

.....
(Original Signature of Member)

115TH CONGRESS
2D SESSION

H. R.

To amend the Federal Election Campaign Act of 1971 to apply the restrictions on the use of campaign funds for personal use to the funds of leadership PACs and other political committees, to clarify the treatment of certain coordinated expenditures as contributions to candidates, to require the sponsors of certain political advertisements to identify the source of funds used for the advertisements, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Miss RICE of New York introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Federal Election Campaign Act of 1971 to apply the restrictions on the use of campaign funds for personal use to the funds of leadership PACs and other political committees, to clarify the treatment of certain coordinated expenditures as contributions to candidates, to require the sponsors of certain political advertisements to identify the source of funds used for the advertisements, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Political Accountability
3 and Transparency Act”.

4 **SEC. 2. APPLYING PERSONAL USE RESTRICTIONS TO LEAD-
5 ERSHIP PACS AND OTHER POLITICAL COM-
6 MITTEES.**

7 (a) **APPLYING RESTRICTIONS.**—Section 313(b) of the
8 Federal Election Campaign Act of 1971 (52 U.S.C.
9 30114(b)) is amended—

10 (1) in paragraph (1), by inserting “or a receipt
11 of any other political committee” after “subsection
12 (a)”;

13 (2) in paragraph (2), by striking “contribution
14 or donation” and inserting “contribution, donation,
15 or receipt”; and

16 (3) in paragraph (2), by striking “campaign or
17 individual’s duties as a holder of Federal office” and
18 inserting “campaign, the individual’s duties as a
19 holder of Federal office, or the political committee’s
20 political activities.”.

21 (b) **EFFECTIVE DATE.**—The amendments made by
22 this section shall apply with respect to contributions and
23 donations received on or after the date of the enactment
24 of this Act.

1 **SEC. 3. CLARIFICATION OF TREATMENT OF COORDINATED**
2 **EXPENDITURES AS CONTRIBUTIONS.**

3 (a) TREATMENT AS CONTRIBUTION.—Section
4 301(8)(A) of the Federal Election Campaign Act of 1971
5 (52 U.S.C. 30101(8)(A)) is amended—

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

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

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

11 “(iii) any payment made by any person for
12 a coordinated expenditure (as such term is de-
13 fined in section 324) which is not otherwise
14 treated as a contribution under clause (i) or
15 clause (ii).”.

16 (b) DEFINITIONS.—Section 324 of such Act (52
17 U.S.C. 30126) is amended to read as follows:

18 **“SEC. 324. PAYMENTS FOR COORDINATED EXPENDITURES.**

19 “(a) COORDINATED EXPENDITURES.—

20 “(1) IN GENERAL.—For purposes of section
21 301(8)(A)(iii), the term ‘coordinated expenditure’
22 means, with respect to a candidate, authorized com-
23 mittee, or political party—

24 “(A) any payment for any communication
25 which republishes, disseminates, or distributes,
26 in whole or in substantial part, any video,

1 audio, written, graphic, or other form of cam-
2 paign material created or prepared by the can-
3 didate, an authorized committee of a candidate,
4 or a committee of a political party, but does not
5 include—

6 “(i) any payment made by the can-
7 didate, the authorized committee, or the
8 political party which created or prepared
9 the material involved; or

10 “(ii) any payment for the republica-
11 tion, dissemination, or distribution of the
12 material involved for purposes of opposing
13 the candidate, authorized committee, or
14 political party which created or prepared
15 the material involved; or

16 “(B) any payment for a covered expendi-
17 ture described in subsection (c) which is made
18 in cooperation, consultation, or concert with, or
19 at the request or suggestion of, a candidate, an
20 authorized committee of a candidate, or a polit-
21 ical committee of a political party, as defined in
22 subsection (b).

23 “(2) CLARIFICATION OF INDIVIDUALS TREATED
24 AS CANDIDATES.—For purposes of this section, an
25 individual shall be treated as a candidate if the indi-

1 vidual is a candidate at the time of a coordinated ex-
2 penditure, without regard to whether the individual
3 was a candidate at the time the coordination oc-
4 curred, as described in subsection (b).

5 “(3) TREATMENT OF EMPLOYEES, INDE-
6 PENDENT CONTRACTORS, AND AGENTS.—For pur-
7 poses of this section, any reference to a candidate,
8 committee, officeholder, or political party includes—

9 “(A) an employee or independent con-
10 tractor of the candidate, committee, office-
11 holder, or party, if such employee or contractor
12 has executive or managerial authority (or acts
13 under the direction or control of an employee or
14 contractor who has such executive or manage-
15 rial authority) for the candidate, committee, of-
16 ficeholder, or political party at any time during
17 the election cycle in which the expenditure is
18 made (in the case of a candidate or committee
19 for an election for the office of President) or
20 during the 2-year period ending on the date the
21 expenditure is made (in the case of a candidate
22 or committee for an election for any other Fed-
23 eral office or any political party); or

24 “(B) an agent (including an authorized
25 fundraiser), whether paid or unpaid, of the can-

1 didate, committee, officeholder, or party at any
2 time during the election cycle in which the ex-
3 penditure is made (in the case of a candidate
4 or committee for an election for the office of
5 President) or during the 2-year period ending
6 on the date the expenditure is made (in the
7 case of a candidate or committee for an election
8 for any other Federal office or any political
9 party), without regard to whether the individual
10 was such an agent at the time any of the co-
11 ordination described in subsection (b) occurred.

12 “(4) EXCEPTIONS.—A payment shall not be
13 treated as a coordinated expenditure under this sec-
14 tion if—

15 “(A) the payment is for a communication
16 which appears in a news story, commentary, or
17 editorial distributed through the facilities of any
18 broadcasting station, newspaper, magazine, or
19 other periodical publication, unless such facili-
20 ties are owned or controlled by any political
21 party, political committee, or candidate; or

22 “(B) the payment is for a candidate debate
23 or forum conducted pursuant to regulations
24 adopted by the Commission pursuant to section
25 304(f)(3)(B)(iii), or is for a communication

1 which solely promotes such a debate or forum
2 and is made by or on behalf of the person spon-
3 soring the debate or forum.

4 “(b) COORDINATION DESCRIBED.—For purposes of
5 this section, a covered expenditure is made ‘in cooperation,
6 consultation, or concert with, or at the request or sugges-
7 tion of,’ a candidate, an authorized committee of a can-
8 didate, or a political committee of a political party if any
9 of the following apply:

10 “(1) The covered expenditure is not made to-
11 tally independently of the candidate, committee, or
12 political party. For purposes of the previous sen-
13 tence, a covered expenditure not made totally inde-
14 pendently of the candidate or committee includes
15 any expenditure made pursuant to any express or
16 implied agreement with, or any general or particular
17 understanding with, or pursuant to any request by
18 or communication with, the candidate, committee, or
19 political party about the expenditure.

20 “(2) During the 2-year period ending on the
21 date the covered expenditure is made (in the case of
22 a candidate or committee for an election for any
23 other Federal office or any political party) or during
24 the election cycle in which the covered expenditure
25 is made (in the case of a candidate or committee for

1 an election for the office of President), the person
2 making the covered expenditure was directly or indi-
3 rectly established, maintained, controlled, or prin-
4 cipally funded by the candidate, an immediate family
5 member of the candidate, the committee, or party.
6 For purposes of the previous sentence, an ‘imme-
7 diate family member’ means, with respect to a can-
8 didate, a father, mother, son, daughter, brother, sis-
9 ter, spouse, domestic partner, father-in-law, or
10 mother-in-law.

11 “(3) During the 2-year period ending on the
12 date the covered expenditure is made (in the case of
13 a candidate or committee for an election for any
14 other Federal office or any political party) or during
15 the election cycle in which the covered expenditure
16 is made (in the case of a candidate or committee for
17 an election for the office of President), the can-
18 didate, the committee, or political party solicited
19 funds for, provided nonpublic fundraising informa-
20 tion or strategy to, appeared as a speaker or fea-
21 tured guest at a fundraiser for, or gave permission
22 to be featured in fundraising efforts for, the person
23 making the covered expenditure. The previous sen-
24 tence does not apply if the person making the cov-
25 ered expenditure is an organization described in sec-

1 tion 501(c)(3) of the Internal Revenue Code of 1986
2 and exempt from taxation under section 501(a) of
3 such Code.

4 “(4) The covered expenditure is made on the
5 basis of non-public information about the can-
6 didate’s, committee’s, or political party’s campaign
7 needs or plans that the candidate, committee, or po-
8 litical party provided directly or indirectly to the per-
9 son making the covered expenditure, including infor-
10 mation about campaign messaging, strategy, fund-
11 raising, planned expenditures, or polling data. The
12 previous sentence does not apply to communications
13 between the person making the covered expenditure
14 and the candidate, committee, or political party sole-
15 ly for the purpose of either engaging in discussions
16 regarding the person’s position on a policy matter or
17 regarding whether the person will endorse the can-
18 didate or party, so long as such communications do
19 not include any nonpublic information about the
20 candidate’s, committee’s, or party’s campaign needs
21 or plans.

22 “(5)(A) During the 2-year period ending on the
23 date the covered expenditure is made (in the case of
24 a candidate or committee for an election for any
25 other Federal office or any political party) or during

1 the election cycle in which the covered expenditure
2 is made (in the case of a candidate or committee for
3 an election for the office of President), the person
4 making the covered expenditure employed or other-
5 wise retained the services (other than accounting or
6 legal services) of a person who, at any point during
7 that cycle or two-year period—

8 “(i) had executive or managerial authority
9 for the candidate, committee, or party, whether
10 paid or unpaid;

11 “(ii) was authorized to raise or expend
12 funds for the candidate, committee, or party
13 and had nonpublic information from the can-
14 didate, committee, or party about the can-
15 didate’s, committee’s or party’s campaign’s
16 needs or plans; or

17 “(iii) provided the candidate, committee, or
18 party with professional services (other than ac-
19 counting or legal services) related to campaign
20 or fundraising strategy.

21 “(B) Subparagraph (A) does not apply with re-
22 spect to a person employed or otherwise retained by
23 a person making a covered expenditure if, at the
24 time the person who was so employed or retained ex-
25 ercised the authority or provided the services de-

1 scribed in clauses (i) through (iii) of such subpara-
2 graph, the person making the covered expenditure
3 had in effect a firewall policy which meets the re-
4 quirements of subsection (d).

5 “(c) COVERED EXPENDITURES.—

6 “(1) CANDIDATES AND AUTHORIZED COMMIT-
7 TEES.—For purposes of this section, the term ‘cov-
8 ered expenditure’ means, with respect to a candidate
9 or an authorized committee of a candidate, any of
10 the following:

11 “(A) An expenditure for a public commu-
12 nication (as defined in section 301(22))
13 which—

14 “(i) expressly advocates for the nomi-
15 nation or election of the candidate or for
16 the defeat of an opponent of the candidate
17 (or contains the functional equivalent of
18 express advocacy);

19 “(ii) promotes or supports the can-
20 didate, or attacks or opposes an opponent
21 of the candidate (regardless of whether the
22 communication expressly advocates the
23 election or defeat of a candidate or con-
24 tains the functional equivalent of express
25 advocacy); or

1 “(iii) refers to the candidate or an op-
2 ponent of the candidate but is not de-
3 scribed in clause (i) or clause (ii), but only
4 if, during the period which begins 120 days
5 before the date of the primary election for
6 the office involved and ends on the date of
7 the general election for such office (or, if
8 necessary, the date of a runoff election fol-
9 lowing such general election), the commu-
10 nication is disseminated in the jurisdiction
11 of the office the candidate is seeking.

12 “(B) An expenditure to pay for partisan
13 voter activity (such as partisan voter registra-
14 tion, get-out-the-vote activity, phone banking, or
15 generic campaign activity) in the jurisdiction of
16 the office the candidate is seeking.

17 “(C) An expenditure to pay for research,
18 design or production costs, polling expenses,
19 data analytics, creating or purchasing mailing
20 or social media lists, or other activities related
21 to the expenditures described in subparagraphs
22 (A) or (B).

23 “(2) POLITICAL PARTIES.—For purposes of this
24 section, the term ‘covered expenditure’ means, with
25 respect to a political party, any of the following:

1 “(A) An expenditure for a public commu-
2 nication (as defined in section 301(22))
3 which—

4 “(i) expressly advocates for the nomi-
5 nation or election of a candidate of the
6 party or for the defeat of an opponent of
7 a candidate of the party, including a com-
8 munication which expressly advocates ge-
9 nerically for the election of candidates of
10 the party or for the defeat of opponents of
11 candidates of the party (or contains the
12 functional equivalent of express advocacy);

13 “(ii) promotes or supports a candidate
14 of the party, or attacks or opposes an op-
15 ponent of a candidate of the party (regard-
16 less of whether the communication ex-
17 pressly advocates the election or defeat of
18 a candidate or contains the functional
19 equivalent of express advocacy); or

20 “(iii) refers to a candidate of the
21 party or an opponent of a candidate of the
22 party but is not described in clause (i) or
23 clause (ii), but only if, during the period
24 which begins 120 days before the date of
25 the primary election for the office involved

1 and ends on the date of the general elec-
2 tion for such office (or, if necessary, the
3 date of a runoff election following such
4 general election), the communication is dis-
5 seminated in the jurisdiction of the office
6 the candidate is seeking.

7 “(B) An expenditure to pay for partisan
8 voter activity (such as partisan voter registra-
9 tion, get-out-the-vote activity, phone banking, or
10 generic campaign activity) in the jurisdiction of
11 the office a candidate of the party is seeking.

12 “(C) An expenditure to pay for research,
13 design or production costs, polling expenses,
14 data analytics, creating or purchasing mailing
15 or social media lists, or other activities related
16 to the expenditures described in subparagraphs
17 (A) or (B).

18 “(d) FIREWALL POLICY REQUIREMENTS.—For pur-
19 poses of paragraph (5) of subsection (b), a firewall policy
20 of a person making a covered expenditure meets the re-
21 quirements of this subsection if all of the following apply:

22 “(1) The policy separates the specific staff of
23 such person who provide services related to the mak-
24 ing of the covered expenditure from the distinct, spe-
25 cific staff who have engaged or will engage in any

1 of the authorities or services described in clauses (i)
2 through (iii) of subparagraph (B) of paragraph (5)
3 of subsection (b) with the candidate, authorized
4 committee, or political party supported by the cov-
5 ered expenditure.

6 “(2) The policy forbids owners of such person
7 and executives, managers, and supervisors within
8 such person’s organization, to simultaneously oversee
9 the work of staff being separated by a firewall.

10 “(3) The policy imposes a prohibition on the
11 flow of strategic nonpublic information, including by
12 imposing physical and technological separations, be-
13 tween such person and the candidate, committee, or
14 party supported by the covered expenditure, and be-
15 tween the specific staff who are being separated by
16 the firewall.

17 “(4) The policy is memorialized in writing and
18 distributed to all relevant staff (including consult-
19 ants) before such staff provide any services relating
20 to the making of the covered expenditure, and the
21 written policy described both the general firewall pol-
22 icy and any specific firewall created pursuant to
23 such policy, and the person making the covered ex-
24 penditure provides such written policy upon request
25 to the Commission.

1 “(e) NO LIMITATION ON APPLICATION OF OTHER
2 COORDINATION RULES.—Nothing in this section may be
3 construed to limit the application of section 315(a)(7) to
4 any contribution, expenditure, disbursement, or person.”.

5 (c) EFFECTIVE DATE; EFFECT ON EXISTING REGU-
6 LATIONS.—

7 (1) EFFECTIVE DATE.—The amendments made
8 by this section shall apply with respect to payments
9 made on or after the expiration of the 60-day period
10 which begins on the date of the enactment of this
11 Act, without regard to whether or not the Federal
12 Election Commission has promulgated regulations in
13 accordance with paragraph (2)(B) as of the expira-
14 tion of such period.

15 (2) REPEAL OF EXISTING REGULATIONS ON CO-
16 ORDINATION.—Effective upon the expiration of the
17 60-day period which begins on the date of the enact-
18 ment of this Act—

19 (A) the regulations on coordinated commu-
20 nications adopted by the Federal Election Com-
21 mission which are in effect on the date of the
22 enactment of this Act (as set forth in 11 CFR
23 Part 109, Subpart C, under the heading “Co-
24 ordination”) are repealed; and

1 (B) the Federal Election Commission shall
2 promulgate new regulations on coordinated
3 communications which reflect the amendments
4 made by this Act.

5 (3) TERMINATION OF VALIDITY OF ADVISORY
6 OPINIONS.—To the extent that any advisory opinion
7 issued by the Federal Election Commission prior to
8 expiration of the period described in paragraph (2)
9 was based on the regulations referred to in subpara-
10 graph (A) of paragraph (2), the validity of the opin-
11 ion is hereby terminated, and no person may rely
12 upon the opinion with respect to conduct occurring
13 after the expiration of such period.

14 **SEC. 4. EXPANSION OF DEFINITION OF PUBLIC COMMU-**
15 **NICATION.**

16 (a) IN GENERAL.—Paragraph (22) of section 301 of
17 the Federal Election Campaign Act of 1971 (52 U.S.C.
18 30101(22)) is amended by striking “or satellite commu-
19 nication” and inserting “satellite, paid Internet, or paid
20 digital communication”.

21 (b) TREATMENT OF CONTRIBUTIONS AND EXPENDI-
22 TURES.—Section 301 of such Act (52 U.S.C. 30101) is
23 amended—

24 (1) in paragraph (8)(B)—

1 (A) by striking “on broadcasting stations,
2 or in newspapers, magazines, or similar types of
3 general public political advertising” in clause
4 (v) and inserting “in any public communica-
5 tion”;

6 (B) by striking “broadcasting, newspaper,
7 magazine, billboard, direct mail, or similar type
8 of general public communication or political ad-
9 vertising” in clause (ix)(1) and inserting “pub-
10 lic communication”; and

11 (C) by striking “but not including the use
12 of broadcasting, newspapers, magazines, bill-
13 boards, direct mail, or similar types of general
14 public communication or political advertising”
15 in clause (x) and inserting “but not including
16 use in any public communication”; and

17 (2) in paragraph (9)(B)—

18 (A) by striking clause (i) and inserting the
19 following:

20 “(i) any news story, commentary, or
21 editorial distributed through the facilities
22 of any broadcasting station or any print,
23 online, or digital newspaper, magazine,
24 blog, publication, or periodical, unless such
25 broadcasting, print, online, or digital facili-

1 ties are owned or controlled by any polit-
2 ical party, political committee, or can-
3 didate;” and.

4 (B) by striking “on broadcasting stations,
5 or in newspapers, magazines, or similar types of
6 general public political advertising” in clause
7 (iv) and inserting “in any public communica-
8 tion”.

9 (c) DISCLOSURE AND DISCLAIMER STATEMENTS.—
10 Subsection (a) of section 318 of such Act (52 U.S.C.
11 30120) is amended—

12 (1) by striking “financing any communication
13 through any broadcasting station, newspaper, maga-
14 zine, outdoor advertising facility, mailing, or any
15 other type of general public political advertising”
16 and inserting “financing any public communication”;
17 and

18 (2) by striking “solicits any contribution
19 through any broadcasting station, newspaper, maga-
20 zine, outdoor advertising facility, mailing, or any
21 other type of general public political advertising”
22 and inserting “solicits any contribution through any
23 public communication”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply with respect to communications
3 disseminated on or after January 1, 2019.

4 **SEC. 5. EXPANSION OF DEFINITION OF ELECTIONEERING**
5 **COMMUNICATION.**

6 (a) EXPANSION TO ONLINE COMMUNICATIONS.—

7 (1) APPLICATION TO QUALIFIED INTERNET AND
8 DIGITAL COMMUNICATIONS.—

9 (A) IN GENERAL.—Subparagraph (A) of
10 section 304(f)(3) of the Federal Election Cam-
11 paign Act of 1971 (52 U.S.C. 30104(f)(3)(A))
12 is amended by striking “or satellite communica-
13 tion” each place it appears in clauses (i) and
14 (ii) and inserting “satellite, or qualified Inter-
15 net or digital communication”.

16 (B) QUALIFIED INTERNET OR DIGITAL
17 COMMUNICATION.—Paragraph (3) of section
18 304(f) of such Act (52 U.S.C. 30104(f)) is
19 amended by adding at the end the following
20 new subparagraph:

21 “(D) QUALIFIED INTERNET OR DIGITAL
22 COMMUNICATION.—The term ‘qualified Internet
23 or digital communication’ means any commu-
24 nication which is placed or promoted for a fee
25 on any public-facing website, Web application,

1 or digital application (including a social net-
2 work, ad network, or search engine).”.

3 (2) NONAPPLICATION OF RELEVANT ELEC-
4 TORATE TO ONLINE COMMUNICATIONS.—Section
5 304(f)(3)(A)(i)(III) of such Act (52 U.S.C.
6 30104(f)(3)(A)(i)(III)) is amended by inserting “any
7 broadcast, cable, or satellite” before “communica-
8 tion”.

9 (3) NEWS EXEMPTION.—Section
10 304(f)(3)(B)(i) of such Act (52 U.S.C.
11 30104(f)(3)(B)(i)) is amended to read as follows:

12 “(i) a communication appearing in a
13 news story, commentary, or editorial dis-
14 tributed through the facilities of any
15 broadcasting station or any online or dig-
16 ital newspaper, magazine, blog, publica-
17 tion, or periodical, unless such broad-
18 casting, online, or digital facilities are
19 owned or controlled by any political party,
20 political committee, or candidate;”.

21 (b) EFFECTIVE DATE.—The amendments made by
22 this section shall apply with respect to communications
23 made on or after the date of the enactment of this Act.

1 **SEC. 6. DISCLOSURE OF TRUE IDENTITY OF SOURCE OF**
2 **FUNDING OF CAMPAIGN ADVERTISEMENTS.**

3 (a) REQUIRING BEST EFFORTS TO DETERMINE
4 TRUE SOURCE OF FUNDS USED TO PAY FOR CAMPAIGN
5 ADVERTISEMENTS.—Section 318 of the Federal Election
6 Campaign Act of 1971 (52 U.S.C. 30120) is amended by
7 adding at the end the following new subsection:

8 “(e) REQUIRING BEST EFFORTS TO DETERMINE
9 TRUE SOURCE OF FUNDS USED TO PAY FOR CERTAIN
10 ADVERTISEMENTS.—

11 “(1) BEST EFFORTS REQUIRED.—The person
12 making a disbursement of funds for a communica-
13 tion described in paragraph (3) of subsection (a)
14 shall make best efforts to determine the true source
15 of the funds used for the disbursement to ensure
16 that the names of the persons included in the state-
17 ment required under such paragraph are the names
18 of the persons who served as the true source of such
19 funds. For purposes of this paragraph, such best ef-
20 forts shall include the making of multiple requests
21 (if necessary) to contributors to determine whether
22 the funds provided by the contributors were trans-
23 ferred (either directly or indirectly) by other persons.

24 “(2) TREATMENT OF POLITICAL COMMIT-
25 TEES.—For purposes of this subsection, a political
26 committee shall not be considered a source of funds

1 used for a disbursement for a communication de-
2 scribed in paragraph (3) of subsection (a), other
3 than an account of a political committee established
4 for the purpose of accepting donations or contribu-
5 tions that do not comply with the contribution limits
6 or source prohibitions under this Act.”.

7 (b) INCLUSION IN ADVERTISEMENTS OF IDENTIFICA-
8 TION OF TOP THREE FUNDERS.—Section 318 of such Act
9 (52 U.S.C. 30120), as amended by subsection (a), is fur-
10 ther amended by adding at the end the following new sub-
11 section:

12 “(f) DISCLOSURE OF TOP THREE FUNDERS.—

13 “(1) REQUIRING DISCLOSURE IN CERTAIN AD-
14 VERTISEMENTS.—

15 “(A) REQUIREMENT.—Any communication
16 described in paragraph (3) of subsection (a),
17 shall, in addition to including the information
18 required under such paragraph and under para-
19 graph (2) of subsection (d), include the Top
20 Three Funders list (if applicable).

21 “(B) EXCLUSION OF COMMUNICATIONS
22 PAID FOR BY POLITICAL PARTIES.—This sub-
23 section does not apply with respect to a commu-
24 nication paid for exclusively by a political com-
25 mittee of a political party.

1 “(2) METHOD OF CONVEYANCE OF STATEMENT
2 THROUGH VIDEO FORMAT.—In the case of a commu-
3 nication to which this subsection applies which is
4 transmitted through a video format (including
5 through television or through the Internet or similar
6 digital format if the transmission includes a video
7 component), the information required under para-
8 graph (1) shall appear in writing at the end of the
9 communication in a clearly readable manner, with a
10 reasonable degree of color contrast between the
11 background and the printed statement, for a period
12 of at least 4 seconds.

13 “(3) METHOD OF CONVEYANCE OF STATEMENT
14 THROUGH AUDIO FORMAT.—In the case of a commu-
15 nication to which this subsection applies which is
16 transmitted in audio format (including through radio
17 or through the Internet or similar digital format if
18 the transmission includes an audio component), the
19 information required under paragraph (1) shall in-
20 clude, in a clearly spoken manner, the following
21 audio statement: ‘Top funders include
22 _____’, with the blank filled in with the
23 names of the persons on the Top Three Funders list.

24 “(4) METHOD OF CONVEYANCE OF STATEMENT
25 THROUGH TEXT AND IMAGES.—In the case of a

1 communication to which this subsection applies
2 which is a printed communication or which is trans-
3 mitted through the Internet or similar digital man-
4 ner and is not described in paragraphs (2) or para-
5 graph (3), the information required under paragraph
6 (1) shall appear in a clearly readable manner, with
7 a reasonable degree of color contrast between the
8 background and the printed statement.

9 “(5) TOP THREE FUNDERS LIST DEFINED.—

10 “(A) IN GENERAL.—The term ‘Top Three
11 Funders list’ means, with respect to a commu-
12 nication, a list of the three persons who, during
13 the 12-month period ending on the date of the
14 transmission of the communication or the date
15 on which funds were disbursed for the commu-
16 nication (whichever is earlier), provided the
17 largest payments of any type in an aggregate
18 amount exceeding the applicable threshold to
19 the person who is paying for the communication
20 and the amount of the payments each such per-
21 son provided. If two or more people provided
22 the third largest of such payments, the person
23 who provided the most recent of such payments
24 shall be included on the Top Three Funders
25 list.

1 “(B) EXCLUSION OF CERTAIN PAY-
2 MENTS.— For purposes of subparagraph (A),
3 in determining the amount of payments made
4 by a person to a person paying for a commu-
5 nication, there shall be excluded the following:

6 “(i) Any amounts provided in the or-
7 dinary course of any trade or business con-
8 ducted by the person paying for the com-
9 munication or in the form of investments
10 in the person paying for the communica-
11 tion.

12 “(ii) Any payment which the person
13 prohibited, in writing, from being used for
14 communications under this section, but
15 only if the person paying for the commu-
16 nication agreed to follow the prohibition
17 and deposited the payment in an account
18 which is segregated from any account used
19 to make payments for such communica-
20 tions.

21 “(6) APPLICABLE THRESHOLD DEFINED.—

22 “(A) IN GENERAL.—For purposes of sub-
23 paragraph (A), the ‘applicable threshold’ with
24 respect to a communication is—

1 “(i) \$10,000, if the funds used to pay
2 for the costs of the communication were
3 derived exclusively from a separate, seg-
4 regated account which meets the require-
5 ments of subparagraph (B); or

6 “(ii) \$50,000, if the funds used to pay
7 for the costs of the communication were
8 not derived exclusively from such an ac-
9 count.

10 “(B) REQUIREMENTS FOR ACCOUNTS.—An
11 account meets the requirements of this sub-
12 paragraph if—

13 “(i) the account is separate and seg-
14 regated from the general fund of the per-
15 son paying for the costs of communications
16 which are subject to the requirements of
17 this subsection; and

18 “(ii) the account does not include any
19 funds transferred from the general treas-
20 ury of the person paying for the costs of
21 such communications unless the funds
22 were transferred during the 12-month pe-
23 riod ending on the date of the transmission
24 of the communication or the date on which
25 funds were disbursed for the communica-

1 tion (whichever is earlier) and the person
2 who provided the funds to the general
3 treasury gave written permission for the
4 funds to be transferred to the account.”.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply with respect to communications
7 made on or after January 1, 2019.