

112TH CONGRESS  
2D SESSION

# H. R. 4010

To amend the Federal Election Campaign Act of 1971 to provide for additional disclosure requirements for corporations, labor organizations, and other entities, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 9, 2012

Mr. VAN HOLLEN (for himself, Mr. BRADY of Pennsylvania, Mr. HOYER, Mr. CLYBURN, Mr. GEORGE MILLER of California, Mr. CONYERS, Mr. BECERRA, Mr. WAXMAN, Mr. LEVIN, Ms. SLAUGHTER, Mr. ISRAEL, Mr. MARKEY, Mr. THOMPSON of California, Mr. PRICE of North Carolina, Mr. WELCH, Mr. DEUTCH, Mr. BISHOP of New York, Mr. PASCRELL, Mr. FARR, Mr. GENE GREEN of Texas, Mr. MCGOVERN, Mrs. CAPPS, Mr. JOHNSON of Georgia, Mr. HOLT, Mr. SARBANES, Mr. BOSWELL, Mr. ANDREWS, Mr. SCHIFF, Mr. NADLER, Ms. ESHOO, Ms. SCHWARTZ, Mrs. CHRISTENSEN, Mr. TONKO, Ms. ZOE LOFGREN of California, Ms. CASTOR of Florida, Mr. LANGEVIN, Mr. LARSON of Connecticut, Mr. CARNAHAN, Mrs. MALONEY, Mr. STARK, Ms. TSONGAS, Ms. WASSERMAN SCHULTZ, Mr. YARMUTH, Ms. HAHN, Ms. MATSUI, Ms. WOOLSEY, Ms. SPEIER, Ms. LINDA T. SÁNCHEZ of California, Ms. LORETTA SANCHEZ of California, Mr. SMITH of Washington, Mr. SCOTT of Virginia, Ms. MCCOLLUM, Mr. GARAMENDI, Ms. LEE of California, Mr. JACKSON of Illinois, Ms. WATERS, Mr. CUMMINGS, Mr. CLEAVER, Mr. POLIS, Mr. MCNERNEY, Mr. FRANK of Massachusetts, Mr. BERMAN, Mr. DICKS, Ms. VELÁZQUEZ, Mr. RUPPERSBERGER, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. EDWARDS, Mr. LOEBSACK, Mr. LYNCH, Mr. RUSH, Mr. SHERMAN, Mr. GONZALEZ, Mr. LARSEN of Washington, Mr. COSTA, Mr. RANGEL, Ms. ROYBAL-ALLARD, Mr. FILNER, Mr. LEWIS of Georgia, Ms. DEGETTE, Mr. OLVER, Mr. HONDA, Mrs. NAPOLITANO, Mr. COHEN, Mr. ELLISON, and Ms. BASS of California) introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

# A BILL

To amend the Federal Election Campaign Act of 1971 to provide for additional disclosure requirements for corporations, labor organizations, and other entities, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Disclosure of Informa-  
 5 tion on Spending on Campaigns Leads to Open and Se-  
 6 cure Elections Act of 2012” or the “DISCLOSE 2012  
 7 Act”.

8 **SEC. 2. CAMPAIGN DISBURSEMENT REPORTING.**

9 (a) INFORMATION REQUIRED TO BE REPORTED.—

10 (1) TREATMENT OF FUNCTIONAL EQUIVALENT  
 11 OF EXPRESS ADVOCACY AS INDEPENDENT EXPENDI-  
 12 TURE.—Subparagraph (A) of section 301(17) of the  
 13 Federal Election Campaign Act of 1971 (2 U.S.C.  
 14 431(17)) is amended to read as follows:

15 “(A) that, when taken as a whole, ex-  
 16 pressly advocates the election or defeat of a  
 17 clearly identified candidate, or is the functional  
 18 equivalent of express advocacy because it can be  
 19 interpreted by a reasonable person only as ad-  
 20 vocating the election or defeat of a candidate,  
 21 taking into account whether the communication

1 involved mentions a candidacy, a political party,  
2 or a challenger to a candidate, or takes a posi-  
3 tion on a candidate's character, qualifications,  
4 or fitness for office; and”.

5 (2) EXPANSION OF PERIOD DURING WHICH  
6 COMMUNICATIONS ARE TREATED AS ELECTION-  
7 EERING COMMUNICATIONS.—Section 304(f)(3)(A)(i)  
8 of such Act (2 U.S.C. 434(f)(3)(A)(i)) is amended—

9 (A) by redesignating subclause (III) as  
10 subclause (IV); and

11 (B) by striking subclause (II) and insert-  
12 ing the following:

13 “(II) in the case of a communica-  
14 tion which refers to a candidate for an  
15 office other than the President or Vice  
16 President, is made during the period  
17 beginning on January 1 of the cal-  
18 endar year in which a general or run-  
19 off election is held and ending on the  
20 date of the general or runoff election  
21 (or in the case of a special election,  
22 during the period beginning on the  
23 date on which the announcement with  
24 respect to such election is made and

1 ending on the date of the special elec-  
2 tion);

3 “(III) in the case of a commu-  
4 nication which refers to a candidate  
5 for the office of President or Vice  
6 President, is made in any State dur-  
7 ing the period beginning 120 days be-  
8 fore the first primary or preference  
9 election or a convention or caucus of  
10 a political party which has the author-  
11 ity to nominate a candidate for the of-  
12 fice of President or Vice President is  
13 held in any State and ending on the  
14 date of the general election; and”.

15 (3) EFFECTIVE DATE; TRANSITION FOR ELEC-  
16 TIONEERING COMMUNICATIONS MADE PRIOR TO EN-  
17 ACTMENT.—The amendment made by paragraph (2)  
18 shall apply with respect to communications made on  
19 or after July 1, 2012, except that no communication  
20 which is made prior to such date shall be treated as  
21 an electioneering communication under section  
22 304(f)(3)(A)(i) (II) or (III) of the Federal Election  
23 Campaign Act of 1971 (as amended by paragraph  
24 (2)) unless the communication would be treated as  
25 an electioneering communication under such section

1 if the amendment made by paragraph (2) did not  
2 apply.

3 (b) DISCLOSURE REQUIREMENTS FOR CORPORA-  
4 TIONS, LABOR ORGANIZATIONS, AND CERTAIN OTHER  
5 ENTITIES.—

6 (1) IN GENERAL.—Section 324 of the Federal  
7 Election Campaign Act of 1971 (2 U.S.C. 441k) is  
8 amended to read as follows:

9 **“SEC. 324. DISCLOSURE OF CAMPAIGN-RELATED DISBURSE-**  
10 **MENTS BY COVERED ORGANIZATIONS.**

11 **“(a) DISCLOSURE STATEMENT.—**

12 **“(1) IN GENERAL.—**Any covered organization  
13 that makes campaign-related disbursements aggregating more than \$10,000 in a calendar year shall,  
14 not later than 24 hours after each disclosure date,  
15 file a statement with the Commission made under  
16 penalty of perjury that contains the information de-  
17 scribed in paragraph (2)—

18 **“(A)** in the case of the first statement filed  
19 under this subsection, for the period beginning  
20 on the first day of the preceding calendar year  
21 and ending on the first such disclosure date;  
22 and  
23

24 **“(B)** in the case of any subsequent state-  
25 ment filed under this subsection, for the period

1 beginning on the previous disclosure date and  
2 ending on such disclosure date.

3 “(2) INFORMATION DESCRIBED.—The informa-  
4 tion described in this paragraph is as follows:

5 “(A) The name of the covered organization  
6 and the principal place of business of such or-  
7 ganization.

8 “(B) The amount of each campaign-related  
9 disbursement made by such organization during  
10 the period covered by the statement of more  
11 than \$1,000.

12 “(C) In the case of a campaign-related dis-  
13 bursement that is not a covered transfer, the  
14 election to which the campaign-related disburse-  
15 ment pertains and if the disbursement is made  
16 for a public communication, the name of any  
17 candidate identified in such communication and  
18 whether such communication is in support of or  
19 in opposition to a candidate.

20 “(D) A certification by the chief executive  
21 officer or person who is the head of the covered  
22 organization that the campaign-related dis-  
23 bursement is not made in cooperation, consulta-  
24 tion, or concert with or at the request or sug-  
25 gestion of a candidate, authorized committee, or

1 agent of a candidate, political party, or agent of  
2 a political party.

3 “(E) If the covered organization makes  
4 campaign-related disbursements using exclu-  
5 sively funds in a segregated bank account con-  
6 sisting of funds that were contributed, donated,  
7 transferred, or paid directly to such account by  
8 persons other than the covered organization  
9 that controls the account, for each contribution,  
10 donation, transfer, payment of dues, or other  
11 payment to the account—

12 “(i) the name and address of each  
13 person who made such contribution, dona-  
14 tion, transfer, payment of dues, or other  
15 payment during the period covered by the  
16 statement;

17 “(ii) the date and amount of such  
18 contribution, donation, transfer, payment  
19 of dues, or other payment; and

20 “(iii) the aggregate amount of all such  
21 contributions, donations, transfers, pay-  
22 ments of dues, and other payments made  
23 by the person during the period beginning  
24 on the first day of the preceding calendar  
25 year and ending on the disclosure date;

1 but only if such contribution, donation, trans-  
2 fer, payment of dues, or other payment was  
3 made by a person who made contributions, do-  
4 nations, transfers, payments of dues, or pay-  
5 ments to the account in an aggregate amount  
6 of \$10,000 or more during the period beginning  
7 on the first day of the preceding calendar year  
8 and ending on the disclosure date.

9 “(F) Subject to paragraph (4), if the cov-  
10 ered organization makes campaign-related dis-  
11 bursements using funds other than funds in a  
12 segregated bank account described in subpara-  
13 graph (E), for each contribution, donation,  
14 transfer, or payment of dues to the covered or-  
15 ganization—

16 “(i) the name and address of each  
17 person who made such contribution, dona-  
18 tion, transfer, or payment of dues during  
19 the period covered by the statement;

20 “(ii) the date and amount of such  
21 contribution, donation, transfer, or pay-  
22 ment of dues; and

23 “(iii) the aggregate amount of all such  
24 contributions, donations, transfers, and  
25 payments of dues made by the person dur-



1           ing the period beginning on the first day of  
2           the preceding calendar year and ending on  
3           the disclosure date;

4           but only if such contribution, donation, trans-  
5           fer, or payment of dues was made by a person  
6           who made contributions, donations, transfers,  
7           or payments of dues to the covered organization  
8           in an aggregate amount of \$10,000 or more  
9           during the period beginning on the first day of  
10          the preceding calendar year and ending on the  
11          disclosure date.

12          “(3) EXCEPTIONS.—

13                 “(A) AMOUNTS RECEIVED IN ORDINARY  
14                 COURSE OF BUSINESS.—The requirement to in-  
15                 clude in a statement filed under paragraph (1)  
16                 the information described in paragraph (2)  
17                 shall not apply to amounts received by the cov-  
18                 ered organization in the ordinary course of any  
19                 trade or business conducted by the covered or-  
20                 ganization or in the form of investments in the  
21                 covered organization.

22                 “(B) DONOR RESTRICTION ON USE OF  
23                 FUNDS.—The requirement to include in a state-  
24                 ment submitted under paragraph (1) the infor-

1           mation described in subparagraph (F) of para-  
2           graph (2) shall not apply if—

3                   “(i) the person described in such sub-  
4                   paragraph prohibited, in writing, the use of  
5                   the contribution, donation, transfer, pay-  
6                   ment of dues, or other payment made by  
7                   such person for campaign-related disburse-  
8                   ments; and

9                   “(ii) the covered organization agreed  
10                  to follow the prohibition and deposited the  
11                  contribution, donation, transfer, payment  
12                  of dues, or other payment in an account  
13                  which is segregated from any account used  
14                  to make campaign-related disbursements.

15           “(4) DISCLOSURE DATE.—

16                   “(A) IN GENERAL.—Except as provided in  
17                   subparagraph (B), the term ‘disclosure date’  
18                   means—

19                   “(i) the first date during any calendar  
20                   year by which a person has made cam-  
21                   paign-related disbursements aggregating  
22                   more than \$10,000; and

23                   “(ii) each date following the date de-  
24                   scribed in clause (i) during such calendar  
25                   year by which a person has made cam-

1           paign-related disbursements aggregating  
2           more than \$10,000.

3           “(B) DISCLOSURE DATE FOR CERTAIN  
4           TRANSFERS.—In the case of a statement filed  
5           with respect to a campaign-related disburse-  
6           ment which is a covered transfer described in  
7           subsection (f)(1)(E), the term ‘disclosure date’  
8           means the date on which the covered organiza-  
9           tion making such transfer knew or should have  
10          known that the recipient of such transfer made  
11          campaign-related disbursements in an aggre-  
12          gate amount of \$50,000 or more during the 2-  
13          year period beginning on the date of the trans-  
14          fer.

15          “(b) COORDINATION WITH OTHER PROVISIONS.—

16                 “(1) OTHER REPORTS FILED WITH THE COM-  
17                 MISSION.—Information included in a statement filed  
18                 under this section may be excluded from statements  
19                 and reports filed under section 304.

20                 “(2) TREATMENT AS SEPARATE SEGREGATED  
21                 FUND.—A segregated bank account referred to in  
22                 subsection (a)(2)(E) may be treated as a separate  
23                 segregated fund for purposes of section 527(f)(3) of  
24                 the Internal Revenue Code of 1986.

1       “(c) FILING.—Statements required to be filed under  
2 subsection (a) shall be subject to the requirements of sec-  
3 tion 304(d) to the same extent and in the same manner  
4 as if such reports had been required under subsection (c)  
5 or (g) of section 304.

6       “(d) CAMPAIGN-RELATED DISBURSEMENT DE-  
7 FINED.—In this section, the term ‘campaign-related dis-  
8 bursement’ means a disbursement by a covered organiza-  
9 tion for any of the following:

10           “(1) An independent expenditure consisting of a  
11 public communication, as defined in section 301(22).

12           “(2) An electioneering communication, as de-  
13 fined in section 304(f)(3).

14           “(3) A covered transfer.

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

18           “(1) A corporation (other than an organization  
19 described in section 501(c)(3) of the Internal Rev-  
20 enue Code of 1986).

21           “(2) An organization described in section  
22 501(c) of such Code and exempt from taxation  
23 under section 501(a) of such Code (other than an  
24 organization described in section 501(c)(3) of such  
25 Code).

1           “(3) A labor organization (as defined in section  
2 316(b)).

3           “(4) Any political organization under section  
4 527 of the Internal Revenue Code of 1986, other  
5 than a political committee under this Act (except as  
6 provided in paragraph (5)).

7           “(5) A political committee with an account es-  
8 tablished for the purpose of accepting donations or  
9 contributions that do not comply with the contribu-  
10 tion limits or source prohibitions under this Act, but  
11 only with respect to the accounts established for  
12 such purpose.

13           “(f) COVERED TRANSFER DEFINED.—

14           “(1) IN GENERAL.—In this section, the term  
15 ‘covered transfer’ means any transfer or payment of  
16 funds by a covered organization to another person if  
17 the covered organization—

18                   “(A) designates, requests, or suggests that  
19 the amounts be used for—

20                           “(i) campaign-related disbursements  
21 (other than covered transfers); or

22                           “(ii) making a transfer to another  
23 person for the purpose of making or pay-  
24 ing for such campaign-related disburse-  
25 ments;

1           “(B) made such transfer or payment in re-  
2           sponse to a solicitation or other request for a  
3           donation or payment for—

4                   “(i) the making of or paying for cam-  
5                   paign-related disbursements (other than  
6                   covered transfers); or

7                   “(ii) making a transfer to another  
8                   person for the purpose of making or pay-  
9                   ing for such campaign-related disburse-  
10                  ments;

11           “(C) engaged in discussions with the re-  
12           cipient of the transfer or payment regarding—

13                   “(i) the making of or paying for cam-  
14                   paign-related disbursements (other than  
15                   covered transfers); or

16                   “(ii) donating or transferring any  
17                   amount of such transfer or payment to an-  
18                   other person for the purpose of making or  
19                   paying for such campaign-related disburse-  
20                  ments;

21           “(D) made campaign-related disburse-  
22           ments (other than a covered transfer) in an ag-  
23           gregate amount of \$50,000 or more during the  
24           2-year period ending on the date of the transfer  
25           or payment, or knew or had reason to know

1 that the person receiving the transfer or pay-  
2 ment made such disbursements in such an ag-  
3 gregate amount during that 2-year period; or

4 “(E) knew or had reason to know that the  
5 person receiving the transfer or payment would  
6 make campaign-related disbursements in an ag-  
7 gregate amount of \$50,000 or more during the  
8 2-year period beginning on the date of the  
9 transfer or payment.

10 “(2) EXCLUSIONS.—The term ‘covered transfer’  
11 does not include any of the following:

12 “(A) A disbursement made by a covered  
13 organization in the ordinary course of any trade  
14 or business conducted by the covered organiza-  
15 tion or in the form of investments made by the  
16 covered organization.

17 “(B) A disbursement made by a covered  
18 organization if—

19 “(i) the covered organization prohib-  
20 ited, in writing, the use of such disburse-  
21 ment for campaign-related disbursements;  
22 and

23 “(ii) the recipient of the disbursement  
24 agreed to follow the prohibition and depos-  
25 ited the disbursement in an account which

1 is segregated from any account used to  
2 make campaign-related disbursements.

3 “(3) EXCEPTION FOR CERTAIN TRANSFERS  
4 AMONG AFFILIATES.—

5 “(A) EXCEPTION FOR CERTAIN TRANS-  
6 FERS AMONG AFFILIATES.—The term ‘covered  
7 transfer’ does not include an amount trans-  
8 ferred by one covered organization to another  
9 covered organization which is treated as a  
10 transfer between affiliates under subparagraph  
11 (B) if the aggregate amount transferred during  
12 the year by such covered organization to that  
13 same covered organization is equal to or less  
14 than \$50,000.

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

20 “(i) one of the organizations is an af-  
21 filiate of the other organization; or

22 “(ii) each of the organizations is an  
23 affiliate of the same organization;

24 except that the transfer shall not be treated as  
25 a transfer between affiliates if one of the orga-



1 nizations is established for the purpose of mak-  
2 ing campaign-related disbursements.

3 “(C) DETERMINATION OF AFFILIATE STA-  
4 TUS.—For purposes of subparagraph (B), a  
5 covered organization is an affiliate of another  
6 covered organization if—

7 “(i) the governing instrument of the  
8 organization requires it to be bound by de-  
9 cisions of the other organization;

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

19 “(iii) the organization is chartered by  
20 the other organization.

21 “(D) COVERAGE OF TRANSFERS TO AF-  
22 FILIATED SECTION 501(c)(3) ORGANIZA-  
23 TIONS.—This paragraph shall apply with re-  
24 spect to an amount transferred by a covered or-  
25 ganization to an organization described in para-

1 graph (3) of section 501(c) of the Internal Rev-  
2 enue Code of 1986 and exempt from tax under  
3 section 501(a) of such Code in the same man-  
4 ner as this paragraph applies to an amount  
5 transferred by a covered organization to an-  
6 other covered organization.”.

7 (2) CONFORMING AMENDMENT.—Section  
8 304(f)(6) of such Act (2 U.S.C. 434) is amended by  
9 striking “Any requirement” and inserting “Except  
10 as provided in section 324(b), any requirement”.

11 **SEC. 3. STAND BY YOUR AD.**

12 (a) DISCLAIMER REQUIREMENTS FOR CAMPAIGN-RE-  
13 LATED DISBURSEMENTS.—Section 318(a) of the Federal  
14 Election Campaign Act of 1971 (2 U.S.C. 441d(a)) is  
15 amended by striking “for the purpose of financing commu-  
16 nications expressly advocating the election or defeat of a  
17 clearly identified candidate” and inserting “for a cam-  
18 paign-related disbursement, as defined in section 324, con-  
19 sisting of a public communication”.

20 (b) STAND BY YOUR AD REQUIREMENTS.—

21 (1) MAINTENANCE OF REQUIREMENTS FOR PO-  
22 LITICAL PARTIES AND CERTAIN POLITICAL COMMIT-  
23 TEES.—Section 318(d)(2) of such Act (2 U.S.C.  
24 441d(d)(2)) is amended—

1 (A) in the heading, by striking “OTHERS”  
2 and inserting “CERTAIN POLITICAL COMMIT-  
3 TEES”;

4 (B) by inserting “which (except to the ex-  
5 tent provided in the last sentence of this para-  
6 graph) is paid for by a political committee (in-  
7 cluding a political committee of a political  
8 party) and” after “subsection (a)”;

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

11 (D) by adding at the end the following:  
12 “This paragraph does not apply to a commu-  
13 nication paid for in whole or in part with a pay-  
14 ment which is treated as a campaign-related  
15 disbursement under section 324 and with re-  
16 spect to which a covered organization files a  
17 statement under such section.”.

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

22 “(e) COMMUNICATIONS BY OTHERS.—

23 “(1) IN GENERAL.—Any communication de-  
24 scribed in paragraph (3) of subsection (a) which is  
25 transmitted through radio or television (other than

1 a communication to which subsection (d)(2) applies)  
2 shall include, in addition to the requirements of such  
3 paragraph, the following:

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

10 “(B) If the communication is transmitted  
11 through television and is paid for in whole or in  
12 part with a payment which is treated as a cam-  
13 paign-related disbursement under section 324,  
14 the Top Five Funders list (if applicable), un-  
15 less, on the basis of criteria established in regu-  
16 lations issued by the Commission, the commu-  
17 nication is of such short duration that including  
18 the Top Five Funders list in the communication  
19 would constitute a hardship to the person pay-  
20 ing for the communication by requiring a dis-  
21 proportionate amount of the content of the  
22 communication to consist of the Top Five  
23 Funders list.

24 “(C) If the communication is transmitted  
25 through radio and is paid for in whole or in

1 part with a payment which is treated as a cam-  
2 paign-related disbursement under section 324,  
3 the Top Two Funders list (if applicable), un-  
4 less, on the basis of criteria established in regu-  
5 lations issued by the Commission, the commu-  
6 nication is of such short duration that including  
7 the Top Two Funders list in the communication  
8 would constitute a hardship to the person pay-  
9 ing for the communication by requiring a dis-  
10 proportionate amount of the content of the  
11 communication to consist of the Top Two  
12 Funders list.

13 “(2) DISCLOSURE STATEMENTS DESCRIBED.—

14 “(A) INDIVIDUAL DISCLOSURE STATE-  
15 MENTS.—The individual disclosure statement  
16 described in this subparagraph is the following:  
17 ‘I am \_\_\_\_\_, and I approve this  
18 message.’, with the blank filled in with the  
19 name of the applicable individual.

20 “(B) ORGANIZATIONAL DISCLOSURE  
21 STATEMENTS.—The organizational disclosure  
22 statement described in this subparagraph is the  
23 following: ‘I am \_\_\_\_\_, the  
24 \_\_\_\_\_ of \_\_\_\_\_, and

1 \_\_\_\_\_ approves this message.’,  
2 with—

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

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

8 “(iii) the third and fourth blank each  
9 to be filled in with the name of the organi-  
10 zation or other person paying for the com-  
11 munication.

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

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

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

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

8 “(ii) shall also be conveyed by an  
9 unobscured, full-screen view of the applica-  
10 ble individual or by the applicable indi-  
11 vidual making the statement in voice-over  
12 accompanied by a clearly identifiable pho-  
13 tograph or similar image of the individual,  
14 except in the case of a Top Five Funders  
15 list.

16 “(4) DEFINITIONS.—In this subsection:

17 “(A) APPLICABLE INDIVIDUAL.—The term  
18 ‘applicable individual’ means, with respect to a  
19 communication to which this subsection ap-  
20 plies—

21 “(i) if the communication is paid for  
22 by an individual, the individual involved;

23 “(ii) if the communication is paid for  
24 by a corporation, the chief executive officer  
25 of the corporation (or, if the corporation

1 does not have a chief executive officer, the  
2 highest ranking official of the corporation);

3 “(iii) if the communication is paid for  
4 by a labor organization, the highest rank-  
5 ing officer of the labor organization; and

6 “(iv) if the communication is paid for  
7 by any other person, the highest ranking  
8 official of such person.

9 “(B) COVERED ORGANIZATION AND CAM-  
10 PAIGN-RELATED DISBURSEMENT.—The terms  
11 ‘campaign-related disbursement’ and ‘covered  
12 organization’ have the meaning given such  
13 terms in section 324.

14 “(C) TOP FIVE FUNDERS LIST.—The term  
15 ‘Top Five Funders list’ means, with respect to  
16 a communication paid for in whole or in part  
17 with a payment which is treated as a campaign-  
18 related disbursement under section 324, a list  
19 of the five persons who provided the largest  
20 payments of any type in an aggregate amount  
21 equal to or exceeding \$10,000 which are re-  
22 quired under section 324(a) to be included in  
23 the reports filed by a covered organization with  
24 respect to such communication during the 12-  
25 month period ending on the date of the dis-



1           bursement and the amount of the payments  
2           each such person provided. If two or more peo-  
3           ple provided the fifth largest of such payments,  
4           the covered organization involved shall select  
5           one of those persons to be included on the Top  
6           Five Funders list.

7           “(D) TOP TWO FUNDERS LIST.—The term  
8           ‘Top Two Funders list’ means, with respect to  
9           a communication paid for in whole or in part  
10          with a payment which is treated as a campaign-  
11          related disbursement under section 324, a list  
12          of the persons who provided the largest and the  
13          second largest payments of any type in an ag-  
14          gregate amount equal to or exceeding \$10,000  
15          which are required under section 324(a) to be  
16          included in the reports filed by a covered orga-  
17          nization with respect to such communication  
18          during the 12-month period ending on the date  
19          of the disbursement and the amount of the pay-  
20          ments each such person provided. If two or  
21          more persons provided the second largest of  
22          such payments, the covered organization in-  
23          volved shall select one of those persons to be in-  
24          cluded on the Top Two Funders list.”.

1 **SEC. 4. SHAREHOLDERS' RIGHT TO KNOW.**

2 Title III of the Federal Election Campaign Act of  
3 1971 (2 U.S.C. 431 et seq.) is amended by adding at the  
4 end the following new section:

5 **“SEC. 325. DISCLOSURES BY COVERED ORGANIZATIONS TO**  
6 **SHAREHOLDERS, MEMBERS, AND DONORS OF**  
7 **INFORMATION ON CAMPAIGN-RELATED DIS-**  
8 **BURSEMENTS.**

9 “(a) INFORMATION ON CAMPAIGN-RELATED DIS-  
10 BURSEMENTS TO BE INCLUDED IN PERIODIC RE-  
11 PORTS.—A covered organization which submits regular,  
12 periodic reports to its shareholders, members, or donors  
13 on its finances or activities shall include in each such re-  
14 port, in a clear and conspicuous manner, the information  
15 included in the statements filed by the organization under  
16 section 324 with respect to the campaign-related disburse-  
17 ments made by the organization during the period covered  
18 by the report.

19 “(b) HYPERLINK TO INFORMATION INCLUDED IN  
20 REPORTS FILED WITH COMMISSION.—

21 “(1) REQUIRED POSTING OF HYPERLINK.—If a  
22 covered organization maintains an Internet site, the  
23 organization shall post on such Internet site a  
24 hyperlink from its homepage to the location on the  
25 Internet site of the Commission which contains the  
26 information included in the statements filed by the

1 organization under section 324 with respect to cam-  
2 paign-related disbursements.

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 campaign-related disbursements are made.

13 “(c) DEFINITIONS.—The terms ‘campaign-related  
14 disbursement’ and ‘covered organization’ have the mean-  
15 ings given such terms in section 324.”.

16 **SEC. 5. LOBBYISTS’ CAMPAIGN FUNDING DISCLOSURE.**

17 (a) DISCLOSURE OF INDEPENDENT EXPENDITURES  
18 AND ELECTIONEERING COMMUNICATIONS.—Section  
19 5(d)(1) of the Lobbying Disclosure Act of 1995 (2 U.S.C.  
20 1604(d)(1)) is amended—

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

23 (2) by redesignating subparagraph (G) as sub-  
24 paragraph (I); and

1           (3) by inserting after subparagraph (F) the fol-  
2           lowing new subparagraphs:

3                   “(G) the amount of any independent ex-  
4                   penditure (as defined in section 301(17) of the  
5                   Federal Election Campaign Act of 1971 (2  
6                   U.S.C. 431(17)) equal to or greater than  
7                   \$1,000 made by such person or organization,  
8                   and for each such expenditure the name of each  
9                   candidate being supported or opposed and the  
10                  amount spent supporting or opposing each such  
11                  candidate;

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

21           (b) DISCLOSURE OF AMOUNTS PROVIDED TO CER-  
22           TAIN POLITICAL COMMITTEES.—Section 5(d)(1)(D) of  
23           such Act (2 U.S.C. 1605(d)(1)(D)) is amended by striking  
24           “or political party committee,” and inserting the following:  
25           “political party committee, or political committee which is

1 treated as a covered organization under section  
2 324(f)(1)(D) of the Federal Election Campaign Act of  
3 1971,”.

4 (c) EFFECTIVE DATE.—The amendments made by  
5 this section shall apply with respect to reports for semi-  
6 annual periods described in section 5(d)(1) of the Lob-  
7 bying Disclosure Act of 1995 that begin after the date  
8 of the enactment of this Act.

9 **SEC. 6. SEVERABILITY.**

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

17 **SEC. 7. EFFECTIVE DATE.**

18 Except as provided in section 5, the amendments  
19 made by this Act shall apply with respects to disburse-  
20 ments made on or after July 1, 2012.

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