

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 5175**

OFFERED BY _____

Strike all after the enacting clause and insert the following:

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 communications by government contractors.

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

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

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

TITLE II—PROMOTING EFFECTIVE DISCLOSURE OF CAMPAIGN-RELATED ACTIVITY

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

Sec. 201. Independent expenditures.

Sec. 202. Electioneering communications.

Subtitle B—Expanded Requirements for Corporations and Other Organizations

- Sec. 211. Additional information required to be included in reports on disbursements by covered organizations.
- Sec. 212. Rules regarding use of general treasury funds by covered organizations for campaign-related activity.
- Sec. 213. Optional use of separate account by covered organizations for campaign-related activity.
- Sec. 214. Modification of rules relating to disclaimer statements required for certain communications.

Subtitle C—Reporting Requirements for Registered Lobbyists

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

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

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

TITLE IV—OTHER PROVISIONS

- Sec. 401. Judicial review.
- Sec. 402. Severability.
- Sec. 403. Effective date.

1 **SEC. 2. FINDINGS.**

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

4 (1) Throughout the history of the United
5 States, the American people have been rightly con-
6 cerned about the power of special interests to control
7 our democratic processes. That was true over 100
8 years ago when Congress first enacted legislation in-
9 tended to restrict corporate funds from being used
10 in Federal elections, legislation that Congress
11 amended in 1947 to expressly include independent
12 expenditures. The Supreme Court held such legisla-
13 tion to be constitutional in 1990 in *Austin v. Michi-*
14 *gan Chamber of Commerce* (494 U.S. 652) and

1 again in 2003 in *McConnell v. F.E.C.* (540 U.S.
2 93).

3 (2) The Supreme Court's decision in *Citizens*
4 *United v. Federal Election Commission* on January
5 21, 2010, invalidated legislation restricting the abil-
6 ity of corporations and labor unions to spend funds
7 from their general treasury accounts to influence the
8 outcome of elections.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (5) Various factors, including the advent of the
23 Internet, where particular communications can be
24 circulated and remain available for viewing long
25 after they are first broadcast, and the frequency of

1 political campaigns that effectively begin long before
2 election day, have also rendered the existing system
3 of disclosure and disclaimer requirements (including
4 the limited time periods during which some of those
5 requirements currently apply) inadequate to protect
6 fully the government's interest in ensuring that the
7 electorate is fully informed about the sources of elec-
8 tion-related spending, and that shareholders and
9 citizens alike have the information they need to hold
10 corporations and elected officials accountable for
11 their positions and supporters.

12 (6) To serve the interests of accountability and
13 transparency, it is also important that information
14 about who is funding independent expenditures and
15 electioneering communications be presented to the
16 electorate in a manner that is readily accessible and
17 that can be quickly and easily understood.

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

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

23 (2) In recent years, scandals involving undue
24 lobbyist influence have lowered public trust in gov-

1 or to disburse any funds for an electioneering
2 communication; or”.

3 (B) CONFORMING AMENDMENT.—The
4 heading of section 317 of such Act (2 U.S.C.
5 441c) is amended by striking “CONTRIBU-
6 TIONS” and inserting “CONTRIBUTIONS, INDE-
7 PENDENT EXPENDITURES, AND ELECTION-
8 EERING COMMUNICATIONS”.

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

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

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

16 “(b) To the extent that subsection (a)(1) prohibits
17 a person who enters into a contract described in such sub-
18 section from making any independent expenditure or dis-
19 bursing funds for an electioneering communication, such
20 subsection shall apply only if the value of the contract is
21 equal to or greater than \$50,000.”.

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

1 (1) by striking “or” at the end of paragraph
2 (1);

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

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

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

12 “(A) beginning on the later of the com-
13 mencement of the negotiations or the date of
14 the enactment of the Democracy is Strength-
15 ened by Casting Light on Spending in Elections
16 Act; and

17 “(B) ending with the later of the termi-
18 nation of such negotiations or the repayment of
19 such financial assistance;

20 directly or indirectly to make any contribution of
21 money or other things of value, or to promise ex-
22 pressly or impliedly to make any such contribution
23 to any political party, committee, or candidate for
24 public office or to any person for any political pur-
25 pose or use, to make any independent expenditure,

1 or to disburse any funds for an electioneering com-
2 munication; or”.

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

6 **SEC. 102. APPLICATION OF BAN ON CONTRIBUTIONS AND**
7 **EXPENDITURES BY FOREIGN NATIONALS TO**
8 **FOREIGN-CONTROLLED DOMESTIC COR-**
9 **PORATIONS.**

10 (a) APPLICATION OF BAN.—Section 319(b) of the
11 Federal Election Campaign Act of 1971 (2 U.S.C.
12 441e(b)) is amended—

13 (1) by striking “or” at the end of paragraph
14 (1);

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

17 (3) by adding at the end the following new
18 paragraph:

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

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

24 “(B) with respect to which the majority of
25 the members of the board of directors are for-

1 eign nationals described in paragraph (1) or
2 (2);

3 “(C) 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 its interests in the United States; or

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

14 “(i) the making of a contribution, do-
15 nation, expenditure, independent expendi-
16 ture, or disbursement for an electioneering
17 communication (within the meaning of sec-
18 tion 304(f)(3)); or

19 “(ii) the administration of a political
20 committee established or maintained by the
21 corporation.”.

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

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

14 (c) NO EFFECT ON SEPARATE SEGREGATED FUNDS
15 OF DOMESTIC CORPORATIONS.—Section 319 of such Act
16 (2 U.S.C. 441e), as amended by subsection (b), is further
17 amended by adding at the end the following new sub-
18 section:

19 “(d) NO EFFECT ON SEPARATE SEGREGATE FUNDS
20 OF DOMESTIC CORPORATIONS.—Nothing in this section
21 shall be construed to prohibit any corporation which is not
22 a foreign national described in paragraph (1) of subsection
23 (b) from establishing and administering a separate seg-
24 regated fund under section 316(b)(2)(C), so long as none
25 of the amounts in the fund are provided by any foreign

1 national described in paragraph (1) or (2) of subsection
2 (b) and no foreign national described in paragraph (1) or
3 (2) of subsection (b) has the power to direct, dictate, or
4 control the establishment or administration of the fund.”.

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

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

13 **SEC. 103. TREATMENT OF PAYMENTS FOR COORDINATED**
14 **COMMUNICATIONS AS CONTRIBUTIONS.**

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

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

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

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

23 “(iii) any payment made by any person
24 (other than a candidate, an authorized com-
25 mittee of a candidate, or a political committee

1 of a political party) for a coordinated commu-
2 nication (as determined under section 324).”.

3 (b) COORDINATED COMMUNICATIONS DESCRIBED.—

4 Section 324 of such Act (2 U.S.C. 441k) is amended to
5 read as follows:

6 **“SEC. 324. COORDINATED COMMUNICATIONS.**

7 “(a) COORDINATED COMMUNICATIONS DEFINED.—

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

10 “(1) a covered communication which, subject to
11 subsection (c), is made in cooperation, consultation,
12 or concert with, or at the request or suggestion of,
13 a candidate, an authorized committee of a candidate,
14 or a political committee of a political party; or

15 “(2) any communication that republishes, dis-
16 seminate, or distributes, in whole or in part, any
17 broadcast or any written, graphic, or other form of
18 campaign material prepared by a candidate, an au-
19 thorized committee of a candidate, or their agents.

20 “(b) COVERED COMMUNICATION DEFINED.—

21 “(1) IN GENERAL.—Except as provided in para-
22 graph (4), for purposes of this subsection, the term
23 ‘covered communication’ means, for purposes of the
24 applicable election period described in paragraph (2),
25 a public communication (as defined in section

1 301(22)) that refers to a clearly identified candidate
2 for Federal office and is publicly distributed or pub-
3 licly disseminated during such period.

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

7 “(A) in the case of a communication which
8 refers to a candidate for the office of President
9 or Vice President, the period—

10 “(i) beginning with the date that is
11 120 days before the date of the first pri-
12 mary election, preference election, or nomi-
13 nating convention for nomination for the
14 office of President which is held in any
15 State; and

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

18 “(B) in the case of a communication which
19 refers to a candidate for any other Federal of-
20 fice, the period—

21 “(i) beginning with the date that is 90
22 days before the earliest of the primary
23 election, preference election, or nominating
24 convention with respect to the nomination

1 for the office that the candidate is seeking;

2 and

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

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

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

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

23 “(B) a communication which constitutes a
24 candidate debate or forum conducted pursuant
25 to the regulations adopted by the Commission

1 to carry out section 304(f)(3)(B)(iii), or which
2 solely promotes such a debate or forum and is
3 made by or on behalf of the person sponsoring
4 the debate or forum.

5 “(c) NO FINDING OF COORDINATION BASED SOLELY
6 ON SHARING OF INFORMATION REGARDING LEGISLATIVE
7 OR POLICY POSITION.—For purposes of subsection (a)(1),
8 a covered communication may not be considered to be
9 made in cooperation, consultation, or concert with, or at
10 the request or suggestion of, a candidate, an authorized
11 committee of a candidate, or a political committee of a
12 political party solely on the grounds that a person provided
13 information to the candidate or committee regarding that
14 person’s position on a legislative or policy matter (includ-
15 ing urging the candidate or party to adopt that person’s
16 position), so long as there is no discussion between the
17 person and the candidate or committee regarding any
18 campaign for election for Federal office.

19 “(d) PRESERVATION OF CERTAIN SAFE HARBORS
20 AND FIREWALLS.—Nothing in this section may be con-
21 strued to affect 11 CFR 109.21(g) or (h), as in effect on
22 the date of the enactment of the Democracy is Strengthened
23 by Casting Light on Spending in Elections Act.

24 “(e) TREATMENT OF COORDINATION WITH POLIT-
25 ICAL PARTIES FOR COMMUNICATIONS REFERRING TO

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

15 (c) EFFECTIVE DATE.—

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

23 (2) TRANSITION RULE FOR ACTIONS TAKEN
24 PRIOR TO ENACTMENT.—No person shall be consid-
25 ered to have made a payment for a coordinated com-

1 munication under section 324 of the Federal Elec-
2 tion Campaign Act of 1971 (as amended by sub-
3 section (b)) by reason of any action taken by the
4 person prior to the date of the enactment of this
5 Act. Nothing in the previous sentence shall be con-
6 strued to affect any determination under any other
7 provision of such Act which is in effect on the date
8 of the enactment of this Act regarding whether a
9 communication is made in cooperation, consultation,
10 or concert with, or at the request or suggestion of,
11 a candidate, an authorized committee of a candidate,
12 or a political committee of a political party.

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

15 (a) TREATMENT OF PAYMENT FOR PUBLIC COMMU-
16 NICATION AS CONTRIBUTION IF MADE UNDER CONTROL
17 OR DIRECTION OF CANDIDATE.—Section 301(8)(A) of the
18 Federal Election Campaign Act of 1971 (2 U.S.C.

19 431(8)(A)), as amended by section 103(a), is amended—

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

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

22 (iii) and inserting “; or”; and

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

1 “(iv) any payment by a political committee
2 of a political party for the direct costs of a pub-
3 lic communication (as defined in paragraph
4 (22)) made on behalf of a candidate for Federal
5 office who is affiliated with such party, but only
6 if the communication is controlled by, or made
7 at the direction of, the candidate or an author-
8 ized committee of the candidate.”.

9 (b) REQUIRING CONTROL OR DIRECTION BY CAN-
10 DIDATE FOR TREATMENT AS COORDINATED PARTY EX-
11 PENDITURE.—

12 (1) IN GENERAL.—Paragraph (4) of section
13 315(d) of such Act (2 U.S.C. 441a(d)) is amended
14 to read as follows:

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

23 (2) CONFORMING AMENDMENT.—Paragraph (1)
24 of section 315(d) of such Act (2 U.S.C. 441a(d)) is

1 amended by striking “paragraphs (2), (3), and (4)”
2 and inserting “paragraphs (2) and (3)”.

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

10 **TITLE II—PROMOTING EFFEC-**
11 **TIVE DISCLOSURE OF CAM-**
12 **PAIGN-RELATED ACTIVITY**

13 **Subtitle A—Treatment of Inde-**
14 **pendent Expenditures and Elec-**
15 **tioneering Communications**
16 **Made by All Persons**

17 **SEC. 201. INDEPENDENT EXPENDITURES.**

18 (a) REVISION OF DEFINITION.—Subparagraph (A) of
19 section 301(17) of the Federal Election Campaign Act of
20 1971 (2 U.S.C. 431(17)) is amended to read as follows:

21 “(A) that, when taken as a whole, ex-
22 pressly advocates the election or defeat of a
23 clearly identified candidate, or is the functional
24 equivalent of express advocacy because it can be
25 interpreted by a reasonable person only as ad-

1 vocating the election or defeat of a candidate,
2 taking into account whether the communication
3 involved mentions a candidacy, a political party,
4 or a challenger to a candidate, or takes a posi-
5 tion on a candidate's character, qualifications,
6 or fitness for office; and”.

7 (b) UNIFORM 24-HOUR REPORTING FOR PERSONS
8 MAKING INDEPENDENT EXPENDITURES EXCEEDING
9 \$10,000 AT ANY TIME.—Section 304(g) of such Act (2
10 U.S.C. 434(g)) is amended by striking paragraphs (1) and
11 (2) and inserting the following:

12 “(1) INDEPENDENT EXPENDITURES EXCEED-
13 ING THRESHOLD AMOUNT.—

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

21 “(B) ADDITIONAL REPORTS.—After a per-
22 son files a report under subparagraph (A), the
23 person shall electronically file an additional re-
24 port within 24 hours after each time the person
25 makes or contracts to make independent ex-

1 penditures in an aggregate amount equal to or
2 greater than the threshold amount with respect
3 to the same election as that to which the initial
4 report relates.

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

7 “(A) during the period up to and including
8 the 20th day before the date of an election,
9 \$10,000; or

10 “(B) during the period after the 20th day,
11 but more than 24 hours, before the date of an
12 election, \$1,000.

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

20 (c) EFFECTIVE DATE.—

21 (1) IN GENERAL.—The amendment made by
22 subsection (a) shall apply with respect to contribu-
23 tions and expenditures made on or after the expira-
24 tion of the 30-day period which begins on the date
25 of the enactment of this Act, without regard to

1 whether or not the Federal Election Commission has
2 promulgated regulations to carry out such amend-
3 ments.

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

8 **SEC. 202. ELECTIONEERING COMMUNICATIONS.**

9 (a) EXPANSION OF PERIOD COVERING GENERAL
10 ELECTION.—Section 304(f)(3)(A)(i)(II)(aa) of the Fed-
11 eral Election Campaign Act of 1971 (2 U.S.C.
12 434(f)(3)(A)(i)(II)(aa)) is amended by striking “60 days”
13 and inserting “120 days”.

14 (b) MANDATORY ELECTRONIC FILING.—Section
15 304(f)(1) of such Act (2 U.S.C. 434(f)(1)) is amended—

16 (1) by striking “file with” and inserting “elec-
17 tronically file with”; and

18 (2) by adding at the end the following new sen-
19 tence: “Notwithstanding any other provision of this
20 section, the Commission shall ensure that the infor-
21 mation required to be disclosed under this subsection
22 is publicly available through the Commission website
23 not later than 24 hours after receipt in a manner
24 that is downloadable in bulk and machine read-
25 able.”.

1 (c) **EFFECTIVE DATE; TRANSITION FOR COMMUNICA-**
2 **TIONS MADE PRIOR TO ENACTMENT.**—The amendment
3 made by subsection (a) shall apply with respect to commu-
4 nications made on or after the date of the enactment of
5 this Act, without regard to whether or not the Federal
6 Election Commission has promulgated regulations to carry
7 out such amendments, except that no communication
8 which is made prior to the date of the enactment of this
9 Act shall be treated as an electioneering communication
10 under section 304(f)(3)(A)(i)(II) of the Federal Election
11 Campaign Act of 1971 (as amended by subsection (a)) un-
12 less the communication would be treated as an election-
13 eering communication under such section if the amend-
14 ment made by subsection (a) did not apply.

15 **Subtitle A—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 \$600 during such period, pre-
25 sented in the order of the aggregate

1 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 \$600 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 \$6,000 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 (other than the covered
10 organization itself) for the purpose of mak-
11 ing a public independent expenditure by
12 that person or by any other person, or (in
13 accordance with clause (ii)) which is
14 deemed to have transferred amounts to an-
15 other person (other than the covered orga-
16 nization itself) for the purpose of making
17 a public independent expenditure by that
18 person or by any other person, shall be
19 considered to have made a public inde-
20 pendent expenditure.

21 “(ii) RULES FOR DEEMING TRANS-
22 FERS MADE FOR PURPOSE OF MAKING EX-
23 PENDITURES.—For purposes of clause (i),
24 in determining whether a covered organiza-
25 tion or any other person who transfers

1 amounts to another person shall be deemed
2 to have transferred the amounts for the
3 purpose of making a public independent
4 expenditure, the following rules apply:

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

9 “(aa) the person designates,
10 requests, or suggests that the
11 amounts be used for public inde-
12 pendent expenditures and the
13 person to whom the amounts
14 were transferred agrees to do so
15 or does so;

16 “(bb) the person making the
17 public independent expenditure
18 or another person acting on that
19 person’s behalf expressly solicited
20 the person for a donation or pay-
21 ment for making or paying for
22 any public independent expendi-
23 tures;

24 “(cc) the person and the
25 person to whom the amounts

1 were transferred engaged in sub-
2 stantial written or oral discussion
3 regarding the person either mak-
4 ing, or donating or paying for,
5 any public independent expendi-
6 tures;

7 “(dd) the person or the per-
8 son to whom the amounts were
9 transferred knew or had reason
10 to know of the covered organiza-
11 tion’s intent to make public inde-
12 pendent expenditures; or

13 “(ee) the person or the per-
14 son to whom the amounts were
15 transferred made a public inde-
16 pendent expenditure during the
17 2-year period which ends on the
18 date on which the amounts were
19 transferred.

20 “(II) The person shall not be
21 deemed to have transferred the
22 amounts for the purpose of making a
23 public independent expenditure if the
24 transfer was a commercial transaction
25 occurring in the ordinary course of

1 business between the person and the
2 person to whom the amounts were
3 transferred, unless there is affirmative
4 evidence that the amounts were trans-
5 ferred for the purpose of making a
6 public independent expenditure.

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

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

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

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

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

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

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

1 on the last day covered by the report,
2 or

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

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

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

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

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

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

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

5 “(G) OTHER DEFINITIONS.—In this para-
6 graph—

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

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

15 (b) ELECTIONEERING COMMUNICATION REPORTS.—

16 (1) IN GENERAL.—Section 304(f) of such Act
17 (2 U.S.C. 434(f)) is amended—

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

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

22 “(6) DISCLOSURE OF ADDITIONAL INFORMA-
23 TION BY COVERED ORGANIZATIONS.—

24 “(A) ADDITIONAL INFORMATION.—If a
25 covered organization files a statement under

1 this subsection, the statement shall include, in
2 addition to the information required under
3 paragraph (2), the following information:

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

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

22 “(II) if any person identified
23 under subclause (I) designated that
24 the donation or payment be used for
25 campaign-related activity with respect

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

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

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

21 “(II) in an aggregate amount
22 equal to or exceeding \$10,000 during
23 such period, if the disbursements
24 made by the organization for all of
25 the electioneering communications

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

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

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

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

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

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

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

1 “(aa) the person designates,
2 requests, or suggests that the
3 amounts be used for election-
4 eering communications and the
5 person to whom the amounts
6 were transferred agrees to do so
7 or does so;

8 “(bb) the person making the
9 electioneering communication or
10 another person acting on that
11 person’s behalf expressly solicited
12 the person for a donation or pay-
13 ment for making or paying for
14 any electioneering communica-
15 tions;

16 “(cc) the person and the
17 person to whom the amounts
18 were transferred engaged in sub-
19 stantial written or oral discussion
20 regarding the person either mak-
21 ing, or donating or paying for,
22 any electioneering communica-
23 tions;

24 “(dd) the person or the per-
25 son to whom the amounts were

1 transferred knew or had reason
2 to know of the covered organiza-
3 tion's intent to make election-
4 eering communications; or

5 “(ee) the person or the per-
6 son to whom the amounts were
7 transferred made an election-
8 eering communication during the
9 2-year period which ends on the
10 date on which the amounts were
11 transferred.

12 “(II) The person shall not be
13 considered to have transferred the
14 amounts for the purpose of making an
15 electioneering communication if the
16 transfer was a commercial transaction
17 occurring in the ordinary course of
18 business between the person and the
19 person to whom the amounts were
20 transferred, unless there is affirmative
21 evidence that the amounts were trans-
22 ferred for the purpose of making an
23 electioneering communication.

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

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

9 “(i) for campaign-related activity de-
10 scribed in clause (ii) of section
11 325(d)(2)(A) (relating to electioneering
12 communications) with respect to a dif-
13 ferent election, or with respect to a can-
14 didate in a different election, than an elec-
15 tion which is the subject of any of the elec-
16 tioneering communications covered by the
17 statement involved; or

18 “(ii) for any campaign-related activity
19 described in clause (i) of section
20 325(d)(2)(A) (relating to independent ex-
21 penditures consisting of a public commu-
22 nication).

23 “(D) COVERED ORGANIZATION REPORTING
24 PERIOD DESCRIBED.—In this paragraph, the
25 ‘covered organization reporting period’ is, with

1 respect to a statement filed by a covered orga-
2 nization under this subsection—

3 “(i) in the case of the first statement
4 filed by a covered organization under this
5 subsection which includes information re-
6 quired under this paragraph, the shorter
7 of—

8 “(I) the period which begins on
9 the effective date of the Democracy is
10 Strengthened by Casting Light on
11 Spending in Elections Act and ends
12 on the disclosure date for the state-
13 ment, or

14 “(II) the 12-month period ending
15 on the disclosure date for the state-
16 ment; and

17 “(ii) in the case of any subsequent
18 statement filed by a covered organization
19 under this subsection which includes infor-
20 mation required under this paragraph, the
21 period occurring since the most recent
22 statement filed by the organization which
23 includes such information.

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

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

6 “(ii) Any labor organization (as de-
7 fined in section 316).

8 “(iii) Any organization described in
9 paragraph (4), (5), or (6) of section 501(c)
10 of the Internal Revenue Code of 1986 and
11 exempt from tax under section 501(a) of
12 such Code.

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

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

21 (2) CONFORMING AMENDMENT.—Section
22 304(2) of such Act (2 U.S.C. 434(f)(2)) is amended
23 by striking “If the disbursements” each place it ap-
24 pears in subparagraph (E) and (F) and inserting the
25 following: “Except in the case of a statement which

1 is required to include additional information under
2 paragraph (6), if the disbursements”.

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

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

9 **“SEC. 325. SPECIAL RULES FOR USE OF GENERAL TREAS-**
10 **URY FUNDS BY COVERED ORGANIZATIONS**
11 **FOR CAMPAIGN-RELATED ACTIVITY.**

12 **“(a) USE OF FUNDS FOR CAMPAIGN-RELATED AC-**
13 **TIVITY.—**

14 **“(1) IN GENERAL.—**Subject to any applicable
15 restrictions and prohibitions under this Act, a cov-
16 ered organization may make disbursements for cam-
17 paign-related activity using—

18 **“(A)** amounts paid or donated to the orga-
19 nization which are designated by the person
20 providing the amounts to be used for campaign-
21 related activity;

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

24 **“(C)** other funds of the organization, in-
25 cluding amounts received pursuant to commer-

1 cial activities in the regular course of a covered
2 organization's business.

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

9 “(b) MUTUALLY AGREED RESTRICTIONS ON USE OF
10 FUNDS FOR CAMPAIGN-RELATED ACTIVITY.—

11 “(1) AGREEMENT AND CERTIFICATION.—If a
12 covered organization and a person mutually agree,
13 at the time the person makes a donation, payment,
14 or transfer to the organization which would require
15 the organization to disclose the person's identifica-
16 tion under section 304(g)(5)(A)(ii) or section
17 304(f)(6)(A)(ii), that the organization will not use
18 the donation, payment, or transfer for campaign-re-
19 lated activity, then not later than 30 days after the
20 organization receives the donation, payment, or
21 transfer the organization shall transmit to the per-
22 son a written certification by the chief financial offi-
23 cer of the covered organization (or, if the organiza-
24 tion does not have a chief financial officer, the high-

1 est ranking financial official of the organization)
2 that—

3 “(A) the organization will not use the do-
4 nation, payment, or transfer for campaign-re-
5 lated activity; and

6 “(B) the organization will not include any
7 information on the person in any report filed by
8 the organization under section 304 with respect
9 to independent expenditures or electioneering
10 communications, so that the person will not be
11 required to appear in a significant funder state-
12 ment or a Top 5 Funders list under section
13 318(e).

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

19 “(c) CERTIFICATIONS REGARDING DISBURSEMENTS
20 FOR CAMPAIGN-RELATED ACTIVITY.—

21 “(1) CERTIFICATION BY CHIEF EXECUTIVE OF-
22 FICER.—If, at any time during a calendar quarter,
23 a covered organization makes a disbursement of
24 funds for campaign-related activity using funds de-
25 scribed in subsection (a)(1), the chief executive offi-

1 cer of the covered organization or the chief executive
2 officer's designee (or, if the organization does not
3 have a chief executive officer, the highest ranking of-
4 ficial of the organization or the highest ranking offi-
5 cial's designee) shall file a statement with the Com-
6 mission which contains the following certifications:

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

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

21 “(C) Each statement and report filed by
22 the organization under section 304 with respect
23 to any such disbursement made during the
24 quarter is complete and accurate.

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

3 “(E) No portion of the amounts used to
4 make any such disbursements during the quar-
5 ter is attributable to funds received by the orga-
6 nization that were restricted by the person who
7 provided the funds from being used for cam-
8 paign-related activity pursuant to subsection
9 (b).

10 “(2) APPLICATION OF ELECTRONIC FILING
11 RULES.—Section 304(d)(1) shall apply with respect
12 to a statement required under this subsection in the
13 same manner as such section applies with respect to
14 a statement under subsection (c) or (g) of section
15 304.

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

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

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

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

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

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

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

12 “(2) CAMPAIGN-RELATED ACTIVITY.—

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

15 “(i) an independent expenditure con-
16 sisting of a public communication (as de-
17 fined in section 301(22)), a transfer of
18 funds to another person (other than the
19 transferor itself) for the purpose of making
20 such an independent expenditure by that
21 person or by any other person, or (in ac-
22 cordance with subparagraph (B)) a trans-
23 fer of funds to another person (other than
24 the transferor itself) which is deemed to
25 have been made for the purpose of making

1 such an independent expenditure by that
2 person or by any other person; or

3 “(ii) an electioneering communication,
4 a transfer of funds to another person
5 (other than the transferor itself) for the
6 purpose of making an electioneering com-
7 munication by that person or by any other
8 person, or (in accordance with subpara-
9 graph (B)) a transfer of funds to another
10 person (other than the transferor
11 itself) which is deemed to have been made
12 for the purpose of making an election-
13 eering communication by that person or by
14 any other person.

15 “(B) RULE FOR DEEMING TRANSFERS
16 MADE FOR PURPOSE OF CAMPAIGN-RELATED
17 ACTIVITY.—For purposes of subparagraph (A),
18 in determining whether a transfer of funds by
19 one person to another person shall be deemed
20 to have been made for the purpose of making
21 an independent expenditure consisting of a pub-
22 lic communication or an electioneering commu-
23 nication, the following rules apply:

24 “(i) The transfer shall be deemed to
25 have been made for the purpose of making

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

3 “(I) the person designates, re-
4 quests, or suggests that the amounts
5 be used for such independent expendi-
6 tures or electioneering communica-
7 tions and the person to whom the
8 amounts were transferred agrees to do
9 so or does so;

10 “(II) the person making such
11 independent expenditures or election-
12 eering communications or another
13 person acting on that person’s behalf
14 expressly solicited the person for a do-
15 nation or payment for making or pay-
16 ing for any such independent expendi-
17 ture or electioneering communication;

18 “(III) the person and the person
19 to whom the amounts were trans-
20 ferred engaged in substantial written
21 or oral discussion regarding the per-
22 son either making, or donating or
23 paying for, such independent expendi-
24 tures or electioneering communica-
25 tions;

1 “(IV) the person or the person to
2 whom the amounts were transferred
3 knew or had reason to know of the
4 covered organization’s intent to dis-
5 burse funds for such independent ex-
6 penditures or electioneering commu-
7 nications; or

8 “(V) the person or the person to
9 whom the amounts were transferred
10 made such an independent expendi-
11 ture or electioneering communication
12 during the 2-year period which ends
13 on the date on which the amounts
14 were transferred.

15 “(ii) The transfer shall not be deemed
16 to have been made for the purpose of mak-
17 ing such an independent expenditure or an
18 electioneering communication if the trans-
19 fer was a commercial transaction occurring
20 in the ordinary course of business between
21 the person and the person to whom the
22 amounts were transferred, unless there is
23 affirmative evidence that the amounts were
24 transferred for the purpose of making such

1 an independent expenditure or election-
2 eering communication.

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

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

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

18 **SEC. 213. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-**
19 **ERED ORGANIZATIONS FOR CAMPAIGN-RE-**
20 **LATED ACTIVITY.**

21 Title III of the Federal Election Campaign Act of
22 1971 (2 U.S.C. 431 et seq.), as amended by section 212,
23 is further amended by adding at the end the following new
24 section:

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

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

5 “(1) ESTABLISHMENT OF ACCOUNT.—

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

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

23 “(C) EXCLUSIVE USE OF ACCOUNT FOR
24 CAMPAIGN-RELATED ACTIVITY.—Amounts in
25 the Account shall be used exclusively for dis-
26 bursements by the covered organization for

1 campaign-related activity. After such disburse-
2 ments are made, information with respect to de-
3 posits made to the Account shall be disclosed in
4 accordance with section 304(g)(5) or section
5 304(f)(6).

6 “(2) DEPOSITS DESCRIBED.—The deposits de-
7 scribed in this paragraph are deposits of the fol-
8 lowing amounts:

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

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

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

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

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

15 “(b) REDUCTION IN AMOUNTS OTHERWISE AVAIL-
16 ABLE FOR ACCOUNT IN RESPONSE TO DEMAND OF GEN-
17 ERAL DONORS.—

18 “(1) IN GENERAL.—If a covered organization
19 which has established an Account obtains any reve-
20 nues during a year which are attributable to a dona-
21 tion or payment from a person other than the cov-
22 ered organization, and if any person who makes
23 such a donation or payment to the organization noti-
24 fies the organization in writing (at the time of mak-
25 ing the donation or payment) that the organization

1 may not use the donation or payment for campaign-
2 related activity, the organization shall reduce the
3 amount of its revenues available for deposits to the
4 Account which are described in subsection (a)(3)(D)
5 during the year by the amount of the donation or
6 payment.

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

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

14 “(1) Any corporation which is subject to section
15 316(a).

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

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

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

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

4 **SEC. 214. MODIFICATION OF RULES RELATING TO DIS-**
5 **CLAIMER STATEMENTS REQUIRED FOR CER-**
6 **TAIN COMMUNICATIONS.**

7 (a) APPLYING REQUIREMENTS TO ALL INDE-
8 PENDENT EXPENDITURE COMMUNICATIONS.—Section
9 318(a) of the Federal Election Campaign Act of 1971 (2
10 U.S.C. 441d(a)) is amended by striking “for the purpose
11 of financing communications expressly advocating the
12 election or defeat of a clearly identified candidate” and
13 inserting “for an independent expenditure consisting of a
14 public communication”.

15 (b) STAND BY YOUR AD REQUIREMENTS.—

16 (1) MAINTENANCE OF EXISTING REQUIRE-
17 MENTS FOR COMMUNICATIONS BY POLITICAL PAR-
18 TIES AND OTHER POLITICAL COMMITTEES.—Section
19 318(d)(2) of such Act (2 U.S.C. 441d(d)(2)) is
20 amended—

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

23 (B) by striking “subsection (a)” and in-
24 serting “subsection (a) which is paid for by a
25 political committee (including a political com-

1 mittee of a political party), other than a polit-
2 ical committee which makes only electioneering
3 communications or independent expenditures
4 consisting of public communications,”; and

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

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

11 “(e) COMMUNICATIONS BY OTHERS.—

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

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

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

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

21 “(C) If the communication is transmitted
22 through television and is an electioneering com-
23 munication or an independent expenditure con-
24 sisting of a public communication and is paid
25 for in whole or in part with a payment which

1 is treated as a disbursement by a covered orga-
2 nization for campaign-related activity under
3 section 325, the Top Five Funders list de-
4 scribed in paragraph (5) (if applicable), unless,
5 on the basis of criteria established in regula-
6 tions promulgated by the Commission, the com-
7 munication is of such short duration that in-
8 cluding the Top Five Funders list in the com-
9 munication would constitute a hardship to the
10 person paying for the communication by requir-
11 ing a disproportionate amount of the commu-
12 nication's content to consist of the Top Five
13 Funders list.

14 “(2) INDIVIDUAL DISCLOSURE STATEMENT DE-
15 SCRIBED.—The individual disclosure statement de-
16 scribed in this paragraph is the following: ‘I am
17 _____, and I approve this message.’, with
18 the blank filled in with the name of the applicable
19 individual.

20 “(3) ORGANIZATIONAL DISCLOSURE STATE-
21 MENT DESCRIBED.—The organizational disclosure
22 statement described in this paragraph is the fol-
23 lowing: ‘I am _____, the _____
24 of _____, and _____ approves
25 this message.’, with—

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

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

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

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

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

22 “(B) STATEMENT IF SIGNIFICANT FUNDER
23 IS NOT AN INDIVIDUAL.—If the significant
24 funder of a communication paid for in whole or
25 in part with a payment which is treated as a

1 disbursement by a covered organization for
2 campaign-related activity under section 325 is
3 not an individual, the significant funder disclosure
4 statement described in this paragraph is
5 the following: ‘I am _____, the
6 _____ of _____.
7 _____ helped to pay for this mes-
8 sage, and _____ approves it.’, with—

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

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

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

17 “(C) SIGNIFICANT FUNDER DEFINED.—

18 “(i) INDEPENDENT EXPENDITURES.—

19 For purposes of this paragraph, the ‘sig-
20 nificant funder’ with respect to an inde-
21 pendent expenditure consisting of a public
22 communication paid for in whole or in part
23 with a payment which is treated as a dis-
24 bursement by a covered organization for

1 campaign-related activity under section
2 325 shall be determined as follows:

3 “(I) If any report filed by any or-
4 ganization 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 in an amount equal to or ex-
9 ceeding \$100,000 which was des-
10 ignated by the person to be used for
11 campaign-related activity consisting of
12 that specific independent expenditure
13 (as required to be included in the re-
14 port under section 304(g)(5)(A)(i)),
15 the person who is identified among all
16 such reports as making the largest
17 such payment.

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

1 campaign-related activity with respect
2 to the same election or in support of
3 the same candidate (as required to be
4 included in the report under section
5 304(g)(5)(A)(i)) but subclause (I)
6 does not apply, the person who is
7 identified among all such reports as
8 making the largest such payment.

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

1 “(IV) If none of the reports filed
2 by any organization with respect to
3 the independent expenditure under
4 section 304 includes information on
5 any person (other than the organiza-
6 tion) who made a payment to the or-
7 ganization which was provided for the
8 purpose of being used for campaign-
9 related activity or in response to a so-
10 licitation for funds to be used for
11 campaign-related activity, but any of
12 such reports includes information on
13 any person who made an unrestricted
14 donor payment to the organization (as
15 required to be included in the report
16 under section 304(g)(5)(A)(ii)), the
17 person who is identified among all
18 such reports as making the largest
19 such unrestricted donor payment.

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

1 organization for campaign-related activity
2 under section 325, shall be determined as
3 follows:

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

19 “(II) If any report filed by any
20 organization with respect to the elec-
21 tioneering communication under sec-
22 tion 304 includes information on any
23 person who made a payment to the
24 organization in an amount equal to or
25 exceeding \$100,000 which was des-

1 ignated by the person to be used for
2 campaign-related activity with respect
3 to the same election or in support of
4 the same candidate (as required to be
5 included in the report under section
6 304(f)(6)(A)(i)) but subclause (I)
7 does not apply, the person who is
8 identified among all such reports as
9 making the largest such payment.

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

1 “(IV) If none of the reports filed
2 by any organization with respect to
3 the electioneering communication
4 under section 304 includes informa-
5 tion on any person who made a pay-
6 ment to the organization which was
7 provided for the purpose of being used
8 for campaign-related activity or in re-
9 sponse to a solicitation for funds to be
10 used for campaign-related activity, but
11 any of such reports includes informa-
12 tion on any person who made an unre-
13 stricted donor payment to the organi-
14 zation (as required to be included in
15 the report under section
16 304(f)(6)(A)(ii)), the person who is
17 identified among all such reports as
18 making the largest such unrestricted
19 donor payment.

20 “(5) TOP 5 FUNDERS LIST DESCRIBED.—With
21 respect to a communication paid for in whole or in
22 part with a payment which is treated as a disburse-
23 ment by a covered organization for campaign-related
24 activity under section 325, the Top 5 Funders list
25 described in this paragraph is—

1 “(A) in the case of a disbursement for an
2 independent expenditure consisting of a public
3 communication, a list of the 5 persons who pro-
4 vided the largest payments of any type which
5 are required under section 304(g)(5)(A) to be
6 included in the reports filed by any organization
7 with respect to that independent expenditure
8 under section 304, together with the amount of
9 the payments each such person provided; or

10 “(B) in the case of a disbursement for an
11 electioneering communication, a list of the 5
12 persons who provided the largest payments of
13 any type which are required under section
14 304(f)(6)(A) to be included in the reports filed
15 by any organization with respect to that elec-
16 tioneering communication under section 304,
17 together with the amount of the payments each
18 such person provided.

19 “(6) METHOD OF CONVEYANCE OF STATE-
20 MENT.—

21 “(A) COMMUNICATIONS TRANSMITTED
22 THROUGH RADIO.—In the case of a communica-
23 tion to which this subsection applies which is
24 transmitted through radio, the disclosure state-
25 ments required under paragraph (1) shall be

1 made by audio by the applicable individual in a
2 clearly spoken manner.

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

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

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

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

1 “(A) if the communication is paid for by
2 an individual or if the significant funder of the
3 communication under paragraph (4) is an indi-
4 vidual, the individual involved;

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

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

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

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

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

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

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

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

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

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

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

22 “(A) the name and permanent street ad-
23 dress, telephone number, or World Wide Web
24 address of the person who paid for the commu-
25 nication;

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

10 “(I) the significant funder of the com-
11 munication, if any (as determined in ac-
12 cordance with subsection (e)(4)(C)(I)); and

13 “(ii) each person who would be in-
14 cluded in the Top 5 Funders list which
15 would be submitted with respect to the
16 communication if the communication were
17 transmitted through television, if any (as
18 determined in accordance with subsection
19 (e)(5)); and

20 “(C) that the communication is not au-
21 thorized by any candidate or candidate’s com-
22 mittee.”.

1 **Subtitle B—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 bying Disclosure Act of 1995 that begin after the date
14 of the enactment of this Act.

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

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

22 Title III of the Federal Election Campaign Act of
23 1971 (2 U.S.C. 431 et seq.), as amended by section 213,
24 is amended by adding at the end the following new section:

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

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

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

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

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

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

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

1 independent expenditure or electioneering com-
2 munication involved was in support of or in op-
3 position to the candidate;

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

9 “(E) the source of such funds; and

10 “(F) such other information as the Com-
11 mission determines is appropriate to further the
12 purposes of this subsection.

13 “(b) HYPERLINK TO INFORMATION INCLUDED IN
14 REPORTS FILED WITH COMMISSION.—

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

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

24 “(B) The information the organization is
25 required to include in a statement of disburse-

1 ments for electioneering communications under
2 section 304(f)(6).

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

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

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

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

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

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

4 **TITLE IV—OTHER PROVISIONS**

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

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

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

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

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

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

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

22 **SEC. 402. SEVERABILITY.**

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

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

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

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

