THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1068 Session of 2018

INTRODUCED BY COSTA, TARTAGLIONE, FONTANA, LEACH, BREWSTER, BROWNE, RAFFERTY, SABATINA, SCHWANK AND BLAKE, MARCH 12, 2018

REFERRED TO STATE GOVERNMENT, MARCH 12, 2018

AN ACT

- Amending the act of June 3, 1937 (P.L.1333, No.320), entitled "An act concerning elections, including general, municipal, special and primary elections, the nomination of candidates, 2 3 primary and election expenses and election contests; creating and defining membership of county boards of elections; 5 imposing duties upon the Secretary of the Commonwealth, 6 courts, county boards of elections, county commissioners; imposing penalties for violation of the act, and codifying, 7 8 revising and consolidating the laws relating thereto; and 9 repealing certain acts and parts of acts relating to 10 elections," in primary and election expenses, further 11 providing for definitions, for contributions or expenditures 12 by national banks, corporations or unincorporated 13 associations and for advertising. 14 15 The General Assembly of the Commonwealth of Pennsylvania 16 hereby enacts as follows: 17 Section 1. Section 1621(e) and (f) of the act of June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election 18 19 Code, are amended and the section is amended by adding 20 subsections to read: 2.1 Section 1621. Definitions. -- As used in this article, the 22 following words have the following meanings: * * * 23
- (e) The words "independent expenditure" shall mean an

- 1 expenditure by a person, other than a political committee or
- 2 candidate, expressly advocating the election or defeat of a
- 3 <u>clearly identified candidate for nomination or election or</u>
- 4 clearly identified ballot question appearing on the ballot in
- 5 every election district in this Commonwealth, made for the
- 6 purpose of influencing an election without cooperation or
- 7 consultation with any candidate or any political committee
- 8 authorized by that candidate and which is not made in concert
- 9 with or at the request or suggestion of any candidate or
- 10 political committee or agent thereof.
- 11 (f) The word "lobbyist" shall mean any person who is
- 12 registered pursuant to the provisions of [the act of September
- 13 30, 1961 (P.L.1778, No.712), known as the "Lobbying Registration
- 14 and Regulation Act."] 65 Pa.C.S. Ch. 13A (relating to lobbying
- 15 disclosure).
- 16 * * *
- 17 (n) The words "chief executive officer" shall mean the
- 18 highest ranking officer or decision-making individual with
- 19 authority over a corporation's affairs.
- 20 (o) The words "clearly identified" shall mean:
- 21 (1) with respect to a candidate, the name of the candidate
- 22 appears;
- 23 (2) with respect to a candidate, a photograph, drawing or
- 24 other image of the candidate appears; or
- 25 (3) with respect to a candidate or ballot question, the
- 26 identity of the candidate or ballot question is apparent by
- 27 unambiguous reference.
- 28 (p) The words "electioneering communication" shall mean a
- 29 broadcast, cable, mail, satellite or print communication by a
- 30 person, other than a political committee or candidate, that

- 1 refers to a clearly identified candidate or clearly identified
- 2 <u>ballot question appearing on the ballot in every election</u>
- 3 <u>district in this Commonwealth and is publicly distributed within</u>
- 4 <u>ninety (90) days before an election in which the candidate is</u>
- 5 <u>seeking election or reelection or the ballot question appears on</u>
- 6 the ballot. The term does not include any of the following
- 7 communications:
- 8 (1) A communication that is disseminated through a means
- 9 other than a broadcast station, radio station, cable television
- 10 system or satellite system, newspaper, magazine, periodical,
- 11 billboard advertisement or mail.
- 12 (2) A communication to less than one hundred (100)
- 13 recipients.
- 14 (3) A news story, commentary, letter to the editor, news
- 15 release, column, op-ed or editorial broadcast by a television
- 16 station, radio station, cable television system or satellite
- 17 system or printed in a newspaper, magazine or other periodical
- 18 in general circulation.
- 19 (4) Expenditures or independent expenditures or
- 20 contributions that must otherwise be reported under this
- 21 article.
- 22 (5) A communication from a membership organization
- 23 exclusively to its members and their families, otherwise known
- 24 as a membership communication.
- 25 (6) Bona fide candidate debates or forums and advertising or
- 26 promotion of the same.
- 27 <u>(7) E-mail communications.</u>
- 28 (8) Internet communications which are not paid
- 29 <u>advertisements.</u>
- 30 (q) The words "electioneering communication expenditure"

- 1 shall mean any expenditure made by a person, other than a
- 2 political committee or a candidate, as payment for an
- 3 electioneering communication.
- 4 <u>(r) The words "foreign national" shall mean:</u>
- 5 (1) a foreign principal; or
- 6 (2) an individual who is not a citizen of the United States
- 7 or a national of the United States and who is not lawfully
- 8 <u>admitted for permanent residence.</u>
- 9 (s) The words "foreign owner" shall mean a foreign national
- 10 or a corporation wherein a foreign national holds, owns,
- 11 controls or otherwise has directly or indirectly acquired
- 12 beneficial ownership of equity or voting shares in an amount
- 13 that is equal to or greater than fifty (50) per cent of the
- 14 total equity or outstanding voting shares.
- 15 (t) The words "foreign-influenced corporation" shall mean a
- 16 corporation for which:
- 17 (1) a foreign owner holds, owns, controls or otherwise has
- 18 directly or indirectly acquired beneficial ownership of equity
- 19 or voting shares in an amount that is equal to or greater than
- 20 five (5) per cent of the total equity or outstanding voting
- 21 shares; or
- 22 (2) foreign owners hold, own, control or otherwise have
- 23 directly or indirectly acquired beneficial ownership of equity
- 24 or voting shares in an amount that is equal to or greater than
- 25 twenty (20) per cent of the total equity or outstanding voting
- 26 shares.
- 27 <u>(u) The words "foreign principal" shall mean:</u>
- 28 (1) a government of a foreign country;
- 29 (2) a foreign political party; or
- 30 (3) a partnership, association, corporation, organization or

- 1 other combination of persons organized under the laws of or
- 2 having its principal place of business in a foreign country.
- 3 <u>(v) The words "independent expenditure political action</u>
- 4 <u>committee</u>" shall mean a political action committee that only
- 5 receives contributions to make independent expenditures.
- 6 Section 2. Sections 1633 and 1638 of the act are amended by
- 7 adding subsections to read:
- 8 Section 1633. Contributions or Expenditures by National
- 9 Banks, Corporations or Unincorporated Associations. --* * *
- 10 (e) (1) No foreign-influenced corporation shall make an
- 11 independent expenditure, an electioneering communication
- 12 <u>expenditure or a contribution to an independent expenditure</u>
- 13 political action committee.
- 14 (2) A corporation that makes an independent expenditure, an
- 15 <u>electioneering communication expenditure or a contribution to an</u>
- 16 <u>independent expenditure political action committee shall, within</u>
- 17 seven (7) business days after making the expenditure or
- 18 contribution, file with the appropriate supervisor, a statement
- 19 of certification, signed by the chief executive officer under
- 20 penalty of perjury, avowing that, after due inquiry, the
- 21 corporation was not a foreign-influenced corporation on the date
- 22 the expenditure or contribution was made.
- 23 Section 1638. Advertising.--
- 24 * * *
- 25 (c) (1) Unless the person making an independent expenditure
- 26 or electioneering communication, transmitted through paid radio,
- 27 <u>television or Internet advertising</u>, has received a statement of
- 28 certification as prescribed under section 1633(e) from each
- 29 contributing corporation that is among the top five (5)
- 30 contributors when ranked in order of amount of contribution made

- 1 to the person for the twelve-month period immediately preceding
- 2 the date of the communication, the advertisement shall include
- 3 the following statement:
- 4 Some of the funds used to pay for this message may have
- 5 <u>been provided by foreign-influenced corporations.</u>
- 6 (2) The person making the independent expenditure or
- 7 electioneering communication under this section shall be
- 8 entitled to rely on the statement of certification provided by
- 9 the contributor, unless the person has actual knowledge that the
- 10 certification is false.
- 11 Section 3. This act shall take effect in 60 days.