

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 542 Session of 2025

INTRODUCED BY WEBSTER, HILL-EVANS, GIRAL, PIELLI, PROBST,
SANCHEZ, STEELE AND DAVIDSON, FEBRUARY 10, 2025

REFERRED TO COMMITTEE ON STATE GOVERNMENT, FEBRUARY 10, 2025

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 the 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, treasurer and assistant treasurer and records of
 16 candidate and committees, for registration and for reporting
 17 by candidate and political committees and other persons,
 18 providing for limitations on certain contributions, further
 19 providing for residual funds, for late filing fee and
 20 certificate of filing, for contributions or expenditures by
 21 national banks, corporations or unincorporated associations,
 22 for advertising and for reports by business entities and
 23 publication by Secretary of the Commonwealth and providing
 24 for independent expenditures and for independent expenditure
 25 evaluation; and providing for corporate political
 26 accountability.

27 The General Assembly of the Commonwealth of Pennsylvania
 28 hereby enacts as follows:

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

30 (1) The Commonwealth has a compelling governmental

1 interest to protect the integrity of the government from
2 actual corruption or the appearance of corruption.

3 (2) When people, associations or other entities,
4 including foreign corporations and foreign-influenced
5 corporations, provide unlimited monetary support for elected
6 government officials or candidates who are seeking
7 governmental offices, there arises the appearance of
8 corruption.

9 (3) The appearance of corruption and actual corruption
10 can be prevented by requiring transparency and regulating the
11 contributions that can be made to elected government
12 officials and candidates who are seeking governmental
13 offices.

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

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

22 * * *

23 (i) To biennially adjust the limitations on contributions
24 under section 1627.1(s).

25 Section 3. Section 1621(d), (e) and (f) of the act are
26 amended and the section is amended by adding subsections to
27 read:

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

30 * * *

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

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

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

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

20 (4) The payment or providing of money or other valuable
21 thing by any person other than a candidate or political
22 committee, to compensate any person for services rendered to a
23 candidate or political committee.

24 (e) The words "independent expenditure" shall mean an
25 expenditure by a person, other than a political committee or
26 candidate, expressly advocating the election or defeat of a
27 clearly identified candidate for nomination or election or
28 promoting the success or defeat of a clearly identified ballot
29 question appearing on the ballot in each election district in
30 this Commonwealth, made for the purpose of influencing an

1 election without cooperation or consultation with any candidate
2 or any political committee authorized by that candidate and
3 which is not made in concert with or at the request or
4 suggestion of any candidate or political committee or agent
5 thereof.

6 (f) The word "lobbyist" shall mean any person who is
7 registered pursuant to the provisions of [the act of September
8 30, 1961 (P.L.1778, No.712), known as the "Lobbying Registration
9 and Regulation Act."] 65 Pa.C.S. Ch. 13A (relating to lobbying
10 disclosure).

11 * * *

12 (n) The word "affiliate" shall include:

13 (1) Any committee established or authorized by a candidate
14 as part of his or her campaign for a specific campaign for a
15 designated office.

16 (2) Any committee established, financed, maintained or
17 controlled by the same corporation, labor organization,
18 membership association, not-for-profit organization or trade or
19 professional association, person or group of persons, including
20 any parent, subsidiary, branch, division, department or local
21 unit of an entity under this paragraph. Local units may include,
22 in appropriate cases, a franchisee, licensee or regional
23 association.

24 (o) The words "chief executive officer" shall mean the
25 highest ranking officer or decision-making individual with
26 authority over a corporation's affairs.

27 (p) The words "clearly identified" shall mean:

28 (1) with respect to a candidate, the name of the candidate
29 appears;

30 (2) with respect to a candidate, a photograph, drawing or

1 other image of the candidate appears; or

2 (3) with respect to a candidate or ballot question, the
3 identity of the candidate or ballot question is apparent by
4 unambiguous reference.

5 (g) The words "electioneering communication" shall mean a
6 broadcast, cable, mail, satellite, the Internet, social media or
7 print communication by a person, other than a political
8 committee or candidate, that refers to a clearly identified
9 candidate or clearly identified ballot question appearing on the
10 ballot in each election district in this Commonwealth and is
11 publicly distributed within ninety (90) days before an election
12 in which the candidate is seeking election or reelection or the
13 ballot question appears on the ballot. The term does not include
14 any of the following communications:

15 (1) A communication that is disseminated through a means
16 other than a broadcast station, radio station, cable television
17 system, telecommunications, Internet or satellite system,
18 newspaper, magazine, periodical, billboard advertisement or
19 mail.

20 (2) A communication to less than one hundred (100)
21 recipients.

22 (3) A news story, commentary, letter to the editor, news
23 release, column, op-ed or editorial broadcast by a television
24 station, radio station, cable television system or satellite
25 system or printed in a newspaper, magazine or other periodical
26 in general circulation.

27 (4) Expenditures or independent expenditures or
28 contributions that must otherwise be reported under this
29 article.

30 (5) A communication from a membership organization

1 exclusively to its members and their families, otherwise known
2 as a membership communication.

3 (6) Bona fide candidate debates or forums and advertising or
4 promotion of the same.

5 (r) The words "electioneering communication expenditure"
6 shall mean any expenditure made by a person, other than a
7 political committee or a candidate, as payment for an
8 electioneering communication.

9 (s) The words "foreign-influenced corporation" shall mean a
10 corporation for which:

11 (1) a foreign owner holds, owns, controls or otherwise has
12 directly or indirectly acquired beneficial ownership of equity
13 or voting shares in an amount that is equal to or greater than
14 five (5) per cent of the total equity or outstanding voting
15 shares; or

16 (2) foreign owners hold, own, control or have directly or
17 indirectly acquired beneficial ownership of equity or voting
18 shares in an amount that is equal to or greater than twenty (20)
19 per cent of the total equity or outstanding voting shares.

20 (t) The words "foreign national" shall mean:

21 (1) a foreign principal; or

22 (2) an individual who is not a citizen of the United States
23 or a national of the United States and who is not lawfully
24 admitted for permanent residence.

25 (u) The words "foreign owner" shall mean a foreign national
26 or a corporation wherein a foreign national holds, owns,
27 controls or otherwise has directly or indirectly acquired
28 beneficial ownership of equity or voting shares in an amount
29 that is equal to or greater than fifty (50) per cent of the
30 total equity or outstanding voting shares.

1 (v) The words "foreign principal" shall mean:

2 (1) a government of a foreign country;

3 (2) a foreign political party; or

4 (3) a partnership, association, corporation, organization or
5 other combination of persons organized under the laws of or
6 having its principal place of business in a foreign country.

7 (w) The words "independent expenditure political action
8 committee" shall mean a political action committee that only
9 receives contributions to make independent expenditures.

10 (x) The words "in-kind contribution" shall mean a
11 contribution of goods, services, property or any valuable thing
12 offered free or at less than the fair market value for the
13 goods, property or services. The words shall not include any
14 legal or accounting services rendered to or on behalf of any
15 political committee of a political party, an authorized
16 committee of a candidate or any other political committee, if
17 the services are solely for the purpose of ensuring compliance
18 with this article. The legal or accounting services shall be
19 reported under section 1626.

20 (y) The words "personal purpose" shall mean a purpose that,
21 by its nature, confers a personal benefit, including
22 expenditures such as a home mortgage, home rent, utility
23 payment, clothing purchase, noncampaign automobile expense,
24 country club membership, vacation or a trip of a noncampaign
25 nature, household food items, tuition payments, admission to a
26 sporting event, concert, theater or other form of entertainment
27 and other expenditures not specifically and directly necessary
28 for the conduct of the campaign.

29 (z) The word "person" shall include any corporation,
30 partnership, limited liability company, business trust, other

1 association, government entity, other than the Commonwealth,
2 estate, trust, foundation or natural person.

3 Section 4. Sections 1622(b) and 1624(b) of the act are
4 amended to read:

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

8 * * *

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

26 * * *

27 Section 1624. Registration.--

28 * * *

29 (b) Each registration statement shall contain the following
30 information:

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

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

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

7 (4) The names, addresses and relationships of other
8 affiliated or connected organizations.

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

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

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

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

15 (9) A political committee which is established, financed,
16 maintained or controlled by a sponsoring organization such as a
17 corporation, labor organization, membership association, not-
18 for-profit organization or trade or professional association
19 shall include in its registered name the full name of its
20 sponsoring organization.

21 * * *

22 Section 5. Section 1626(a), (b), (c), (d) and (g) of the act
23 are amended and the section is amended by adding subsections to
24 read:

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

27 (a) Each treasurer of a political committee and each
28 candidate for election to public office shall file with the
29 appropriate supervisor reports of receipts and expenditures on
30 forms, designed by the Secretary of the Commonwealth, if the

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

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

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

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

29 (3) The total sum of individual contributions made to or for
30 such committee or candidate during the reporting period and not

1 reported under clauses (1) and (2).

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

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

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

23 (7) Identification of political committees as follows:

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

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

1 (iii) The official committee registration number shall be
2 included on each entry for that committee on a candidate's
3 disclosure report.

4 (c) [Vouchers or copies of vouchers for all sums expended
5 amounting to more than twenty-five dollars (\$25) shall be
6 retained by the candidate or the committee treasurer and shall
7 be available for public inspection and copying as herein
8 provided. Any person may inspect or copy such vouchers or copies
9 thereof by filing a written request with the appropriate
10 supervisory office which shall notify the candidate or political
11 committee of such request. The candidate or political committee
12 shall have the option of either forwarding such vouchers or copy
13 of the same to the supervisor for such purpose or making the
14 vouchers or copy of the same available to the requesting person.
15 If a candidate or a treasurer of a political committee shall
16 fail to make said vouchers or copies thereof available for
17 inspection and copying when requested by the appropriate
18 supervisory officer, such officer shall direct the candidate or
19 political committee to promptly deliver the vouchers or copies
20 thereof to the supervisory office for purposes of inspection and
21 copying. Costs of copying and costs of delivery by the candidate
22 or treasurer of the requested vouchers or copies thereof shall
23 be borne by the person requesting same.] (1) Vouchers or copies
24 of vouchers for all sums expended amounting to more than twenty-
25 five dollars (\$25) shall be retained by the candidate or the
26 political committee treasurer for a period of three (3) years as
27 required under section 1622(c) and shall be available for public
28 inspection and copying.

29 (2) Any person may inspect or copy such vouchers or copies
30 thereof by filing a written request with the appropriate

1 supervisory office which shall notify the candidate or political
2 committee of the request. The candidate or political committee
3 shall forward the vouchers or copy of the same to the supervisor
4 for such purpose within fifteen (15) days of the date of the
5 request. The supervisor shall make the vouchers or copies of the
6 vouchers available to the requesting person for inspection and
7 copying. Costs of copying and costs of delivery by the candidate
8 or treasurer of the requested vouchers or copies shall be borne
9 by the requesting person.

10 (3) If a candidate or a treasurer of a political committee
11 fails to forward the vouchers or copies of the vouchers to the
12 supervisory office when requested, the supervisory office shall
13 provide written notice of the violation to the candidate or
14 political committee. If the violation is not corrected within
15 thirty (30) days after receipt of a notice, the department shall
16 issue a notice of violation and, after a hearing, make a
17 determination and may assess penalties against the candidate or
18 treasurer of the political committee for noncompliance under
19 this act.

20 (4) An aggrieved candidate or treasurer of a political
21 committee or requesting person who was party to the department's
22 determination under paragraph (3) may file an action in court
23 seeking declaratory or injunctive relief. In an action under
24 this subsection, the court may allow the prevailing party
25 reasonable attorney fees, including litigation costs and
26 expenses. An action filed under this paragraph must be filed in
27 either:

28 (i) Commonwealth Court in the case of any candidate or
29 treasurer of a candidate's political committee if the candidate
30 is running for a Statewide elected office or a legislative

1 office of the General Assembly; or

2 (ii) an appropriate court of common pleas in the case of all
3 other candidates or treasurers of political committees.

4 (5) Prior to granting a request for inspection and copying
5 vouchers, a candidate or political committee may require a
6 requester to prepay an estimate of the fees authorized under
7 this section if the costs of copying and costs of delivery
8 required to fulfill the request are expected to exceed one
9 hundred dollars (\$100). If no prepayment is requested or made, a
10 candidate or political committee may require the requestor to
11 pay the actual costs of copying and costs of delivery prior to
12 the release of the requested documents.

13 (6) The Attorney General shall have prosecutorial
14 jurisdiction over a violation committed under this section. The
15 district attorney of any county in which a violation occurred
16 has concurrent powers and responsibilities with the Attorney
17 General over the violations.

18 (7) The supervisor of a candidate or political committee may
19 deny a requesting person access to a voucher or copies of the
20 vouchers if the requesting person has made repeated requests for
21 the same record more than twice and the repeated requests have
22 placed an unreasonable burden on the candidate or political
23 committee, which is substantiated by repeated responses to
24 substantively similar requests. A denial under this paragraph
25 shall not restrict the ability to request a different record.

26 (d) Pre-election reports by candidates for offices to be
27 voted for by the electors of the State at large, candidates for
28 the office of Senator in the General Assembly, candidates for
29 the office of Representative in the General Assembly and all
30 political committees, which have expended money for the purpose

1 of influencing the election of such [candidate] candidates,
2 shall be filed not later than the sixth Tuesday before and the
3 second Friday before an election, provided that the initial pre-
4 election report shall be complete as of fifty (50) days prior to
5 the election and the subsequent pre-election report shall be
6 complete as of fifteen (15) days prior to the election. Pre-
7 election reports by all other candidates and political
8 committees which have received contributions or made
9 expenditures for the purpose of influencing an election shall be
10 filed not later than the second Friday before an election,
11 provided that such report be complete as of fifteen (15) days
12 prior to the election.

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

21 * * *

22 (g) [Every] Except as provided under section 1644, every
23 person, other than a political committee or candidate, who makes
24 independent expenditures expressly advocating the election or
25 defeat of a clearly identified candidate, or question appearing
26 on the ballot, other than by contribution to a political
27 committee or candidate, in an aggregate amount in excess of [one
28 hundred dollars (\$100)] one thousand dollars (\$1,000) during a
29 calendar year shall file with the appropriate supervisor, on a
30 form prepared by the Secretary of the Commonwealth, a report

1 which shall include the same information required of a candidate
2 or political committee receiving such a contribution and,
3 additionally, the name of the candidate or question supported or
4 opposed. Reports required by this subsection shall be filed on
5 dates on which reports by political committees making
6 expenditures are required to report under this section.

7 * * *

8 (k) As used in this section, the following words and phrases
9 shall have the following meanings:

10 The phrase "costs of copying" shall mean up to twenty-five
11 cents (25¢) per copy for black and white copies, and up to fifty
12 cents (50¢) per copy for color copies. If a CD or DVD is
13 provided, the cost of copying will be up to the actual cost of
14 the CD or DVD, not to exceed three dollars (\$3) per disc. For a
15 flash drive, the cost of copying will be up to the actual cost
16 of the flash drive.

17 The phrase "costs of delivery" shall mean the cost of postage
18 or shipping of documents from the candidate or committee to the
19 requester. The allowable fee for postage or shipping will be up
20 to the actual cost of the United States Postal Service's first-
21 class postage.

22 The word "department" shall mean the Department of State of
23 the Commonwealth.

24 The word "voucher" shall mean a document that reasonably
25 describes the campaign expense.

26 Section 6. The act is amended by adding a section to read:

27 Section 1627.1. Limitations on Certain Contributions.--

28 (a) Aggregate contributions, including in-kind
29 contributions, from any individual to any candidate for the
30 office of Senator or Representative in the General Assembly,

1 judge of a court of common pleas or a county or municipal
2 office, or to the candidate's committee or agent, may not exceed
3 one thousand five hundred dollars (\$1,500) for each election.
4 For each election, a candidate and the candidate's committee or
5 agent may not accept or receive more than one thousand five
6 hundred dollars (\$1,500) in aggregate contributions, including
7 in-kind contributions from any individual for each election.

8 (b) Aggregate contributions, including in-kind
9 contributions, from any individual to any candidate for
10 Statewide office, his or her authorized committee or agent, may
11 not exceed five thousand dollars (\$5,000) for each election. For
12 each election, no candidate, his or her authorized committee or
13 agent may accept or receive more than five thousand dollars
14 (\$5,000) in aggregate contributions, including in-kind
15 contributions from any individual for each election.

16 (c) For each election, aggregate contributions, including
17 in-kind contributions, from a single political action committee,
18 its affiliate or agent or candidate's political committee, its
19 affiliate or agent to any candidate for Statewide office, the
20 office of Senator or Representative in the General Assembly,
21 judge of a court of common pleas or a county or municipal
22 office, his or her authorized committee or agent, may not exceed
23 ten thousand dollars (\$10,000). For each election, no candidate
24 for the office, nor the candidate's committee or agent, may
25 accept or receive more than the applicable amount or amounts as
26 specified under this subsection in aggregate contributions,
27 including in-kind contributions, from a single political action
28 committee or agent or candidate's political committee. A donor
29 shall be an individual or a single committee regardless of the
30 number of contributions made by that individual or committee

1 during the election cycle.

2 (d) Contributions from political party committees to a
3 political action committee, other party committee or other
4 committee may not exceed five thousand dollars (\$5,000) for each
5 election.

6 (e) A candidate for the office of Senator or Representative
7 in the General Assembly, judge of a court of common pleas or a
8 county or municipal office, or the candidate's committee or
9 agent may not accept in excess of two hundred and fifty thousand
10 dollars (\$250,000) in aggregate contributions, including in-kind
11 contributions from all political party committees, affiliates or
12 agents. Contributions, in the aggregate, received by a
13 candidate, may not exceed the aggregate contributions made by
14 individuals per election.

15 (f) Except for a candidate for the office of Governor, a
16 candidate for Statewide office, his or her authorized committee
17 or agent may not accept in excess of one million dollars
18 (\$1,000,000) in aggregate contributions, including in-kind
19 contributions from all political party committees, affiliates or
20 agents. A candidate for Governor, his or her authorized
21 committee or agent may not accept in excess of five million
22 dollars (\$5,000,000) in aggregate contributions, including in-
23 kind contributions from all political party committees,
24 affiliates or agents. Contributions in aggregate received by a
25 candidate may not exceed the aggregate contributions made by
26 individuals per election.

27 (g) Aggregate contributions, including in-kind
28 contributions, from any person or single political action
29 committee, its affiliate or agent or any single candidate's
30 political committee, its affiliate or agent to a single

1 political action committee, its affiliate or agent, may not
2 exceed ten thousand dollars (\$10,000) during any calendar year.
3 For each election, no political action committee, its affiliate
4 or agent may accept or receive more than ten thousand dollars
5 (\$10,000) in aggregate contributions, including in-kind
6 contributions, from any individual person or a single political
7 action committee, its affiliate or agent during any calendar
8 year.

9 (h) Aggregate contributions from any individual, person or
10 single candidate's political committee, its affiliate or agent
11 or a single political action committee, its affiliate or agent
12 or any other political committee to a single political party
13 committee may not exceed ten thousand dollars (\$10,000) in a
14 calendar year. A single political party committee may not accept
15 or receive more than ten thousand dollars (\$10,000) in aggregate
16 contributions from any individual, person, single candidate's
17 political committee or agent or a single political action
18 committee, its affiliate or agent, any political committee or
19 other committee in a calendar year.

20 (i) The following shall apply to annual aggregate limits:

21 (1) No individual may make contributions to candidates,
22 political committees or other committees that have a combined
23 aggregate amount or value that exceeds twenty-five thousand
24 dollars (\$25,000) in a calendar year.

25 (2) No political action committee may make contributions to
26 candidates, political committees and party committees in an
27 aggregate amount or value that exceeds one hundred thousand
28 dollars (\$100,000) in any calendar year.

29 (j) A gift, subscription, loan, advance or deposit of money
30 or anything of value to a candidate shall be considered a

1 contribution both by the original source of the contribution and
2 by any intermediary or conduit if the intermediary or conduit:

3 (1) exercises any direction over the making of the
4 contribution; or

5 (2) solicits the contribution or arranges for the
6 contribution to be made and directly or indirectly makes the
7 candidate aware of the intermediary or conduit's role in
8 soliciting or arranging the contribution for the candidate.

9 (k) For purposes of subsection (j), a contribution shall not
10 be considered to be a contribution by an intermediary or conduit
11 to the candidate if any of the following situations occurs:

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

15 (2) For an individual, the candidate has expressly
16 authorized the intermediary or conduit to engage in fundraising,
17 or the individual occupies a position within the candidate's
18 campaign organization and is authorized by the organization to
19 engage in fundraising.

20 (3) For a political committee, the intermediary or conduit
21 is the authorized committee of the candidate.

22 (1) The following shall apply to out-of-State contributions:

23 (1) A candidate, candidate committee, party committee,
24 political action committee or political committee may not accept
25 a campaign contribution from an out-of-State political action
26 committee if the political action committee's home state has
27 less restrictive disclosure laws than this Commonwealth, except
28 as provided under paragraph (2).

29 (2) A candidate, candidate committee, party committee,
30 political action committee or political committee may accept a

1 campaign contribution from an out-of-State political action
2 committee if that political action committee is registered in
3 this Commonwealth with the Department of State and, by the
4 registration, has affirmed that the contributor will comply with
5 the contribution, expenditure and reporting requirements of this
6 act, and the regulations relating to contributions, expenditures
7 and reporting promulgated under this act by the Department of
8 State and the State Ethics Commission.

9 (3) The Secretary of the Commonwealth shall list and certify
10 those states that have less restrictive disclosure laws than the
11 Commonwealth. The list shall be compiled and updated annually
12 and transmitted to the Legislative Reference Bureau for
13 publication in the next available issue of the Pennsylvania
14 Bulletin not later than January 1, 2024, and each January 1
15 thereafter. The list shall be made available on the Department
16 of State's publicly accessible Internet website and provided in
17 hard copy in campaign committee packets prepared by the
18 Department of State.

19 (m) This section shall apply to any contribution made for
20 the purpose of influencing an election to any public office in
21 this Commonwealth except Federal offices.

22 (n) For purposes of this section, any contribution made to a
23 candidate in a year other than the calendar year in which the
24 election is held with respect to which the contribution is made
25 shall be considered to be made during the calendar year in which
26 the election is held.

27 (o) For purposes of this section, contribution limits shall
28 apply to each election separately unless an annual limit or
29 other limit is specified.

30 (p) A person who has a fiduciary contract for services with

1 the General Assembly may not engage in campaign finance activity
2 for candidates of the General Assembly, including making of
3 contributions, fundraising activities or involvement in
4 political action committees or candidate political committees.

5 (g) Nothing under this section shall prohibit a
6 municipality, including a city of the first class, from
7 instituting lower limitations on contributions to candidates for
8 elected offices under the municipality's jurisdiction.

9 (r) A violation of the contribution limits under this
10 section shall subject the violator to a fine equal to three
11 times the amount of money that exceeds the limits. The penalty
12 shall apply to both the person making the contribution and the
13 person receiving it.

14 (s) The Secretary of the Commonwealth shall biennially
15 adjust to the nearest one hundred dollars (\$100) the limits in
16 subsections (a), (b), (c), (d), (e), (f), (g) and (h) by the
17 percentage change in the Consumer Price Index and transmit the
18 new amounts to the Legislative Reference Bureau for publication
19 in the next available issue of the Pennsylvania Bulletin. For
20 the purposes of this subsection, "Consumer Price Index" means
21 the Consumer Price Index for all urban consumers that is
22 published by the United States Department of Labor, Bureau of
23 Labor Statistics.

24 (t) The limitations imposed under this section may not apply
25 to contributions from a candidate's personal resources to a
26 candidate committee, political committee or political action
27 committee acting on behalf of the candidate, except that, if the
28 contributions total one hundred thousand dollars (\$100,000) or
29 more, regardless of the time period over which the contributions
30 are made, the contribution limits under this section shall

1 quadruple.

2 Section 7. Sections 1630 and 1632(a) of the act are amended
3 to read:

4 Section 1630. Residual Funds.--

5 (a) In the event that a candidate or political committee
6 terminates its financial activity as such, then the disbursement
7 of any residual funds remaining in such an account shall be made
8 in the following manner:

9 (1) any such funds may be used for any expenditure as
10 defined by this article; [and]

11 (2) may be returned, pro rata, to the contributors by the
12 candidate or treasurer of the political committee[. A final
13 report must be made by the next January 31 in accordance with
14 section 1627.]; or

15 (3) may be donated to a nonprofit organization.

16 (b) A final report must be made by the next January 31 in
17 accordance with section 1627.

18 (c) For purposes of this section:

19 (1) "Affiliated" means serving as an officer of, on the
20 board of directors of, as a paid employee of or a contractor of
21 a nonprofit organization.

22 (2) "Family member" means a spouse or child.

23 (3) "Nonprofit organization" means an organization that is
24 qualified by the Internal Revenue Service as meeting the
25 requirements of 26 U.S.C. § 501(c)(3) (relating to exemption from
26 tax on corporations, certain trusts, etc.) organized under the
27 laws of this Commonwealth and is not affiliated with a candidate
28 or the chairman or treasurer of a political committee, including
29 a family member of the candidate, chairman or treasurer.

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

1 (a) A late filing fee for each report or statement of
2 expenditures and contributions which is not filed within the
3 prescribed period shall be imposed as follows. Such fee shall be
4 [~~ten dollars (\$10)~~] twenty dollars (\$20) for each day or part of
5 a day excluding Saturdays, Sundays and holidays that a report is
6 overdue. An additional fee of ten dollars (\$10) is due for each
7 of the first six (6) days that a report is overdue. [~~The maximum~~
8 ~~fee payable with respect to a single report is two hundred fifty~~
9 ~~dollars (\$250).~~] A supervisor shall receive an overdue report or
10 statement even if any late filing fee due has not been paid but
11 the report or statement shall not be considered filed until all
12 fees have been paid upon the receipt by the supervisor of an
13 overdue report. No further late filing fees shall be incurred
14 once the report or statement is filed notwithstanding the fact
15 that the report or statement is not considered filed. The late
16 filing fee is the personal liability of the candidate or
17 treasurer of a political committee and cannot be paid from
18 contributions to the candidate or committee, nor may such fee be
19 considered an expenditure. A report or statement of expenditures
20 and contributions shall be deemed to have been filed within the
21 prescribed time if the letter transmitting the report or
22 statement which is received by the supervisor is transmitted by
23 first class mail and is postmarked by the United States Postal
24 Service on the day prior to the final day on which the report or
25 statement is to be received: Provided, That this sentence shall
26 not be applicable to the reporting requirements contained in
27 section 1628. All Department of State filing and disclosure
28 requirements for prior campaign activity must have been met in
29 order for a candidate to obtain a place on the ballot.

30 * * *

1 Section 8. Section 1633(a) of the act is amended and the
2 section is amended by adding a subsection to read:

3 Section 1633. Contributions or Expenditures by National
4 Banks, Corporations or Unincorporated Associations.--(a) It is
5 unlawful for any National or State bank, partnership or any
6 corporation, incorporated under the laws of this or any other
7 state or any foreign country or any unincorporated association,
8 except those corporations formed primarily for political
9 purposes or as a political committee, to make a contribution or
10 expenditure in connection with the election of any candidate or
11 for any political purpose whatever except in connection with any
12 question to be voted on by the electors of this Commonwealth.
13 Furthermore, it shall be unlawful for any candidate, political
14 committee, or other person to knowingly accept or receive any
15 contribution prohibited by this section, or for any officer or
16 any director of any corporation, bank, or any unincorporated
17 association to consent to any contribution or expenditure by the
18 corporation, bank or unincorporated association, as the case may
19 be, prohibited by this section. If any portion of this section
20 regarding bans on contributions or expenditures by National
21 banks, corporations or unincorporated associations is nullified
22 by a court decision, the contribution limits established for
23 individuals under section 1627.1 shall also be applied to the
24 entities currently covered under this section.

25 * * *

26 (e) (1) A foreign-influenced corporation may not make an
27 independent expenditure, an electioneering communication
28 expenditure or a contribution to an independent expenditure
29 political action committee.

30 (2) A corporation that makes an independent expenditure, an

1 electioneering communication expenditure or a contribution to an
2 independent expenditure political action committee shall, within
3 seven (7) business days after making the expenditure or
4 contribution, file with the Department of State a statement of
5 certification, signed by the chief executive officer under
6 penalty of perjury, avowing that, after due inquiry, the
7 corporation was not a foreign-influenced corporation on the date
8 the expenditure or contribution was made.

9 Section 9. Section 1638 of the act is amended by adding a
10 subsection to read:

11 Section 1638. Advertising.--

12 * * *

13 (c) (1) Unless the person making an independent expenditure
14 or electioneering communication, transmitted through paid radio,
15 television or Internet advertising, has received a statement of
16 certification as prescribed under section 1633(e) from each
17 contributing corporation that is among the top five (5)
18 contributors when ranked in order of amount of contribution made
19 to the person for the twelve-month period immediately preceding
20 the date of the communication, the advertisement shall include
21 the following statement:

22 Some of the funds used to pay for this message may have been
23 provided by foreign-influenced corporations.

24 (2) The person making the independent expenditure or
25 electioneering communication under this section shall be
26 entitled to rely on the statement of certification provided by
27 the contributor unless the person has actual knowledge that the
28 certification is false.

29 Section 10. Section 1641(a) of the act is amended and the
30 section is amended by adding a subsection to read:

1 Section 1641. Reports by Business Entities; Publication by
2 Secretary of the Commonwealth.--

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

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

19 (2) any employe or members of his immediate family whose
20 aggregate political [contribution] contributions exceeded one
21 thousand dollars (\$1,000) during the preceding year.

22 For the purposes of this subsection, "immediate family" [means a
23 person's spouse and any unemancipated child] shall have the same
24 meaning as in 65 Pa.C.S. § 13A03 (relating to definitions).

25 * * *

26 (c) The Department of State, in consultation with the
27 Department of General Services, shall publish a list of all
28 business entities, corporations, companies, associations,
29 partnerships or sole proprietorships receiving grants and
30 contracts in excess of fifty thousand dollars (\$50,000) from the

1 Commonwealth not later than January 31 of each year for the
2 preceding two-year period. The list shall be updated quarterly.

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

4 Section 1643. Independent Expenditures.--

5 (a) Except as prohibited under section 1633(e)(1), a person
6 may make independent expenditures.

7 (b) The following shall apply to expenditures made for a
8 written, typed or other printed communication or an Internet-
9 based, written communication which promotes the success or
10 defeat of a candidate's campaign for nomination or election or
11 the adoption or defeat of a ballot question or solicits funds to
12 benefit a political committee:

13 (1) A person may not make, incur or contract for an
14 expenditure with the consent of, in coordination with or in
15 consultation with a candidate, candidate committee, political
16 committee or candidate's agent.

17 (2) A group of two or more individuals acting together that
18 receives funds or makes or incurs expenditures not exceeding one
19 thousand dollars (\$1,000) in the aggregate which have not formed
20 a political committee may not make or incur an independent
21 expenditure.

22 (c) Communications under subsection (b) shall contain the
23 following language:

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

26 (i) For an individual, the name and address of the
27 individual.

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

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

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

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

7 (i) For an individual, group or political committee other
8 than a candidate committee making or incurring an expenditure
9 with the consent of, in coordination with or in consultation
10 with a candidate committee or candidate's agent, the name of the
11 candidate.

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

13 (d) The following shall apply to independent expenditures:

14 (1) A person may not make or incur an independent
15 expenditure for a written, typed or other printed communication
16 or an Internet-based written communication which promotes the
17 success or defeat of a candidate for nomination or election or
18 promotes or opposes a political party or solicits funds to
19 benefit a political party or committee, unless the communication
20 bears upon its face the words "paid for and approved by" and the
21 name of the person, the name of its chief executive officer or
22 equivalent and its principal business address and the words
23 "This message was made independently of a candidate or political
24 party."

25 (2) An entity which is a tax-exempt organization under 26
26 U.S.C. Ch. 1 Subch. F (relating to exempt organizations), making
27 or incurring an independent expenditure under clause (1), shall
28 also bear upon the face of the communication the words "Top Five
29 Contributors" followed by a list of the five (5)
30 persons making the largest contributions to the organization

1 during the twelve-month period before the date of the
2 communication.

3 (3) Disclosure requirements are as follows:

4 (i) In addition to the requirements of clauses (1) and (2),
5 a person may not make or incur an independent expenditure for
6 television advertising, radio or Internet video advertising or
7 Internet radio advertising that promotes the success or defeat
8 of a candidate for election or promotes or opposes a political
9 party or solicits funds to benefit a political party or
10 committee, unless at the end of the advertisement there appears
11 or includes simultaneously for a period of no less than four
12 seconds a clear identifiable audio, video, photographic or
13 similar image of the person's chief executive officer or
14 equivalent and a personal audio message, in the following form:

15 I am . . . (name of person's chief executive officer or
16 equivalent), . . . (title) of . . . (entity). This message
17 was made independently of any candidate, political committee
18 or political party, and I approve of its content.

19 (ii) A tax-exempt organization under 26 U.S.C. Ch. 1 Subch.
20 F, making or incurring an independent expenditure under
21 subclause (i), shall include on the advertisement an easily
22 readable written message in the following form:

23 "The Top Five Contributors to the organization for this
24 advertisement are" followed by a list of the five (5) persons
25 making the largest contributions to the organization during
26 the twelve-month period before the date of the communication.

27 Section 1644. Independent Expenditure Evaluation.--

28 (a) When the Bureau of Commissions, Elections and
29 Legislation audits and evaluates an expenditure that is included
30 in a report under section 1643 to determine whether the

1 expenditure is an independent expenditure, there shall be a
2 rebuttable presumption that the following expenditures are not
3 independent expenditures:

4 (1) An expenditure made by a person in cooperation,
5 consultation or concert with, at the request, suggestion or
6 direction of or pursuant to a general or particular
7 understanding with a candidate or political committee or other
8 agent acting on behalf of a candidate or political committee.

9 (2) An expenditure made by a person for the production,
10 dissemination, distribution or publication, in whole or in
11 substantial part, of a broadcast or a written, graphic or other
12 form of political advertising or campaign communications
13 prepared by a candidate or political committee or a consultant
14 or other agent acting on behalf of a candidate or political
15 committee.

16 (3) An expenditure made by a person based on information
17 about a candidate's or political committee's plans, projects or
18 needs, provided by a candidate or political committee or a
19 consultant or other agent acting on behalf of a candidate or
20 political committee with the intent that the expenditure be
21 made.

22 (4) An expenditure made by an individual who, in the same
23 election cycle, is serving or has served as the campaign
24 chairman, campaign treasurer or deputy treasurer of a political
25 committee benefiting from the expenditure, or another executive
26 or policymaking position, including as a member, employe,
27 fundraiser, consultant or other agent acting on behalf of a
28 candidate or political committee.

29 (5) An expenditure made by a person whose officer, director,
30 member, employe, fundraiser, consultant or other agent who

1 serves the person in an executive or policymaking position also
2 serves as or has served in the same election cycle as the
3 candidate or the campaign chairman, campaign treasurer or deputy
4 treasurer of a candidate or political committee benefiting from
5 the expenditure, or in another executive or policymaking
6 position of the candidate or political committee.

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

8 (i) fundraising activities with or for a candidate or
9 political committee or a consultant or other agent acting on
10 behalf of a candidate or political committee; or

11 (ii) the solicitation or receipt of contributions on behalf
12 of a candidate or political committee or a consultant or other
13 agent acting on behalf of a candidate or political committee.

14 (7) An expenditure made by a person based on information
15 about a candidate's campaign plans, projects or needs, that is
16 directly or indirectly provided by a candidate, the candidate's
17 committee or a political committee or a consultant or other
18 agent acting on behalf of the candidate or political committee
19 to the person making the expenditure or the person's agent, with
20 an express or tacit understanding that the person is considering
21 making the expenditure.

22 (8) An expenditure made by a person for a communication that
23 clearly identifies a candidate or political committee during an
24 election campaign if the person making the expenditure or the
25 person's agent has informed the candidate who benefits from the
26 expenditure that the candidate or political committee or a
27 consultant or other agent acting on behalf of the benefiting
28 candidate or political committee concerning the communications
29 content, or of the intended audience, timing, location or mode
30 or frequency of the dissemination.

1 (9) An expenditure made by a person or an entity for
2 consultant or creative services, including services related to
3 communications strategy or design or campaign strategy, to be
4 used to promote or oppose a candidate's election to office if
5 the provision of these services is also providing consultant or
6 creative services to the candidate or to an opposing candidate
7 in the same election.

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

10 (1) an individual or a person paid by a candidate or a
11 candidate committee; and

12 (2) any consultant, printing firm, media production company,
13 Internet website director or webmaster, marketing firm,
14 advertising firm, filed organization firm or other company or
15 firm retained by a candidate or authorized by a candidate or a
16 candidate committee to act on the candidate's behalf.

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

18 ARTICLE XVI-B

19 CORPORATE POLITICAL ACCOUNTABILITY

20 Section 1601-B. Definitions.

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

24 "Contribution" or "expenditure." As follows:

25 (1) The term includes:

26 (i) Any monetary and nonmonetary political
27 contributions and expenditures not deductible under 26
28 U.S.C. § 162(e)(1)(B) (relating to trade or business
29 expenses), including:

30 (A) Contributions to or expenditures on behalf

1 of political candidates, political parties, political
2 committees and other entities organized and operating
3 under 26 U.S.C. Ch. 1 Subch. F (relating to exempt
4 organizations).

5 (B) Any portion of any dues or similar payments
6 made to any tax-exempt organization that is used for
7 an expenditure or contribution if, made directly by
8 the corporation would not be deductible under 26
9 U.S.C. § 162(e) (1) (B).

10 (C) Any contribution or expenditure, as those
11 terms are defined in 52 U.S.C. § 30101(8) (A) and (9)
12 (A) (relating to definitions).

13 (D) Any contribution or expenditure defined
14 under this act.

15 (ii) Any direct or indirect payment, distribution,
16 loan, advance, deposit or gift of money, or any services,
17 or anything of value, except a loan of money by a
18 National or State bank made in accordance with the
19 applicable banking laws and regulations and in the
20 ordinary course of business, to any candidate, campaign
21 committee or political party or organization, in
22 connection with any election to any office.

23 (2) The term does not include:

24 (i) Communications by a corporation to its
25 stockholders and executive or administrative personnel
26 and their families or by a labor organization to its
27 members and their families on any subject.

28 (ii) Nonpartisan registration and get-out-the-vote
29 campaigns by a corporation aimed at its stockholders and
30 executive or administrative personnel and their families

1 or by a labor organization aimed at its members and their
2 families.

3 (iii) The establishment, administration and
4 solicitation of contributions to a separate segregated
5 fund to be utilized for political purposes by a
6 corporation, labor organization, membership organization,
7 cooperative or corporation without capital stock.

8 "Corporate treasury funds." Money in possession of a
9 corporation incorporated under the laws of this Commonwealth in
10 the normal course of business, including funds from sales,
11 accounts payable, loans, investments, bonds or debt instruments.

12 "Corporation." The term includes any company, trade or
13 professional union, not-for-profit association and incorporated
14 partnership organized as an incorporated entity under the laws
15 of any state.

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

17 "Issue advocacy campaign." Contributions or expenditures for
18 any communication to the general public intended to encourage
19 the public to contact a government official regarding pending
20 legislation, public policy or a government rule or regulation.
21 The term does not include contributions or expenditures for
22 registered lobbyists or other persons employed by the
23 corporation to lobby directly Federal or State government
24 officials.

25 "Known at the time of the authorization vote." At the time
26 the corporation seeks authorization from shareholders to spend
27 corporate funds for political activities:

28 (1) the corporation's officers, directors or employees
29 have identified a specific political activity for the
30 corporation to support or oppose;

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

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

6 "Majority of shareholders." Fifty percent plus one of all
7 outstanding voting securities. Shareholders not casting votes
8 shall not count toward affirmative authorization under this
9 article.

10 "Political activities." Any contributions or expenditures
11 made directly or indirectly to, or in support of or opposition
12 to, any candidate, political party, committee, electioneering
13 communication, ballot measure campaign or an issue advocacy
14 campaign. The term does not include activities defined as
15 lobbying under any Federal, State or local law.

16 "Separate segregated fund." A political action committee
17 formed by a corporation for the purpose of making contributions
18 to candidates for office or to political parties. A separate
19 segregated fund which supports Federal candidates shall have the
20 same meaning as in 52 U.S.C. § 30118 (relating to contributions
21 or expenditures by national banks, corporations, or labor
22 organizations).

23 Section 1602-B. Shareholder vote on corporate political
24 activities.

25 (a) Annual vote.--

26 (1) Any corporation incorporated in this Commonwealth
27 that spends in the aggregate \$10,000 or more of corporate
28 treasury funds on all political activities in this
29 Commonwealth must comply with the requirements of this
30 section.

1 (2) Any proxy or consent or authorization for an annual
2 meeting of the shareholders of a corporation incorporated in
3 this Commonwealth, or a special meeting in lieu of the
4 meeting, if proxies are solicited in respect of any security
5 occurring on or after six months following the date on which
6 final regulations are published under subsection (d) shall
7 provide for a separate resolution subject to shareholder vote
8 to approve any spending of \$10,000 or more by the corporation
9 for any political activity.

10 (3) Notwithstanding the requirement for an annual
11 shareholder vote to authorize any spending of \$10,000 or more
12 by the corporation for any political activity, a corporation
13 may request authorization for spending on political
14 activities on a more frequent basis. Any authorization
15 request by the corporation that is not made during an annual
16 authorization shall be deemed a special authorization.

17 (4) If a corporation spends less than an aggregate of
18 \$10,000 in a 12-month period for political activities, it
19 shall not be required to seek shareholder authorization for
20 the spending.

21 (b) Shareholder approval.--

22 (1) When seeking shareholder authorization for
23 expenditures for political activities, the corporation shall
24 request the authority to spend a maximum dollar amount in the
25 next 12 months.

26 (2) If known at the time of the authorization vote, the
27 company shall articulate whether the corporate treasury funds
28 so authorized are intended to benefit or defeat specific
29 candidates, ballot measures or issue advocacy campaigns or
30 whether it will be paid to specific nonprofits or trade

1 associations for political activities.

2 (3) To be effective, an authorization vote must garner
3 support from a majority of shareholders.

4 (4) A vote by the shareholders to approve or disapprove
5 any spending of \$10,000 or more by a corporation for a
6 political activity shall be binding on the corporation.

7 (5) Notwithstanding the requirement for an annual
8 shareholder vote to authorize any spending of \$10,000 or more
9 by the corporation for any political activity, a corporation
10 may request a special authorization for additional spending
11 on political activities, provided that:

12 (i) all spending on political activities of \$10,000
13 or more must be authorized by a shareholder majority
14 vote; and

15 (ii) for any special authorization, the company
16 shall articulate whether the corporate treasury funds so
17 authorized are intended to benefit or defeat candidates,
18 ballot measures or issue advocacy campaigns or will be
19 paid to specific nonprofits or trade associations for
20 political activities at the time the special
21 authorization is requested.

22 (c) Director liability.--If a corporation makes an
23 unauthorized contribution or expenditure for a political
24 activity, the directors at the time that the unauthorized
25 contribution or expenditure was incurred are jointly and
26 severally liable to repay to the corporation the amount of the
27 unauthorized expenditure, with interest at the rate of 8% per
28 year.

29 (d) Rulemaking.--The department shall promulgate final
30 regulations to implement this section no later than six months

1 after the effective date of this section.

2 (e) Sole proprietorships excluded.--Nothing in this section
3 shall be construed to apply a new duty to the owner of a sole
4 proprietorship.

5 Section 1603-B. Notification to shareholders of corporate
6 political activities.

7 (a) Notification to shareholders.--

8 (1) At least quarterly during each fiscal year, a
9 corporation incorporated in this Commonwealth that makes
10 contributions or expenditures for political activities must
11 notify its shareholders and the department in writing of the
12 nature of all its political activities, funded by either its
13 separate segregated fund or through its general corporate
14 treasury, including contributions or expenditures made
15 directly or indirectly.

16 (2) A report made under this section shall include the
17 following:

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

19 (ii) The amount of the contributions or
20 expenditures.

21 (iii) The identity of the candidate, political
22 party, committee, electioneering communication, ballot
23 measure campaign or issue advocacy campaign.

24 (iv) If the contributions or expenditures were made
25 for or against a candidate, including an electioneering
26 communication as defined under Federal law, the office
27 sought by the candidate and the political party
28 affiliation of the candidate.

29 (v) If the contributions or expenditures were made
30 for or against a ballot measure, the purpose of the

1 measure and whether the contributions or expenditures
2 were made in support of or opposition to the ballot
3 measure.

4 (vi) If the contributions or expenditures were made
5 for or against an issue advocacy campaign, the nature of
6 the political issue and whether the contributions were
7 made in support of or opposition to the political issue.

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

10 (b) Public disclosure.--

11 (1) The quarterly reports of political activities by a
12 corporation incorporated in this Commonwealth to shareholders
13 shall be public records.

14 (2) A copy of the reports filed under subsection (a)(1)
15 shall be:

16 (i) submitted to the department; and

17 (ii) posted for at least one year on the
18 corporation's publicly accessible Internet website, if
19 any.

20 Section 1604-B. Public disclosure of corporate political
21 activities by department.

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

25 (b) Electronic form.--A quarterly report required to be
26 filed under this section shall be filed in electronic form using
27 filing software approved or developed by the department in
28 addition to filing in any other form that the department may
29 require by regulation and shall be published on the department's
30 publicly accessible Internet website.

1 (c) Format.--The department shall ensure that, to the
2 greatest extent practicable, the quarterly reports on political
3 activities are publicly available through the department's
4 publicly accessible Internet website in a format that can be
5 searched, sorted and downloaded.

6 Section 1605-B. Report by Department of the Auditor General.

7 (a) Audit.--On an annual basis, the Department of the
8 Auditor General shall audit the extent of compliance or
9 noncompliance with the requirements of this article by
10 corporations incorporated under the laws of this Commonwealth,
11 their management and shareholders, and the effectiveness of the
12 department in meeting the reporting and disclosure requirements
13 of this article.

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

18 Section 1606-B. Board approval for all corporate political
19 expenditures.

20 (a) Approval required.--Notwithstanding any other provision
21 of law, a corporation or trade, business or professional
22 association may not make any campaign contribution or
23 expenditure unless specifically authorized to do so:

24 (1) by the vote of the board of directors of the
25 corporation or of the executive committee of the trade,
26 business or professional association at a regular or special
27 meeting of the board of directors or the executive committee;

28 (2) by the president, vice president, secretary or
29 treasurer of a corporation whom the board has specifically
30 empowered to authorize the contributions or expenditures; or

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

4 (b) Form of contribution.--A corporation, trade, business or
5 professional association may not make any contribution or
6 expenditure as defined under Federal or State law, other than an
7 in-kind contribution or expenditure, except by check.

8 Section 1607-B. Applicability to foreign corporations.

9 (a) Foreign corporations.--A foreign corporation, other than
10 a foreign association or foreign nonprofit corporation,
11 including a foreign parent corporation even though it does not
12 itself transact intrastate business, shall be subject to the
13 requirements of sections 1602-B, 1603-B, 1604-B and 1605-B if:

14 (1) the average of property, payroll and sales factors,
15 as provided under section 401 of the act of March 4, 1971
16 (P.L.6, No.2), known as the Tax Reform Code of 1971, with
17 respect to the foreign corporation, is more than 50% during
18 its latest full-income year; and

19 (2) more than one-half of its outstanding voting
20 securities are held of record by persons having addresses in
21 this Commonwealth appearing on the books of the corporation
22 on the record date for the latest meeting of shareholders
23 held during its latest full-income year or, if no meeting was
24 held during that year, on the last day of the latest full-
25 income year.

26 (b) Determination.--

27 (1) The determination of the property, payroll and sales
28 factors under subsection (a) with respect to any parent
29 corporation shall be made on a consolidated basis, including
30 in a unitary computation, after elimination of intercompany

1 transactions, the property, payroll and sales of the parent
2 and all of its subsidiaries in which it owns directly or
3 indirectly more than 50% of the outstanding shares entitled
4 to vote for the election of directors, but deducting a
5 percentage of the property, payroll and sales of any
6 subsidiary equal to the percentage minority ownership, if
7 any, in the subsidiary.

8 (2) Except as provided under paragraph (3), for the
9 purpose of this section, any securities held to the knowledge
10 of the issuer in the names of broker-dealers, nominees for
11 broker-dealers, including clearing corporations or banks,
12 associations or other entities holding securities in a
13 nominee name or otherwise on behalf of a beneficial owner,
14 collectively nominee holders, shall not be considered
15 outstanding.

16 (3) If a foreign corporation requests all nominee
17 holders to certify, with respect to all beneficial owners for
18 whom securities are held, the number of shares held for the
19 beneficial owners having addresses as shown on the records of
20 the nominee holder in this Commonwealth and outside of this
21 Commonwealth, all shares certified in this manner shall be
22 considered outstanding and held of record by persons having
23 addresses either in this Commonwealth or outside of this
24 Commonwealth as certified in this manner, if the
25 certification provided is retained with the record of
26 shareholders and made available for inspection and copying.

27 (4) A current list of beneficial owners of a foreign
28 corporation's securities provided to the corporation by one
29 or more nominee holders or agents thereof under the
30 requirements of 17 CFR 240.14b-1(b) (3) (relating to

1 obligation of registered brokers and dealers in connection
2 with the prompt forwarding of certain communications to
3 beneficial owners) or 240.14b-2(b)(3) (relating to obligation
4 of banks, associations and other entities that exercise
5 fiduciary powers in connection with the prompt forwarding of
6 certain communications to beneficial owners) promulgated
7 under 15 U.S.C. Ch. 2B (relating to securities exchanges)
8 shall constitute an acceptable certification with respect to
9 beneficial owners for the purposes of this subsection.

10 (c) Applicability.--This section shall not apply to any
11 corporation:

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

14 (2) With outstanding securities designated as qualified
15 for trading on the Nasdaq Global Market of the Nasdaq Stock
16 Market, or any successor to the Nasdaq Global Market of the
17 Nasdaq Stock Market.

18 (3) With all of its voting shares, other than directors'
19 qualifying shares, owned directly or indirectly by a
20 corporation not subject to this section.

21 (d) Liability.--If a party obtains a final determination by
22 a court of competent jurisdiction that a corporation failed to
23 provide to the party information required to be provided by this
24 article or provided the party information of the kind required
25 to be provided by this article that is incorrect, a court, in
26 its discretion, may include in its judgment recovery by the
27 party from the corporation of court costs and reasonable
28 attorney fees incurred in the legal proceeding to the extent
29 that the court costs and reasonable attorney fees relate to
30 obtaining the final determination.

1 Section 13. The dollar figures contained in section 1627.1
2 of the act shall be adjusted biennially at a rate determined by
3 the Federal Election Commission as authorized under 11 CFR 110.
4 The Secretary of the Commonwealth shall certify the calculation
5 of the rate as determined by the Federal Election Commission and
6 shall transmit notice of the new dollar figures to the
7 Legislative Reference Bureau for publication in the next
8 available issue of the Pennsylvania Bulletin.

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

14 Section 15. A comprehensive, fully searchable and user-
15 friendly computerized database to track full implementation of
16 this act shall be made available to the public by the Department
17 of State through its publicly accessible Internet website within
18 90 days.

19 Section 16. This act shall take effect January 1, 2026, or
20 immediately, whichever is later.