



To: Interested Parties
From: Bryan Cave Election Law Group
Re: Summary of Democracy is Strengthened by Casting Light on
Spending in Elections Act (“DISCLOSE Act”)

On April 29, 2010, Senators Charles Schumer, Russ Feingold, Ron Wyden and Evan Bayh introduced proposed legislation – the Democracy is Strengthened by Casting Light on Spending in Elections Act (“DISCLOSE Act”) – in response to the Supreme Court’s ruling in Citizens United v. Federal Election Commission. Companion legislation was also introduced in the House. The Senate and House versions of the legislation are largely identical except as noted below.

The DISCLOSE Act would:

- Prohibit certain federal government contractors, TARP funds recipients, and U.S. corporations associated with foreign nationals from making campaign-related expenditures;
- Require certain organizations – including corporations, labor unions, Section 501(c)(4) social welfare organizations, Section 501(c)(6) trade associations, and 527 organizations – that make campaign-related expenditures or transfer funds to other organizations for the purpose of financing campaign-related activity to disclose their donors to the Federal Election Commission (“FEC”) and to the organizations’ shareholders;
- Require the CEOs or highest-ranking officials of certain organizations that sponsor or transfer funds for the purpose of making campaign-related expenditures to record “stand by your ad” disclaimers;
- Expand the definition of contribution to include coordinated communications paid for by persons other than candidates, candidate committees and political party committees that refer to Presidential or Vice Presidential candidates during the period beginning 120 days before the first presidential primary or caucus in any state and ending with the general election;
- Expand the definition of contribution to include coordinated communications paid for by persons other than candidates, candidate committees and political party committees that refer to congressional candidates and are publicly disseminated in the candidate’s state or

congressional district during the period beginning 90 days before the candidate's primary and ending with the general election;

- Treat political party communications on behalf of their candidates as coordinated communications only if the communications are directed or controlled by the candidate; and
- Extend the availability of lowest unit television rates to candidates and national political party committees making expenditures in connection with campaigns where certain organizations – including corporations, labor unions, Section 501(c)(4) social welfare organizations, Section 501(c)(6) trade associations, and 527 organizations -- have made campaign-related expenditures of \$50,000 or more in a calendar year.

Below is more detailed information regarding the DISCLOSE Act's key provisions. Please see Attachment 1 of this memorandum for definitions of important statutory terms contained in the DISCLOSE Act.

I. Regulation of Certain Political Spending (Title I)

The DISCLOSE Act includes several new provisions that would restrict campaign-related expenditures by certain entities. Further detail on these provisions is below.

A. Federal Government Contractors

The DISCLOSE Act would amend the Federal Election Campaign Act of 1971 ("FECA" or "Act") to prohibit federal government contractors from making independent expenditures and electioneering communications. This provision would extend an existing ban on federal government contractor contributions to federal candidates and other federal political committees. The ban on making independent expenditures and electioneering communications would not apply if an entity enters into a federal government contract with a value of less than \$50,000.

B. TARP Funds Recipients

The DISCLOSE Act would prohibit TARP beneficiaries (defined as those entities who enter into negotiations for financial assistance under Title I of the Emergency Economic Stabilization Act of 2008) from financing independent expenditures and electioneering communications. The restrictions would apply between the date that the entity entered into negotiations for financial assistance and the date that the entity terminated negotiations or repaid any financial assistance (whichever date is later).

C. U.S. Corporations Associated With Foreign Nationals

FECA currently bars foreign nationals, including foreign corporations, from making contributions or expenditures in connection with U.S. elections, including state and local elections.

The DISCLOSE Act would extend the existing prohibition on foreign national contributions and expenditures to U.S. corporations associated with foreign nationals under the following circumstances:

1. If a foreign national directly or indirectly owns 20% or more of the corporation's voting shares;
2. If foreign nationals comprise a majority of the members of the corporation's board of directors;
3. If one or more foreign nationals have the power to direct, dictate, or control the decision-making process of the corporation with respect to its interests in the U.S.; or
4. If one or more foreign nationals have the power to direct, dictate, or control the decision-making process of the corporation with respect to activities in connection with federal, state or local elections, including the making of contributions, expenditures, independent expenditures, electioneering communications, and the administration of a PAC established or maintained by the corporation.

The DISCLOSE Act would also require the CEO or highest-ranking official of the corporation to certify to the FEC under penalty of perjury that the corporation is not prohibited from making contributions, expenditures, independent expenditures, or electioneering communications prior to doing so, unless the CEO or highest-ranking corporate official has already filed a certification during the year.

D. Coordinated Communications

1. Definition of Coordinated Communications

The DISCLOSE Act would broaden FECA's definition of contribution to encompass coordinated communications paid for by persons other than federal candidates, federal candidate committees, and other federal political committees. A coordinated communication would include:

- Any communication that republishes or distributes at any time, in whole or in part, any campaign materials prepared by a candidate or candidate's campaign committee;
- Any communication that is made in cooperation with or at the suggestion of a candidate or political party committee, refers to a clearly identified candidate for President or Vice President, and is publicly disseminated during the period beginning 120 days before the first presidential primary or caucus in any state and ending with the general election; and
- Any communication that is made in cooperation with or at the suggestion of a candidate or political party committee, refers to a clearly identified congressional candidate, and is

publicly disseminated in the candidate's state or congressional district during the period beginning 90 days before the candidate's primary and ending with the general election.

2. Political Party Committee Communications

The legislation provides that any payment by a political party committee for the direct costs of an advertisement or other communication made on behalf of a candidate affiliated with the party committee would be treated as a contribution to the candidate only if the communication is controlled by or made at the direction of the candidate or the candidate's campaign committee. Any such party committee communications that are controlled or directed by the candidate or the candidate's campaign committee would be subject to FECA's limits on coordinated party expenditures.

II. Disclosure of Campaign-Related Activity (Title II)

The DISCLOSE Act includes several new disclosure requirements and modifies certain existing disclosure requirements under FECA. Further detail on these disclosure provisions follows.

A. Independent Expenditures

The DISCLOSE Act includes additional, more stringent requirements for reporting independent expenditures. Under the legislation, if an individual or entity makes or contracts to make independent expenditures aggregating in excess of \$10,000 during the period up to and including the 20th day before an election, or independent expenditures aggregating in excess of \$1,000 during the period after the 20th day but more than 24 hours before an election, the individual or entity would be required to file a report with the FEC disclosing the expenditures within 24 hours. Additional reports would be required each time an individual or entity makes additional expenditures in excess of \$10,000 or \$1,000 during the relevant time frame. The disclosure requirements for expenditures exceeding \$1,000 in the 20 days before an election are consistent with current law; however, current law allows 48 hours for the disclosure of independent expenditures aggregating in excess of \$10,000 more than 20 days before an election.

B. Electioneering Communications

The DISCLOSE Act would expand the reporting requirements for electioneering communications to require a statement as to whether the communication is intended to support or oppose a candidate and, if so, which candidate. The legislation would also expand the definition of an electioneering communication as outlined in Attachment 1.

C. Disbursement Reporting Requirements

The DISCLOSE Act would require covered organizations — including corporations, labor unions, Section 501(c)(4) social welfare organizations, Section 501(c)(6) trade associations, and Section 527 organizations — to report to the FEC certain information regarding their donors if the

organization makes independent expenditures or electioneering communications. The following covered periods would apply to these reports:

- In the case of the first report filed by a covered organization, the shorter of the time frame between the effective date of the DISCLOSE Act and the last day covered by the report or the 12-month period ending on the last day covered by the report; or
- In the case of subsequent reports, the period covering activity since the last report was filed.

If independent expenditures exceed \$10,000 in a calendar year, the organization making the independent expenditures would be required to disclose the following information.¹ The following information would also be required if the organization is required to file a report in connection with an electioneering communication:

- If a person made a donation during the covered organization reporting period for the purpose of campaign-related activity, or in response to a solicitation for funds for campaign-related activity, the organization would be required to disclose donations and payments aggregating \$1,000 (House bill only if disclosure related to electioneering communications) or \$600 (House bill only if disclosure related to independent expenditures) or more within the reporting period.
- If a person made an unrestricted donation equal to or exceeding \$1,000 (House bill only if disclosure related to electioneering communications) or \$600 (House bill only if disclosure related to independent expenditures) during the reporting period and payments for independent expenditures were not made from an account designated for campaign-related activities, the organization would be required to disclose the identity of the person.
- If a person made a donation of \$10,000 (House bill only if disclosure related to electioneering communications) or \$6,000 (House bill only if disclosure related to independent expenditures) or more if disbursements were made exclusively from an account designated for campaign-related activities, the organization would be required to disclose the identity of the person.

Information regarding donors would be required to be disclosed in the order of aggregate donations, with the donor with the largest aggregate listed first.

If an organization makes a transfer of funds to another person for the purpose of making an independent expenditure or electioneering communication, the transferring organization would be treated as making an independent expenditure or electioneering communication. A person would be deemed to have transferred funds for the purpose of making campaign-related expenditures if:

- The person making the independent expenditures or another person acting on that person's behalf solicited the person who transferred the funds for the purposes of making independent expenditures;

¹ Please note that some of the disclosure thresholds differ between the House and Senate bills as indicated.

- There had been substantial discussions about such expenditures between the person making the transfer and the person receiving the funds;
- If the person making the transfer or the person receiving the transfer knew (or should have known) of the intent to make campaign-related expenditures by the person making the transfer; or
- If the person receiving the funds made a campaign-related expenditure in the last election cycle or in the current cycle.

Transfers made in the ordinary course of business in connection with commercial transactions would not be subject to disclosure requirements. Any payments made by a separate segregated fund would not be considered to be independent expenditures made by a covered organization.

D. Disclosure of General Treasury Funds

The DISCLOSE Act specifies that a covered organization would be permitted to make disbursements for campaign-related activity using the following types of funds:

- Amounts paid or donated to the organization that are designated for campaign-related activity;
- Unrestricted donor payments made to the organization; and
- Other funds of the organization, including amounts received through commercial activities in the regular course of business.

If a donor to a covered organization specified that his donation may not be used for campaign-related activity, the organization would be restricted from using the donation for that purpose and may not disclose the identity of the donor. The organization's CEO or highest ranking official would be required to certify to the donor under penalty of perjury within seven days that such donated funds will not be used for campaign-related activity and that the donor will not be disclosed to the FEC.

If a covered organization makes a disbursement for campaign-related activity, the CEO of the organization or highest ranking official would be required to file a statement with the FEC certifying under penalty of perjury that the disbursement was not made in coordination with any federal candidate, that no funds that were designated by donors not to be used for campaign-related activity were used for any campaign-related activity, that the disbursement was fully disclosed and made in compliance with law, and that the CEO or highest ranking official has reviewed and approved each statement and report filed. These certifications would be required for each calendar quarter in which a covered organization makes a disbursement for campaign-related activity.

E. Creation of Separate Campaign-Related Activity Account

The DISCLOSE Act would provide covered organizations with the option of establishing a separate “Campaign-Related Activity Account” to make disbursements for campaign-related activity. If an organization makes campaign-related disbursements exclusively from a separate campaign-related activity account, the organization is required to disclose only donors who have contributed \$10,000 or more to the organization for unrestricted use or donors who have contributed \$1,000 or more specifically for campaign-related activity. If an organization establishes a separate campaign-related activity account, the organization may not make disbursements for campaign-related activity from any other account.

The following types of funds may be deposited into a campaign-related activity account:

- Amounts donated or paid to the covered organization for the purpose of campaign-related activity, regardless of whether the donor has designated that the funds be used for campaign-related activity for a specific election or a specific candidate;
- Amounts donated or paid to the covered organization in response to a solicitation of funds to be used for campaign-related activity; and
- Amounts transferred from other accounts of the covered organization, including from the organization’s general treasury funds. However, if a donation or payment is made to the covered organization and the person making the donation or payment notifies the organization in writing that the organization may not use the donation or payment for campaign-related activity, the organization must subtract the amount of the donation or payment from the amount of funds available for transfer to the campaign-related activity account.

The legislation states that a covered organization’s creation of a campaign-related activity account “shall not by itself be treated as the establishment or administration of a political committee” under FECA.

F. Disclaimer Requirements

The DISCLOSE Act would modify disclaimer requirements under FECA for certain public communications that are paid for by individuals and entities other than federal political committees.

The legislation would require that any communication transmitted by radio or television that is not made by a federal political committee and is not authorized by a federal candidate, candidate’s campaign committee, or its agent must include special disclaimers. These special disclaimers would need to be included in addition to the statement of the name and permanent street address, telephone number, or web address of the person who paid for the communication and the statement that the communication was not authorized by any candidate or candidate’s campaign committee.

The DISCLOSE Act would require the following additional disclaimers:

- If the communication is funded by an individual, the disclaimer “I am (name) and I approve this message”;
- If the communication is funded by an organization, the disclaimer “I am (name of individual), the (title) of (organization), and (organization) approves this message”;
- If the communication is an electioneering communication or an independent expenditure and is paid for in whole or in part by a covered organization for campaign-related activity, the following significant funder statement would need to be included. If the significant funder is an individual, the statement must read “I am (name.) I helped to pay for this message, and I approve it.” If the significant funder is not an individual, the statement must read “I am (individual name), the (title) of (organization). (Organization) helped to pay for this message, and (organization) approves it.”
- If the communication is transmitted through television and is an electioneering communication or an independent expenditure and is paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity, a top five funders list must be included.² The top five funders list is determined by using a list of the five persons who provided the largest payments of any type which are required to be included in reports filed by the organization. The list must include the amount of payments each person provided.

The DISCLOSE Act would require disclaimers to be provided in the following format:

- For radio communications, the disclaimer must be made in a clearly spoken manner.
- For television communications, the disclaimer must appear in clearly readable writing at the end of the communication and appear on screen for at least six seconds. The information, other than a Top 5 Funders list, must also be conveyed by an unobscured, full-screen view of the applicable individual, or by the applicable individual making the statement in voice-over accompanied by a clearly identifiable photograph or similar image of the individual.

G. Additional Reporting Requirements for Federally Registered Lobbyists

The DISCLOSE Act would amend the Lobbying Disclosure Act (“LDA”) to require federal lobbyists and registrants to disclose payments of \$1,000 or more for independent expenditures or electioneering communications on their semiannual LD-203 reports, along with the name of each candidate supported or opposed. Under the LDA, federally registered lobbyists and entities that

² The legislation states that the FEC may promulgate regulations exempting from this requirement communications of “such short duration that including the Top Five Funders list in the communication would constitute a hardship to the person paying for the communication by requiring a disproportionate amount of the communication’s content to consist of the Top Five Funders list.”

employ federally registered lobbyists are required to file semiannual LD-203 reports to disclose certain political contributions and other payments. For further information on LD-203 reports and other requirements under the LDA, please see the Bryan Cave Election Law Group memorandum on that topic.

H. Senate Candidate Electronic Filing

The DISCLOSE Act would require candidates for the U.S. Senate to file disclosure reports electronically with the FEC. U.S. Senate campaign committees currently file their disclosure reports on paper with the Secretary of the Senate. This electronic filing requirement is not included in the House bill.

III. Disclosure by Covered Organizations of Campaign-Related Activity (Title III)

The DISCLOSE Act would require that all campaign-related disbursements made by covered organizations – including corporations, labor unions, Section 501(c)(4) social welfare organizations, Section 501(c)(6) trade associations, and Section 527 organizations – be disclosed on the organization’s website with a clear link on the homepage within 24 hours of the organization reporting such disbursements to the FEC. The covered organization would be required to provide the information in a searchable, sortable and downloadable manner through a direct link from the organization’s homepage. The organization would be required to include the link on the organization’s website until one year after the date of the election with respect to which campaign-related disbursements and communications were made.

In addition, by January 31 of each calendar year, the covered entity would be required to provide a summary of aggregate disbursements for campaign-related activity during the previous year. The organization would be required to provide the summary in a searchable, sortable, downloadable manner from a direct link on the organization’s homepage. The summary must include a breakdown by political party of the total amount disbursed in support of and in opposition to candidates of each party and a breakdown of the amount disbursed in support of or opposition to incumbent candidates, candidates challenging incumbent candidates, and candidates for election to an open seat. The summary must remain on the entity’s website until the end of the calendar year in which the summary is posted.

Additionally, the DISCLOSE Act would require that all campaign-related disbursements made by covered organizations be disclosed to the shareholders and members of the organization in any financial reports that are provided on a periodic and/or annual basis to the organization’s shareholders or members. The information disclosed must include the date of the independent expenditure or electioneering communication, the amount paid, the name and office sought of the candidate and whether the communication was in support of or opposition to the candidate, and certain information regarding funds transferred to other entities for the purpose of engaging in independent expenditures and electioneering communications.

IV. Television Media Rates (Title IV)

A. Equal Opportunities Requirement and Censorship Prohibition

The Senate version of the DISCLOSE Act would extend existing equal opportunity requirements and censorship prohibitions to national political party committees. Under the Senate bill, if any legally qualified candidate or national party committee in connection with a campaign of a legally qualified candidate is permitted to use a broadcasting station, then equal opportunity for the use of such station would be afforded to all other candidates for that office or national party committees in connection with such campaign for such office. In addition, the stations would have no power of censorship over the material broadcast by such candidates or national party committees.

B. Availability of Lowest Unit Rate

Under certain circumstances, the Senate version of the DISCLOSE Act would extend the availability of a broadcasting station's lowest unit television media rate to candidates and national party committees. If applicable, during the 45-day period before the date of a primary or primary runoff election and during the 60-day period before the date of a general or special election, the candidate or national party committee acting in connection with the candidate's campaign would be entitled to the lowest unit charge of the station for the same amount of time that was offered at any time during the 180 days preceding the date of use. The provision would only be applicable if a covered organization made disbursements for electioneering communications or independent expenditures in connection with such election in an aggregate amount of \$50,000 or more during a calendar year. In addition, candidates and party committees would only be entitled to the lowest unit charge under this provision for the use of a broadcasting station in the media markets that cover the state or states in which the candidate is seeking election.

In order that candidates, party committees, and broadcasting stations receive proper notification of when the new provision is applicable, covered organizations would be required to notify the FEC and the Federal Communications Commission ("FCC") within 24 hours after first making campaign-related expenditures in connection with a specific election or a specific candidate that, in the aggregate, equal or exceed \$50,000.

The legislation would also require that the FCC conduct random audits of broadcasting stations to ensure that stations are allocating broadcast time in accordance with the provisions of the DISCLOSE Act. The legislation would also require broadcast stations to provide information regarding requests to purchase airtime by or on behalf of federal candidates, national political party committees, or covered organizations on its publicly available website on a timely basis.

The House version of the DISCLOSE Act does not include any provisions related to television media rates.

V. Miscellaneous Provisions (Title V)

This title contains provisions regarding judicial review, severability, and the effective date of the legislation. Any action challenging the constitutionality of the DISCLOSE Act must be filed in the United States District Court for the District of Columbia with any appeal taken initially to the Court of Appeals for the District of Columbia Circuit. The effective date of the DISCLOSE Act is 30 days after enactment, regardless of whether the FEC has promulgated regulations to effectuate the legislation.

VI. Summary of Key Differences between House and Senate Bills

There are a number of key differences between the House and Senate versions of the DISCLOSE Act as outlined below.

- **Definition of an Electioneering Communication.** The Senate bill would modify the time frame for electioneering communications so that communications made in the time frame beginning 90 days before the primary through the day of the general election would be considered electioneering communications if other conditions are met. The House bill would instead use the time frames of 120 days before a general election and 30 days before a primary election.
- **Dollar Thresholds for Disclosure.** The Senate bill would require disclosure of donors contributing over \$1,000 or \$10,000 to an entity that makes independent expenditures in excess of \$10,000, depending upon the nature of the contribution and the bank account used by the entity making the expenditure. The House bill would require disclosure based on lower thresholds of \$600 or \$6,000.
- **Senate Electronic Filing.** The House bill does not require U.S. Senate candidates to file their disclosure reports electronically with the FEC.
- **Lowest Unit Charge.** Provisions of the Senate bill related to lowest unit charge are not included in the House bill.

* * *

If you have any questions regarding the DISCLOSE Act, please do not hesitate to contact the Bryan Cave Election Law Group for assistance.

Attachment 1

The DISCLOSE Act contains a number of key statutory terms and also would amend certain statutory terms in the Federal Election Campaign Act of 1971 (“FECA”). Below is a compilation of key statutory terms in the DISCLOSE Act.

Electioneering Communication. FECA currently defines an electioneering communication as:

Any broadcast, cable, or satellite communication which

- (1) Refers to a clearly identified candidate for federal office;
- (2) Is made within
 - (a) 60 days before a general, special, or runoff election for the office sought by the candidate; or
 - (b) 30 days before a primary or preference election, or a convention or caucus of a political party that has authority to nominate a candidate, for the office sought by the candidate; and
- (3) In the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted toward the relevant electorate.

The Senate version of the DISCLOSE Act would modify the time frames listed above so that communications made during the period beginning 90 days before the earliest primary election, preference election, or nominating convention with respect to the office that the candidate is seeking and ending with the general election qualify as electioneering communications if other conditions are met. The House bill would instead use the time frames of 120 days before a general election and 30 days before a primary election.

Independent Expenditure. FECA currently defines an independent expenditure as:

An expenditure by a person—

- (1) expressly advocating the election or defeat of a clearly identified federal candidate; and
- (2) that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate’s authorized political committee, or their agents, or a political party committee or its agents.

The DISCLOSE Act would amend the foregoing definition to include communications that are “the functional equivalent of express advocacy because it can be interpreted by a reasonable person only as advocating the election or defeat of a candidate, taking into account whether the communication involved mentions a candidacy, a political party, or a challenger to a candidate, or takes a position on a candidate’s character, qualifications, or fitness for office.”

Coordinated Communication. The DISCLOSE Act would expand the definition of contribution to include coordinated communications paid for by individuals and entities other than federal candidates, federal campaign committees, and other federal political committees. A coordinated communication would include:

- Any communication that republishes or distributes at any time, in whole or in part, any campaign material prepared by a candidate or candidate’s campaign committee;
- Any communication that is made in cooperation with or at the suggestion of a candidate or political party committee, refers to a clearly identified candidate for President or Vice President, and is publicly distributed or disseminated during the period beginning 120 days before the date of the first presidential primary or caucus and ending with the date of the general election; and
- Any communication that is made in cooperation with or at the suggestion of a candidate or political party committee, refers to a clearly identified candidate for the U.S. House or U.S. Senate, and is publicly distributed or disseminated in the candidate’s jurisdiction during the period beginning 90 days before the candidate’s primary and ending with the date of the general election.

Covered Organization. A “covered organization” includes

- For-profit corporations;
- Labor organizations;
- Section 501(c)(4) social welfare organizations;
- Section 501(c)(6) trade associations; and
- Section 527 organizations (other than federal political committees).

Covered organizations do not include Section 501(c)(3) charitable organizations.

Campaign-Related Activity. “Campaign-related activity” is defined as:

- An independent expenditure consisting of a public communication, a transfer of funds to another person for the purpose of making an independent expenditure, or a transfer of funds to another person which is deemed to have been made for the purpose of making an independent expenditure; or

- An electioneering communication, a transfer of funds to another person for the purpose of making an electioneering communication, or a transfer of funds which is deemed to have been made for the purpose of making an electioneering communication.

Unrestricted Donor Payment. The term “unrestricted donor payment” is defined as a payment to a covered organization which consists of a donation or payment from a person other than the covered organization. The term does not include:

- Any payment made in connection with commercial activities in the regular course of a covered organization’s business;
- Any donation or payment which is designated by the person making the donation or payment to be used for campaign-related activity or is made in response to a solicitation for funds to be used for campaign-related activity; or
- Any donation or payment made by a person who notifies the organization in writing at the time of the payment that the organization may not use the payment for campaign-related activity.

Significant Funder. For purposes of independent expenditures and electioneering communications, a “significant funder” is determined as follows:

- If any report filed by the organization lists information on a person who made a payment to the organization in excess of \$100,000 which was designated to be used for campaign-related activity consisting of that specific expenditure, the person who is identified among all reports as making the largest payment is the significant funder;
- If the above does not apply, if any report filed by the organization lists information on a person who made a payment to the organization in excess of \$100,000 which was designated to be used for campaign-related activity with respect to the same election or in support of the same candidate, the person who is identified among all reports as making the largest payment is the significant funder;
- If neither of the above apply, if any report filed by the organization lists information on a person who made a payment to the organization in response to a solicitation of funds to be used for campaign-related activity, the person who is identified among all reports as making the largest payment is the significant funder;
- If none of the reports filed by the organization with respect to independent expenditures or electioneering communications includes information on a person who made a payment for the purpose of campaign-related activity or in response to a solicitation of funds for campaign-related activity, but the reports include information on a person who made an unrestricted donor payment to the organization, the person who is identified among all reports as making the largest payment is the significant funder.

Applicable Individual: An “applicable individual” is defined as:

- The individual involved, if the communication is paid for by an individual or if the significant funder of the communication is an individual;
- If the communication is paid for by a corporation or if the significant funder is a corporation, the CEO of the corporation or the highest ranking official of the corporation (if the corporation does not have a CEO); and
- If the communication is paid for by a labor organization or by any other entity, or if the significant funder is a labor organization or any other entity, the highest ranking official of the labor organization or any other entity.