

33 2nd Rev

AMENDMENT TO H.R. 5175, AS REPORTED

OFFERED BY Mr. Brady

Strike section 2.

Page 13, line 13, strike "Campaign Act" and insert "Campaign Act of 1971".

Page 14, line 12, strike "\$7,000,000" and insert "\$10,000,000".

Page 18, strike lines 4 through 19 and insert the following:

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

5 "(d) NO EFFECT ON CERTAIN ACTIVITIES OF DO-
6 MESTIC CORPORATIONS.—

7 "(1) SEPARATE SEGREGATED FUNDS.—Nothing
8 in this section shall be construed to prohibit any cor-
9 poration which is not a foreign national described in
10 paragraph (1) of subsection (b) from establishing,
11 administering, and soliciting contributions to a sepa-
12 rate segregated fund under section 316(b)(2)(C), so
13 long as none of the amounts in the fund are pro-

1 vided by any foreign national described in paragraph
2 (1) or (2) of subsection (b) and no foreign national
3 described in paragraph (1) or (2) of subsection (b)
4 has the power to direct, dictate, or control the estab-
5 lishment or administration of the fund.

6 “(2) STATE AND LOCAL ELECTIONS.—Nothing
7 in this section shall be construed to prohibit any cor-
8 poration which is not a foreign national described in
9 paragraph (1) of subsection (b) from making a con-
10 tribution or donation in connection with a State or
11 local election to the extent permitted under State or
12 local law, so long as no foreign national described in
13 paragraph (1) or (2) of subsection (b) has the power
14 to direct, dictate, or control such contribution or do-
15 nation.

16 “(3) OTHER PERMISSIBLE CORPORATE CON-
17 TRIBUTIONS AND EXPENDITURES.—Nothing in this
18 section shall be construed to prohibit any corpora-
19 tion which is not a foreign national described in
20 paragraph (1) of subsection (b) from carrying out
21 any activity described in subparagraph (A) or (B) of
22 section 316(b)(2), so long as none of the amounts
23 used to carry out the activity are provided by any
24 foreign national described in paragraph (1) or (2) of
25 subsection (b) and no foreign national described in

1 paragraph (1) or (2) of subsection (b) has the power
2 to direct, dictate, or control such activity.”.

Page 19, strike line 22 and all that follows through
page 20, line 10 and insert the following:

3 “(a) COORDINATED COMMUNICATIONS DEFINED.—

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

6 “(A) a covered communication which, sub-
7 ject to subsection (c), is made in cooperation,
8 consultation, or concert with, or at the request
9 or suggestion of, a candidate, an authorized
10 committee of a candidate, or a political com-
11 mittee of a political party; or

12 “(B) any communication that republishes,
13 disseminates, or distributes, in whole or in part,
14 any broadcast or any written, graphic, or other
15 form of campaign material prepared by a can-
16 didate, an authorized committee of a candidate,
17 or their agents.

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

20 “(A) a communication appearing in a news
21 story, commentary, or editorial distributed
22 through the facilities of any broadcasting sta-
23 tion, newspaper, magazine, or other periodical

1 publication, unless such facilities are owned or
2 controlled by any political party, political com-
3 mittee, or candidate; or
4 “(B) a communication which constitutes a
5 candidate debate or forum conducted pursuant
6 to the regulations adopted by the Commission
7 to carry out section 304(f)(3)(B)(iii), or which
8 solely promotes such a debate or forum and is
9 made by or on behalf of the person sponsoring
10 the debate or forum.”.

Page 20, line 15, strike “paragraph (2),” and insert
“paragraph (2) and with respect to the coordinated com-
munication involved,”.

Page 20, line 17, strike “a clearly identified can-
didate for Federal office” and insert “the candidate de-
scribed in subsection (a)(1)(A) or an opponent of such
candidate”.

Page 22, strike lines 3 through 18.

Page 22, line 22, strike “may not be considered”
and insert “shall not be considered”.

Page 23, line 1, strike “a person provided informa-
tion to” and insert “a person or an agent thereof en-
gaged in discussions with”.

Page 23, line 6, strike “regarding the candidate’s campaign for election for Federal office” and insert “regarding the candidate’s campaign plans, projects, activities, or needs”.

Amend section 201(b) to read as follows:

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

6 “(1) INDEPENDENT EXPENDITURES EXCEED-
7 ING THRESHOLD AMOUNT.—

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

15 “(B) ADDITIONAL REPORTS.—After a per-
16 son files a report under subparagraph (A), the
17 person shall electronically file an additional re-
18 port within 24 hours after each time the person
19 makes or contracts to make independent ex-
20 penditures in an aggregate amount equal to or

1 greater than the threshold amount with respect
2 to the same election as that to which the initial
3 report relates.

4 “(C) THRESHOLD AMOUNT DESCRIBED.—
5 In this paragraph, the ‘threshold amount’
6 means—

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

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

13 “(2) 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.”.

Page 30, strike lines 11 through 21.

Page 30, line 22, strike “(c)” and insert “(b)”.

Page 32, line 21, strike “the following information:”
and insert “the following information (subject to sub-
paragraph (B)(iv)):”.

Page 35, line 10, strike “For purposes” and insert “Subject to clause (iii), for purposes”.

Page 36, line 7, strike “or any other person who” and insert “which”.

Page 36, line 12, strike “person” and insert “covered organization”.

Page 36, line 16, strike “person” and insert “covered organization”.

Page 36, line 21, strike “or does so”.

Page 37, line 2, strike “person” and insert “covered organization”.

Page 37, strike lines 5 through 24 and insert the following:

1	“(cc) the covered organiza-
2	tion and the person to whom the
3	amounts were transferred en-
4	gaged in written or oral discus-
5	sion regarding the person either
6	making, or paying for, any public
7	independent expenditure, or do-
8	minating or transferring the
9	amounts to another person for
10	that purpose;

1 “(dd) the covered organiza-
2 tion which transferred the funds
3 knew or had reason to know that
4 the person to whom the amounts
5 were transferred intended to
6 make public independent expendi-
7 tures; or

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

Page 38, strike lines 1 through 12 and insert the
following:

18 “(II) The covered organization
19 shall not be deemed to have trans-
20 ferred the amounts for the purpose of
21 making a public independent expendi-
22 ture if—

1 “(aa) the transfer was a
2 commercial transaction occurring
3 in the ordinary course of business
4 between the covered organization
5 and the person to whom the
6 amounts were transferred, unless
7 there is affirmative evidence that
8 the amounts were transferred for
9 the purpose of making a public
10 independent expenditure; or

11 “(bb) the covered organiza-
12 tion and the person to whom the
13 amounts were transferred mutu-
14 ally agreed (as provided in sec-
15 tion 325(b)(1)) that the person
16 will not use the amounts for cam-
17 paign-related activity.”.

Page 38, insert after line 12 the following:

18 “(iii) SPECIAL RULE REGARDING
19 TRANSFERS AMONG AFFILIATES.—

20 “(I) SPECIAL RULE.—In the case
21 of an amount transferred by one cov-
22 ered organization to another covered
23 organization which is treated as a
24 transfer between affiliates under sub-

1 clause (II), clause (i) and (ii) shall
2 apply to the covered organization
3 which transfers the amount only if the
4 aggregate amount transferred during
5 the year by such covered organization
6 to that same covered organization is
7 equal to or greater than \$50,000.

8 “(II) DESCRIPTION OF TRANS-
9 FERS BETWEEN AFFILIATES.—A
10 transfer of amounts from one covered
11 organization to another covered orga-
12 nization shall be treated as a transfer
13 between affiliates if—

14 “(aa) one of the organiza-
15 tions is an affiliate of the other
16 organization; or

17 “(bb) each of the organiza-
18 tions is an affiliate of the same
19 organization,

20 except that the transfer shall not be
21 treated as a transfer between affiliates
22 if one of the organizations is estab-
23 lished for the purpose of disbursing
24 funds for campaign-related activity.

1 “(III) DETERMINATION OF AF-
2 FILIATE STATUS.—For purposes of
3 subclause (II), a covered organization
4 is an affiliate of another covered orga-
5 nization if—

6 “(aa) the governing instru-
7 ment of the organization requires
8 it to be bound by decisions of the
9 other organization;

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

21 “(cc) the organization is
22 chartered by the other organiza-
23 tion.

24 “(IV) COVERAGE OF TRANSFERS
25 TO AFFILIATED SECTION 501(C)(3) OR-

1 GANIZATIONS.—This clause shall
2 apply with respect to an amount
3 transferred by a covered organization
4 to an organization described in para-
5 graph (3) of section 501(c) of the In-
6 ternal Revenue Code of 1986 and ex-
7 empt from tax under section 501(a) of
8 such Code in the same manner as this
9 clause applies to an amount trans-
10 ferred by a covered organization to
11 another covered organization.

12 “(iv) SPECIAL THRESHOLD FOR DIS-
13 CLOSURE OF DONORS.—Notwithstanding
14 clause (i) or (ii) of subparagraph (A), if a
15 covered organization is required to include
16 the identification of a person described in
17 such clause in a report filed under this
18 subsection because the covered organiza-
19 tion is deemed (in accordance with clause
20 (ii)) to have transferred amounts for the
21 purpose of making a public independent
22 expenditure, the organization shall include
23 the identification of the person only if the
24 person made donations or payments (in the
25 case of a person described in clause (i)(I)

1 of subparagraph (A)) or unrestricted donor
2 payments (in the case of a person de-
3 scribed in clause (ii) of subparagraph (A))
4 to the covered organization during the cov-
5 ered organization reporting period involved
6 in an aggregate amount equal to or exceed-
7 ing \$10,000.

8 “(v) WAIVER OF REQUIREMENT TO
9 FILE REPORT.—Notwithstanding clause
10 (i), a covered organization which is consid-
11 ered to have made a public independent ex-
12 penditure under such clause shall not be
13 required to file a report under this sub-
14 section if—

15 “(I) the organization would be
16 required to file the report solely be-
17 cause the organization is deemed (in
18 accordance with clause (ii)) to have
19 transferred amounts for the purpose
20 of making a public independent ex-
21 penditure;

22 “(II) no person made donations
23 or payments (in the case of a person
24 described in clause (i)(I) of subpara-
25 graph (A)) or unrestricted donor pay-

1 ments (in the case of a person de-
2 scribed in clause (ii) of subparagraph
3 (A)) to the covered organization dur-
4 ing the covered organization reporting
5 period involved in an aggregate
6 amount equal to or exceeding
7 \$10,000; and

8 “(III) all of the persons who
9 made donations or payments (in the
10 case of a person described in clause
11 (i)(I) of subparagraph (A)) or unre-
12 stricted donor payments (in the case
13 of a person described in clause (ii) of
14 subparagraph (A)) to the covered or-
15 ganization during the covered organi-
16 zation reporting period in any amount
17 were individuals.”.

Page 39, insert after line 17 the following:

18 “(E) DETERMINATION OF AMOUNT OF
19 CERTAIN PAYMENTS AMONG AFFILIATES.—For
20 purposes of determining the amount of any do-
21 nation, payment, or transfer under this sub-
22 section which is made by a covered organization
23 to another covered organization which is an af-
24 filiate of the covered organization or each of

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

Page 39, line 18, strike “(E)” and insert “(F)”.

Page 40, line 18, strike “(F)” and insert “(G)”.

Page 40, line 22, strike the period and insert the following: “, other than a corporation which is an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 41, line 5, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 41, line 10, strike “(G)” and insert “(H)”.

Page 42, line 9, strike “the following information:” and insert “the following information (subject to subparagraph (B)(iv)):”.

Page 43, strike line 18 and all that follows through page 44, line 16, and insert the following:

1 “(I) in an aggregate amount
2 equal to or exceeding \$1,000 during
3 such period, if the organization made
4 any of the disbursements which are
5 described in subclause (II) from a
6 source other than the organization’s
7 Campaign-Related Activity Account
8 under section 326; or

9 “(II) in an aggregate amount
10 equal to or exceeding \$10,000 during
11 such period, if the organization made
12 from its Campaign-Related Activity
13 Account under section 326 all of its
14 disbursements for electioneering com-
15 munications during such period which
16 are, on the basis of a reasonable belief
17 by the organization, subject to treat-
18 ment as disbursements for an exempt
19 function for purposes of section 527(f)
20 of the Internal Revenue Code of 1986

1 (but only if the organization has made
2 deposits described in subparagraph
3 (D) of section 326(a)(2) into that Ac-
4 count during such period in an aggre-
5 gate amount equal to or greater than
6 \$10,000),”.

Page 44, line 24, strike “For purposes” and insert
“Subject to clause (iii), for purposes”.

Page 45, line 21, strike “or any other person who”
and insert “which”.

Page 46, line 1, strike “person” and insert “covered
organization”.

Page 46, line 5, strike “person” and insert “covered
organization”.

Page 46, line 10, strike “or does so”.

Page 46, line 15, strike “person” and insert “cov-
ered organization”.

Page 46, strike line 18 and all that follows through
page 47, line 13 and insert the following:

7 , “(cc) the covered organiza-
8 tion and the person to whom the
9 amounts were transferred en-

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gaged in written or oral discussion regarding the person either making, or paying for, any electioneering communication, or donating or transferring the amounts to another person for that purpose;

“(dd) the covered organization which transferred the funds knew or had reason to know that the person to whom the amounts were transferred intended to make electioneering communications; or

“(ee) the covered organization which transferred the funds or the person to whom the amounts were transferred made one or more electioneering communications in an aggregate amount of \$50,000 or more during the 2-year period which ends on the date on which the amounts were transferred.”.

Page 47, strike lines 14 through 25 and insert the following:

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

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

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

Page 47, add after line 25 the following:

1 “(iii) SPECIAL RULE REGARDING
2 TRANSFERS AMONG AFFILIATES.—

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

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

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

1 “(bb) each of the organiza-
2 tions is an affiliate of the same
3 organization,
4 except that the transfer shall not be
5 treated as a transfer between affiliates
6 if one of the organizations is estab-
7 lished for the purpose of disbursing
8 funds for campaign-related activity.

9 “(III) DETERMINATION OF AF-
10 FILiate STATUS.—For purposes of
11 subclause (II), a covered organization
12 is an affiliate of another covered orga-
13 nization if—

14 “(aa) the governing instru-
15 ment of the organization requires
16 it to be bound by decisions of the
17 other organization;

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

1 service on the governing board is
2 contingent upon the approval of
3 the other organization; or

4 “(cc) the organization is
5 chartered by the other organiza-
6 tion.

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

20 “(iv) SPECIAL THRESHOLD FOR DIS-
21 CLOSURE OF DONORS.—Notwithstanding
22 clause (i) or (ii) of subparagraph (A), if a
23 covered organization is required to include
24 the identification of a person described in
25 such clause in a statement filed under this

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

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

23 “(I) the organization would be
24 required to file the report solely be-
25 cause the organization is deemed (in

1 accordance with clause (ii)) to have
2 transferred amounts for the purpose
3 of making an electioneering commu-
4 nication;

5 “(II) no person made donations
6 or payments (in the case of a person
7 described in clause (i)(I) of subpara-
8 graph (A)) or unrestricted donor pay-
9 ments (in the case of a person de-
10 scribed in clause (ii) of subparagraph
11 (A)) to the covered organization dur-
12 ing the covered organization reporting
13 period involved in an aggregate
14 amount equal to or exceeding
15 \$10,000; and

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

Page 48, insert after line 23 the following:

1 “(D) DETERMINATION OF AMOUNT OF
2 CERTAIN PAYMENTS AMONG AFFILIATES.—For
3 purposes of determining the amount of any do-
4 nation, payment, or transfer under this sub-
5 section which is made by a covered organization
6 to another covered organization which is an af-
7 filiate of the covered organization or each of
8 which is an affiliate of the same organization
9 (as determined in accordance with subpara-
10 graph (B)(iii)), to the extent that the donation,
11 payment, or transfer consists of funds attrib-
12 utable to dues, fees, or assessments which are
13 paid by individuals on a regular, periodic basis
14 in accordance with a per-individual calculation
15 which is made on a regular basis, the donation,
16 payment, or transfer shall be attributed to the
17 individuals paying the dues, fees, or assess-
18 ments and shall not be attributed to the covered
19 organization.”.

Page 48, line 24, strike “(D)” and insert “(E)”.

Page 50, line 1, strike “(E)” and insert “(F)”.

Page 50, line 5, strike the period and insert the fol-
lowing: “, other than a corporation which is an organiza-

tion described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 50, line 12, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 50, line 17, strike “(F)” and insert “(G)”.

Page 50, line 21, strike “Section 304(2)” and insert “Section 304(f)(2)”.

Page 51, insert after line 2 the following:

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

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

12 “(A) The organization is described in para-
13 graph (4) of section 501(c) of the Internal Rev-
14 enue Code of 1986 and exempt from tax under

1 section 501(a) of such Code, and was so de-
2 scribed and so exempt during each of the 10
3 previous calendar years.

4 “(B) The organization has at least
5 500,000 individuals who paid membership dues
6 during the previous calendar year (determined
7 as of the last day of that year).

8 “(C) The dues-paying membership of the
9 organization includes at least one individual
10 from each State. For purposes of this subpara-
11 graph, the term ‘State’ means each of the sev-
12 eral States, the District of Columbia, and the
13 Commonwealth of Puerto Rico.

14 “(D) During the previous calendar year,
15 the portion of funds provided to the organiza-
16 tion by corporations (as described in section
17 316) or labor organizations (as defined in sec-
18 tion 316), other than funds provided pursuant
19 to commercial transactions occurring in the or-
20 dinary course of business, did not exceed 15
21 percent of the total amount of all funds pro-
22 vided to the organization from all sources.

23 “(E) The organization does not use any of
24 the funds provided to the organization by cor-
25 porations (as described in section 316) or labor

1 organizations (as defined in section 316) for
2 campaign-related activity (as defined in section
3 325).”.

Page 55, line 4, strike “that were restricted” and insert “that were subject to a mutual agreement (as provided in subsection (b)(1)) that the organization will not use the funds for campaign-related activity”.

Page 55, line 22, strike the period and insert the following: “, other than a corporation which is an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 56, line 4, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 56, line 17, strike “any other person, or (in accordance with subparagraph (B))” and insert “any other person (subject to subparagraph (C)), or (in accordance with subparagraph (B) and subject to subparagraph (C))”.

Page 57, line 3, strike “any other person, or (in accordance with subparagraph (B))” and insert “any other person (subject to subparagraph (C)), or (in accordance

with subparagraph (B) and subject to subparagraph (C))”.

Page 57, line 13, strike “one person” and insert “a covered organization”.

Page 57, line 23, strike “person” and insert “covered organization”.

Page 58, line 3, strike “or does so”.

Page 58, line 8, strike “person” and insert “covered organization”.

Page 58, strike line 12 and all that follows through page 59, line 7 and insert the following:

- 1 “(III) the covered organization
- 2 and the person to whom the amounts
- 3 were transferred engaged in written or
- 4 oral discussion regarding the person
- 5 either making, or paying for, such
- 6 independent expenditures or election-
- 7 eering communications, or donating or
- 8 transferring the amounts to another
- 9 person for that purpose;
- 10 “(IV) the covered organization
- 11 which transferred the funds knew or
- 12 had reason to know that the person to

1 whom the amounts were transferred
2 intended to make such independent
3 expenditures or electioneering commu-
4 nications; or

5 “(V) the covered organization
6 which transferred the funds or the
7 person to whom the amounts were
8 transferred made one or more such
9 independent expenditures or election-
10 eering communications in an aggre-
11 gate amount of \$50,000 or more dur-
12 ing the 2-year period which ends on
13 the date on which the amounts were
14 transferred.”.

Page 59, strike lines 8 through 19 and insert the
following:

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—

19 “(I) the transfer was a commer-
20 cial transaction occurring in the ordi-
21 nary course of business between the
22 covered organization and the person
23 to whom the amounts were trans-

1 ferred, unless there is affirmative evi-
2 dence that the amounts were trans-
3 ferred for the purpose of making such
4 an independent expenditure or elec-
5 tioning communication; or
6 “(II) the covered organization
7 and the person to whom the amounts
8 were transferred mutually agreed (as
9 provided in subsection (b)(1)) that the
10 person will not use the amounts for
11 campaign-related activity.”.

Page 59, insert after line 19 the following:

12 “(C) SPECIAL RULE REGARDING TRANS-
13 FERS AMONG AFFILIATES.—
14 “(I) SPECIAL RULE.—In the case of a
15 transfer of an amount by one covered orga-
16 nization to another covered organization
17 which is treated as a transfer between af-
18 filiates under clause (ii), subparagraphs
19 (A) and (B) shall apply to the transfer
20 only if the aggregate amount transferred
21 during the year by such covered organiza-
22 tion to that same covered organization is
23 equal to or greater than \$50,000.

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

15 “(iii) DESCRIPTION OF TRANSFERS
16 BETWEEN AFFILIATES.—A transfer of
17 amounts from one covered organization to
18 another covered organization shall be
19 treated as a transfer between affiliates if—

20 “(I) one of the organizations is
21 an affiliate of the other organization;
22 or

23 “(II) each of the organizations is
24 an affiliate of the same organization,

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

6 “(iv) DETERMINATION OF AFFILIATE
7 STATUS.—For purposes of clause (ii), a
8 covered organization is an affiliate of an-
9 other covered organization if—

10 “(I) the governing instrument of
11 the organization requires it to be
12 bound by decisions of the other orga-
13 nization;

14 “(II) the governing board of the
15 organization includes persons who are
16 specifically designated representatives
17 of the other organization or are mem-
18 bers of the governing board, officers,
19 or paid executive staff members of the
20 other organization, or whose service
21 on the governing board is contingent
22 upon the approval of the other organi-
23 zation; or

24 “(III) the organization is char-
25 tered by the other organization.

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

Page 60, line 12, strike “Title III” and insert the following:

13 (a) IN GENERAL.—Title III

Page 61, line 10, strike “Account.” and insert the following: “Account, other than disbursements for campaign-related activity which, on the basis of a reasonable belief by the organization, would not be treated as disbursements for an exempt function for purposes of section 527(f) of the Internal Revenue Code of 1986.”.

Page 63, line 10, strike “and if any person” and all that follows through “campaign-related activity,” and insert the following: “and if the organization and any such

person have mutually agreed (as provided in section 325(b)(1)) that the organization will not use the person's donation, payment, or transfer for campaign-related activity.”.

Page 63, line 18, strike “payment.” and insert “payment which is subject to the mutual agreement.”.

Page 64, line 2, strike the period and insert the following: “, other than a corporation which is an organization described in paragraph (3) of section 501(e) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 64, line 8, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 64, after line 14, insert the following:

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

Page 65, line 12, strike “which makes only electioneering communications or independent expenditures consisting of public communications” and insert “which is described in subsection (e)(7)(B)”.

Page 66, line 3, strike “which makes only electioneering communications or independent expenditures consisting of public communications” and insert “which is described in paragraph (7)(B)”.

Page 70, line 12, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 71, line 1, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 71, line 17, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 71, line 20, strike “which was” and insert “in an amount equal to or exceeding \$10,000 which was”.

Page 72, line 8, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 72, line 12, strike “which was” and insert “in an amount equal to or exceeding \$10,000 which was”.

Page 72, line 19, strike “304(g)(5)(A)(ii),” and insert “302(g)(5)(A)(ii) in an amount equal to or exceeding \$10,000,”.

Page 73, line 11, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 74, line 1, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 74, line 17, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 74, line 20, strike “which was” and insert “in an amount equal to or exceeding \$10,000 which was”.

Page 75, line 9, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 75, line 11, strike “which was” and insert “in an amount equal to or exceeding \$10,000 which was”.

Page 75, line 20, strike “304(f)(6)(A)(ii),” and insert “304(f)(6)(A)(ii) in an amount equal to or exceeding \$10,000,”.

Page 76, line 10, strike “any type” and insert “any type in an aggregate amount equal to or exceeding \$10,000”.

Page 76, line 13, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 76, line 20, strike “any type” and insert “any type in an aggregate amount equal to or exceeding \$10,000”.

Page 76, line 24, strike “section 304” and insert “section 304 during the 12-month period which ends on the date of the disbursement”.

Page 78, insert after line 3 the following:

1 “(7) APPLICATION TO CERTAIN PACS.—
2 “(A) APPLICATION.—This subsection shall
3 apply with respect to an electioneering commu-
4 nication, and to an independent expenditure
5 consisting of a public communication, which is
6 paid for in whole or in part with a payment by
7 a political committee described in subparagraph

1 (B) in the same manner as this subsection ap-
2 plies with respect to an electioneering commu-
3 nication and an independent expenditure con-
4 sisting of a public communication which is paid
5 for in whole or in part with a payment which
6 is treated as a disbursement by a covered orga-
7 nization under section 325, except that—

8 “(i) in applying paragraph (4)(C), the
9 ‘significant funder’ with respect to such an
10 electioneering communication or such an
11 independent expenditure shall be the per-
12 son who is identified as providing the larg-
13 est aggregate amount of contributions, do-
14 nations, or payments to the political com-
15 mittee during the 12-month period which
16 ends on the date the committee made the
17 disbursement for the electioneering com-
18 munication or independent expenditure (as
19 determined on the basis of the information
20 contained in all reports filed by the com-
21 mittee under section 304 during such pe-
22 riod); and

23 “(ii) in applying paragraph (5), the
24 ‘Top 5 Funders list’ shall be a list of the
25 5 persons who are identified as providing

1 the largest aggregate amounts of contribu-
2 tions, donations, or payments to the polit-
3 ical committee during such 12-month pe-
4 riod (as determined on the basis of the in-
5 formation contained in all such reports).
6 “(B) POLITICAL COMMITTEE DE-
7 SCRIBED.—A political committee described in
8 this subparagraph is a political committee
9 which receives or accepts contributions or dona-
10 tions which do not comply with the contribution
11 limits or source prohibitions of this Act.”.

Page 78, line 4, strike “(7)” and insert “(8)”.

Page 79, line 4, strike “(8)” and insert “(9)”.

Page 79, line 8, strike the period and insert the fol-
lowing: “, other than a corporation which is an organiza-
tion described in paragraph (3) of section 501(c) of the
Internal Revenue Code of 1986 and exempt from tax
under section 501(a) of such Code.”.

Page 79, line 14, strike the period and insert the
following: “, other than an exempt section 501(c)(4) or-
ganization (as defined in section 301(27)).”.

Page 79, line 18, strike “(9)” and insert “(10)”.

Page 80, line 13, strike “section 325,” and insert the following: “section 325, or which is paid for in whole or in part by a political committee described in subsection (e)(7)(B),”.

Page 80, line 19, strike “subsection (e)(4)(C)(i)” and insert “subsection (e)(4)(C)(i) or (e)(7)(A)(i)”.

Page 81, line 1, strike “subsection (e)(5)” and insert “subsection (e)(5) or (e)(7)(A)(ii)”.

Page 82, line 4, strike “section 325,” and insert the following: “section 325, or which is paid for in whole or in part by a political committee described in subsection (e)(7)(B),”.

Page 82, line 6, strike “subsection (e)(4)” and insert “subsection (e)(4) or (e)(7)”.

Page 82, line 8, strike “statement required to be included under paragraph (1)(A)” and insert “statements required to be included under paragraph (1)”.

Page 82, line 10, strike the period and insert the following: “, unless, on the basis of criteria established in regulations promulgated by the Commission, the communication is of such short duration that including the statement in the communication would constitute a hardship to the person paying for the communication by re-

quiring a disproportionate amount of the communication's content to consist of the statement.”.

Page 82, add after line 19 the following:

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

2 Title III of the Federal Election Campaign Act of
3 1971, as amended by section 213, is amended by adding
4 at the end the following new section:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Page 84, line 4, strike “referred to in the communication” and all that follows through “the candidate; and” and insert “referred to in the communication; and”.

Page 84, line 21, strike “section 213” and insert “section 215”.

Page 85, line 1, strike “**327**” and insert “**328**”.

Page 85, line 24, strike “involved, the office sought” and all that follows through “in opposition to the candidate;” and insert “involved and the office sought by the candidate;”.

Page 87, line 18, strike the period and insert the following: “, other than a corporation which is an organization described in paragraph (3) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

Page 87, line 24, strike the period and insert the following: “, other than an exempt section 501(c)(4) organization (as defined in section 301(27)).”.

Page 88, strike lines 19 through 24.

Page 89, line 6, insert after “Senate” the following:
“who satisfies the requirements for standing under article
III of the Constitution”.

Page 89, insert after line 21 the following:

1 **SEC. 402. NO EFFECT ON PROTECTIONS AGAINST THREATS,**
2 **HARASSMENTS, AND REPRISALS.**

3 Nothing in this Act or in any amendment made by
4 this Act shall be construed to affect any provision of law
5 or any rule or regulation which waives a requirement to
6 disclose information relating to any person in any case in
7 which there is a reasonable probability that the disclosure
8 of the information would subject the person to threats,
9 harassments, or reprisals.

Page 89, line 22, strike “402” and insert “403”.

Page 90, line 5, strike “403” and insert “404”.

