

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 11 Session of 2015

INTRODUCED BY COSTA, BREWSTER, HAYWOOD, TEPLITZ, FONTANA,
SCHWANK, FARNESE, HUGHES, KITCHEN, YUDICHAK, SMITH, VANCE,
BOSCOLA, BLAKE, WOZNIAK AND LEACH, MAY 20, 2015

REFERRED TO STATE GOVERNMENT, MAY 20, 2015

AN ACT

1 Amending the act of June 3, 1937 (P.L.1333, No.320), entitled
2 "An act concerning elections, including general, municipal,
3 special and primary elections, the nomination of candidates,
4 primary and election expenses and election contests; creating
5 and defining membership of county boards of elections;
6 imposing duties upon the Secretary of the Commonwealth,
7 courts, county boards of elections, county commissioners;
8 imposing penalties for violation of the act, and codifying,
9 revising and consolidating the laws relating thereto; and
10 repealing certain acts and parts of acts relating to
11 elections," in Secretary of the Commonwealth, further
12 providing for powers and duties of the Secretary of the
13 Commonwealth; in primary and election expenses, further
14 providing for definitions, for organization of political
15 committees, for registration and for reporting; in primary
16 and election expenses, providing for limitations on
17 contributions; in primary and election expenses, further
18 providing for late filing fees and certificates of filing,
19 for contributions or expenditures by national banks,
20 corporations or unincorporated associations and for reports
21 by business entities and publication; in primary and election
22 expenses, providing for independent expenditures; and
23 providing for corporate political accountability.

24 The General Assembly of the Commonwealth of Pennsylvania
25 hereby enacts as follows:

26 Section 1. The General Assembly finds and declares that:

27 (1) The Commonwealth has a compelling governmental
28 interest to protect the integrity of the government from

1 actual corruption or the appearance of corruption.

2 (2) When people, associations or other entities provide
3 unlimited monetary support for elected government officials
4 or candidates who are seeking governmental offices, there
5 arises the appearance of corruption.

6 (3) The appearance of corruption and actual corruption
7 can be prevented by regulating the contributions that can be
8 made to elected governmental officials and candidates who are
9 seeking governmental offices.

10 Section 2. Section 201 of the act of June 3, 1937 (P.L.1333,
11 No.320), known as the Pennsylvania Election Code, is amended by
12 adding a subsection to read:

13 Section 201. Powers and Duties of the Secretary of the
14 Commonwealth.--The Secretary of the Commonwealth shall exercise
15 in the manner provided by this act all powers granted to him by
16 this act, and shall perform all the duties imposed upon him by
17 this act, which shall include the following:

18 * * *

19 (i) To biennially adjust the limitations on contributions
20 under section 1627.1(r).

21 Section 3. Section 1621(d) of the act, added October 4, 1978
22 (P.L.893, No.171), is amended and the section is amended by
23 adding subsections to read:

24 Section 1621. Definitions.--As used in this article, the
25 following words have the following meanings:

26 * * *

27 (d) The word "expenditure" shall mean any of the following:

28 (1) The payment, distribution, loan or advancement of money
29 or any valuable thing by a candidate, candidate committee,
30 political committee, political action committee, political party

1 committee or other person for the purpose of influencing the
2 outcome of a nomination or an election[;]: Provided, however,
3 That such payment, distribution, loan or advancement of money or
4 any valuable thing shall be made only for expenses directly and
5 exclusively incurred for the campaign in which the candidate is
6 running in the contemporaneous election cycle and that no
7 expenditure of funds from campaign accounts shall be used for
8 any personal purpose.

9 (2) The payment, distribution, loan, advance or transfer of
10 money or other valuable thing between or among political
11 committees[;].

12 (3) The providing of a service or other valuable thing for
13 the purpose of influencing the outcome of a nomination or
14 election of any person to any public office to be voted for in
15 this Commonwealth[; or].

16 (4) The payment or providing of money or other valuable
17 thing by any person other than a candidate or political
18 committee, to compensate any person for services rendered to a
19 candidate or political committee.

20 * * *

21 (n) The words "affiliate" or "affiliated committee" shall
22 include:

23 (1) Any committee established or authorized by a candidate
24 as part of his or her campaign for a specific campaign for a
25 designated office.

26 (2) Any committee established, financed, maintained or
27 controlled by the same corporation, labor organization,
28 membership association, not-for-profit organization or trade or
29 professional association, person or group of persons, including
30 any parent, subsidiary, branch, division, department or local

1 unit thereof. Local units may include, in appropriate cases, a
2 franchisee, licensee or regional association.

3 (o) The words "in-kind contribution" shall mean a
4 contribution of goods, services, property or any valuable thing
5 offered free or at less than the fair market value for such
6 goods, property or services, but shall not include any legal or
7 accounting services rendered to or on behalf of any political
8 committee of a political party, an authorized committee of a
9 candidate or any other political committee, if such services are
10 solely for the purpose of ensuring compliance with this article.
11 Such legal or accounting services, however, shall be reported
12 pursuant to section 1631.

13 (p) The words "personal purpose" mean a purpose that, by its
14 nature, confers a personal benefit, including expenditures such
15 as a home mortgage, home rent, utility payment, clothing
16 purchase, noncampaign automobile expense, country club
17 membership, vacation or a trip of a noncampaign nature,
18 household food items, tuition payments, admission to a sporting
19 event, concert, theater or other form of entertainment and other
20 such expenditures not specifically and directly necessary for
21 the conduct of the campaign.

22 (q) The words "clearly identified" are satisfied if:

23 (1) the name of the candidate appears;

24 (2) a photograph, drawing or other image of the candidate
25 appears; or

26 (3) the identity of the candidate or ballot question is
27 apparent by unambiguous reference.

28 (r) The word "person" shall include any corporation,
29 partnership, limited liability company, business trust, other
30 association, government entity, other than the Commonwealth,

1 estate, trust, foundation or natural person.

2 Section 4. Section 1622 of the act, amended or added October
3 4, 1978 (P.L.893, No.171) and July 11, 1980 (P.L.591, No.127),
4 is amended to read:

5 Section 1622. Organization of Political Committees;
6 Treasurer and Assistant Treasurer; Records of Candidate and
7 Committees.--

8 (a) Every political committee shall have a treasurer and a
9 chairman. No contribution shall be received nor shall any
10 expenditure be made when there is a vacancy in either one of
11 these offices. All money received and disbursed by a political
12 committee must be done through the treasurer of the committee.

13 (b) Every candidate who authorizes a committee [or
14 committees,] to receive and disburse funds on behalf of this
15 candidacy, shall name a sole treasurer[, irrespective of the
16 number of committees so authorized,] to receive and disburse all
17 funds [for] of said [committees. Nothing herein shall be
18 construed to prohibit a candidate from receiving or expending
19 moneys on his behalf or a treasurer of a political party
20 committee or a committee authorized to receive and distribute
21 funds on behalf of more than one (1) candidate from receiving or
22 expending moneys on behalf of said candidates, notwithstanding
23 the appointment of a sole treasurer. A sole treasurer may
24 delegate authority, in writing, to any number of assistant
25 treasurers to receive and disburse moneys collected on behalf of
26 a candidate for election. Nothing in this section shall prohibit
27 authorized individuals from selling tickets or soliciting funds
28 when funds are deposited in the campaign account of the
29 candidate] committee.

30 (c) Each candidate and committee shall keep records of the

1 names and addresses of each person from whom a contribution of
2 over ten dollars (\$10) has been received and a record of all
3 other information required to be reported pursuant to this act.
4 All such records shall be retained by the candidate or treasurer
5 for a period of three (3) years after such information is
6 reported as required by this act.

7 (d) Any person receiving any contribution on behalf of a
8 political committee or candidate shall turn such contributions
9 over to the treasurer of that committee or the candidate within
10 ten (10) days of its receipt.

11 Section 5. Section 1624 of the act, added October 4, 1978
12 (P.L.893, No.171), is amended to read:

13 Section 1624. Registration.--

14 (a) Any political committee which receives contributions in
15 an aggregate amount of two hundred fifty dollars (\$250) or more
16 shall file a registration statement, designed by the Secretary
17 of the Commonwealth, with the appropriate supervisor within
18 twenty (20) days after the date on which it receives such
19 amount. Each committee in existence shall have sixty (60) days
20 from the effective date of this amendatory act to comply with
21 the requirements of this section.

22 (b) Each registration statement shall contain the following
23 information:

24 (1) The name, addresses and phone numbers of the political
25 committee.

26 (2) The name, address and phone number of the committee's
27 treasurer.

28 (3) The name, address and phone number of the committee's
29 chairman.

30 (4) The names, addresses and relationships of other

1 affiliated or connected organizations.

2 (5) The candidates, if any, and their names and addresses.

3 (6) The ballot question, if any, which the committee intends
4 to support or oppose.

5 (7) The banks, safety deposit boxes or other repositories
6 and their addresses used by the committee.

7 (8) The proposed period of operation of the committee.

8 (9) A political committee which is established, financed,
9 maintained or controlled by a sponsoring organization such as a
10 corporation, labor organization, membership association, not-
11 for-profit organization or trade or professional association
12 shall include in its registered name the full name of its
13 sponsoring organization.

14 (c) The committee shall inform the appropriate supervisor of
15 any changes in the information contained in subsection (b)
16 within thirty (30) days of that change.

17 (d) No political committee which receives an aggregate
18 amount of contributions of two hundred fifty dollars (\$250) or
19 more may make a contribution to any candidate or political
20 committee unless it has registered with the appropriate
21 supervisor.

22 Section 6. Section 1626(a), (b), (d) and (g) of the act,
23 amended or added October 4, 1978 (P.L.893, No.171) and July 11,
24 1980 (P.L.600, No.128), are amended and the section is amended
25 by adding a subsection to read:

26 Section 1626. Reporting by Candidate and Political
27 Committees and other Persons.--

28 (a) Each treasurer of a political committee and each
29 candidate for election to public office shall file with the
30 appropriate supervisor reports of receipts and expenditures on

1 forms, designed by the Secretary of the Commonwealth, if the
2 amount received or expended or liabilities incurred shall exceed
3 the sum of two hundred fifty dollars (\$250). Should such an
4 amount not exceed two hundred fifty dollars (\$250), then the
5 candidate or, in the case of a political committee, the
6 treasurer of the committee shall file a sworn statement to that
7 effect with the appropriate supervisor rather than the report
8 required by this section[.]: Provided, however, That if the
9 amount received or expended by a candidate does not exceed two
10 hundred fifty dollars (\$250) he or she may comply with this
11 section by signing an affidavit to that effect on his or her
12 political committee's report or statement.

13 (b) Each report shall include the following information:

14 (1) The full name, mailing address, specific occupation and
15 specific name of the employer, if any, or the principal place of
16 business, if self-employed, of each person who has made one or
17 more contributions to or for such committee or candidate within
18 the reporting period in an aggregate amount or value in excess
19 of [two hundred fifty dollars (\$250)] one hundred dollars
20 (\$100), together with the amount and date of such contributions.
21 The accuracy of the information furnished to the candidate or
22 committee shall be the responsibility of the contributor.

23 (2) The full name and mailing address of each person [who]
24 and political committee that has made one or more contributions
25 to or for such committee or candidate within the reporting
26 period in an aggregate amount or value in excess of fifty
27 dollars (\$50), together with the amount and date of such
28 contributions. The accuracy of the information furnished by the
29 contributor shall be the responsibility of the contributor.

30 (3) The total sum of individual contributions made to or for

1 such committee or candidate during the reporting period and not
2 reported under clauses (1) and (2).

3 (4) Each and every expenditure, the date made, the full name
4 and address of the person to whom made and the purpose for which
5 such expenditure was made. In the event the creditor is a credit
6 card company or like instrumentality that is an intermediary for
7 collecting payments due, it shall not be sufficient to list the
8 name of the collecting organization. The report shall identify
9 the credit card company and also the specific entities and
10 payments being paid through the credit card company or like
11 entity. In the event the payment is being made by a committee to
12 a creditor for expenses on behalf of one or more candidates, the
13 amounts of payments and purposes of the payments shall be broken
14 down to identify each candidate's share of the incurred
15 expenses.

16 (5) Any unpaid debts and liabilities, with the nature and
17 amount of each, the date incurred and the full name and address
18 of the person owed.

19 (6) The account shall include any unexpended balance of
20 contributions or other receipts appearing from the last account
21 filed.

22 (7) Identification of political committees:

23 (i) If the contributor is a political committee, the
24 official registration number of the committee must be included
25 on the contribution check or in the case of an electronic
26 transfer within the documentation sent to the candidate
27 providing notice to the electronic transfer of funds.

28 (ii) The official registration number of the committee shall
29 be included on the disclosure report filed by the committee.

30 (iii) The official committee registration number shall be

1 included on each entry for that committee on a candidate's
2 disclosure report.

3 * * *

4 (d) Pre-election reports by candidates for offices to be
5 voted for by the electors of the State at large, candidates for
6 the office of Senator in the General Assembly, candidates for
7 the office of Representative in the General Assembly and all
8 political committees, which have expended money for the purpose
9 of influencing the election of such [candidate] candidates,
10 shall be filed not later than the sixth Tuesday before and the
11 second Friday before an election, provided that the initial pre-
12 election report shall be complete as of fifty (50) days prior to
13 the election and the subsequent pre-election report shall be
14 complete as of fifteen (15) days prior to the election. Pre-
15 election reports by all other candidates and political
16 committees which have received contributions or made
17 expenditures for the purpose of influencing an election shall be
18 filed not later than the second Friday before an election,
19 provided that such report be complete as of fifteen (15) days
20 prior to the election.

21 (d.1) During nonelection years in which subsection (d) is
22 not operative, an elected official or announced candidate for
23 any elective office shall file quarterly reports if he or she
24 receives more than two hundred fifty dollars (\$250) during the
25 respective calendar quarter. Reports shall be due thirty (30)
26 days after the end of each calendar quarter and shall be
27 complete through the final day of the calendar quarter the
28 report covers.

29 * * *

30 (g) [Every] Except as provided under section 1644, every

1 person, other than a political committee or candidate, who makes
2 independent expenditures expressly advocating the election or
3 defeat of a clearly identified candidate, or question appearing
4 on the ballot, other than by contribution to a political
5 committee or candidate, in an aggregate amount in excess of [one
6 hundred dollars (\$100)] one thousand dollars (\$1,000) during a
7 calendar year shall file with the appropriate supervisor, on a
8 form prepared by the Secretary of the Commonwealth, a report
9 which shall include the same information required of a candidate
10 or political committee receiving such a contribution and,
11 additionally, the name of the candidate or question supported or
12 opposed. Reports required by this subsection shall be filed on
13 dates on which reports by political committees making
14 expenditures are required to report under this section.

15 * * *

16 Section 7. The act is amended by adding a section to read:

17 Section 1627.1. Limitations on Certain Contributions.--

18 (a) Aggregate contributions, including in-kind
19 contributions, from any individual to any candidate for the
20 office of Senator or Representative in the General Assembly,
21 court of common pleas or a county or local office, or to the
22 candidate's committee or agent, may not exceed one thousand five
23 hundred dollars (\$1,500) for each election. Furthermore, for
24 each election, a candidate and the candidate's committee or
25 agent may not accept or receive more than one thousand five
26 hundred dollars (\$1,500) in aggregate contributions, including
27 in-kind contributions from any individual for each election.

28 (b) Aggregate contributions, including in-kind
29 contributions, from any individual to any candidate for
30 Statewide office, his authorized committee or agent, may not

1 exceed five thousand dollars (\$5,000) for each election.
2 Furthermore, for each election, no candidate, his authorized
3 committee or agent may accept or receive more than five thousand
4 dollars (\$5,000) in aggregate contributions, including in-kind
5 contributions from any individual for each election.

6 (c) For each election aggregate contributions, including in-
7 kind contributions, from a single political action committee,
8 its affiliate or agent or candidate's political committee, its
9 affiliate or agent to any candidate for Statewide office, the
10 office of Senator or Representative in the General Assembly,
11 court of common pleas or a county or local office, his
12 authorized committee or agent, may not exceed ten thousand
13 dollars (\$10,000). For each election, no candidate for such
14 office, nor the candidate's committee or agent, may accept or
15 receive more than the applicable amount or amounts as specified
16 in this subsection in aggregate contributions, including in-kind
17 contributions, from a single political action committee or agent
18 or candidate's political committee. A donor is an individual or
19 a single committee regardless of the number of contributions
20 made by that individual or committee during the election cycle.

21 (d) Contributions from political party committees to a
22 political action committee, other party committee or other
23 committee may not exceed ten thousand dollars (\$10,000) for each
24 election.

25 (e) A candidate for the office of Senator or Representative
26 in the General Assembly, judge of a court of common pleas or a
27 county or local office, or the candidate's committee or agent
28 may not accept in excess of two hundred and fifty thousand
29 dollars (\$250,000) in aggregate contributions, including in-kind
30 contributions from all political party committees, affiliates or

1 agents. Such contributions, in the aggregate, received by a
2 candidate, may not exceed the aggregate contributions made by
3 individuals per election.

4 (f) Except for a candidate for the office of Governor, a
5 candidate for Statewide office, his authorized committee or
6 agent may not accept in excess of one million dollars
7 (\$1,000,000) in aggregate contributions, including in-kind
8 contributions from all political party committees, affiliates or
9 agents. A candidate for Governor, his authorized committee or
10 agent may not accept in excess of five million dollars
11 (\$5,000,000) in aggregate contributions, including in-kind
12 contributions from all political party committees, affiliates or
13 agents. Furthermore, such contributions in aggregate received by
14 a candidate may not exceed the aggregate contributions made by
15 individuals per election.

16 (g) Aggregate contributions, including in-kind
17 contributions, from any person or a single political action
18 committee, its affiliate or agent or any single candidate's
19 political committee, its affiliate or agent to a single
20 political action committee, its affiliate or agent, may not
21 exceed ten thousand dollars (\$10,000) during any calendar year.
22 Furthermore, for each election, no political action committee,
23 its affiliate or agent may accept or receive more than ten
24 thousand dollars (\$10,000) in aggregate contributions, including
25 in-kind contributions, from any individual person or a single
26 political action committee, its affiliate or agent during any
27 calendar year.

28 (h) Aggregate contributions from any individual, person or a
29 single candidate's political committee, its affiliate or agent
30 or a single political action committee, its affiliate or agent

1 or any other political committee to a single political party
2 committee may not exceed twenty-five thousand dollars (\$25,000)
3 in a calendar year. Furthermore, no single political party
4 committee may accept or receive more than twenty-five thousand
5 dollars (\$25,000) in aggregate contributions from any
6 individual, person, single candidate's political committee or
7 agent or a single political action committee, its affiliate or
8 agent, any political committee or other committee in a calendar
9 year.

10 (i) A gift, subscription, loan, advance or deposit of money
11 or anything of value to a candidate shall be considered a
12 contribution both by the original source of the contribution and
13 by any intermediary or conduit if the intermediary or conduit:

14 (1) exercises any direction over the making of the
15 contribution; or

16 (2) solicits the contribution or arranges for the
17 contribution to be made and directly or indirectly makes the
18 candidate aware of such intermediary or conduit's role in
19 soliciting or arranging the contribution for the candidate.

20 (j) For purposes of subsection (i), a contribution shall not
21 be considered to be a contribution by an intermediary or conduit
22 to the candidate if any of the following situations occurs:

23 (1) The intermediary or conduit has been retained by the
24 candidate's committee for the purpose of fundraising and is
25 reimbursed for expenses incurred in soliciting contributions.

26 (2) In the case of an individual, the candidate has
27 expressly authorized the intermediary or conduit to engage in
28 fundraising, or the individual occupies a position within the
29 candidate's campaign organization and is authorized by the
30 organization to engage in fundraising.

1 (3) In the case of a political committee, the intermediary
2 or conduit is the authorized committee of the candidate.

3 (k) The following shall apply to out-of-State contributions:

4 (1) No candidate, candidate committee, party committee,
5 political action committee or political committee may accept a
6 campaign contribution from an out-of-State political action
7 committee if the political action committee's home state has
8 less restrictive disclosure laws than this Commonwealth, except
9 as provided under paragraph (2).

10 (2) A candidate, candidate committee, party committee,
11 political action committee or political committee may accept a
12 campaign contribution from an out-of-State political action
13 committee if that political action committee is registered in
14 this Commonwealth with the Department of State and, by such
15 registration, has affirmed that the contributor will comply with
16 the contribution, expenditure and reporting requirements of this
17 act, as well as the regulations relating to contributions,
18 expenditures and reporting promulgated under this act by the
19 Department of State and the State Ethics Commission.

20 (3) The Secretary of the Commonwealth shall list and certify
21 those states that have less restrictive disclosure laws than
22 this Commonwealth. The list shall be compiled and updated
23 annually and published in the Pennsylvania Bulletin not later
24 than January 1, 2014, and each January 1 thereafter. The list
25 shall be made available on the Department of State Internet
26 website and provided in hard copy in campaign committee packets
27 prepared by the department.

28 (1) The provisions of this section are applicable to any
29 contribution made for the purpose of influencing an election to
30 any public office in this Commonwealth except Federal offices.

1 (m) For purposes of this section, any contribution made to a
2 candidate in a year other than the calendar year in which the
3 election is held with respect to which such contribution is made
4 is considered to be made during the calendar year in which the
5 election is held.

6 (n) For purposes of this section, contribution limits shall
7 apply to each election separately, whether a primary, special,
8 municipal or general election, unless an annual limit or other
9 limit is specified.

10 (o) No person who has a fiduciary contract for services with
11 the General Assembly may engage in campaign finance activity for
12 candidates of the General Assembly, including, but not limited
13 to, making of contributions, fundraising activities or
14 involvement in political action committees or candidate
15 political committees.

16 (p) Nothing in this section shall prohibit a municipality,
17 including a city of the first class, from instituting lower
18 limitations on contributions to candidates for elected offices
19 under the municipality's jurisdiction.

20 (q) A violation of the contribution limits set forth in this
21 section shall subject the violator to a fine equal to three
22 times the amount of money that exceeds the limits. This penalty
23 applies to both the person making the contribution and the
24 person receiving it.

25 (r) The Secretary of the Commonwealth shall biennially
26 adjust to the nearest one hundred dollars (\$100) the limits in
27 subsections (a), (b), (c), (d), (e), (f), (g) and (h) by the
28 percentage change in the consumer price index and publish the
29 new amounts in the Pennsylvania Bulletin. For the purposes of
30 this subsection, "consumer price index" means the consumer price

1 index for all urban consumers that is published by the United
2 States Department of Labor, Bureau of Labor Statistics.

3 (s) The limitations imposed by this section may not apply to
4 contributions from a candidate's personal resources to a
5 candidate committee, political committee or political action
6 committee acting on behalf of the candidate. However, if such
7 contributions total one hundred thousand dollars (\$100,000) or
8 more, regardless of the time period over which such
9 contributions are made, the contribution limits set forth in
10 this section shall quadruple.

11 Section 8. Section 1632(a) of the act, amended July 11, 1980
12 (P.L.591, No.127), is amended to read:

13 Section 1632. Late Filing Fee; Certificate of Filing.--

14 (a) A late filing fee for each report or statement of
15 expenditures and contributions which is not filed within the
16 prescribed period shall be imposed as follows. Such fee shall be
17 [ten dollars (\$10)] twenty dollars (\$20) for each day or part of
18 a day excluding Saturdays, Sundays and holidays that a report is
19 overdue. An additional fee of ten dollars (\$10) is due for each
20 of the first six (6) days that a report is overdue. [The maximum
21 fee payable with respect to a single report is two hundred fifty
22 dollars (\$250).] A supervisor shall receive an overdue report or
23 statement even if any late filing fee due has not been paid but
24 the report or statement shall not be considered filed until all
25 fees have been paid upon the receipt by the supervisor of an
26 overdue report. No further late filing fees shall be incurred
27 once the report or statement is filed notwithstanding the fact
28 that the report or statement is not considered filed. The late
29 filing fee is the personal liability of the candidate or
30 treasurer of a political committee and cannot be paid from

1 contributions to the candidate or committee, nor may such fee be
2 considered an expenditure. A report or statement of expenditures
3 and contributions shall be deemed to have been filed within the
4 prescribed time if the letter transmitting the report or
5 statement which is received by the supervisor is transmitted by
6 first class mail and is postmarked by the United States Postal
7 Service on the day prior to the final day on which the report or
8 statement is to be received: Provided, That this sentence shall
9 not be applicable to the reporting requirements contained in
10 section 1628. All Department of State filing and disclosure
11 requirements for prior campaign activity must have been met in
12 order for a candidate to obtain a place on the ballot.

13 * * *

14 Section 9. Section 1633(a) of the act, amended November 26,
15 1978 (P.L.1313, No.318), is amended to read:

16 Section 1633. Contributions or Expenditures by National
17 Banks, Corporations or Unincorporated Associations.--(a) It is
18 unlawful for any National or State bank, partnership or any
19 corporation, incorporated under the laws of this or any other
20 state or any foreign country or any unincorporated association,
21 except those corporations formed primarily for political
22 purposes or as a political committee, to make a contribution or
23 expenditure in connection with the election of any candidate or
24 for any political purpose whatever except in connection with any
25 question to be voted on by the electors of this Commonwealth.
26 Furthermore, it shall be unlawful for any candidate, political
27 committee, or other person to knowingly accept or receive any
28 contribution prohibited by this section, or for any officer or
29 any director of any corporation, bank, or any unincorporated
30 association to consent to any contribution or expenditure by the

1 corporation, bank or unincorporated association, as the case may
2 be, prohibited by this section. In the event any portion of this
3 section regarding bans on contributions or expenditures by
4 national banks, corporations, or unincorporated associations is
5 nullified by a court decision, then the contribution limits
6 established for individuals by this act also shall be applied to
7 the entities currently covered by this section.

8 * * *

9 Section 10. Section 1641(a) of the act, amended July 12,
10 1980 (P.L.649, No.134), is amended and the section is amended by
11 adding a subsection to read:

12 Section 1641. Reports by Business Entities; Publication by
13 Secretary of the Commonwealth.--

14 (a) Any business entity including but not limited to a
15 corporation, company, association, partnership or sole
16 proprietorship, which has been awarded [non-bid] contracts or
17 grants over fifty thousand dollars (\$50,000) from the
18 Commonwealth or its political subdivisions during the preceding
19 [calendar year] two-year period, shall report by February 15 of
20 each year to the Secretary of the Commonwealth a list including
21 the amount of the contract, description of the service provided
22 and location and an itemized list of all political contributions
23 known to the business entity by virtue of the knowledge
24 possessed by every officer, director, associate, partner,
25 limited partner or individual owner that has been made by:

26 (1) any officer, director, associate, partner, limited
27 partner, individual owner or members of their immediate family
28 when the contributions exceed an aggregate of one thousand
29 dollars (\$1,000) by any individual during the preceding year; or

30 (2) any employe or members of his immediate family whose

1 aggregate political [contribution] contributions exceeded one
2 thousand dollars (\$1,000) during the preceding year.
3 For the purposes of this subsection, "immediate family" means a
4 person's spouse and any unemancipated child.

5 * * *

6 (c) The Department of State, in consultation with the
7 Department of General Services, shall publish a list of all
8 business entities, corporations, companies, associations,
9 partnerships or sole proprietorships receiving grants, contracts
10 and contracts in excess of fifty thousand dollars (\$50,000) from
11 the Commonwealth not later than January 31 of each year for the
12 preceding two-year period. The list shall be updated quarterly.

13 Section 11. The act is amended by adding sections to read:

14 Section 1643. Independent Expenditures.--

15 (a) A person may make independent expenditures for the
16 purposes of advocating the election or defeat of a clearly
17 identified candidate or ballot question.

18 (b) The following shall apply to expenditures made for a
19 written, typed or other printed communication or a web-based,
20 written communication which promotes the success or defeat of a
21 candidate's campaign for nomination or election or the adoption
22 or defeat of a ballot question or solicits funds to benefit a
23 political committee:

24 (1) No person shall make, incur or contract for an
25 expenditure with the consent of, in coordination with or in
26 consultation with a candidate, candidate committee, political
27 committee or candidate's agent.

28 (2) No group of two or more individuals acting together that
29 receives funds or makes or incurs expenditures not exceeding one
30 thousand dollars (\$1,000) in the aggregate which have not formed

1 a political committee shall make or incur an independent
2 expenditure.

3 (b.1) Communications under subsection (b) shall contain the
4 following language:

5 (1) The words "paid for and approved by" and one of the
6 following:

7 (i) For an individual, the name and address of the
8 individual.

9 (ii) For a committee other than a party committee, the name
10 of the committee and its campaign treasurer.

11 (iii) For a party committee, the name of the committee.

12 (iv) For a group of two or more individuals that received
13 funds or makes or incurs expenditures not exceeding one thousand
14 dollars (\$1,000) in the aggregate which have not formed a
15 political committee, the name of the group and the name and
16 address of its agent.

17 (2) The words "approved by" and one of the following:

18 (i) For an individual, group or political committee other
19 than a candidate committee making or incurring an expenditure
20 with the consent of, in coordination with or in consultation
21 with a candidate committee or candidate's agent, the name of the
22 candidate.

23 (ii) For a candidate committee, the name of the candidate.

24 (c) Expenditures:

25 (1) The following apply:

26 (i) No person shall make or incur an independent expenditure
27 for a written, typed or other printed communication or a web-
28 based, written communication which promotes the success or
29 defeat of a candidate for nomination or election or promotes or
30 opposes a political party or solicits funds to benefit a

1 political party or committee, unless the communication bears
2 upon its face the words "paid for and approved by" and the name
3 of the person, the name of its chief executive officer or
4 equivalent and its principal business address and the words
5 "This message was made independently of a candidate or political
6 party."

7 (ii) An entity which is a tax-exempt organization under
8 section 501 of the Internal Revenue Code of 1986 (Public Law 99-
9 514, 26 U.S.C. § 1 et seq.) or an incorporated tax-exempt
10 political organization organized under section 527 of the
11 Internal Revenue Code of 1986, making or incurring an
12 independent expenditure under subparagraph (i), shall also bear
13 upon the face of the communication the words "Top Five
14 Contributors" followed by a list of the five persons making the
15 largest contributions to the organization during the twelve-
16 month period before the date of the communication.

17 (2) Disclosure requirements are as follows:

18 (i) In addition to the requirements of paragraph (1), no
19 person shall make or incur an independent expenditure for
20 television advertising, radio or Internet video advertising or
21 Internet radio advertising, that promotes the success or defeat
22 of a candidate for election or promotes or opposes a political
23 party or solicits funds to benefit a political party or
24 committee, unless at the end of the advertisement there appears
25 or includes simultaneously for a period of no less than four
26 seconds a clear identifiable audio, video, photographic or
27 similar image of the person's chief executive officer or
28 equivalent and a personal audio message, in the following form:

29 I am . . . (name of person's chief executive officer or
30 equivalent), . . . (title) of . . . (entity). This message

1 was made independently of any candidate, political committee
2 or political party, and I approve of its content.

3 (ii) A tax-exempt organization under section 501 of the
4 Internal Revenue Code of 1986 or an incorporated tax-exempt
5 political organization organized under section 527 of the
6 Internal Revenue Code of 1986, making or incurring an
7 independent expenditure under subparagraph (i), shall include on
8 the advertisement an easily readable written message in the
9 following form:

10 The Top Five Contributors to the organization for this
11 advertisement are" followed by a list of the five persons
12 making the largest contributions to the organization during
13 the twelve-month period before the date of the communication.

14 Section 1644. Independent Expenditure Evaluation.--

15 (a) When the Bureau of Commissions, Elections and
16 Legislation audits and evaluates an expenditure that is included
17 in a report under section 1643 to determine whether the
18 expenditure is an interdependent expenditure, there shall be a
19 rebuttable presumption that the following expenditures are not
20 independent expenditures:

21 (1) An expenditure made by a person in cooperation,
22 consultation or in concert with, at the request, suggestion or
23 direction of or pursuant to a general or particular
24 understanding with a candidate or political committee or other
25 agent acting on behalf of a candidate or political committee.

26 (2) An expenditure made by a person for the production,
27 dissemination, distribution or publication, in whole or in
28 substantial part, of a broadcast or a written, graphic or other
29 form of political advertising or campaign communications
30 prepared by a candidate or political committee or a consultant

1 or other agent acting on behalf of a candidate or political
2 committee.

3 (3) An expenditure made by a person based on information
4 about a candidate's or political committee's plans, projects or
5 needs, provided by a candidate or political committee or a
6 consultant or other agent acting on behalf of a candidate or
7 political committee with the intent that the expenditure be
8 made.

9 (4) An expenditure made by an individual who, in the same
10 election cycle, is serving or has served as the campaign
11 chairperson, campaign treasurer or deputy treasurer of a
12 political committee benefiting from the expenditure, or another
13 executive or policymaking position, including as a member,
14 employe, fundraiser, consultant or other agent acting on behalf
15 of a candidate or political committee.

16 (5) An expenditure made by a person whose officer, director,
17 member, employe, fundraiser, consultant or other agent who
18 serves the person in an executive or policymaking position also
19 serves as or has served in the same election cycle as the
20 candidate or the campaign chairperson, campaign treasurer or
21 deputy treasurer of a candidate or political committee
22 benefiting from the expenditure, or in another executive or
23 policymaking position of the candidate or political committee.

24 (6) An expenditure made by a person for:

25 (i) fundraising activities with or for a candidate or
26 political committee or a consultant or other agent acting on
27 behalf of a candidate or political committee; or

28 (ii) the solicitation or receipt of contributions on behalf
29 of a candidate or political committee or a consultant or other
30 agent acting on behalf of a candidate or political committee.

1 (7) An expenditure made by a person based on information
2 about a candidate's campaign plans, projects or needs, that is
3 directly or indirectly provided by a candidate, the candidate's
4 committee or a political committee or a consultant or other
5 agent acting on behalf of the candidate or political committee
6 to the person making the expenditure or the person's agent, with
7 an express or tacit understanding that the person is considering
8 making the expenditure.

9 (8) An expenditure made by a person for a communication that
10 clearly identifies a candidate or political committee during an
11 election campaign if the person making the expenditure, or the
12 person's agent, has informed the candidate who benefits from the
13 expenditure that the candidate or political committee or a
14 consultant or other agent acting on behalf of the benefiting
15 candidate or political committee concerning the communications
16 content, or of the intended audience, timing, location or mode
17 or frequency of the dissemination.

18 (9) An expenditure made by a person or an entity for
19 consultant or creative services, including services related to
20 communications strategy or design or campaign strategy, to be
21 used to promote or oppose a candidate's election to office if
22 the provision of these services is also providing consultant or
23 creative services to the candidate or to an opposing candidate
24 in the same election.

25 (b) As used in this section, the words "agent acting on
26 behalf of a candidate" include:

27 (1) an individual or a person paid by a candidate or a
28 candidate committee; and

29 (2) any consultant, printing firm, media production company,
30 Internet website director or webmaster, marketing firm,

1 advertising firm, filed organization firm or other company or
2 firm retained by a candidate or authorized by a candidate or a
3 candidate committee to act on the candidate's behalf.

4 Section 12. The act is amended by adding an article to read:

5 ARTICLE XVI-A

6 CORPORATE POLITICAL ACCOUNTABILITY

7 Section 1601-A. Definitions.

8 The following words and phrases when used in this article
9 shall have the meanings given to them in this section unless the
10 context clearly indicates otherwise:

11 "Contribution" or "expenditure." Includes any monetary and
12 nonmonetary political contributions and expenditures not
13 deductible under section 162(e)(1)(B) of the Internal Revenue
14 Code of 1986 (Public Law 99-514, 26 U.S.C. § 162(e)(1)(B)),
15 including, but not limited to, contributions to or expenditures
16 on behalf of political candidates, political parties, political
17 committees and other political entities organized and operating
18 under section 527 of the Internal Revenue Code of 1986 (26
19 U.S.C. § 527), and any portion of any dues or similar payments
20 made to any tax-exempt organization that is used for an
21 expenditure or contribution if, made directly by the corporation
22 would not be deductible under section 162(e)(1)(B) of the
23 Internal Revenue Code of 1986, any contribution or expenditure,
24 as those terms are defined in section 302 of the Federal
25 Election Campaign Act of 1971 (Public Law 92-225, 52 U.S.C. §
26 30101(8)(A)(9)(A)), as well as any contribution or expenditure
27 defined under this act. The term also includes any direct or
28 indirect payment, distribution, loan, advance, deposit or gift
29 of money, or any services, or anything of value, except a loan
30 of money by a national or State bank made in accordance with the

1 applicable banking laws and regulations and in the ordinary
2 course of business, to any candidate, campaign committee or
3 political party or organization, in connection with any election
4 to any office. The term does not include:

5 (1) Communications by a corporation to its stockholders
6 and executive or administrative personnel and their families
7 or by a labor organization to its members and their families
8 on any subject.

9 (2) Nonpartisan registration and get-out-the-vote
10 campaigns by a corporation aimed at its stockholders and
11 executive or administrative personnel and their families or
12 by a labor organization aimed at its members and their
13 families.

14 (3) The establishment, administration and solicitation
15 of contributions to a separate segregated fund to be utilized
16 for political purposes by a corporation, labor organization,
17 membership organization, cooperative or corporation without
18 capital stock.

19 As used in this definition, the term "corporation" includes any
20 company, trade or professional union, not-for-profit association
21 and incorporated partnership organized as an incorporated entity
22 under the laws of any state within the United States.

23 "Department." The Department of State of the Commonwealth.

24 "General treasury funds." Those moneys in possession of a
25 corporation incorporated under the laws of this Commonwealth in
26 the normal course of business, including funds from sales,
27 accounts payable, loans, investments, bonds or debt instruments.

28 "Issue advocacy campaign." Contributions or expenditures for
29 any communication to the general public intended to encourage
30 the public to contact a government official regarding pending

1 legislation, public policy or a government rule or regulation.
2 The term does not include contributions or expenditures for
3 registered lobbyists or other persons employed by the
4 corporation to lobby directly Federal or State government
5 officials.

6 "Known at the time of the authorization vote." At the time
7 the corporation seeks authorization from shareholders to spend
8 corporate funds for political activities:

9 (1) the corporation's officers, directors or employees
10 have identified a specific political activity for the
11 corporation to support or oppose;

12 (2) corporate officers, directors or employees have
13 taken steps to obligate funds to a political activity; or

14 (3) the corporation has a regularly scheduled payment to
15 a trade association or other entity to pay for a political
16 activity in the next 12 months.

17 "Majority of shareholders." Fifty percent plus one of all
18 outstanding voting securities. Shareholders not casting votes
19 shall not count toward affirmative authorization under this
20 article.

21 "Political activities." Any contributions or expenditures
22 made directly or indirectly to, or in support of or opposition
23 to, any candidate, political party, committee, electioneering
24 communication, ballot measure campaign or an issue advocacy
25 campaign. The term does not include activities defined as
26 lobbying under any Federal, State or local law.

27 "Separate segregated fund." A political action committee
28 formed by a corporation for the purpose of making contributions
29 to candidates for office or to political parties. A separate
30 segregated fund which supports Federal candidates shall have the

1 same meaning as that found in section 316 of the Federal
2 Election Campaign Act of 1971 (Public Law 92-225, 52 U.S.C. §
3 30118).

4 Section 1602-A. Shareholder vote on corporate political
5 activities.

6 (a) Annual vote.--

7 (1) Any corporation incorporated in this Commonwealth
8 that spends in the aggregate \$10,000 or more of corporate
9 treasury funds on all political activities in this
10 Commonwealth must comply with the requirements of this
11 section.

12 (2) Any proxy or consent or authorization for an annual
13 meeting of the shareholders of a corporation incorporated in
14 this Commonwealth, or a special meeting in lieu of such
15 meeting, where proxies are solicited in respect of any
16 security occurring on or after six months following the date
17 on which final regulations are published under subsection (d)
18 shall provide for a separate resolution subject to
19 shareholder vote to approve any spending of \$10,000 or more
20 by the corporation for any political activity.

21 (3) Notwithstanding the requirement for an annual
22 shareholder vote to authorize any spending of \$10,000 or more
23 by the corporation for any political activity, a corporation
24 may request authorization for spending on political
25 activities on a more frequent basis. Any authorization
26 request by the corporation that is not made during an annual
27 authorization shall be deemed a special authorization.

28 (4) If a corporation spends less than an aggregate of
29 \$10,000 in a 12-month period for political activities, then
30 it does not have to seek shareholder authorization for such

1 spending.

2 (b) Shareholder approval.--

3 (1) When seeking shareholder authorization for
4 expenditures for political activities, the corporation shall
5 request the authority to spend a maximum dollar amount in the
6 next 12 months.

7 (2) If known at the time of the authorization vote, the
8 company shall articulate whether the corporate treasury funds
9 so authorized are intended to benefit or defeat specific
10 candidates, ballot measures or issue advocacy campaigns or
11 whether it will be paid to specific nonprofits or trade
12 associations for political activities. The following apply:

13 (i) To be effective, the authorization vote must
14 garner support from a majority of shareholders.

15 (ii) A vote by the shareholders to approve or
16 disapprove any spending of \$10,000 or more by a
17 corporation for a political activity shall be binding on
18 the corporation.

19 (iii) Notwithstanding the requirement for an annual
20 shareholder vote to authorize any spending of \$10,000 or
21 more by the corporation for any political activity, a
22 corporation may request a special authorization for
23 additional spending on political activities, provided
24 that:

25 (A) all spending on political activities of
26 \$10,000 or more must be authorized by a shareholder
27 majority vote; and

28 (B) for any special authorization, the company
29 shall articulate whether the corporate treasury funds
30 so authorized are intended to benefit or defeat

1 candidates, ballot measures or issue advocacy
2 campaigns or will be paid to specific nonprofits or
3 trade associations for political activities at the
4 time the special authorization is requested.

5 (c) Director liability.--If a corporation makes an
6 unauthorized contribution or expenditure for a political
7 activity, then the directors at the time that the unauthorized
8 contribution or expenditure was incurred are jointly and
9 severally liable to repay to the corporation the amount of the
10 unauthorized expenditure, with interest at the rate of 8% per
11 year.

12 (d) Rulemaking.--The department shall promulgate final
13 regulations to implement this section no later than six months
14 after the effective date of this article.

15 (e) Sole proprietorships excluded.--Notwithstanding any
16 other provision of this section, nothing in this section shall
17 apply a new duty to the owner of a sole proprietorship.

18 Section 1603-A. Notification to shareholders of corporate
19 political activities.

20 (a) Notification to shareholders.--

21 (1) At least quarterly during each fiscal year, a
22 corporation incorporated in this Commonwealth that makes
23 contributions or expenditures for political activities must
24 notify its shareholders and the department in writing of the
25 nature of all its political activities, funded by either its
26 separate segregated fund or through its general corporate
27 treasury, including contributions or expenditures made
28 directly or indirectly.

29 (2) A report made pursuant to this section shall include
30 the following:

1 (i) The date of the contributions or expenditures.

2 (ii) The amount of the contributions or
3 expenditures.

4 (iii) The identity of the candidate, political
5 party, committee, electioneering communication, ballot
6 measure campaign or issue advocacy campaign.

7 (iv) If the contributions or expenditures were made
8 for or against a candidate, including an electioneering
9 communication as defined under Federal law, the office
10 sought by the candidate and the political party
11 affiliation of the candidate.

12 (v) If the contributions or expenditures were made
13 for or against a ballot measure, the purpose of the
14 measure and whether the contributions or expenditures
15 were made in support or opposition to the ballot measure.

16 (vi) If the contributions or expenditures were made
17 for or against an issue advocacy campaign, the nature of
18 the political issue and whether the contributions were
19 made in support or opposition to the political issue.

20 (vii) All independent expenditures made by a
21 separate segregated fund affiliated with the corporation.

22 (b) Public disclosure.--

23 (1) The quarterly reports of political activities by a
24 corporation incorporated in this Commonwealth to shareholders
25 shall be public records.

26 (2) A copy of the reports filed pursuant to subsection
27 (a)(1) shall be:

28 (i) submitted to the department; and

29 (ii) posted for at least one year on the
30 corporation's Internet website, if any.

1 Section 1604-A. Public disclosure of corporate political
2 activities by the department.

3 (a) Department duty.--The quarterly reports of political
4 activities by a corporation incorporated in this Commonwealth to
5 shareholders shall be made publicly available by the department.

6 (b) Electronic form.--A quarterly report required to be
7 filed under this section shall be filed in electronic form using
8 filing software approved or developed by the department in
9 addition to filing in any other form that the department may
10 require by regulation and shall be published on the department's
11 Internet website.

12 (c) Format.--The department shall ensure that, to the
13 greatest extent practicable, the quarterly reports on political
14 activities are publicly available through the department's
15 Internet website in a format that can be searched, sorted and
16 downloaded.

17 Section 1605-A. Report by Department of the Auditor General.

18 (a) Audit.--On an annual basis, the Department of the
19 Auditor General shall audit the extent of compliance or
20 noncompliance with the requirements of this article by
21 corporations incorporated under the laws of this Commonwealth,
22 their management and shareholders, as well as the effectiveness
23 of the department in meeting the reporting and disclosure
24 requirements of this article.

25 (b) Report.--No later than April 1 of each year, the
26 Department of the Auditor General shall submit to the Governor a
27 report on the review required by subsection (a) for the
28 preceding year.

29 Section 1606-A. Board approval for all corporate political
30 expenditures.

1 (a) Approval required.--Notwithstanding any other provision
2 of law, no corporation and no trade, business or professional
3 association shall make any campaign contribution or expenditure
4 unless specifically authorized to do so:

5 (1) by the vote of the board of directors of the
6 corporation or of the executive committee of the trade,
7 business or professional association at a regular or special
8 meeting thereof;

9 (2) by the president, vice president, secretary or
10 treasurer of a corporation whom the board has specifically
11 empowered to authorize such contributions or expenditures; or

12 (3) for a corporation, by any other person designated by
13 resolution of the board of directors of a corporation to
14 authorize contributions or expenditures.

15 (b) Form of contribution.--No corporation, trade, business
16 or professional association shall make any contribution or
17 expenditure as defined under Federal or State law, other than an
18 in-kind contribution or expenditure, except by check.

19 Section 1607-A. Applicability to foreign corporations.

20 (a) General rule.--A foreign corporation, other than a
21 foreign association or foreign nonprofit corporation, but
22 including a foreign parent corporation even though it does not
23 itself transact intrastate business, is subject to the
24 requirements of sections 1602-A, 1603-A, 1604-A and 1605-A, if:

25 (1) the average of property, payroll and sales factors,
26 as defined in section 401 of the act of March 4, 1971 (P.L.6,
27 No.2), known as the Tax Reform Code of 1971, with respect to
28 the foreign corporation, is more than 50% during its latest
29 full-income year; and

30 (2) more than one-half of its outstanding voting

1 securities are held of record by persons having addresses in
2 this Commonwealth appearing on the books of the corporation
3 on the record date for the latest meeting of shareholders
4 held during its latest full-income year or, if no meeting was
5 held during that year, on the last day of the latest full-
6 income year.

7 (b) Determination.--The determination of the property,
8 payroll and sales factors under subsection (a) with respect to
9 any parent corporation shall be made on a consolidated basis,
10 including in a unitary computation, after elimination of
11 intercompany transactions, the property, payroll and sales of
12 the parent and all of its subsidiaries in which it owns directly
13 or indirectly more than 50% of the outstanding shares entitled
14 to vote for the election of directors, but deducting a
15 percentage of the property, payroll and sales of any subsidiary
16 equal to the percentage minority ownership, if any, in the
17 subsidiary. For the purpose of this section, any securities held
18 to the knowledge of the issuer in the names of broker-dealers,
19 nominees for broker-dealers, including clearing corporations or
20 banks, associations or other entities holding securities in a
21 nominee name or otherwise on behalf of a beneficial owner,
22 collectively "nominee holders," shall not be considered
23 outstanding. However, if the foreign corporation requests all
24 nominee holders to certify, with respect to all beneficial
25 owners for whom securities are held, the number of shares held
26 for those beneficial owners having addresses as shown on the
27 records of the nominee holder in this Commonwealth and outside
28 of this Commonwealth, then all shares so certified shall be
29 considered outstanding and held of record by persons having
30 addresses either in this Commonwealth or outside of this

1 Commonwealth as so certified, provided that the certification so
2 provided shall be retained with the record of shareholders and
3 made available for inspection and copying. A current list of
4 beneficial owners of a foreign corporation's securities provided
5 to the corporation by one or more nominee holders or agent
6 thereof under the requirements of 17 CFR § 240.14b-1(b) (3)
7 (relating to obligation of registered brokers and dealers in
8 connection with the prompt forwarding of certain communications
9 to beneficial owners) or 240.14b-2(b) (3) (relating to obligation
10 of banks, associations and other entities that exercise
11 fiduciary powers in connection with the prompt forwarding of
12 certain communications to beneficial owners) promulgated under
13 the Securities Exchange Act of 1934 (Public Law 48-881, 15
14 U.S.C. § 78a et seq.) shall constitute an acceptable
15 certification with respect to beneficial owners for the purposes
16 of this subsection.

17 (c) Applicability.--This section does not apply to any
18 corporation:

19 (1) With outstanding securities listed on the New York
20 Stock Exchange or the American Stock Exchange.

21 (2) With outstanding securities designated as qualified
22 for trading on the Nasdaq National Market of the Nasdaq Stock
23 Market, or any successor thereto.

24 (3) If all of its voting shares, other than directors'
25 qualifying shares, are owned directly or indirectly by a
26 corporation or corporations not subject to this section.

27 (d) Liability.--Any party who obtains a final determination
28 by a court of competent jurisdiction that the corporation failed
29 to provide to the party information required to be provided by
30 this article or provided the party information of the kind

1 required to be provided by this article that is incorrect, then
2 the court, in its discretion, shall have the power to include in
3 its judgment recovery by the party from the corporation of all
4 court costs and reasonable attorney fees incurred in that legal
5 proceeding to the extent they relate to obtaining that final
6 determination.

7 Section 13. The dollar figures contained in section 1627.1
8 of the act shall be adjusted biennially at a rate determined by
9 the Federal Election Commission as authorized under 11 CFR §
10 110. The Secretary of the Commonwealth shall certify the
11 calculation of the rate as determined by the Federal Election
12 Commission and shall publish the new dollar figures in the
13 Pennsylvania Bulletin.

14 Section 14. The provisions of this act are severable. If any
15 provision of this act or its application to any person or
16 circumstance is held invalid, the invalidity shall not affect
17 other provisions or applications of this act which can be given
18 effect without the invalid provision or application.

19 Section 15. A comprehensive, fully searchable and user
20 friendly computerized database to track full implementation of
21 this act shall be made available to the public by the Department
22 of State through its Internet website on or before December 31,
23 2016.

24 Section 16. This act shall take effect January 1, 2017.