of such Act (47 U.S.C.
9 315(b)) is amended—

10 (A) in paragraph (1)(A), by striking
11 “paragraph (2)” and inserting “paragraphs (2)
12 and (3)”;

13 (B) by redesignating paragraph (2) as
14 paragraph (3); and

15 (C) by inserting after paragraph (1) the
16 following:

17 “(2) CHARGES FOR CANDIDATES FOR FEDERAL
18 OFFICE.—

19 “(A) LIMITATION ON CHARGES.—Subject
20 to subparagraphs (B) and (C), the charges
21 made for the use of any broadcasting station by
22 any person who is a legally qualified candidate
23 for any Federal office in connection with the
24 campaign of such candidate for election to such
25 office, or by a national committee of a political

1 party in connection with such campaign, shall
2 not exceed—

3 “(i) subject to paragraph (3), during
4 the 45 days preceding the date of a pri-
5 mary or primary runoff election and dur-
6 ing the 60 days preceding the date of a
7 general or special election in which such
8 person is a candidate, the lowest unit
9 charge of the station for the same amount
10 of time that was offered at any time dur-
11 ing the 180 days preceding the date of use;
12 and

13 “(ii) at any other time, the charges
14 made for comparable use of such station
15 by other users thereof.

16 “(B) GEOGRAPHIC LIMITATION.—The limi-
17 tation on charges under subparagraph (A) shall
18 only apply for the use of a broadcasting station
19 in the media markets that cover the State (or
20 States) in which the candidate is seeking elec-
21 tion to Federal office.

22 “(C) ELIGIBILITY.—

23 “(i) IN GENERAL.—The limitation on
24 charges under subparagraph (A) shall only
25 apply if, in an election for a Federal office,

1 a covered organization under section 325
2 of the Federal Election Campaign Act of
3 1971 makes disbursements for election-
4 eering communications in connection with
5 any legally qualified candidate for Federal
6 office or for independent expenditures in
7 an aggregate amount of \$50,000 or more
8 during a calendar year.

9 “(ii) APPLICATION.—In such cir-
10 cumstances, the limitation on charges
11 under subparagraph (A) shall apply to all
12 legally qualified candidates for Federal of-
13 fice in such election and national commit-
14 tees of political parties in connection with
15 such election.

16 “(iii) REQUIREMENT.—In an election
17 for Federal office in which no covered or-
18 ganization has made the disbursements de-
19 scribed in clause (i), all legally qualified
20 candidates in such election shall be entitled
21 to receive the lowest unit charge described
22 in paragraph (1) for as long as no such
23 disbursements are made in such election.

24 “(D) SEVERABILITY.—If the operation of
25 subparagraph (C) is enjoined by any court of

1 competent jurisdiction, or if subparagraph (C)
2 is held to be constitutionally insufficient by
3 final judicial decision, then subparagraph (A)
4 shall take effect immediately without any limi-
5 tation imposed by subparagraph (C).”.

6 (2) NATIONAL COMMITTEE CHARGES.—Section
7 315(b)(1) of such Act (47 U.S.C. 315(b)(1)) is
8 amended in the matter preceding subparagraph (A)
9 by striking “office shall” and inserting “office or by
10 a national committee of a political party in connec-
11 tion with the campaign of a legally qualified can-
12 didate for Federal office shall”.

13 (3) ADEQUATE ACCESS AT LOWEST UNIT
14 CHARGE.—Section 315(b) of such Act (47 U.S.C.
15 315(b)) is amended by adding at the end the fol-
16 lowing:

17 “(4) ADEQUATE ACCESS AT LOWEST UNIT
18 CHARGE.—A licensee shall take all actions necessary
19 to ensure access to the use of a broadcasting station,
20 in accordance with the requirements under para-
21 graph (2), to meet the obligations under section
22 312(a)(7) for the use of such station by a legally
23 qualified candidate for Federal office on behalf of
24 his candidacy and by a national committee of a po-

1 litical party in connection with the campaign of such
2 candidate.”.

3 (4) CONFORMING AMENDMENT.—Section
4 315(b)(3) of such Act (as redesignated by paragraph
5 (1)(A)) is amended by striking “under paragraph
6 (1)(A)” each place it appears and inserting “under
7 paragraph (1)(A) or (2)(A)(i)”.

8 (5) REQUIRING ORGANIZATIONS TO NOTIFY
9 COMMISSION IF DISBURSEMENTS EQUAL OR EXCEED
10 THRESHOLD.—Title III of the Federal Election
11 Campaign Act of 1971 (2 U.S.C. 431 et seq.), as
12 amended by section 213(a), is further amended by
13 adding at the end the following new section:

14 **“SEC. 327. REQUIRING COVERED ORGANIZATIONS TO NO-**
15 **TIFY COMMISSION AND FCC IF DISBURSE-**
16 **MENTS EQUAL OR EXCEED THRESHOLD.**

17 “(a) NOTIFICATION REQUIRED IF ELECTION- OR
18 CANDIDATE-SPECIFIC DISBURSEMENTS EQUAL OR EX-
19 CEED THRESHOLD.—Not later than 24 hours after the
20 date by which the aggregate amount of disbursements
21 made by a covered organization for campaign-related ac-
22 tivity with respect to a specific election or a specific can-
23 didate (together with the amount of any disbursements
24 contracted to be made by the organization for such activ-
25 ity) first equals or exceeds \$50,000, the organization shall

1 file a report with the Commission and with the Federal
2 Communications Commission which states the amount of
3 the disbursements and identifies the election or candidate
4 involved.

5 “(b) DEFINITIONS.—For purposes of subsection (a),
6 the terms ‘campaign-related activity’ and ‘covered organi-
7 zation’ have the meaning given such terms in section
8 325.”.

9 (d) PREEMPTION; RANDOM AUDITS.—Section 315 of
10 the Communications Act of 1934 (47 U.S.C. 315) is
11 amended—

12 (1) by redesignating subsection (c) as sub-
13 section (g);

14 (2) by redesignating subsection (d) as sub-
15 section (f); and

16 (3) by inserting after subsection (b) the fol-
17 lowing:

18 “(c) PREEMPTION.—

19 “(1) IN GENERAL.—Except as provided in para-
20 graph (2), a licensee shall not preempt the use of a
21 broadcasting station by a legally qualified candidate
22 for Federal office or a national committee of a polit-
23 ical party in connection with the campaign of such
24 candidate.

1 “(2) CIRCUMSTANCES BEYOND CONTROL OF LI-
2 CENSEE.—If a program to be broadcast by a broad-
3 casting station is preempted because of cir-
4 cumstances beyond the control of the station, any
5 scheduled use of a broadcasting station by such can-
6 didate or committee scheduled during that program
7 may also be preempted.

8 “(d) RANDOM AUDITS.—

9 “(1) IN GENERAL.—During the 45 days pre-
10 ceding a primary election and the 60 days preceding
11 a general election, the Commission shall conduct
12 random audits of designated market areas to ensure
13 that each broadcasting station to which this section
14 applies is allocating broadcast time for legally quali-
15 fied candidates for Federal office in accordance with
16 this section and section 312.

17 “(2) MARKETS.—Each audit conducted under
18 paragraph (1) shall cover the following markets:

19 “(A) At least 6 of the top 50 largest des-
20 ignated market areas.

21 “(B) At least 3 of the 51-100 largest des-
22 ignated market areas.

23 “(C) At least 3 of the 101-150 largest des-
24 ignated market areas.

1 “(D) At least 3 of the 151-210 largest des-
2 ignated market areas.

3 “(3) BROADCAST STATIONS.—Each random
4 audit shall include each of the 3 largest television
5 broadcast networks, 1 independent television net-
6 work, 1 cable network, 1 provider of satellite serv-
7 ices, and 1 radio network.”.

8 (e) POLITICAL FILE.—Section 315(e) of such Act (47
9 U.S.C. 315(e)) is amended by adding at the end the fol-
10 lowing:

11 “(4) PUBLIC ACCESS TO POLITICAL FILE.—In
12 making a record available for public inspection
13 under paragraph (1), a licensee shall make available
14 on a timely basis on the station’s Web site the
15 record of a request to purchase broadcast time that
16 is made by or on behalf of a legally qualified can-
17 didate for Federal office, a national committee of a
18 political party in connection with a campaign for
19 such office, or by a covered organization under sec-
20 tion 325(c) of the Federal Election Campaign Act of
21 1971 for electioneering communications in connec-
22 tion with any legally qualified candidate for Federal
23 office or for independent expenditures.”.

24 (f) DEFINITIONS.—Section 315(g) of such Act (as re-
25 designated by subsection (d)(1)) is amended—

1 (1) by striking “For purposes” and inserting
2 “DEFINITIONS.—For purposes”;

3 (2) in paragraph (1), by striking “; and” and
4 inserting the following: “and a provider of cable or
5 satellite television service, except that such term
6 does not include a noncommercial educational broad-
7 cast station as defined under section 397;”

8 (3) in paragraph (2), by striking the period at
9 the end and inserting a semicolon; and

10 (4) by adding at the end the following:

11 “(3) the terms ‘authorized committee’, ‘elec-
12 tion’, ‘electioneering communications’, ‘Federal of-
13 fice’, and ‘independent expenditure’ have the mean-
14 ings given such terms by section 301 of the Federal
15 Election Campaign Act of 1971 (2 U.S.C. 431);

16 “(4) the term ‘designated market area’ has the
17 meaning given such term in section 122(j)(2)(C) of
18 title 17, United States Code; and

19 “(5) the term ‘national committee of a political
20 party’ includes a national congressional campaign
21 committee of a political party.”.

22 (g) STYLISTIC AMENDMENT.—Section 315(f) of such
23 Act (as redesignated by subsection (d)(2)), is amended by
24 striking “The Commission” and inserting “REGULA-
25 TIONS.—The Commission”.

1 **TITLE V—OTHER PROVISIONS**

2 **SEC. 501. JUDICIAL REVIEW.**

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

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

13 (2) A copy of the complaint shall be delivered
14 promptly to the Clerk of the House of Representa-
15 tives and the Secretary of the Senate.

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

23 (b) INTERVENTION BY MEMBERS OF CONGRESS.—In
24 any action in which the constitutionality of any provision
25 of this Act or any amendment made by this Act is raised,

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

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

19 **SEC. 502. SEVERABILITY.**

20 If any provision of this Act or amendment made by
21 this Act, or the application of a provision or amendment
22 to any person or circumstance, is held to be unconstitu-
23 tional, the remainder of this Act and amendments made
24 by this Act, and the application of the provisions and

1 amendment to any person or circumstance, shall not be
2 affected by the holding.

3 **SEC. 503. EFFECTIVE DATE.**

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