

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 11 Session of 2017

INTRODUCED BY COSTA, BLAKE, LEACH, FONTANA, BREWSTER, SCHWANK,  
YUDICHAK, FARNESE, HAYWOOD, HUGHES AND BOSCOLA,  
FEBRUARY 15, 2017

REFERRED TO STATE GOVERNMENT, FEBRUARY 15, 2017

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, providing for  
16 limitations on contributions, further providing for late  
17 filing fees and certificates of filing, for contributions or  
18 expenditures by national banks, corporations or  
19 unincorporated associations and for reports by business  
20 entities and publication and providing for independent  
21 expenditures and for corporate political accountability.

22 The General Assembly of the Commonwealth of Pennsylvania  
23 hereby enacts as follows:

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

25 (1) The Commonwealth has a compelling governmental  
26 interest to protect the integrity of the government from  
27 actual corruption or the appearance of corruption.

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

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

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

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

17 \* \* \*

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

20 Section 3. Section 1621(d) of the act is amended and the  
21 section is amended by adding subsections to read:

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

24 \* \* \*

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

26 (1) The payment, distribution, loan or advancement of money  
27 or any valuable thing by a candidate, candidate committee,  
28 political committee, political action committee, political party  
29 committee or other person for the purpose of influencing the  
30 outcome of a nomination or an election[;]: Provided, however,

1 That such payment, distribution, loan or advancement of money or  
2 any valuable thing shall be made only for expenses directly and  
3 exclusively incurred for the campaign in which the candidate is  
4 running in the contemporaneous election cycle and that no  
5 expenditure of funds from campaign accounts shall be used for  
6 any personal purpose.

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

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

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

18 \* \* \*

19 (n) The words "affiliate" or "affiliated committee" shall  
20 include:

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

24 (2) Any committee established, financed, maintained or  
25 controlled by the same corporation, labor organization,  
26 membership association, not-for-profit organization or trade or  
27 professional association, person or group of persons, including  
28 any parent, subsidiary, branch, division, department or local  
29 unit thereof. Local units may include, in appropriate cases, a  
30 franchisee, licensee or regional association.

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

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

20     (q) The words "clearly identified" are satisfied if:  
21     (1) the name of the candidate appears;  
22     (2) a photograph, drawing or other image of the candidate  
23 appears; or  
24     (3) the identity of the candidate or ballot question is  
25 apparent by unambiguous reference.

26     (r) The word "person" shall include any corporation,  
27 partnership, limited liability company, business trust, other  
28 association, government entity, other than the Commonwealth,  
29 estate, trust, foundation or natural person.

30     Section 4. Sections 1622 and 1624 of the act are amended to

1 read:

2 Section 1622. Organization of Political Committees;  
3 Treasurer and Assistant Treasurer; Records of Candidate and  
4 Committees.--

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

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

27 (c) Each candidate and committee shall keep records of the  
28 names and addresses of each person from whom a contribution of  
29 over ten dollars (\$10) has been received and a record of all  
30 other information required to be reported pursuant to this act.

1 All such records shall be retained by the candidate or treasurer  
2 for a period of three (3) years after such information is  
3 reported as required by this act.

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

8 Section 1624. Registration.--

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

17 (b) Each registration statement shall contain the following  
18 information:

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

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

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

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

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

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

30 (7) The banks, safety deposit boxes or other repositories

1 and their addresses used by the committee.

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

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

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

12 (d) No political committee which receives an aggregate  
13 amount of contributions of two hundred fifty dollars (\$250) or  
14 more may make a contribution to any candidate or political  
15 committee unless it has registered with the appropriate  
16 supervisor.

17 Section 5. Section 1626(a), (b), (d) and (g) of the act are  
18 amended and the section is amended by adding a subsection to  
19 read:

20 Section 1626. Reporting by Candidate and Political  
21 Committees and other Persons.--

22 (a) Each treasurer of a political committee and each  
23 candidate for election to public office shall file with the  
24 appropriate supervisor reports of receipts and expenditures on  
25 forms, designed by the Secretary of the Commonwealth, if the  
26 amount received or expended or liabilities incurred shall exceed  
27 the sum of two hundred fifty dollars (\$250). Should such an  
28 amount not exceed two hundred fifty dollars (\$250), then the  
29 candidate or, in the case of a political committee, the  
30 treasurer of the committee shall file a sworn statement to that

1 effect with the appropriate supervisor rather than the report  
2 required by this section[.]: Provided, however, That if the  
3 amount received or expended by a candidate does not exceed two  
4 hundred fifty dollars (\$250) he or she may comply with this  
5 section by signing an affidavit to that effect on his or her  
6 political committee's report or statement.

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

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

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

24 (3) The total sum of individual contributions made to or for  
25 such committee or candidate during the reporting period and not  
26 reported under clauses (1) and (2).

27 (4) Each and every expenditure, the date made, the full name  
28 and address of the person to whom made and the purpose for which  
29 such expenditure was made. In the event the creditor is a credit  
30 card company or like instrumentality that is an intermediary for



1 collecting payments due, it shall not be sufficient to list the  
2 name of the collecting organization. The report shall identify  
3 the credit card company and also the specific entities and  
4 payments being paid through the credit card company or like  
5 entity. In the event the payment is being made by a committee to  
6 a creditor for expenses on behalf of one or more candidates, the  
7 amounts of payments and purposes of the payments shall be broken  
8 down to identify each candidate's share of the incurred  
9 expenses.

10 (5) Any unpaid debts and liabilities, with the nature and  
11 amount of each, the date incurred and the full name and address  
12 of the person owed.

13 (6) The account shall include any unexpended balance of  
14 contributions or other receipts appearing from the last account  
15 filed.

16 (7) Identification of political committees:

17 (i) If the contributor is a political committee, the  
18 official registration number of the committee must be included  
19 on the contribution check or in the case of an electronic  
20 transfer within the documentation sent to the candidate  
21 providing notice to the electronic transfer of funds.

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

24 (iii) The official committee registration number shall be  
25 included on each entry for that committee on a candidate's  
26 disclosure report.

27 \* \* \*

28 (d) Pre-election reports by candidates for offices to be  
29 voted for by the electors of the State at large, candidates for  
30 the office of Senator in the General Assembly, candidates for

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

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

23 \* \* \*

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

1 calendar year shall file with the appropriate supervisor, on a  
2 form prepared by the Secretary of the Commonwealth, a report  
3 which shall include the same information required of a candidate  
4 or political committee receiving such a contribution and,  
5 additionally, the name of the candidate or question supported or  
6 opposed. Reports required by this subsection shall be filed on  
7 dates on which reports by political committees making  
8 expenditures are required to report under this section.

9 \* \* \*

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

11 Section 1627.1. Limitations on Certain Contributions.--

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

22 (b) Aggregate contributions, including in-kind  
23 contributions, from any individual to any candidate for  
24 Statewide office, his authorized committee or agent, may not  
25 exceed five thousand dollars (\$5,000) for each election.  
26 Furthermore, for each election, no candidate, his authorized  
27 committee or agent may accept or receive more than five thousand  
28 dollars (\$5,000) in aggregate contributions, including in-kind  
29 contributions from any individual for each election.

30 (c) For each election aggregate contributions, including in-

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

15 (d) Contributions from political party committees to a  
16 political action committee, other party committee or other  
17 committee may not exceed ten thousand dollars (\$10,000) for each  
18 election.

19 (e) A candidate for the office of Senator or Representative  
20 in the General Assembly, judge of a court of common pleas or a  
21 county or local office, or the candidate's committee or agent  
22 may not accept in excess of two hundred and fifty thousand  
23 dollars (\$250,000) in aggregate contributions, including in-kind  
24 contributions from all political party committees, affiliates or  
25 agents. Such contributions, in the aggregate, received by a  
26 candidate, may not exceed the aggregate contributions made by  
27 individuals per election.

28 (f) Except for a candidate for the office of Governor, a  
29 candidate for Statewide office, his authorized committee or  
30 agent may not accept in excess of one million dollars

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

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

22 (h) Aggregate contributions from any individual, person or a  
23 single candidate's political committee, its affiliate or agent  
24 or a single political action committee, its affiliate or agent  
25 or any other political committee to a single political party  
26 committee may not exceed twenty-five thousand dollars (\$25,000)  
27 in a calendar year. Furthermore, no single political party  
28 committee may accept or receive more than twenty-five thousand  
29 dollars (\$25,000) in aggregate contributions from any  
30 individual, person, single candidate's political committee or

1 agent or a single political action committee, its affiliate or  
2 agent, any political committee or other committee in a calendar  
3 year.

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

8 (1) exercises any direction over the making of the  
9 contribution; or

10 (2) solicits the contribution or arranges for the  
11 contribution to be made and directly or indirectly makes the  
12 candidate aware of such intermediary or conduit's role in  
13 soliciting or arranging the contribution for the candidate.

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

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

20 (2) In the case of an individual, the candidate has  
21 expressly authorized the intermediary or conduit to engage in  
22 fundraising, or the individual occupies a position within the  
23 candidate's campaign organization and is authorized by the  
24 organization to engage in fundraising.

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

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

28 (1) No candidate, candidate committee, party committee,  
29 political action committee or political committee may accept a  
30 campaign contribution from an out-of-State political action

1 committee if the political action committee's home state has  
2 less restrictive disclosure laws than this Commonwealth, except  
3 as provided under paragraph (2).

4 (2) A 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 that political action committee is registered in  
8 this Commonwealth with the Department of State and, by such  
9 registration, has affirmed that the contributor will comply with  
10 the contribution, expenditure and reporting requirements of this  
11 act, as well as the regulations relating to contributions,  
12 expenditures and reporting promulgated under this act by the  
13 Department of State and the State Ethics Commission.

14 (3) The Secretary of the Commonwealth shall list and certify  
15 those states that have less restrictive disclosure laws than the  
16 Commonwealth. The list shall be compiled and updated annually  
17 and published in the Pennsylvania Bulletin not later than  
18 January 1, 2018, and each January 1 thereafter. The list shall  
19 be made available on the Department of State's publicly  
20 accessible Internet website and provided in hard copy in  
21 campaign committee packets prepared by the department.

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

25 (m) For purposes of this section, any contribution made to a  
26 candidate in a year other than the calendar year in which the  
27 election is held with respect to which such contribution is made  
28 is considered to be made during the calendar year in which the  
29 election is held.

30 (n) For purposes of this section, contribution limits shall

1 apply to each election separately, whether a primary, special,  
2 municipal or general election, unless an annual limit or other  
3 limit is specified.

4 (o) No person who has a fiduciary contract for services with  
5 the General Assembly may engage in campaign finance activity for  
6 candidates of the General Assembly, including, but not limited  
7 to, making of contributions, fundraising activities or  
8 involvement in political action committees or candidate  
9 political committees.

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

14 (q) A violation of the contribution limits set forth in this  
15 section shall subject the violator to a fine equal to three  
16 times the amount of money that exceeds the limits. This penalty  
17 applies to both the person making the contribution and the  
18 person receiving it.

19 (r) The Secretary of the Commonwealth shall biennially  
20 adjust to the nearest one hundred dollars (\$100) the limits in  
21 subsections (a), (b), (c), (d), (e), (f), (g) and (h) by the  
22 percentage change in the Consumer Price Index and publish the  
23 new amounts in the Pennsylvania Bulletin. For the purposes of  
24 this subsection, "Consumer Price Index" means the Consumer Price  
25 Index for all urban consumers that is published by the United  
26 States Department of Labor, Bureau of Labor Statistics.

27 (s) The limitations imposed by this section may not apply to  
28 contributions from a candidate's personal resources to a  
29 candidate committee, political committee or political action  
30 committee acting on behalf of the candidate. However, if such



1 contributions total one hundred thousand dollars (\$100,000) or  
2 more, regardless of the time period over which such  
3 contributions are made, the contribution limits set forth in  
4 this section shall quadruple.

5 Section 7. Sections 1632(a) and 1633(a) of the act are  
6 amended to read:

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

8 (a) A late filing fee for each report or statement of  
9 expenditures and contributions which is not filed within the  
10 prescribed period shall be imposed as follows. Such fee shall be  
11 [ten dollars (\$10)] twenty dollars (\$20) for each day or part of  
12 a day excluding Saturdays, Sundays and holidays that a report is  
13 overdue. An additional fee of ten dollars (\$10) is due for each  
14 of the first six (6) days that a report is overdue. [The maximum  
15 fee payable with respect to a single report is two hundred fifty  
16 dollars (\$250).] A supervisor shall receive an overdue report or  
17 statement even if any late filing fee due has not been paid but  
18 the report or statement shall not be considered filed until all  
19 fees have been paid upon the receipt by the supervisor of an  
20 overdue report. No further late filing fees shall be incurred  
21 once the report or statement is filed notwithstanding the fact  
22 that the report or statement is not considered filed. The late  
23 filing fee is the personal liability of the candidate or  
24 treasurer of a political committee and cannot be paid from  
25 contributions to the candidate or committee, nor may such fee be  
26 considered an expenditure. A report or statement of expenditures  
27 and contributions shall be deemed to have been filed within the  
28 prescribed time if the letter transmitting the report or  
29 statement which is received by the supervisor is transmitted by  
30 first class mail and is postmarked by the United States Postal

1 Service on the day prior to the final day on which the report or  
2 statement is to be received: Provided, That this sentence shall  
3 not be applicable to the reporting requirements contained in  
4 section 1628. All Department of State filing and disclosure  
5 requirements for prior campaign activity must have been met in  
6 order for a candidate to obtain a place on the ballot.

7 \* \* \*

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

30 \* \* \*

1 Section 8. Section 1641(a) of the act is amended and the  
2 section is amended by adding a subsection to read:

3 Section 1641. Reports by Business Entities; Publication by  
4 Secretary of the Commonwealth.--

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

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

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

24 For the purposes of this subsection, "immediate family" means a  
25 person's spouse and any unemancipated child.

26 \* \* \*

27 (c) The Department of State, in consultation with the  
28 Department of General Services, shall publish a list of all  
29 business entities, corporations, companies, associations,  
30 partnerships or sole proprietorships receiving grants and

1 contracts in excess of fifty thousand dollars (\$50,000) from the  
2 Commonwealth not later than January 31 of each year for the  
3 preceding two-year period. The list shall be updated quarterly.

4 Section 9. The act is amended by adding sections to read:

5 Section 1643. Independent Expenditures.--

6 (a) A person may make independent expenditures for the  
7 purposes of advocating the election or defeat of a clearly  
8 identified candidate or ballot question.

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

15 (1) No person shall make, incur or contract for an  
16 expenditure with the consent of, in coordination with or in  
17 consultation with a candidate, candidate committee, political  
18 committee or candidate's agent.

19 (2) No group of two or more individuals acting together that  
20 receives funds or makes or incurs expenditures not exceeding one  
21 thousand dollars (\$1,000) in the aggregate which have not formed  
22 a political committee shall make or incur an independent  
23 expenditure.

24 (b.1) Communications under subsection (b) shall contain the  
25 following language:

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

28 (i) For an individual, the name and address of the  
29 individual.

30 (ii) For a committee other than a party committee, the name

1 of the committee and its campaign treasurer.

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

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

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

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

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

15 (c) Expenditures:

16 (1) The following apply:

17 (i) No person shall make or incur an independent expenditure  
18 for a written, typed or other printed communication or a web-  
19 based, written communication which promotes the success or  
20 defeat of a candidate for nomination or election or promotes or  
21 opposes a political party or solicits funds to benefit a  
22 political party or committee, unless the communication bears  
23 upon its face the words "paid for and approved by" and the name  
24 of the person, the name of its chief executive officer or  
25 equivalent and its principal business address and the words  
26 "This message was made independently of a candidate or political  
27 party."

28 (ii) An entity which is a tax-exempt organization under  
29 section 501 of the Internal Revenue Code of 1986 (Public Law 99-  
30 514, 26 U.S.C. § 1 et seq.) or an incorporated tax-exempt

1 political organization organized under section 527 of the  
2 Internal Revenue Code of 1986, making or incurring an  
3 independent expenditure under subparagraph (i), shall also bear  
4 upon the face of the communication the words "Top Five  
5 Contributors" followed by a list of the five persons making the  
6 largest contributions to the organization during the twelve-  
7 month period before the date of the communication.

8 (2) Disclosure requirements are as follows:

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

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

24 (ii) A tax-exempt organization under section 501 of the  
25 Internal Revenue Code of 1986 or an incorporated tax-exempt  
26 political organization organized under section 527 of the  
27 Internal Revenue Code of 1986, making or incurring an  
28 independent expenditure under subparagraph (i), shall include on  
29 the advertisement an easily readable written message in the  
30 following form:

1 "The Top Five Contributors to the organization for this  
2 advertisement are" followed by a list of the five persons  
3 making the largest contributions to the organization during  
4 the twelve-month period before the date of the communication.

5 Section 1644. Independent Expenditure Evaluation.--

6 (a) When the Bureau of Commissions, Elections and  
7 Legislation audits and evaluates an expenditure that is included  
8 in a report under section 1643 to determine whether the  
9 expenditure is an independent expenditure, there shall be a  
10 rebuttable presumption that the following expenditures are not  
11 independent expenditures:

12 (1) An expenditure made by a person in cooperation,  
13 consultation or in concert with, at the request, suggestion or  
14 direction of or pursuant to a general or particular  
15 understanding with a candidate or political committee or other  
16 agent acting on behalf of a candidate or political committee.

17 (2) An expenditure made by a person for the production,  
18 dissemination, distribution or publication, in whole or in  
19 substantial part, of a broadcast or a written, graphic or other  
20 form of political advertising or campaign communications  
21 prepared by a candidate or political committee or a consultant  
22 or other agent acting on behalf of a candidate or political  
23 committee.

24 (3) An expenditure made by a person based on information  
25 about a candidate's or political committee's plans, projects or  
26 needs, provided by a candidate or political committee or a  
27 consultant or other agent acting on behalf of a candidate or  
28 political committee with the intent that the expenditure be  
29 made.

30 (4) An expenditure made by an individual who, in the same

1 election cycle, is serving or has served as the campaign  
2 chairperson, campaign treasurer or deputy treasurer of a  
3 political committee benefiting from the expenditure, or another  
4 executive or policymaking position, including as a member,  
5 employe, fundraiser, consultant or other agent acting on behalf  
6 of a candidate or political committee.

7 (5) An expenditure made by a person whose officer, director,  
8 member, employe, fundraiser, consultant or other agent who  
9 serves the person in an executive or policymaking position also  
10 serves as or has served in the same election cycle as the  
11 candidate or the campaign chairperson, campaign treasurer or  
12 deputy treasurer of a candidate or political committee  
13 benefiting from the expenditure, or in another executive or  
14 policymaking position of the candidate or political committee.

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

16 (i) fundraising activities with or for a candidate or  
17 political committee or a consultant or other agent acting on  
18 behalf of a candidate or political committee; or

19 (ii) the solicitation or receipt of contributions on behalf  
20 of a candidate or political committee or a consultant or other  
21 agent acting on behalf of a candidate or political committee.

22 (7) An expenditure made by a person based on information  
23 about a candidate's campaign plans, projects or needs, that is  
24 directly or indirectly provided by a candidate, the candidate's  
25 committee or a political committee or a consultant or other  
26 agent acting on behalf of the candidate or political committee  
27 to the person making the expenditure or the person's agent, with  
28 an express or tacit understanding that the person is considering  
29 making the expenditure.

30 (8) An expenditure made by a person for a communication that



1 clearly identifies a candidate or political committee during an  
2 election campaign if the person making the expenditure, or the  
3 person's agent, has informed the candidate who benefits from the  
4 expenditure that the candidate or political committee or a  
5 consultant or other agent acting on behalf of the benefiting  
6 candidate or political committee concerning the communications  
7 content, or of the intended audience, timing, location or mode  
8 or frequency of the dissemination.

9 (9) An expenditure made by a person or an entity for  
10 consultant or creative services, including services related to  
11 communications strategy or design or campaign strategy, to be  
12 used to promote or oppose a candidate's election to office if  
13 the provision of these services is also providing consultant or  
14 creative services to the candidate or to an opposing candidate  
15 in the same election.

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

18 (1) an individual or a person paid by a candidate or a  
19 candidate committee; and

20 (2) any consultant, printing firm, media production company,  
21 Internet website director or webmaster, marketing firm,  
22 advertising firm, filed organization firm or other company or  
23 firm retained by a candidate or authorized by a candidate or a  
24 candidate committee to act on the candidate's behalf.

25 Section 10. The act is amended by adding an article to read:

26 ARTICLE XVI-A

27 CORPORATE POLITICAL ACCOUNTABILITY

28 Section 1601-A. Definitions.

29 The following words and phrases when used in this article  
30 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

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

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

30 (2) Nonpartisan registration and get-out-the-vote

1 campaigns by a corporation aimed at its stockholders and  
2 executive or administrative personnel and their families or  
3 by a labor organization aimed at its members and their  
4 families.

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

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

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

15 "General treasury funds." Money in possession of a  
16 corporation incorporated under the laws of this Commonwealth in  
17 the normal course of business, including funds from sales,  
18 accounts payable, loans, investments, bonds or debt instruments.

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

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

30 (1) the corporation's officers, directors or employees

1 have identified a specific political activity for the  
2 corporation to support or oppose;

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

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

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

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

18 "Separate segregated fund." A political action committee  
19 formed by a corporation for the purpose of making contributions  
20 to candidates for office or to political parties. A separate  
21 segregated fund which supports Federal candidates shall have the  
22 same meaning as that found in section 316 of the Federal  
23 Election Campaign Act of 1971 (Public Law 92-225, 52 U.S.C. §  
24 30118).

25 Section 1602-A. Shareholder vote on corporate political  
26 activities.

27 (a) Annual vote.--

28 (1) Any corporation incorporated in this Commonwealth  
29 that spends in the aggregate \$10,000 or more of corporate  
30 treasury funds on all political activities in this

1 Commonwealth must comply with the requirements of this  
2 section.

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

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

19 (4) If a corporation spends less than an aggregate of  
20 \$10,000 in a 12-month period for political activities, then  
21 it does not have to seek shareholder authorization for such  
22 spending.

23 (b) Shareholder approval.--

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

28 (2) If known at the time of the authorization vote, the  
29 company shall articulate whether the corporate treasury funds  
30 so authorized are intended to benefit or defeat specific

1 candidates, ballot measures or issue advocacy campaigns or  
2 whether it will be paid to specific nonprofits or trade  
3 associations for political activities. The following apply:

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

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

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

16 (A) all spending on political activities of  
17 \$10,000 or more must be authorized by a shareholder  
18 majority vote; and

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

26 (c) Director liability.--If a corporation makes an  
27 unauthorized contribution or expenditure for a political  
28 activity, then the directors at the time that the unauthorized  
29 contribution or expenditure was incurred are jointly and  
30 severally liable to repay to the corporation the amount of the

1 unauthorized expenditure, with interest at the rate of 8% per  
2 year.

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

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

9 Section 1603-A. Notification to shareholders of corporate  
10 political activities.

11 (a) Notification to shareholders.--

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

20 (2) A report made under this section shall include the  
21 following:

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

23 (ii) The amount of the contributions or  
24 expenditures.

25 (iii) The identity of the candidate, political  
26 party, committee, electioneering communication, ballot  
27 measure campaign or issue advocacy campaign.

28 (iv) If the contributions or expenditures were made  
29 for or against a candidate, including an electioneering  
30 communication as defined under Federal law, the office

1 sought by the candidate and the political party  
2 affiliation of the candidate.

3 (v) If the contributions or expenditures were made  
4 for or against a ballot measure, the purpose of the  
5 measure and whether the contributions or expenditures  
6 were made in support or opposition to the ballot measure.

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

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

13 (b) Public disclosure.--

14 (1) The quarterly reports of political activities by a  
15 corporation incorporated in this Commonwealth to shareholders  
16 shall be public records.

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

19 (i) submitted to the department; and

20 (ii) posted for at least one year on the  
21 corporation's publicly accessible Internet website, if  
22 any.

23 Section 1604-A. Public disclosure of corporate political  
24 activities by the department.

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

28 (b) Electronic form.--A quarterly report required to be  
29 filed under this section shall be filed in electronic form using  
30 filing software approved or developed by the department in



1 addition to filing in any other form that the department may  
2 require by regulation and shall be published on the department's  
3 publicly accessible Internet website.

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

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

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

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

21 Section 1606-A. Board approval for all corporate political  
22 expenditures.

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

27 (1) by the vote of the board of directors of the  
28 corporation or of the executive committee of the trade,  
29 business or professional association at a regular or special  
30 meeting thereof;

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

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

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

11          Section 1607-A. Applicability to foreign corporations.

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

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

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

29          (b) Determination.--The determination of the property,  
30          payroll and sales factors under subsection (a) with respect to

1 any parent corporation shall be made on a consolidated basis,  
2 including in a unitary computation, after elimination of  
3 intercompany transactions, the property, payroll and sales of  
4 the parent and all of its subsidiaries in which it owns directly  
5 or indirectly more than 50% of the outstanding shares entitled  
6 to vote for the election of directors, but deducting a  
7 percentage of the property, payroll and sales of any subsidiary  
8 equal to the percentage minority ownership, if any, in the  
9 subsidiary. For the purpose of this section, any securities held  
10 to the knowledge of the issuer in the names of broker-dealers,  
11 nominees for broker-dealers, including clearing corporations or  
12 banks, 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. However, if the foreign corporation requests all  
16 nominee holders to certify, with respect to all beneficial  
17 owners for whom securities are held, the number of shares held  
18 for those beneficial owners having addresses as shown on the  
19 records of the nominee holder in this Commonwealth and outside  
20 of this Commonwealth, then all shares so certified shall be  
21 considered outstanding and held of record by persons having  
22 addresses either in this Commonwealth or outside of this  
23 Commonwealth as so certified, provided that the certification so  
24 provided shall be retained with the record of shareholders and  
25 made available for inspection and copying. A current list of  
26 beneficial owners of a foreign corporation's securities provided  
27 to the corporation by one or more nominee holders or agent  
28 thereof under the requirements of 17 CFR § 240.14b-1(b) (3)  
29 (relating to obligation of registered brokers and dealers in  
30 connection with the prompt forwarding of certain communications

1 to beneficial owners) or 240.14b-2(b)(3) (relating to obligation  
2 of banks, associations and other entities that exercise  
3 fiduciary powers in connection with the prompt forwarding of  
4 certain communications to beneficial owners) promulgated under  
5 the Securities Exchange Act of 1934 (Public Law 48-881, 15  
6 U.S.C. § 78a et seq.) shall constitute an acceptable  
7 certification with respect to beneficial owners for the purposes  
8 of this subsection.

9 (c) Applicability.--This section does not apply to any  
10 corporation:

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

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

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

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

29 Section 11. The dollar figures contained in section 1627.1  
30 of the act shall be adjusted biennially at a rate determined by

1 the Federal Election Commission as authorized under 11 CFR §  
2 110. The Secretary of the Commonwealth shall certify the  
3 calculation of the rate as determined by the Federal Election  
4 Commission and shall publish the new dollar figures in the  
5 Pennsylvania Bulletin.

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

11 Section 13. A comprehensive, fully searchable and user  
12 friendly computerized database to track full implementation of  
13 this act shall be made available to the public by the Department  
14 of State through its publicly accessible Internet website on or  
15 before December 31, 2018.

16 Section 14. This act shall take effect January 1, 2019.