

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

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

**IN THE SENATE OF THE UNITED STATES—115th Cong., 2d Sess.**

**S. 1917**

To reform sentencing laws and correctional institutions, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. WHITEHOUSE

Viz:

1 At the end, add the following:

2 **TITLE \_\_ —CAMPAIGN**  
3 **DISCLOSURES**

4 **SEC. \_\_01. SHORT TITLE.**

5 This title may be cited as the “Democracy Is  
6 Strengthened by Casting Light On Spending in Elections  
7 Act of 2017” or the “DISCLOSE Act of 2017”.

1     **Subtitle A—Regulation of Certain**  
2                     **Political Spending**

3     **SEC. \_\_11. APPLICATION OF BAN ON CONTRIBUTIONS AND**  
4                     **EXPENDITURES BY FOREIGN NATIONALS TO**  
5                     **DOMESTIC CORPORATIONS THAT ARE FOR-**  
6                     **EIGN-CONTROLLED, FOREIGN-INFLUENCED,**  
7                     **AND FOREIGN-OWNED.**

8             (a) APPLICATION OF BAN.—Section 319(b) of the  
9 Federal Election Campaign Act of 1971 (52 U.S.C.  
10 30121(b)) is amended—

11             (1) by striking “or” at the end of paragraph  
12             (1);

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

15             (3) by adding at the end the following new  
16             paragraph:

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

19             “(A) in which a foreign national described  
20             in paragraph (1) or (2) directly or indirectly  
21             owns or controls—

22             “(i) 5 percent or more of the voting  
23             shares, if the foreign national is a foreign  
24             country, a foreign government official, or a  
25             corporation principally owned or controlled

1 by a foreign country or foreign government  
2 official; or

3 “(ii) 20 percent or more of the voting  
4 shares, if the foreign national is not de-  
5 scribed in clause (i);

6 “(B) in which two or more foreign nation-  
7 als described in paragraph (1) or (2), each of  
8 whom owns or controls at least 5 percent of the  
9 voting shares, directly or indirectly own or con-  
10 trol 50 percent or more of the voting shares;

11 “(C) over which one or more foreign na-  
12 tionals described in paragraph (1) or (2) has  
13 the power to direct, dictate, or control the deci-  
14 sionmaking process of the corporation with re-  
15 spect to its interests in the United States; or

16 “(D) over which one or more foreign na-  
17 tionals described in paragraph (1) or (2) has  
18 the power to direct, dictate, or control the deci-  
19 sionmaking process of the corporation with re-  
20 spect to activities in connection with a Federal,  
21 State, or local election, including—

22 “(i) the making of a contribution, do-  
23 nation, expenditure, independent expendi-  
24 ture, or disbursement for an electioneering

1 communication (within the meaning of sec-  
2 tion 304(f)(3)); or

3 “(ii) the administration of a political  
4 committee established or maintained by the  
5 corporation.”.

6 (b) CERTIFICATION OF COMPLIANCE.—Section 319  
7 of such Act (52 U.S.C. 30121) is amended by adding at  
8 the end the following new subsection:

9 “(c) CERTIFICATION OF COMPLIANCE REQUIRED  
10 PRIOR TO CARRYING OUT ACTIVITY.—Prior to the mak-  
11 ing in connection with an election for Federal office of any  
12 contribution, donation, expenditure, independent expendi-  
13 ture, or disbursement for an electioneering communication  
14 by a corporation during a year, the chief executive officer  
15 of the corporation (or, if the corporation does not have  
16 a chief executive officer, the highest ranking official of the  
17 corporation), shall file a certification with the Commission,  
18 under penalty of perjury, that the corporation is not pro-  
19 hibited from carrying out such activity under subsection  
20 (b)(3), unless the chief executive officer has previously  
21 filed such a certification during that calendar year.”.

22 (c) EFFECTIVE DATE.—The amendments made by  
23 this section shall take effect upon the expiration of the  
24 180-day period which begins on the date of the enactment  
25 of this Act, and shall take effect without regard to whether

1 or not the Federal Election Commission has promulgated  
2 regulations to carry out such amendments.

3 **SEC. \_\_12. CLARIFICATION OF APPLICATION OF FOREIGN**  
4 **MONEY BAN TO CERTAIN DISBURSEMENTS**  
5 **AND ACTIVITIES.**

6 (a) APPLICATION TO DISBURSEMENTS TO SUPER  
7 PACS.—Section 319(a)(1)(A) of the Federal Election  
8 Campaign Act of 1971 (52 U.S.C. 30121(a)(1)(A)) is  
9 amended by striking the semicolon and inserting the fol-  
10 lowing: “, including any disbursement to a political com-  
11 mittee which accepts donations or contributions that do  
12 not comply with the limitations, prohibitions, and report-  
13 ing requirements of this Act (or any disbursement to or  
14 on behalf of any account of a political committee which  
15 is established for the purpose of accepting such donations  
16 or contributions);”.

17 (b) CONDITIONS UNDER WHICH CORPORATE PACS  
18 MAY MAKE CONTRIBUTIONS AND EXPENDITURES.—Sec-  
19 tion 316(b) of such Act (52 U.S.C. 30118(b)) is amended  
20 by adding at the end the following new paragraph:

21 “(8) A separate segregated fund established by a cor-  
22 poration may not make a contribution or expenditure dur-  
23 ing a year unless the fund has certified to the Commission  
24 the following during the year:

1           “(A) Each individual who manages the fund,  
2           and who is responsible for exercising decisionmaking  
3           authority for the fund, is a citizen of the United  
4           States or is lawfully admitted for permanent resi-  
5           dence in the United States.

6           “(B) No foreign national under section 319  
7           participates in any way in the decisionmaking proc-  
8           esses of the fund with regard to contributions or ex-  
9           penditures under this Act.

10           “(C) The fund does not solicit or accept rec-  
11           ommendations from any foreign national under sec-  
12           tion 319 with respect to the contributions or expend-  
13           itures made by the fund.

14           “(D) Any member of the board of directors of  
15           the corporation who is a foreign national under sec-  
16           tion 319 abstains from voting on matters concerning  
17           the fund or its activities.”.

18                           **Subtitle B—Campaign**  
19                           **Disbursement Reporting**

20   **SEC. 21. CAMPAIGN DISBURSEMENT REPORTING.**

21           (a) INFORMATION REQUIRED TO BE REPORTED.—

22                   (1) TREATMENT OF FUNCTIONAL EQUIVALENT  
23           OF EXPRESS ADVOCACY AS INDEPENDENT EXPENDI-  
24           TURE.—Subparagraph (A) of section 301(17) of the

1 Federal Election Campaign Act of 1971 (52 U.S.C.  
2 30101(17)) is amended to read as follows:

3 “(A) that expressly advocates the election  
4 or defeat of a clearly identified candidate, or is  
5 the functional equivalent of express advocacy  
6 because, when taken as a whole, it can be inter-  
7 preted by a reasonable person only as advo-  
8 cating the election or defeat of a candidate, tak-  
9 ing into account whether the communication in-  
10 volved mentions a candidacy, a political party,  
11 or a challenger to a candidate, or takes a posi-  
12 tion on a candidate’s character, qualifications,  
13 or fitness for office; and”.

14 (2) EXPANSION OF PERIOD DURING WHICH  
15 COMMUNICATIONS ARE TREATED AS ELECTION-  
16 EERING COMMUNICATIONS.—Section 304(f)(3)(A)(i)  
17 of such Act (52 U.S.C. 30104(f)(3)(A)(i)) is amend-  
18 ed—

19 (A) by redesignating subclause (III) as  
20 subclause (IV); and

21 (B) by striking subclause (II) and insert-  
22 ing the following:

23 “(II) in the case of a communica-  
24 tion which refers to a candidate for an  
25 office other than the President or Vice

1 President, is made during the period  
2 beginning on January 1 of the cal-  
3 endar year in which a general or run-  
4 off election is held and ending on the  
5 date of the general or runoff election  
6 (or in the case of a special election,  
7 during the period beginning on the  
8 date on which the announcement with  
9 respect to such election is made and  
10 ending on the date of the special elec-  
11 tion);

12 “(III) in the case of a commu-  
13 nication which refers to a candidate  
14 for the office of President or Vice  
15 President, is made in any State dur-  
16 ing the period beginning 120 days be-  
17 fore the first primary election, caucus,  
18 or preference election held for the se-  
19 lection of delegates to a national  
20 nominating convention of a political  
21 party is held in any State (or, if no  
22 such election or caucus is held in any  
23 State, the first convention or caucus  
24 of a political party which has the au-  
25 thority to nominate a candidate for



1 the office of President or Vice Presi-  
2 dent) and ending on the date of the  
3 general election; and”.

4 (3) EFFECTIVE DATE; TRANSITION FOR ELEC-  
5 TIONEERING COMMUNICATIONS MADE PRIOR TO EN-  
6 ACTMENT.—The amendment made by paragraph (2)  
7 shall apply with respect to communications made on  
8 or after January 1, 2018, except that no commu-  
9 nication which is made prior to such date shall be  
10 treated as an electioneering communication under  
11 subclause (II) or (III) of section 304(f)(3)(A)(i) of  
12 the Federal Election Campaign Act of 1971 (as  
13 amended by paragraph (2)) unless the communica-  
14 tion would be treated as an electioneering commu-  
15 nication under such section if the amendment made  
16 by paragraph (2) did not apply.

17 (b) DISCLOSURE REQUIREMENTS FOR CORPORA-  
18 TIONS, LABOR ORGANIZATIONS, AND CERTAIN OTHER  
19 ENTITIES.—

20 (1) IN GENERAL.—Section 324 of the Federal  
21 Election Campaign Act of 1971 (52 U.S.C. 30126)  
22 is amended to read as follows:

23 **“SEC. 324. DISCLOSURE OF CAMPAIGN-RELATED DISBURSE-**  
24 **MENTS BY COVERED ORGANIZATIONS.**

25 **“(a) DISCLOSURE STATEMENT.—**

1           “(1) IN GENERAL.—Any covered organization  
2 that makes campaign-related disbursements aggregating more than \$10,000 in an election reporting  
3 cycle shall, not later than 24 hours after each disclosure date, file a statement with the Commission  
4 made under penalty of perjury that contains the information described in paragraph (2)—

5           “(A) in the case of the first statement filed  
6 under this subsection, for the period beginning  
7 on the first day of the election reporting cycle  
8 and ending on the first such disclosure date;  
9 and

10           “(B) in the case of any subsequent statement filed under this subsection, for the period  
11 beginning on the previous disclosure date and  
12 ending on such disclosure date.

13           “(2) INFORMATION DESCRIBED.—The information described in this paragraph is as follows:

14           “(A) The name of the covered organization  
15 and the principal place of business of such organization and, in the case of a covered organization  
16 that is a corporation (other than a business concern that is an issuer of a class of securities registered  
17 under section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 78l) or

1 that is required to file reports under section  
2 15(d) of that Act (15 U.S.C. 78o(d)) or an en-  
3 tity described in subsection (e)(2), a list of the  
4 beneficial owners (as defined in paragraph  
5 (4)(A)) of the entity that—

6 “(i) identifies each beneficial owner by  
7 name and current residential or business  
8 street address; and

9 “(ii) if any beneficial owner exercises  
10 control over the entity through another  
11 legal entity, such as a corporation, partner-  
12 ship, limited liability company, or trust,  
13 identifies each such other legal entity and  
14 each such beneficial owner who will use  
15 that other entity to exercise control over  
16 the entity.

17 “(B) The amount of each campaign-related  
18 disbursement made by such organization during  
19 the period covered by the statement of more  
20 than \$1,000, and the name and address of the  
21 person to whom the disbursement was made.

22 “(C) In the case of a campaign-related dis-  
23 bursement that is not a covered transfer, the  
24 election to which the campaign-related disburse-  
25 ment pertains and if the disbursement is made

1 for a public communication, the name of any  
2 candidate identified in such communication and  
3 whether such communication is in support of or  
4 in opposition to a candidate.

5 “(D) A certification by the chief executive  
6 officer or person who is the head of the covered  
7 organization that the campaign-related dis-  
8 bursement is not made in cooperation, consulta-  
9 tion, or concert with or at the request or sug-  
10 gession of a candidate, authorized committee, or  
11 agent of a candidate, political party, or agent of  
12 a political party.

13 “(E) If the covered organization makes  
14 campaign-related disbursements using exclu-  
15 sively funds in a segregated bank account con-  
16 sisting of funds that were paid directly to such  
17 account by persons other than the covered orga-  
18 nization that controls the account, for each  
19 such payment to the account—

20 “(i) the name and address of each  
21 person who made such payment during the  
22 period covered by the statement;

23 “(ii) the date and amount of such  
24 payment; and



1 election reporting cycle and ending on the  
2 disclosure date,  
3 but only if such payment was made by a person  
4 who made payments to the covered organization  
5 in an aggregate amount of \$10,000 or more  
6 during the period beginning on the first day of  
7 the election reporting cycle and ending on the  
8 disclosure date.

9 “(G) Such other information as required in  
10 rules established by the Commission to promote  
11 the purposes of this section.

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 commercial transactions in  
19 the ordinary course of any trade or business  
20 conducted by the covered organization or in the  
21 form of investments (other than investments by  
22 the principal shareholder in a limited liability  
23 corporation) in the covered organization.

24 “(B) DONOR RESTRICTION ON USE OF  
25 FUNDS.—The requirement to include in a state-

1           ment submitted under paragraph (1) the infor-  
2           mation described in subparagraph (F) of para-  
3           graph (2) shall not apply if—

4                   “(i) the person described in such sub-  
5                   paragraph prohibited, in writing, the use of  
6                   the payment made by such person for cam-  
7                   paign-related disbursements; and

8                   “(ii) the covered organization agreed  
9                   to follow the prohibition and deposited the  
10                  payment in an account which is segregated  
11                  from any account used to make campaign-  
12                  related disbursements.

13                  “(C) AMOUNTS RECEIVED FROM AFFILI-  
14                  ATES.—The requirement to include in a state-  
15                  ment submitted under paragraph (1) the infor-  
16                  mation described in subparagraph (F) of para-  
17                  graph (2) shall not apply to any amount which  
18                  is described in subsection (f)(3)(A)(i).

19                  “(4) OTHER DEFINITIONS.—For purposes of  
20                  this section:

21                   “(A) BENEFICIAL OWNER DEFINED.—

22                   “(i) IN GENERAL.—Except as pro-  
23                   vided in clause (ii), the term ‘beneficial  
24                   owner’ means, with respect to any entity,

1 a natural person who, directly or indi-  
2 rectly—

3 “(I) exercises substantial control  
4 over an entity through ownership, vot-  
5 ing rights, agreement, or otherwise; or

6 “(II) has a substantial interest in  
7 or receives substantial economic bene-  
8 fits from the assets of an entity.

9 “(ii) EXCEPTIONS.—The term ‘bene-  
10 ficial owner’ shall not include—

11 “(I) a minor child;

12 “(II) a person acting as a nomi-  
13 nee, intermediary, custodian, or agent  
14 on behalf of another person;

15 “(III) a person acting solely as  
16 an employee of an entity and whose  
17 control over or economic benefits from  
18 the entity derives solely from the em-  
19 ployment status of the person;

20 “(IV) a person whose only inter-  
21 est in an entity is through a right of  
22 inheritance, unless the person also  
23 meets the requirements of clause (i);  
24 or



1                   “(V) a creditor of an entity, un-  
2                   less the creditor also meets the re-  
3                   quirements of clause (i).

4                   “(iii) ANTI-ABUSE RULE.—The excep-  
5                   tions under clause (ii) shall not apply if  
6                   used for the purpose of evading, circum-  
7                   venting, or abusing the provisions of clause  
8                   (i) or paragraph (2)(A).

9                   “(B) DISCLOSURE DATE.—The term ‘dis-  
10                  closure date’ means—

11                  “(i) the first date during any election  
12                  reporting cycle by which a person has  
13                  made campaign-related disbursements ag-  
14                  gregating more than \$10,000; and

15                  “(ii) any other date during such elec-  
16                  tion reporting cycle by which a person has  
17                  made campaign-related disbursements ag-  
18                  gregating more than \$10,000 since the  
19                  most recent disclosure date for such elec-  
20                  tion reporting cycle.

21                  “(C) ELECTION REPORTING CYCLE.—The  
22                  term ‘election reporting cycle’ means the 2-year  
23                  period beginning on the date of the most recent  
24                  general election for Federal office.

1                   “(D) PAYMENT.—The term ‘payment’ in-  
2                   cludes any contribution, donation, transfer, pay-  
3                   ment of dues, or other payment.

4                   “(b) COORDINATION WITH OTHER PROVISIONS.—

5                   “(1) OTHER REPORTS FILED WITH THE COM-  
6                   MISSION.—Information included in a statement filed  
7                   under this section may be excluded from statements  
8                   and reports filed under section 304.

9                   “(2) TREATMENT AS SEPARATE SEGREGATED  
10                  FUND.—A segregated bank account referred to in  
11                  subsection (a)(2)(E) may be treated as a separate  
12                  segregated fund for purposes of section 527(f)(3) of  
13                  the Internal Revenue Code of 1986.

14                  “(c) FILING.—Statements required to be filed under  
15                  subsection (a) shall be subject to the requirements of sec-  
16                  tion 304(d) to the same extent and in the same manner  
17                  as if such reports had been required under subsection (e)  
18                  or (g) of section 304.

19                  “(d) CAMPAIGN-RELATED DISBURSEMENT DE-  
20                  FINED.—

21                  “(1) IN GENERAL.—In this section, the term  
22                  ‘campaign-related disbursement’ means a disburse-  
23                  ment by a covered organization for any of the fol-  
24                  lowing:

1           “(A) An independent expenditure con-  
2           sisting of a public communication.

3           “(B) An electioneering communication, as  
4           defined in section 304(f)(3).

5           “(C) A covered transfer.

6           “(2) INTENT NOT REQUIRED.—A disbursement  
7           for an item described in subparagraph (A), (B), or  
8           (C) of paragraph (1) shall be treated as a campaign-  
9           related disbursement regardless of the intent of the  
10          person making the disbursement.

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

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

17               “(2) A limited liability corporation that is not  
18               otherwise treated as a corporation for purposes of  
19               this Act (other than an organization described in  
20               section 501(c)(3) of the Internal Revenue Code of  
21               1986).

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

1 organization described in section 501(c)(3) of such  
2 Code).

3 “(4) A labor organization (as defined in section  
4 316(b)).

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

9 “(6) A political committee with an account that  
10 accepts donations or contributions that do not com-  
11 ply with the contribution limits or source prohibi-  
12 tions under this Act, but only with respect to such  
13 accounts.

14 “(f) COVERED TRANSFER DEFINED.—

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

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

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

23 “(ii) making a transfer to another  
24 person for the purpose of making or pay-

1           ing for such campaign-related disburse-  
2           ments;

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

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

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

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

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

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

23           “(D) made campaign-related disburse-  
24           ments (other than a covered transfer) in an ag-  
25           gregate amount of \$50,000 or more during the

1           2-year period ending on the date of the transfer  
2           or payment, or knew or had reason to know  
3           that the person receiving the transfer or pay-  
4           ment made such disbursements in such an ag-  
5           gregate amount during that 2-year period; or

6           “(E) knew or had reason to know that the  
7           person receiving the transfer or payment would  
8           make campaign-related disbursements in an ag-  
9           gregate amount of \$50,000 or more during the  
10          2-year period beginning on the date of the  
11          transfer or payment.

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

14                 “(A) A disbursement made by a covered  
15                 organization in a commercial transaction in the  
16                 ordinary course of any trade or business con-  
17                 ducted by the covered organization or in the  
18                 form of investments made by the covered orga-  
19                 nization.

20                 “(B) A disbursement made by a covered  
21                 organization if—

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

1                   “(ii) the recipient of the disbursement  
2                   agreed to follow the prohibition and depos-  
3                   ited the disbursement in an account which  
4                   is segregated from any account used to  
5                   make campaign-related disbursements.

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

8                   “(A) EXCEPTION FOR CERTAIN TRANS-  
9                   FERS AMONG AFFILIATES.—

10                   “(i) IN GENERAL.—The term ‘covered  
11                   transfer’ does not include an amount  
12                   transferred by one covered organization to  
13                   another covered organization if such trans-  
14                   fer—

15                   “(I) is not made directly into a  
16                   separate segregated bank account de-  
17                   scribed in subsection (a)(2)(E); and

18                   “(II) is treated as a transfer be-  
19                   tween affiliates under subparagraph  
20                   (B).

21                   “(ii) SPECIAL RULE.—If the aggre-  
22                   gate amount of transfers described in  
23                   clause (i) exceeds \$50,000 in any election  
24                   reporting cycle—

1                   “(I) the covered organization  
2                   which makes such transfers shall pro-  
3                   vide to the covered organization re-  
4                   ceiving such transfers the information  
5                   required under subsection (a)(2)(F)  
6                   (applied by substituting ‘the period  
7                   beginning on the first day of the elec-  
8                   tion reporting cycle and ending on the  
9                   date of the most recent transfer de-  
10                  scribed in subsection (f)(3)(A)(i)’ for  
11                  ‘the period covered by the statement’  
12                  in clause (i) thereof); and

13                   “(II) the covered organization re-  
14                  ceiving such transfers shall report the  
15                  information described in subclause (I)  
16                  on any statement filed under sub-  
17                  section (a)(1) as if any contribution,  
18                  donation, or transfer to which such  
19                  information relates was made directly  
20                  to the covered organization receiving  
21                  the transfer.

22                   “(B) DESCRIPTION OF TRANSFERS BE-  
23                  TWEEN AFFILIATES.—A transfer of amounts  
24                  from one covered organization to another cov-



1           ered organization shall be treated as a transfer  
2           between affiliates if—

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

5                   “(ii) each of the organizations is an  
6                   affiliate of the same organization,

7           except that the transfer shall not be treated as  
8           a transfer between affiliates if one of the orga-  
9           nizations is established for the purpose of mak-  
10          ing campaign-related disbursements.

11                   “(C) DETERMINATION OF AFFILIATE STA-  
12                   TUS.—For purposes of this paragraph, the fol-  
13                   lowing organizations shall be considered to be  
14                   affiliated with each other:

15                   “(i) A membership organization, in-  
16                   cluding a trade or professional association,  
17                   and the related State and local entities of  
18                   that organization.

19                   “(ii) A national or international labor  
20                   organization and its State or local unions,  
21                   or an organization of national or inter-  
22                   national unions and its State and local en-  
23                   tities.

24                   “(iii) A corporation and its wholly  
25                   owned subsidiaries.

1           “(D) COVERAGE OF TRANSFERS TO AF-  
2           FILATED SECTION 501(c)(3) ORGANIZA-  
3           TIONS.—This paragraph shall apply with re-  
4           spect to an amount transferred by a covered or-  
5           ganization to an organization described in para-  
6           graph (3) of section 501(c) of the Internal Rev-  
7           enue Code of 1986 and exempt from tax under  
8           section 501(a) of such Code in the same man-  
9           ner as this paragraph applies to an amount  
10          transferred by a covered organization to an-  
11          other covered organization.”.

12          (2) CONFORMING AMENDMENT.—Section  
13          304(f)(6) of such Act (52 U.S.C. 30104) is amended  
14          by striking “Any requirement” and inserting “Ex-  
15          cept as provided in section 324(b), any require-  
16          ment”.

17          (3) COORDINATION WITH FINCEN.—

18                 (A) IN GENERAL.—The Director of the Fi-  
19                 nancial Crimes Enforcement Network of the  
20                 Department of the Treasury shall provide the  
21                 Federal Election Commission with such infor-  
22                 mation as necessary to assist in administering  
23                 and enforcing section 324 of the Federal Elec-  
24                 tion Campaign Act of 1971, as added by this  
25                 subsection.

1           (B) REPORT.—Not later than 6 months  
2           after the date of the enactment of this Act, the  
3           Chairman of the Federal Election Commission,  
4           in consultation with the Director of the Finan-  
5           cial Crimes Enforcement Network of the De-  
6           partment of the Treasury, shall submit to Con-  
7           gress a report with recommendations for pro-  
8           viding further legislative authority to assist in  
9           the administration and enforcement of such sec-  
10          tion 324.

11 **SEC. \_\_22. EFFECTIVE DATE.**

12          Except as provided in section \_\_21(a)(3), the amend-  
13          ments made by this subtitle shall apply with respect to  
14          disbursements made on or after January 1, 2019, and  
15          shall take effect without regard to whether or not the Fed-  
16          eral Election Commission has promulgated regulations to  
17          carry out such amendments.

18           **Subtitle C—Other Provisions**

19 **SEC. \_\_31. SEVERABILITY.**

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

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