



**Federal Election Commission**  
UNITED STATES -of- AMERICA

**CAMPAIGN GUIDE**



# Political Party Committees

February 2024



## About this Guide

This *Campaign Guide for Political Party Committees* replaces the August 2013 edition. It summarizes the federal campaign finance laws applicable to party committees as of February 2024.

### **Federal Election Commission**

Washington, DC

#### **Commissioners:**

Sean J. Cooksey, Chairman  
Ellen L. Weintraub, Vice Chair  
Shana M. Broussard  
Allen Dickerson  
Dara Lindenbaum  
James E. “Trey” Trainor III

#### **Staff Director:**

Alec Palmer

### **Prepared by the Information Division of the Office of Communications**

#### **Director**

Greg J. Scott

#### **Deputy Assistant Staff Director for Publications**

George J. Smaragdis

#### **Editor**

Christopher Berg

#### **Layout and Design**

James Landon Jones

# Introduction

This guide was written to help political party committees at all levels - national, state, district and local - comply with the *Federal Election Campaign Act* and FEC regulations. These laws regulate the money raised and spent to elect candidates to the U.S. Congress and the U.S. Presidency. Unregistered party organizations should consult Appendix B, Local Party Organizations.

This publication provides guidance on certain aspects of federal campaign finance law. It is not intended to replace the law or to change its meaning, nor does this publication create or confer any rights for or on any person or bind the Federal Election Commission or the public. The reader is encouraged also to consult the *Federal Election Campaign Act of 1971*, as amended (52 U.S.C. 30101 et. seq.), Federal Election Commission regulations (Title 11 of the Code of Federal Regulations), FEC Advisory Opinions, and applicable court decisions. For further information, contact the FEC at:

## U.S. Postal Service

Federal Election Commission  
1050 First Street, N.E.  
Washington, DC 20463

## Delivery Services

(For example, FedEx, UPS, DHL)

Federal Election Commission  
1050 First Street, N.E.  
Washington, DC 20002

800/424-9530 (toll free)  
202/694-1100 (local)  
202/219-3336 (for the hearing-impaired)  
info@fec.gov  
[www.fec.gov](http://www.fec.gov)

## Using this Guide

### Citations

Authorities primarily cited in this guide include the *Federal Election Campaign Act*, FEC regulations and FEC Advisory Opinions (AOs). All regulatory citations are to Title 11 of the Code of Federal Regulations (CFR), Parts 100–116, 300, 400 and 9001–9039 (2023). Statutory citations are to Titles 26 and 52 of the United States Code (U.S.C.). Copies of AOs may be obtained from the FEC’s Public Records Office (800/424-9530 or 202/694-1120) or the FEC website ([www.fec.gov/data/legal/advisory-opinions](http://www.fec.gov/data/legal/advisory-opinions)); in addition, each AO is summarized in the Commission’s online newsletter, the Record.

## Getting more help

(Note that political party committees have to comply with other laws outside the FEC's jurisdiction; see Appendix H.)

### Advisory Opinions

Any person or group requiring a clarification of the election law with regard to an activity that they plan to undertake or are presently undertaking may request an advisory opinion from the FEC. Individuals and organizations involved in the activity specifically addressed in an AO (or in an activity that is materially indistinguishable) may rely on the opinion. Advisory Opinion requests may be addressed to the Office of General Counsel at:

### U.S. Postal Service

Federal Election Commission  
1050 First Street, NE  
Washington, DC 20463

### Delivery services

*(For example, FedEx, UPS, DHL)*

Federal Election Commission  
1050 First Street, NE  
Washington, DC 20002

For more information on how to request an AO, consult the FEC's website at [www.fec.gov/legal-resources/advisory-opinions-process](http://www.fec.gov/legal-resources/advisory-opinions-process).

### Toll-free line

Many questions about federal campaign finance law do not require formal advisory opinions. Such questions may be addressed to trained FEC staff members by calling the FEC's 800 number. Persons in the Washington, DC area may call locally.

The numbers are:

800/424-9530  
202/694-1100  
202/219-3336 (for the hearing impaired)

Hearing-impaired persons may reverse the charges when calling long distance. Questions may also be submitted by email to [info@fec.gov](mailto:info@fec.gov).

### Free publications

In addition to this guide, the FEC publishes a series of brochures and other publications on several aspects of the campaign finance and election laws. Email or call the FEC for a list of publications currently available, or visit the FEC website. This publication was produced and disseminated at U.S. taxpayer expense.

## **Website**

Visit the FEC's home page at [www.fec.gov](http://www.fec.gov). Information on the site includes campaign finance statistical data; committee reports for candidates, parties and PACs; FEC news releases; reporting dates; forms; the Record newsletter; brochures and campaign guides.

The FEC website also offers the capability to search the Commission's legal resources. Users can perform full text searches of Commission advisory opinions (AOs) (1977-present) using the name of a requestor or other keyword information. In addition, the FEC's Enforcement Query System allows users to search closed enforcement cases by such search criteria as respondent name or case number. SERS, the FEC's Searchable Electronic Rulemaking System, allows searches of completed and ongoing rulemakings, Commission regulations and Explanations and Justifications. Users can also use SERS to submit comments to ongoing rulemakings.

## **Compliance with the Small Business Regulatory Enforcement Fairness Act of 1996**

This guide serves as the small entity compliance guide for political parties, as required by Section 212 of the *Small Business Regulatory Enforcement Fairness Act of 1996*, Pub. L. No. 104-121, Title II, Stat. 857 (1996).

# Contents

<b>About this Guide</b>	i
<b>Introduction</b>	ii
<b>Tables and Examples</b>	xi
<b>CHAPTER 1</b>	
<b>Getting Started</b>	1
1. Who should use this guide	1
2. Committee registration	1
3. Types of funds	2
4. Agents and entities of the committee	3
5. Committee bank accounts	4
6. Committee treasurer	8
7. FEC registration form	9
8. Incorporating the committee	11
<b>Chapter 2</b>	
<b>Contributions and Other Sources of Support</b>	13
1. Types of Contributions	13
2. Prohibited Contributions	15
3. Limits on Contributions Received by the Committee	17
4. Affiliation and Contribution Limits	19
5. Bank Loans and Overdrafts	20
6. Interest and Dividends	21
7. Other Sources of Funds	22
8. State Tax Checkoff Funds and Other State Proceeds	23
<b>Chapter 3</b>	
<b>Fundraising Procedures</b>	25
1. Solicitation Notices	25
2. Forwarded Contributions	26
3. Treasurer's Receipt	26
4. Federal Candidates and Nonfederal Fundraising	26
5. Prohibited Fundraising Activity	28
6. Handling Illegal Contributions	28
7. Joint Fundraising Procedures	30
<b>Chapter 4</b>	
<b>Other Committee Resources</b>	31
1. Legal and Accounting Services	31
2. Volunteer Activity	31
3. Transportation Expenses	32

## Table of Contents

4. Vendor Discounts	33
5. Corporate/Labor Exceptions	33
6. Use of Corporate/Labor Facilities and Resources	36
7. Fundraisers for Candidates	37
8. Independent Expenditures	38
9. Electioneering Communications	39
<b>Chapter 5</b>	
<b>Contributions to Candidates and Committees</b>	41
1. Overview	41
2. Contributions To Candidates	41
3. How the Candidate Limits Work	45
4. Designating Contributions to Candidates	46
5. Contributions to PACs	48
6. Restrictions on Making, Directing or Soliciting Funds	48
<b>Chapter 6</b>	
<b>Earmarked Contributions</b>	51
1. Conduits	51
2. Contribution Limits	52
3. Forwarding Earmarked Contributions	52
4. Reporting Conduit Activity	53
5. Contents of Transmittal Reports	53
6. Reporting Instructions for Political Committee Conduits	54
<b>Chapter 7</b>	
<b>Other Candidate Support Activities</b>	55
1. Coordinated Party Expenditures	55
2. Exempt Party Activities	58
3. Phone Banks	59
4. Support of Presidential Nominee	60
5. Use of Candidates' Names in Special Projects	61
6. Indirect Candidate Support	61
<b>Chapter 8</b>	
<b>Federal Election Activity</b>	63
1. Definition	63
2. Funding Federal Election Activity	66
3. Levin Funds	68
4. Reporting Requirements	69
<b>Chapter 9</b>	
<b>Communications</b>	71
1. Party Coordinated Communications	71
2. Communications Coordinated with a Party Committee	74
3. Independent Expenditures	75
4. Communications that are Federal Election Activity	77
5. Electioneering Communications	77
6. Disclaimer Notices on Communications	77



<b>Chapter 10</b>	
<b>Keeping Records</b>	83
1. Treasurer’s Duties	83
2. Receipts	83
3. Disbursements	85
4. Treasurer’s Best Efforts	86
<b>Chapter 11</b>	
<b>Filing FEC Reports</b>	89
1. Treasurer’s Duties	89
2. Reporting Deadlines	89
3. Monthly Reporting	91
4. Quarterly Reporting	92
5. Special Elections	94
6. Electronic Filing	94
7. Where To File	96
8. Public Review of Reports	97
<b>Chapter 12</b>	
<b>Completing FEC Form 3X</b>	99
1. Reporting Forms	99
2. Itemize Receipts: Schedule A	100
3. Reporting Receipts: The Detailed Summary Page	104
4. Itemized Disbursements	106
5. Reporting Disbursements: The Detailed Summary Page	108
6. Contribution Refunds Made and Received	110
7. Reporting Reimbursed Advances of Personal Funds	112
8. Investments and Bitcoin	114
9. Coordinated Party Expenditures	115
10. Independent Expenditures	116
11. Reporting Loans	122
12. Reporting Debts Other Than Loans	124
13. Levin Funds/Federal Election Activity	126
14. The Summary Page	126
15. Filing Amendments	128
<b>Chapter 13</b>	
<b>Allocating Certain Federal and Nonfederal Expenses</b>	129
1. Who Must Allocate	129
2. What Expenses to Allocate	129
3. Allocation Methods	130
4. Payment Of Allocated Expenses	132
5. Reporting Allocated Administrative, Voter Drive Activity and Exempt Party Activity Expenses	133
6. Reporting Allocated Committee Fundraising Expenses	134
7. Candidate Support Activities as In-Kind Contributions	136
8. Transfers and Payments Covering Different Categories	138
9. Refunds and Rebates of Allocable Expenses	139
10. Prohibited In-Kind Donations for Allocable Administrative and Fundraising Activities	140

<b>Chapter 14</b>	
<b>Reporting Federal Election Activity</b>	145
1. What to Report	145
2. Reporting Receipts and Disbursements of Levin Funds	145
3. Allocation Between Federal and Levin Funds	147
4. Reporting Unallocated Federal Election Activity	148
5. Reporting Allocated Expenses	148
<b>Chapter 15</b>	
<b>Termination and Debt Settlement</b>	151
1. Committees with No Outstanding Debts	151
2. Committees with Outstanding Debts: Debt Settlement	152
3. Committees with Outstanding Debts: Administrative Termination	155
<b>Appendix A</b>	
<b>Nonmajor Political Parties</b>	157
1. Benefits of Political Party Status	157
2. Qualifying as Political Party	157
3. Qualifying as National Committee	158
4. Qualifying as State Party Committee	159
5. Qualifying as District or Local Party Committee or Subordinate Committee	159
<b>Appendix B</b>	
<b>Local Party Organizations</b>	161
1. Introduction	161
2. Registration Thresholds	162
3. Volunteer activities	162
<b>Appendix C</b>	
<b>Joint Fundraising</b>	163
1. Introduction	163
2. Restrictions	163
3. Fundraising Representative	164
4. Written Agreement	164
5. Separate Depository	165
6. Statements Of Organization	165
7. Start-Up Costs	165
8. Joint Fundraising Notice	166
9. Communications	166
10. Screening Contributions	167
11. Recordkeeping	167
12. Allocating Gross Proceeds	167
13. Allocating Expenses	168
14. Calculating Net Proceeds	169
15. Reporting	169
16. Exception For Party Committees and Organizations	170

<b>Appendix D</b>	
<b>Partnership Contributions</b>	171
1. Contribution Limits	171
2. Attribution Among Partners	171
3. Prohibited Partnership Contributions	172
4. Contributions from Professional Corporations	173
5. Reporting Partnership Contributions	173
6. Partnership Contribution Plans	173
7. Partnership PACs	174
<b>Appendix E</b>	
<b>National Convention Delegates</b>	175
1. Delegates and Delegate Committees	175
2. Funds Raised and Spent for Delegate Activity	176
3. Contribution Prohibitions and Limits	176
4. Expenditures	177
5. Affiliation	179
<b>Appendix F</b>	
<b>Federal And Nonfederal Campaign Laws</b>	181
1. When Federal Campaign Finance Law Takes Precedence	181
2. When Federal Campaign Finance Law Does Not Take Precedence	182
3. Levin Funds	182
<b>Appendix G</b>	
<b>Lobbyist Bundled Contributions</b>	183
1. What is a Bundled Contribution?	183
2. Who are Lobbyist/Registrants and Lobbyist/Registrant PACs?	184
3. Filing Reports	185
<b>Appendix H</b>	
<b>Compliance with Other Laws</b>	191
1. Ballot Access Laws	191
2. Tax Laws	191
3. Communications Act	191
4. Hatch Act	191
<b>Appendix I</b>	
<b>Definitions</b>	193

## Table of Contents

## Tables and Examples

Table 1: Contribution limits for 2023–2024 federal elections	43
Table 2: Federal Election Activity	67
Table 3: Form 3L covered periods and filing deadlines	190
1–1: Committee registration (Part 1)	5
1–2: Committee registration (Part 2)	6
1–3: Committee registration (Part 3)	8
1–4: Committee registration (Part 4)	9
5–1: Multicandidate status (Form 1M)	42
6–1: Earmarked contributions	53
12–1: In-kind contributions	102
12–2: Joint contributions	102
12–3: Reattribution requested	103
12–4: Reattribution received	103
12–5: Returned/bounced check	104
12–6: The Detailed Summary Page	104
12–7: Transfers-in	105
12–8: Offsets to operating expenditures	106
12–9: Contributions to candidates	107
12–10: Original designation	107
12–11: Resignation, March monthly report	107
12–12: Detailed Summary Page	109
12–13: Contributions to nonfederal candidates (other disbursements)	111
12–14: Refunded contribution	111
12–15: Returned contribution	111
12–16: Advances from personal funds	112
12–17: Bitcoin	114
12–18: Coordinated party expenditures	115
12–19: Independent expenditures	116
12–20: Reporting debt payment for an independent expenditure	117
12–21: Reporting multistate independent expenditure	117
12–22: Disseminating an independent expenditure	117
12–23: Reporting an independent expenditure and its subsequent dissemination	
Option 1: Two Reports	120
Option 2: One Report	121
12–24: Reporting independent expenditure dissemination and subsequent payment	121
12–25: Initial receipt of loan	123
12–26: Loan payment	123
12–27: Continuous reporting of loan	123
12–28: Additional information on bank loans and lines of credit	124
12–29: Debts owed by the committee	125
12–30: The Summary Page	128

## Tables and Examples

13-1: Allocation ratio for administrative/generic voter drive and exempt party activity expenses (H1)	133
13-2: Transfer from nonfederal account (H3)	133
13-3: Allocated payment (H4)	134
13-4: Estimated fundraising ratio (H2)	134
13-5: Transfers from nonfederal account (H3)	135
13-6: Allocated payment (H4)	135
13-7: Adjusted ratio: federal percentage increased (H2)	135
13-8: Nonfederal transfers (H3)	136
13-9: Candidate support ratio (H2)	136
13-10: Transfers from nonfederal account (H3)	137
13-11: Allocated payment (H4)	137
13-12: Allocation of in-kind contribution (B)	138
13-13: Nonfederal transfers (H3)	139
13-14: Allocated payment (H4)	140
13-15: Allocation of rebate (H4)(Method 1)	140
13-16: Receipt of rebate (A/line 15)(Method 2)	141
13-17: Nonfederal transfer (H4)(Method 2)	141
13-18: Receipt of in-kind donation (H3)	141
13-19: Disbursement of in-kind donation (H3); federal transfer (H4)	142
14-1: Levin fund aggregation page (L)	145
14-2: Receipt of Levin funds (L-A)	146
14-3: Unallocated FEA communication (B/line 30b)	148
14-4: Raising federal funds for FEA (B)	148
14-5: Allocation ratio for Levin activity (H1)	149
14-6: Levin transfers (H5)	149
14-7: Levin transfers (L-B/line4b)	149
14-8: Accounting for Levin transfers on aggregation page (L)	150
14-9: Levin payment (H6)	150
15-1: Debt settlement, Part I	151
15-2: Debt settlement, Part I (continued)	152
15-3: Debt settlement, Part II creditor summary	153
15-4: Debt settlement, Part II creditor section	154
15-5: Debt settlement, Part II creditor section (continued)	155
15-6: Debt settlement, Part III	156
D-1: Partnership contribution	172
G-1: Form 3L	187
G-2: Form 3L, Schedule A	187

# CHAPTER 1

## Getting Started

### 1. Who should use this guide

This guide is written for party committees that have registered (or may need to register) as federal political committees.

This guide is not intended for local party groups that engage in only limited federal activity and do not have to register as federal political committees. However, those groups remain subject to several FEC regulations. All funds raised and spent by unregistered political party organizations (regardless of the aggregate amount) in connection with federal elections are subject to the limitations and prohibitions of the Federal Election Campaign Act (the Act). For more information on these limitations, see Chapter 2. Local parties should also consult Appendix B, “Local Party Organizations.”

In this guide, the term party committee refers to a party unit that has qualified as a political committee under federal law, with attendant registration and reporting requirements. 11 CFR 100.5. The term party organization refers to a party unit that has not triggered federal registration and reporting requirements.<sup>1</sup>

### 2. Committee registration

A party organization becomes a political committee under the Act when its activity in connection with a federal election exceeds one of the registration thresholds explained below. The committee then has 10 days to file a Statement of Organization (FEC Form 1). 100.5(a) and (c); 102.1(d).

A newly registered political committee must disclose its financial activity in FEC reports.

### Registration thresholds

#### State and national organizations

A party organization at the state or national level<sup>2</sup> becomes a political committee when, during a calendar year, it:

- Spends more than \$1,000 in contributions and other expenditures; or
- Raises more than \$1,000 in contributions. 100.5(a).

#### Local organizations

A local party organization becomes a political committee when, during a calendar year, it:

- Raises more than \$5,000 in contributions;

<sup>1</sup> See especially 100.5(a) and (c) – definition of political committee; 100.51-100.56– definition of contribution; 100.110-100.114 – definition of expenditure; 102.5(a) and (b) – organizations financing activity in connection with federal and nonfederal elections; 102.6(a)(1) and (2) – transfers of funds; 106.7 – allocation of federal and nonfederal activity by party committees; 110.1 and 110.2 – contribution limits; 110.4, 110.20, 114.2 and 115.2 – prohibited contributions; 109.32 – party committee expenditure limits; 110.11(a) – communications; and 100.24 and 300.36(a)- federal election activity. For more information on unregistered party organizations, call the FEC.

<sup>2</sup> Please note that certain criteria must be met before a committee qualifies as a national party committee or state party committee; see Appendix A.

- Spends more than \$5,000 on exempt party activities;<sup>3</sup>
- Makes more than \$1,000 in contributions; or
- Spends more than \$1,000 in other expenditures. <sup>4</sup>100.5(c).

### Permissible funds

Note that party organizations must finance all activity in connection with federal elections with funds that comply with the federal contribution limits and prohibitions. 102.5(b).

### \$1,000 threshold for contributions/expenditures made

A party organization must register as a political committee once it makes contributions or expenditures that exceed \$1,000 per calendar year. Note that the \$1,000 threshold is an aggregate one—it applies to all contributions and expenditures made by the organization during the calendar year, including transfers to and from the federal account of a party committee. 100.5(a), AO 2019-14 (Arizona Libertarian Party).

### \$1,000 and \$5,000 thresholds for contributions received

The “contributions received” threshold is \$1,000 for state and national organizations and \$5,000 for local party organizations. Funds specifically solicited or donated for the purpose of influencing federal elections count against this threshold, as do funds received in response to a solicitation that indicates receipts will be used to support or oppose a clearly identified federal candidate. 102.5.

Funds (including loans) transferred in from a party committee (i.e., a federal account) also count against the threshold if they are used by the recipient party organization for federal activity. 102.6.

### \$5,000 Threshold for Exempt Activities

This threshold applies only to local party organizations. Spending in excess of \$5,000 per calendar year on exempt party activities triggers political committee status. However, if the exempt activity supports both federal and nonfederal candidates, only the portion of the expense allocable to federal candidates counts against the \$5,000 threshold. 100.5. Exempt Party Activities are discussed in detail in Chapter 7.

## 3. Types of funds

State, district, and local party committees may raise and spend as many as three different types of funds:

- **Federal** – These funds are subject to the limits, prohibitions and reporting requirements of the Act and are used to finance activities in connection with federal elections. Only federal funds count against the registration thresholds described above;
- **Nonfederal** – These funds are subject to state law, but may not be permissible under federal law. Nonfederal funds are generally used to finance state and local election activities; and
- **Levin** – This category of funds is used to finance certain types of federal election activity (FEA). Levin funds may include donations from some sources ordinarily prohibited by federal law (e.g., corporations, unions and federal contractors) but sometimes permitted by state law. Levin donations are limited to \$10,000 per calendar year from any source or to the limits set by state law – whichever limit is lower. For more information on FEA and Levin funds, see Chapter 8.

National parties may not solicit, raise, direct or spend funds, or anything of value, that are not subject to the prohibitions, limitations and reporting requirements of the Act. This prohibition of nonfederal and Levin

<sup>3</sup> See Chapter 7 for more information on exempt party activities.

<sup>4</sup> Note that the terms contribution and expenditure mean money, loans, advances, goods, services or anything of value given for the purpose of influencing federal elections. 100.52(a) and 100.111(a).



funds also applies to any agent or officer acting on behalf of the national party committee or any entity that is directly or indirectly established, financed, maintained or controlled by a national party committee. 300.10(a)-(c).

## 4. Agents and entities of the committee

Any prohibitions that apply to political party committees also apply to any agent or officer acting on behalf of the party committee or any entity that is directly or indirectly established, financed, maintained or controlled by a party committee.

### Agents of a committee

An agent is any person who has actual authority, either expressed or implied, to engage in certain activities on behalf of the committee.<sup>5</sup> 300.2(b).

### State, District, and Local party committees

In the case of state, district, and local party committees, these activities are:

- Expending or disbursing any funds for federal election activity;
- Transferring or accepting transfers of funds for federal election activity;
- Engaging in joint fundraising activity if any part of the funds is to be used for federal election activity; or
- Soliciting any funds for, or making or directing any donations to, any tax-exempt 501(c) organization or 527 organization that is not also a political committee, a party committee, or a campaign committee. 300.2(b)(2).

### National Party Committees

In the case of the national party committees, these activities are:

- Soliciting, directing or receiving a contribution, donation or transfer of funds; or
- Soliciting any funds for, or making or directing contributions to, any tax-exempt 501(c) organization or 527 organization that is not also a political committee, a party committee, or a campaign committee. 300.2(b)(1).

### Definition of ‘Solicit’

To solicit means to ask, request or recommend, either explicitly or implicitly, orally or in writing, that another person contribute, donate or transfer funds or otherwise provide anything of value. A solicitation may be made directly or indirectly. In order to qualify as a solicitation, a communication must be reasonably understood in the context in which it is made to contain a clear message asking, requesting, or recommending that another person make a contribution, donation, or transfer of funds or otherwise provide something of value. Context includes the conduct of those involved in the communication. Solicitation does not include mere statements of support or guidance as to the applicability of a particular law or regulation. 300.2(m).<sup>6</sup>

### Definition of ‘Direct’

To direct means to guide, either directly or indirectly, a person who has expressed an intent to make a contribution, donation, transfer of funds, or otherwise provide anything of value, by identifying a

<sup>5</sup> Additional definitions of agent appear in the glossary, Appendix I. 109.3.

<sup>6</sup> This definition is for purposes of 11 CFR, § 300.

federal candidate, political committee, or organization for the receipt of such funds or things of value. The contribution, donation, transfer, or thing of value may be made directly or through a conduit or intermediary. Direction does not include merely providing information or guidance as to the applicability of a particular law or regulation. 300.2(n).<sup>7</sup>

## Entities of a committee

To determine if an organization is an entity of a party committee (meaning that it is established, financed, maintained or controlled by a party committee), a number of factors may be taken into account. Each is examined within the context of the overall relationship between the sponsor and the entity. These factors include whether the sponsor:

- Directly or indirectly owns a controlling interest in the voting stock or securities of the entity;
- Directly or indirectly has the authority or ability to direct or participate in governing the entity. This authority may come from bylaws, constitutions, contracts or other rules, or through formal or informal practices;
- Directly or indirectly has the authority or ability to hire, fire, or otherwise control the decision-making members of the entity;
- Has overlapping membership with the entity which indicates a formal or ongoing relationship between them;
- Has overlapping officers or employees with the entity that indicates a formal or ongoing relationship between them;
- Has any members, officers, or employees who were members, officers, or employees of the entity that indicates a formal or ongoing relationship between them;
- Directly or indirectly provides funds or goods in a significant amount or on an ongoing basis to the entity. This does not include transfers of an allocated share of joint fundraising activity;
- Directly or indirectly causes or arranges for funds in a significant amount or on an ongoing basis to be provided for the entity. This does not include transfers of an allocated share of joint fundraising activity;
- Directly or indirectly had an active or significant role in the formation of the entity; and
- Has similar patterns of receipts or disbursements with the entity that indicate a formal or ongoing relationship between them. 300.2(c).

## 5. Committee bank accounts

State, district, and local party committees that engage in both federal and nonfederal activities must follow certain rules to ensure that federal activity is financed with funds that comply with the limitations, prohibitions, and reporting requirements of the Act. Federal activities include:

- Contributions to, and other spending on behalf of specific federal candidates;
- The federal portion of allocable expenses, such as administrative expenses and generic voter drive costs;
- Certain transfers of funds to other party committees;
- Contributions to federally registered PACs; and
- Certain federal election activity (FEA), described in Chapter 8.

Any state, district, or local party committee that finances activity in connection with federal elections must maintain a federal account. A committee that finances activity in connection with both federal and nonfederal elections may choose to:

---

<sup>7</sup> This definition is for purposes of 11 CFR, § 300.

- Maintain only a federal account;
- Maintain a federal account used exclusively for federal activity and a nonfederal account used for nonfederal activity; or
- Maintain a federal account, a nonfederal account and a Levin account used for certain FEA. 300.30(c)2.

### Maintaining a federal account

A committee may choose to set up one or more federal bank accounts for all its activity, both federal and nonfederal. All funds deposited into this account must comply with the limitations and prohibitions of the Act, regardless of whether the funds are used to pay for federal activity, nonfederal activity, or FEA. Such an account cannot accept Levin funds. 300.30(c)(1) and 102.5(a)(1)(ii). Additionally, all receipts and disbursements must be reported, including those that involve nonfederal activity and federal election activity. 102.5(a)(1)(ii). The committee’s nonfederal activity is subject to nonfederal (local, state or U.S. territory) law (see below).

### Maintaining both federal and nonfederal accounts

A committee may choose to set up both federal and nonfederal accounts. Again, only funds permissible under the Act may be deposited into the federal account. The committee must use the federal account—or an allocation account, as described below—for all disbursements, contributions, expenditures, or transfers in connection with any federal election. 102.5(a)(1)(i).

Conversely, funds in the nonfederal account may not be used to finance any federal activity. The nonfederal account has no registration or reporting obligations under federal law but is subject to nonfederal laws, such as state, territory, or local registration and reporting requirements. The nonfederal account may be used for nonfederal activity and, if the committee chooses to raise Levin funds, it may also be used for the Levin component of allocable FEA. The committee must demonstrate through a reasonable accounting process that it has adequate Levin funds in the nonfederal account to cover any payments for the Levin component of allocable FEA that come from this combined account. 102.5(a)(3) and 300.30(c)(3). Receipts and disbursements of Levin funds from the nonfederal/Levin account are subject to the disclosure provisions of the Act. See Chapter 8 for discussion of FEA and Levin funds.

1-1: Committee registration (Part 1)

**FEC FORM 1 STATEMENT OF ORGANIZATION**

Office Use Only

1. NAME OF COMMITTEE (in full)  (Check if name is changed) Example: If typing, type over the lines. 12PB4M5

Freedom Party State Committee

ADDRESS (number and street) 123 Washington Street

(Check if address is changed)

CITY STATE ZIP CODE

COMMITTEE'S E-MAIL ADDRESS

(Check if address is changed) FPSC@freedomparty.fec

Optional Second E-Mail Address

COMMITTEE'S WEB PAGE ADDRESS (URL)

(Check if address is changed) http://www.freedomparty.fec

2. DATE 05 / 01 / 2024

3. FEC IDENTIFICATION NUMBER C

4. IS THIS STATEMENT  NEW (N) OR  AMENDED (A)

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer John Responsible

Signature of Treasurer *John Responsible* Date 05 / 01 / 2024

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 52 U.S.C. §30109. ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

Office Use Only

For further information contact: Federal Election Commission Toll Free 800-424-9530 Local 202-694-1100

**FEC FORM 1** (Revised 03/21/22)

**1-2: Committee registration (Part 2)**

FEC Form 1 (Revised 03/2022) Page 2

5. TYPE OF COMMITTEE:

**Candidate Committee:**

(a)  This committee is a principal campaign committee. (Complete the candidate information below.)

(b)  This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate \_\_\_\_\_

Candidate Party Affiliation \_\_\_\_\_ Office Sought:  House  Senate  President State \_\_\_\_\_ District \_\_\_\_\_

(c)  This committee supports/opposes only one candidate, and is NOT an authorized committee.

Name of Candidate \_\_\_\_\_

**Party Committee:**

(d)  This committee is a **STA** (National, State or subordinate) committee of the **FRE** (Democratic, Republican, etc.) Party

**Political Action Committee (PAC):**

(e)  This committee is a separate segregated fund. (Identify connected organization on line 6.) Its connected organization is a:

Corporation  Corporation w/o Capital Stock  Labor Organization

Membership Organization  Trade Association  Cooperative

In addition, this committee is a Lobbyist/Registrant PAC.

(f)  This committee supports/opposes more than one Federal candidate, and is NOT a separate segregated fund or party committee. (i.e., nonconnected committee)

In addition, this committee is a Lobbyist/Registrant PAC.

In addition, this committee is a Leadership PAC. (Identify sponsor on line 6.)

(g)  This committee is an independent expenditure-only political committee (Super PAC).

In addition, this committee is a Lobbyist/Registrant PAC.

(h)  This committee is a political committee with both contribution and non-contribution accounts (Hybrid PAC).

In addition, this committee is a Lobbyist/Registrant PAC.

**Joint Fundraising Representative:**

(i)  This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, at least one of which is an authorized committee of a federal candidate.

(j)  This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, none of which is an authorized committee of a federal candidate.

Committees Participating in Joint Fundraiser

1. \_\_\_\_\_ C \_\_\_\_\_

2. \_\_\_\_\_ C \_\_\_\_\_

Because administrative and other mixed federal/nonfederal expenses cannot be paid from a nonfederal account, the committee may transfer funds from the nonfederal account to the federal account to cover the nonfederal share of allocable expenses. 102.5(a)(1)(i) and 106.7(f); 300.30(b)(3)(v). No other nonfederal-to-federal account transfers are permissible.

Alternatively, a committee may choose to establish a special account, called an allocation account, solely for the purpose of paying mixed federal/nonfederal expenses. Funds are then transferred from the federal and nonfederal accounts into the allocation account to pay for allocable activity. 106.7(f). Once a party committee establishes such an allocation account, all allocable expenses must be paid for from that account as long as the account is maintained. No funds from an allocation account may be transferred to any other account maintained by the committee or organization. 300.30(b)(4)(iii) and (v).

**Maintaining federal, nonfederal, and Levin accounts**

In addition to maintaining federal and nonfederal accounts, as described above, a state, district, or local party committee can also choose to set up one or more Levin accounts used for certain FEA. 300.30(c)(2). In this case, payments for FEA must be paid from the federal account or from an FEA-specific allocation account, which is separate from any federal/nonfederal allocation account. If the federal account pays the expenses, the committee may transfer funds from its Levin account to cover the allocable share. If an FEA-specific allocation account is used, the committee must transfer funds from both its federal and Levin accounts to cover the allocable expenses. 300.34(c). No other transfers of Levin funds are permissible. 300.34(b).

**Receiving and depositing federal contributions**

Contributions deposited in either a federal account or an account used for both federal and nonfederal activity must meet certain conditions. All contributions deposited into the federal account are subject to the limitations and prohibitions of the Act.

Only contributions solicited and received according to the following conditions may be deposited in a federal account:

- Contributions must be designated by the contributors for the federal account;
- The solicitation must expressly state that contributions may be used wholly or in part in connection with a federal election; or
- The contributor must be informed that all contributions are subject to the limitations and prohibitions of the Act. 102.5(a)(2) and 300.30(b)(3)(ii).

See also “Solicitation Notices,” Chapter 3.

## **Soliciting Levin Funds**

Levin funds must be raised under unique rules. For information on how to raise Levin funds, see Chapter 8.

## **Nonfederal laws apply**

Contributions received and disbursements made in connection with a nonfederal election are subject to all relevant state and local laws. Committees should therefore seek guidance from the appropriate election officials for information on nonfederal activity. See also Appendix H.

## **Special accounts for national party committees**

National party committees may establish accounts to defray certain expenses related to:

- Presidential nominating conventions.<sup>8</sup>
- Headquarters buildings; and
- Election recounts and contests and other legal proceedings;

These segregated accounts may accept contributions up to three times the amount of the party’s regular contribution limit and are subject to the prohibitions of the Act. 52 U.S.C. § 30116(a)(9).

### **Presidential nominating convention accounts**

These separate, segregated accounts of a national party committee (other than a national congressional campaign committee of a political party) are used solely to defray expenses incurred for a presidential nominating convention, including deposits and loans from which such expenses were paid. The aggregate amount of expenditures the committee may make from this account may not exceed \$20,000,000 per convention. 52 U.S.C. § 30116(a)(9)(A).

### **National party headquarters accounts**

These separate, segregated national party committee accounts are used solely to defray expenses incurred when constructing, purchasing, renovating, operating or furnishing one or more of the party’s headquarters buildings. 52 U.S.C § 30116(a)(9)(B).

### **Recount accounts**

These separate, segregated national party accounts are used solely to defray expenses incurred with respect to the preparation for and conduct of election recounts and contests and related legal proceedings. 52 U.S.C. § 30116(a)(9)(C).

<sup>8</sup> The congressional campaign committees of national party committees may not establish a segregated account for Presidential nominating conventions. 52 U.S.C. § 30116(a)(9)(A)

1-3: Committee registration (Part 3)

FEC Form 1 (Revised 03/2022) Page 3

Write or Type Committee Name  
**Freedom Party State Committee**

6. Name of Any Connected Organization, Affiliated Committee, Joint Fundraising Representative, or Leadership PAC Sponsor  
**Douglas County Freedom Party**

Mailing Address  
**222 Mission Road**  
**City** **ST** **00000**  
 CITY ▲ STATE ▲ ZIP CODE ▲

Relationship:  Connected Organization  Affiliated Organization  Joint Fundraising Representative  Leadership PAC Sponsor

7. Custodian of Records: Identify by name, address (phone number -- optional) and position of the person in possession of committee books and records.

Full Name **John Responsible**  
 Mailing Address **111 Dock Street**  
**City** **ST** **00000**  
 CITY ▲ STATE ▲ ZIP CODE ▲

Title or Position ▼ **Treasurer** Telephone number **555** - **555** - **1044**

8. Treasurer: List the name and address (phone number -- optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name of Treasurer **John Responsible**  
 Mailing Address **111 Dock Street**  
**City** **ST** **00000**  
 CITY ▲ STATE ▲ ZIP CODE ▲

Title or Position ▼ **Treasurer** Telephone number **555** - **555** - **1044**

## 6. Committee treasurer

### Treasurer required

The committee must have a treasurer before it accepts contributions or makes expenditures. 102.7(a) and (b). Also, only a treasurer or an assistant treasurer designated on the committee’s Statement of Organization (FEC Form 1) may sign FEC reports and statements. 102.2(a), 104.1(a) and 104.14(a).

### Treasurer’s duties

The treasurer is responsible for:

- Signing all reports and statements. 102.2(a), 104.1(a) and 104.14(a).
- Filing complete and accurate reports and statements on time. 104.1(a) and 104.14 (d).
- Monitoring contributions to ensure compliance with the Act’s limits and prohibitions. 103.3(b).
- Depositing receipts in the committee’s designated bank within 10 days. 103.3(a).
- Authorizing expenditures and appointing authorized agents (either orally or in writing) to receive contributions and make expenditures. 102.7(c) and 102.9.
- Keeping all required records of receipts and disbursements. 102.9 and 104.14(b).

### Treasurer’s liability

Treasurers are responsible for carrying out the duties listed above and should understand these responsibilities (as well as one’s personal liability for fulfilling them) before taking them on.

When the Commission brings an enforcement action against a political committee, the treasurer is usually named as a respondent along with the committee itself. Treasurers can be named and found liable in their official capacity as a representative of the committee. Also, treasurers can be named and found liable in their personal capacity if they knowingly and willfully violate the Act or intentionally deprive themselves of the operative facts giving rise to the violation.

Even when an enforcement action alleges violations that occurred during the term of a previous treasurer, the Commission usually names the current treasurer as a respondent in the action. See the *Statement of Policy Regarding Treasurers Subject to Enforcement Proceedings*, 70 Fed. Reg. 3 (January 3, 2005).

## 1-4: Committee registration (Part 4)

FEC Form 1 (Revised 03/2022) Page 4

Full Name of Designated Agent: Alice Second

Mailing Address: 111 West Ventura

City: City STATE: ST ZIP CODE: 00000

Title or Position: Assistant Treasurer Telephone number: 555 555 2869

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.: Sun Island Bank

Mailing Address: 111 Milan Street

City: City STATE: ST ZIP CODE: 00000

## Vacancy in office

A committee cannot raise or spend funds when there is a vacancy in the office of treasurer. 102.7(a) and (b). For that reason, the Commission recommends every committee designate an assistant treasurer on its Statement of Organization (FEC Form 1) who may assume the treasurer's duties when the treasurer's office becomes temporarily vacant or when the treasurer is unavailable. The assistant treasurer should be apprised of any filing requirements and, if the committee files electronically, should obtain an electronic filing password as well. The committee must report any change in the treasurer's status within 10 days by amending the FEC Form 1. 102.2(a)(1)(iv) and 102.2(a)(2). "Updating registration information" is discussed later in this chapter.

## New treasurer

If a committee appoints a new treasurer, the committee must file an amended Statement of Organization (FEC Form 1) naming the new treasurer within 10 days of the change. If the committee files electronically, it must submit the amendment electronically. (Committees filing electronically should consult Chapter 11, Section 6 on "Obtaining a password: new treasurer" for more information.) If the committee files on paper, the change may be made by filing an amended FEC Form 1 or by submitting a letter containing the same information. The new treasurer should sign the amendment.

In cases where a committee's treasurer resigns and a new treasurer is not appointed, the departing treasurer should submit a letter to the FEC requesting an amendment to the committee's Statement of Organization to reflect the resignation and note the date the resignation is to take effect. From that date forward, the committee would be rendered dormant until a new treasurer is named using the procedures outlined above. Again, the committee would not be able to raise or spend funds while there is a vacancy in the office of treasurer. 102.7(a) and (b).

## 7. FEC registration form

Within 10 days of exceeding a registration threshold and triggering political committee status, a party committee must file a Statement of Organization (FEC Form 1). 102.1(d). Line-by-line instructions are provided below, and with the form itself.

### Line-by-line instructions

#### Line 1. Name and Address of the Committee

Enter the full, official name of the committee and its mailing address. This address is considered the committee's address of record. 102.2(a)(1)(i). In addition, a committee must include its Internet website, if it maintains a site, and its email address. 102.2(a)(i)(vii).

A party committee's name cannot include the name of any candidate. 102.14(a).



### **Line 2. Date**

Enter the date when the committee officially became a political committee—that is, the date when the committee exceeded a registration threshold.

### **Line 3. FEC Identification Number**

Leave this space blank. The committee will be notified of its FEC ID number after filing the Form 1. From then on, the ID number should be included on reports, statements, and other communications. 102.2(c).

If a committee must file a report before it has received an ID number, it should leave that space blank on the reporting form (FEC Form 3X, line 2).

### **Line 4. Is This Statement New or an Amendment?**

Check “new.” (Amendments are discussed under “Updating registration information,” page 11).

### **Line 5. Type of Committee**

A party committee checks box (d) and identifies itself as either a national, state or subordinate (local) committee of a particular party. 102.2(a)(1)(i). National and state party committee status is determined by the Commission through the advisory opinion process. 100.13 and 100.14(a).

### **Line 6. Affiliated Committees**

List the names and addresses of any affiliated committees. 102.2(a)(1)(ii). See 102.2(b)(1)(ii)(B). Affiliated committees share the same limits on contributions received and made. See also 110.3(a).

- A district or local party committee lists the state party committee as an affiliate. Local committees are presumed to be under the direction and control of the state committee—and thus affiliated with the state committee—unless they can demonstrate otherwise. See 110.3(b)(3).
- A state party committee lists all affiliated local party committees. (It should not list local party organizations.) See 110.3(b)(3).
- A national party committee lists any committees it has established, financed, maintained, or controlled. However, a national committee does not list state or local party committees since they are not considered affiliated with the national committee for purposes of the contribution limits. A party’s Senate and House campaign committees are also not considered affiliated with the national committee for purposes of the contribution limits.<sup>9</sup> 110.3(b)(1) and (b)(2).

### **Line 7. Custodian of Records**

Enter the name and address of the person who has actual possession of the committee’s financial records. The committee’s treasurer, assistant treasurer, or another person (such as an accountant or bookkeeper) may serve as the custodian of records. 102.2(a)(1)(iii). (Recordkeeping rules are discussed in Chapter 10.)

### **Line 8. Treasurer and Assistant Treasurer**

List the name and mailing address of the treasurer. 102.2(a)(1)(iv). As previously discussed in Section 6, the Commission recommends all political committees list an assistant treasurer as well.

### **Line 9. Banks or Other Depositories**

List the name and address of each bank where the committee deposits funds. The committee must have at least one checking account for the deposit of receipts. 102.2(a)(1)(vi) and 103.2.

---

<sup>9</sup> However, the Democratic and Republican national committees and their respective Senate campaign committees share the same limit on contributions to Senate campaigns. 110.2(e). See page 42.



## Signing and dating the form

The treasurer or assistant treasurer must sign and date the form on the bottom line. 102.2(a)(1). The signer's name must also be typed or printed where indicated.

## Filing the form

A party committee must file its Statement of Organization with the FEC within 10 days of becoming a political committee.<sup>10</sup> 102.1(d).

## Updating registration information

Whenever any of the information on the Statement of Organization (FEC Form 1) changes, the committee must report the change within 10 days by filing an amended FEC Form 1 or a letter containing the same information (for paper filers only).

The amount of information required on an amended Statement of Organization depends on whether the committee files on paper or electronically. If the committee files electronically, it must submit a fully completed FEC Form 1, regardless of the information that has changed.

In the case of paper filers, the FEC Form 1 or letter needs to include only:

- The name and address of the committee (FEC Form 1, Line 1);
- The date the change took effect (Line 2);
- The FEC ID number (Line 3);
- An indication that the statement is an amendment to the Statement of Organization (Line 4);
- The changed information (appropriate line number); and
- The name and signature of the treasurer (or assistant treasurer) and the date signed. 102.2(a)(2).

## 8. Incorporating the committee

If a party committee incorporates for liability purposes only, its outgoing contributions and other expenditures are not subject to the prohibition on corporate contributions and expenditures. 114.12(a). See also AO 2005-15 (WV Republican Committee).

The treasurer, however, remains liable for the committee's compliance with federal campaign finance law. Liability for debts is generally governed by state law. See AO 1995-07 (Key Bank of Alaska) and opinions cited therein. See also *Karl Rove & Co. v. Thornburgh*, 39 F.3d 1273 (5th Cir. 1994).

<sup>10</sup> A copy of FEC Form 1 must also be filed with the appropriate office in Guam, Northern Mariana Islands or Puerto Rico for committees based in those territories. 108.1



## Chapter 2

# Contributions and Other Sources of Support

### 1. Types of Contributions

A contribution is defined as anything of value given for the purpose of influencing a federal election. 11 CFR 100.52(a).<sup>1</sup> Contributions are subject to the limits and prohibitions of the *Federal Election Campaign Act* (the Act), as explained later in this chapter. The most common types of contributions are:

- Gifts of money;
- Gifts of goods and services (in-kind contributions);
- Loans (other than bank loans meeting certain conditions); and
- Guarantees or endorsements of bank loans.

#### Gifts of money

Cash contributions are limited to \$100 per contributor. Contributions of more than \$100 must be made by check or other written instrument. 110.4(c). (See also page 19.)

#### Sales or lease proceeds

##### Sale of fundraising items and tickets

The full purchase price of a fundraising item or ticket to a fundraising event is considered a contribution. For example, when a person buys a \$50 ticket to a fundraising dinner, the amount of the contribution is \$50, regardless of how much the meal costs the committee. 100.53.

A person who buys several tickets to a fundraiser makes a contribution in the amount of the total purchase unless the contribution is intended as a joint contribution (see page 19).

##### Sale of committee assets

When a committee sells or leases an asset (such as a mailing list), the full amount received from the purchaser is generally considered a contribution to the committee unless:

- The committee had purchased or developed the asset for the committee's own use rather than as a fundraising item;
- The asset has an ascertainable market value;
- Rental of the asset comprises only a small percentage of the committee's overall use; and
- The purchaser pays the usual and normal charge. (Any payment in excess of that amount is considered a contribution.) 100.52(d). See, for example, AOs 2006-34 (Working Assets), 2003-19 (DCCC), 1992-40 (Leading Edge) and 1991-34 (WV Republicans).

For more information on leasing a party mailing list, see AOs 2014-06 (Ryan, Ryan for Congress, and Prosperity Action), 2002-14 (Libertarian National Committee).

<sup>1</sup> The definition of contribution also includes the payment by any person of compensation for the personal services of another person if those services are rendered without charge to a political committee for any purpose, except for legal and accounting services under certain conditions (see Chapter 4 and 100.85 and 100.86). 100.54. See also AOs 2012-16 (King; Pierce Atwood LLP), 2006-22 (Wallace).

Under certain conditions, the Commission has also concluded that a contribution does not result from a sale that is an isolated disposal or sale of unwanted and depreciated committee assets (such as office furniture). For more information, see AOs 2003-19 (DCCC) and 1986-14 (Burton).

## **In-Kind contributions**

### **Definition**

In-kind contributions include:

- Goods and services offered free of charge;
- Goods and services offered at less than the usual and normal charge (unless the discount is offered in the ordinary course of business—see, for example, AO 1994-10 (Franklin National Bank));
- Payments, by a third party of committee bills; and
- Advances of personal funds. 100.52(d), 100.54 and 116.5(b).

### **Value**

The dollar value of an in-kind contribution is subject to limits. The value is determined as follows:

- Goods (such as equipment, supplies, facilities and mailing lists) are valued at their normal purchase or rental price at the time of the contribution.
- Services (such as advertising, printing, and consulting) are valued at the prevailing commercial rate at the time the services are rendered.
- Discounts are valued at the difference between the usual or normal charge and the amount paid by the committee. 100.52(d).

## **Advances of personal funds**

### **General rule**

When an individual uses his or her personal funds (or personal credit card) to pay for a committee expense, that payment is generally considered a contribution from that individual if the payment is not reimbursed by the committee within certain time limits: 30 days after payment by cash or personal check; or 60 days after the closing date of the billing statement on which the charges first appear, if the amount was charged to a personal credit card. 116.5(b)(2). For example, an in-kind contribution results if a committee staff member or volunteer pays for postage, office supplies or campaign materials with personal funds and is not reimbursed. (The special reporting rules that apply to advances of personal funds are explained on page 112.)

### **Travel exception**

When an individual pays for travel expenses (transportation, food, and lodging) using personal funds, the payments are not considered contributions if they fall under the travel exception.

### **Exempt travel**

An individual may spend up to \$2,000 per calendar year on their own transportation expenses for party-related travel without making a contribution, and a volunteer may spend unlimited amounts for their normal subsistence expenses (food and lodging) while volunteering. 100.79 and 116.5(b)(1).

See page 112 for more information on reporting travel expenses.

### **Loans**

A loan to a committee is a contribution to the extent that it remains outstanding. 100.52(b)(2). (Loans from banks are not contributions if they meet certain conditions; see page 20.) 100.82.

Repayments made on a loan reduce the amount charged against the lender's contribution limit. However, a loan that exceeds the lender's limit is unlawful even if repaid in full. 100.52(b)(1), (b)(3).

## Endorsements and guarantees of bank loans

An endorsement or guarantee of a bank loan is a contribution. The amount guaranteed counts against the endorser's or the guarantor's limit only to the extent that the loan remains outstanding. Repayments on the loan proportionally reduce the amount charged against each endorser's (or guarantor's) contribution limit.

If a loan agreement does not stipulate the amount for which each endorser or guarantor is liable, then the contribution amount of each endorser or guarantor is determined by dividing the total amount of the loan by the number of endorsers or guarantors. 100.52(b)(3) and 100.82(c).

## 2. Prohibited Contributions

### Acceptance of prohibited contributions

A political committee is prohibited from knowingly accepting a contribution that violates the prohibitions on contributions. 110.20(g), 110.4(b)(1)(iv), 114.2(d) and 115.2(c). See also 110.9.

For information on how to handle possibly illegal contributions, see page 28.

For information on how to handle in-kind donations from prohibited sources for mixed federal/nonfederal activities, see page 140.

### Corporations and labor organizations

The Act generally prohibits corporations and labor organizations from making contributions in connection with federal elections.<sup>2</sup> 114.2(b). This prohibition applies to all types of incorporated organizations, except political committees that incorporate only for liability purposes. 114.12(a). National banks and federally chartered corporations, such as federal savings and loan associations, are prohibited from making contributions in connection with any election—federal, state or local.<sup>3</sup> 114.2(a).

### Contribution reimbursements

A corporation or labor organization may not reimburse individuals who make contributions to a political committee, for example, through a bonus, expense account or other direct or indirect compensation. See 114.5(b)(1) and (c)(1)(ii); see also 110.4(b).

### Extensions of credit

An extension of credit to a political committee by an incorporated commercial vendor is a prohibited contribution unless the credit is extended in the ordinary course of business with terms substantially similar to those given to nonpolitical clients of similar risk. A prohibited contribution can also result if a corporate vendor extends credit for longer than the normal practice in the vendor's business or if the

<sup>2</sup> Corporations and labor organizations may contribute to independent expenditure only committees (Super PACs) and to non-contribution accounts maintained by Hybrid PACs. 114.10(a) Note; see also AO 2022-11 (State Democracy Defenders PAC), 2010-11 (Commonsense Ten), FEC statement on *Carey v. FEC*: Reporting guidance for political committees that maintain a non-contribution account (Oct. 5, 2011). A corporation or labor organization may also pay the expenses of setting up, administering, and soliciting contributions for its own political committee, called a separate segregated fund (or PAC). 114.1(a)(2)(iii). A party committee may accept contributions from a corporate or labor PAC registered with the FEC.

<sup>3</sup> The prohibition does not generally apply to activities related to state ballot measures. See *First National Bank v. Bellotti*, 435 U.S. 765 (1978) and AO 1980-95 (First National Bank of Florida).

vendor fails to make a commercially reasonable effort to collect payment on the debt. 100.55 and 116.3(b) and (c).

Forgiveness or settlement of a debt owed by a political committee must comply with the debt settlement procedures explained on page 152.

### **Discounts**

If an incorporated commercial vendor sells goods or services to a committee at a price below the usual or normal charge, a prohibited contribution results in the amount of the discount. 100.52(d)(1). (There is, however, an exception for discounts offered by vendors of food and beverage; see page 33.) A reduced price is not considered a prohibited discount, however, if it is offered by the vendor in the ordinary course of business at the same amount charged to nonpolitical clients. See AOs 2019-12 (Area 1 Security, Inc. II), 2014-10 (Farr), 2004-06 (Meetup), and 1992-24 (Pilzer).

### **Compensation for services**

If a corporation or labor organization pays for services rendered to a committee, a prohibited contribution results. 100.54.

A corporation or labor organization may, however, provide certain free legal and accounting services to a party committee. 100.85. See page 31 for more information.

### **Federal government contractors**

Federal government contractors are prohibited from making contributions or expenditures in connection with federal elections. 115.2(a). See AO 2008-11 (Lawrence Brown); see also AO 2012-16 (King; Pierce Atwood LLP). For example, a contribution from a partnership with a government contract would be prohibited. 115.4. As another example, a contribution from the personal or business funds of an individual or a sole proprietor with a government contract would be prohibited. 115.5. However, employees, individual stockholders and officers of federal contractors may make contributions or expenditures from their personal assets. 115.4(c) and 115.6. Also, the spouse of an individual who is a federal contractor may make a personal contribution or expenditure in his or her own name. 115.5.

### **Foreign nationals**

Foreign nationals are prohibited from making contributions, donations, or expenditures, either directly or through any other person, in connection with any election—federal, state, or local. See 110.20(b), (c) and (f). (See also Appendix F for information on how this prohibition applies to state and local elections.) In addition, foreign nationals may not donate to any party committee building fund, or fund electioneering communications or independent expenditures. 110.20(d)-(f).

The Act prohibits knowingly soliciting, accepting, or receiving contributions or donations from foreign nationals. 110.20(g). In this context, “knowingly” means that a person:

- Has actual knowledge that the funds solicited, accepted, or received are from a foreign national;
- Is aware of facts that would lead a reasonable person to conclude that there is a substantial probability that the funds solicited, accepted, or received from a foreign national; or
- Is aware of facts that would lead a reasonable person to inquire whether the source of the funds solicited, accepted, or received is a foreign national, but the person failed to conduct a reasonable inquiry. 110.20(a)(4). For examples of facts which may be pertinent, see 110.20(a)(5).

It is also unlawful to knowingly provide substantial assistance to foreign nationals making contributions or donations in connection with any U.S. election. 110.20(h). “Substantial assistance” refers to active involvement in the solicitation, making, receipt, or acceptance of a foreign national contribution or donation with the intent of completing the transaction successfully. This prohibition includes, but is not limited to, individuals who act as conduits or intermediaries<sup>4</sup>

### **Definition of foreign national**

The following entities are considered foreign nationals and are therefore subject to the prohibition: foreign governments; foreign political parties; foreign corporations; foreign associations; foreign partnerships; and individuals who are not U.S. citizens, unless they have “green cards” indicating they have been lawfully admitted for permanent residence. 110.20(a)(3).

### **Safe harbor provision**

In some cases, a committee may have questions regarding whether or not a contribution is from a foreign national. For example, the contributor may have a foreign address or bank. In this case, a committee has made reasonable assurances that the individual is not a foreign national if the committee obtains current and valid U.S. passport papers for the contributor. 110.20(a)(7).

The safe harbor cannot be relied on if the committee has actual knowledge the contribution is from a foreign national. 110.20(a)(7).

### **PACs of domestic subsidiaries of foreign corporations**

A political party committee may accept contributions from the PAC (separate segregated fund) of a U.S. corporation that is a subsidiary of a foreign corporation as long as:

- The foreign parent does not finance the PAC’s activities through the subsidiary; and
- No individual foreign national participates in the operation of the PAC (including the selection of persons to run the PAC) or makes any decisions regarding PAC contributions or expenditures. 110.20(i). See also AOs 2006-15 (TransCanada), 2000-17 (Extendicare), 1995-15 (Allison Engine PAC), 1992-16 (Nansay Hawaii), 1990-08 (CIT), 1989-29 (GEM) and 1989-20 (Kuilima).

### **Corporate donations for nonfederal activity**

A domestic subsidiary of a foreign corporation (or a domestic corporation owned by foreign nationals) may donate funds in connection with state or local elections (including nonfederal accounts of political parties) so long as the funds do not come from the foreign parent or owner, and individual foreign nationals are not involved in any way in the making of donations to nonfederal candidates or committees. Please note that many states place additional restrictions on donations made to nonfederal candidates and committees. See AOs 2006-15 (TransCanada) and 1992-16 (Nansay Hawaii).

### **Contributions in the name of another**

Contributions made by one person in the name of another person are prohibited. 110.4(b).

## **3. Limits on Contributions Received by the Committee**

Political committees are prohibited from accepting contributions that violate the contribution limits. 110.9. For information on how to handle excessive contributions, see page 29.

---

<sup>4</sup> See Contribution Limitations and Prohibitions, 67 Fed. Reg. 69927, 69945-46 (Nov. 19, 2002).

## State and local committees

A state party committee may receive up to \$10,000 per calendar year from individuals and from non-multicandidate political committees. 110.1(c)(5). As explained later in this chapter, this limit is shared with all district and local party committees within the state unless a district or local committee can demonstrate it is not affiliated with the state committee. (A district or local party committee that has demonstrated its independence from the state party committee may receive up to \$5,000 from an individual.) Additionally, a state party committee may receive up to \$5,000 per year from multicandidate political committees. 110.2(d).

## National party committees

A national party committee may receive up to \$15,000 per calendar year from a multicandidate committee and \$41,300<sup>5</sup> per calendar year from non-multicandidate committees and individual contributors. 110.1(c)(1), 110.1(c)(3) and 110.2(c)(3).

The segregated building, election recount, and convention accounts of national party committees may each accept up to three times the party's regular limit—i.e., \$123,900 each from individuals and non-multicandidate committees and \$45,000 from multicandidate committees. 52 U.S.C. § 30116(a)(1), (a)(2), (a)(9).

## Candidate limit may apply

A contribution received by a party committee may count against the contributor's contribution limit for a particular candidate if:

- The contributor knows that a substantial portion of his or her contribution will be given to or spent on behalf of a particular candidate; or
- The contributor retains control over the funds after making the contribution (for example, the contributor earmarks the contribution for a particular candidate). 110.1(h), 110.2(h) and 110.6.

## Contributions from affiliated PACs

Political action committees (PACs) that are affiliated with one another share the same set of contribution limits. For example, affiliated non-multicandidate PACs may contribute a combined total of \$10,000 per year to a state party committee (and its district and local affiliates). 110.3(a) and 110.1(c)(5).

Affiliated multicandidate PACs may contribute a combined total of \$5,000 per year to a state party committee (and its district and local affiliates). 110.2(d).

## Contributions from spouses

Each spouse in a married couple has a separate contribution limit, even if only one spouse has an income. 110.1(i). A couple may make a joint contribution (part of which would be attributed to each), as explained below.

---

<sup>5</sup> The limit is indexed in odd-numbered years to account for inflation. 110.17(e)(1). \$41,300 was the contribution limit established for 2023-2024. See 88 Fed. Reg. 7088 (Feb. 2, 2023). Please see <https://www.fec.gov/help-candidates-and-committees/candidate-taking-receipts/contribution-limits/> for up-to-date limits.



## **Joint contributions**

A joint contribution is a contribution that is made by more than one person using a single check or other written instrument. A joint contribution represents the personal funds of each donor, so each donor must sign either the check or an accompanying statement. 110.1(k)(1).

For the purposes of the contribution limits, a joint contribution is attributed equally to each donor, unless an accompanying statement indicates that the funds should be divided differently. 110.1(k)(2). See “Excessive contributions: reattributions,” page 29.

## **Partnership contributions**

A contribution from a partnership counts against the partnership’s limit and also counts proportionally against the limits of each participating partner. 110.1(e). See Appendix D for more information on contributions from partnerships.

## **\$100 Limit on cash contributions**

Contributions of currency from any one source are limited to no more than \$100. A cash contribution in excess of that limit must be returned to the contributor. 110.4(c)(1) and (2).

## **\$50 limit on anonymous contributions**

An anonymous contribution is limited to no more than \$50. Any amount in excess of \$50 must be promptly disposed of, and may be used for any lawful purpose unrelated to any federal election, candidate or campaign. 110.4(c)(3).

## **Bitcoin**

The Commission has determined that contributions of bitcoins are “money or anything of value” within the meaning of the Act. AO 2014-02 (Make Your Laws PAC).

### **Value**

The value of bitcoin contributions is based on the market value of bitcoins at the time the contribution is received. To determine the market value, the committee should first rely on any contemporaneous determination provided by the entity that processes the bitcoin contribution. If the processor provides an exchange rate for the transaction in question, then the committee should use this rate to value the contribution. If, however, the contribution is made through an entity that does not provide an exchange rate for that contribution (or if no processor is involved in the transaction), then the recipient committee may value the contribution using another reasonable exchange rate of bitcoins for dollars. See AO 2014-02 (Make Your Laws PAC).

## **4. Affiliation and Contribution Limits**

### **State and local committees**

#### **General rule**

A state party committee and local party committees within that state are presumed to be affiliated. That is, all contributions received and made by local party committees count against the state committee’s limits. 110.3(b)(3).

This means that the state committee and local committees together may receive a maximum of \$10,000 per calendar year from any one individual or non-multicandidate committee contributor. 110.1(c)(5). Similarly, the state committee and local committees together may not contribute more than \$5,000 to a candidate per election, assuming the state party committee has qualified as a multicandidate committee (see page 42). 110.2(b)(1).

To avoid exceeding the contribution limits, a state party committee should set up a centralized monitoring system to ensure that all contributions made and received by local party committees are within the limits. See 103.3(b) and 110.9.

### **Independent local committees**

A local party committee may operate under its own separate set of contribution limits if the committee's independence can be demonstrated. 110.3(b)(3). An independent party committee has the same set of contribution limits as a PAC. Thus, for example, an independent local party committee that has multicandidate committee status may contribute up to \$5,000 to a federal candidate, while an independent local party committee that is a non-multicandidate committee may contribute up to \$3,300<sup>6</sup> to a federal candidate. 52 U.S.C. § 30116(a)(1)(A), (a)(2), (c)(1)(C). See also AOs 1978–09 (Republican State Central Committee of Iowa), 1999-04 (Republican Party of Minnesota) and 2005-02 (Corzine II).

### **National party committees**

A national party committee operates under its own set of contribution limits. 110.3(b)(1)(i). Only federally permissible funds may be raised and spent by the national parties. 300.10.

The Democratic and Republican parties each have three national party committees: a national committee, a House campaign committee, and a Senate campaign committee. Each of these committees has a separate set of contribution limits, except for a special limit on contributions to Senate campaigns; see page 42. 110.2(e) and 110.3(b)(2).

## **5. Bank Loans and Overdrafts**

### **Bank loans**

Unlike other loans, a loan or line of credit from a bank is not considered a contribution if the conditions set forth below are satisfied. If a loan fails to meet any of these conditions, it is considered a prohibited contribution from the lending institution.

#### **Conditions**

A committee may obtain a loan or line of credit from a bank provided that the loan:

1. Bears the bank's usual and customary interest rate for the category of loan involved;
2. Is evidenced by a written instrument;
3. Is subject to a due date or amortization schedule; and
4. Is made on a basis which assures repayment. 100.82(a)(1)-(4).

#### **Methods of assuring repayment**

A loan is made on a basis which assures repayment if it is obtained using one or more of the following authorized methods of securing the loan:

<sup>6</sup> The limit is indexed in odd-numbered years for inflation. 110.17(e)(1). \$3,300 was the contribution limit established for 2023-2024. See <https://www.fec.gov/help-candidates-and-committees/taking-receipts-political-party/contribution-limits-party-committees/> for up-to-date limits.

*Collateral.* A loan may be secured using assets of the committee, such as real estate, personal property, negotiable instruments, and stocks. The fair market value of the assets pledged must, on the date of the loan, equal or exceed the amount of the loan and any senior liens. The committee must ensure that the bank has established a “perfected security interest” in the collateral (that is, taken steps to legally protect its interest in the collateral in the event that the committee defaults on the loan). 100.82(e)(1)(i).

*Guarantees or Endorsements.* A loan may also be secured using guarantors or endorsers, who agree to repay the loan should the committee default. As previously stated, an endorsement or guarantee of a bank loan is considered a contribution by the endorser or guarantor to the extent the loan remains outstanding, and is therefore subject to the law’s prohibitions and limits on contributions. 100.82(c) and (e)(1)(ii).

*Pledge of Future Receipts.* A committee may pledge its future receipts as security for the loan; the amount of the loan must not exceed a reasonable estimate of anticipated receipts, based on documentation provided by the committee (such as cash flow charts or fundraising plans). Future receipts may include, for example, anticipated contributions or interest income. The loan agreement must require the committee to deposit the pledged funds into a separate account established for this purpose. If the account is established at a depository other than the lending institution, the committee must assign the account’s funds to the lender and notify the depository of the assignment. 100.82(e)(2).

### **Other methods of assuring repayment**

The Commission may, on a case-by-case basis, approve other methods of assuring repayment. 100.82(e)(3). A committee may wish to request an advisory opinion from the Commission before entering into an alternative repayment agreement.

## **Overdrafts**

If a bank honors a check written by a committee with insufficient funds in its account, no contribution from the bank results as long as the overdraft:

- Is made on an account subject to automatic overdraft protection;
- Is subject to the usual and customary interest rate; and
- Is subject to a repayment schedule. 100.82(d).

An overdraft that does not meet the above conditions is a prohibited contribution.

Overdraft protection secured through a line of credit is subject to the rules on bank loans.

## **6. Interest and Dividends**

A committee may earn interest and dividends on funds invested in, for example, a savings account, money market fund or certificate of deposit. Interest and dividends are not contributions.

### **Disclosure of bank on Statement of Organization**

- Any bank where the committee deposits funds must be listed on the Statement of Organization (Form 1) or an amendment. 102.2(a)(1)(vi).
- Other institutions holding committee investments (such as stocks, bonds, mutual funds, etc.) are not disclosed on Form 1. Before disbursing such funds, however, the committee must transfer them to a checking account maintained at one of the committee’s campaign depositories. 103.3(a). See also AOs 2017-02 (War Chest, LLC), 2014-02 (Make Your Laws PAC), 1997-06 (Hutchison), 1986-18 (Bevill) and 1980-39 (Fluor Public Affairs Committee).

## **Taxes**

A committee must generally pay taxes on interest and dividend income. See Appendix H for IRS information.

## **7. Other Sources of Funds**

### **Offsets to operating expenditures**

Offsets to operating expenditures, such as returns of deposits, refunds and rebates, are not considered contributions. Rebates, however, must be offered in the ordinary course of business and on the same terms and conditions as those offered to nonpolitical entities. Otherwise, the rebate may be considered a contribution—a prohibited contribution if the vendor is a corporation. See, for example, AOs 1986-22 (WREX-TV) and 1985-28 (Evans).

### **Transfers from other party committees**

A party committee may receive unlimited transfers of permissible funds from other party committees and party organizations. A party organization making such transfers, however, may trigger federal registration. 102.6(a)(1)(ii), (iv) and (a)(2).

### **Transfers of candidate campaign funds**

A candidate's authorized committee may transfer unlimited campaign funds to a party committee or organization. 113.2(c). Any nonfederal law that would prohibit such a transfer to a party organization is preempted by federal law. AO 1993-08 (Duncan, Jr).

### **Loan repayments**

If a party committee makes a loan to any person, the loan repayments received are not contributions but must be composed of permissible funds.

Any interest charged on the loan must also be paid with permissible funds. Interest payments are not considered contributions unless they exceed the prevailing interest rates. 100.52(b)(5).

Loans from a party committee to any person (including to another political committee) are subject to the applicable contribution limits. See 100.52(b)(5); 100.52(b)(1) and (2).

### **Ballot access payments**

Fees paid to a party committee as a condition of ballot access are not contributions. This exemption covers ballot access fees paid by federal candidates as a requirement of state law and those paid to state and subordinate party committees by delegates and delegate committees. Such fees must be paid with permissible funds, except that individual delegates may use funds that are not subject to the limits. 100.90 and 110.14(c)(1)(i) and (2). See Appendix E for information on delegate activity.

### **Building fund donations**

State, district, and local party committees may accept unlimited funds donated specifically to defray the costs of constructing or purchasing a party office building (but not to influence any particular federal election). Such building fund donations are not considered contributions and are not subject to any limits or prohibitions, other than the prohibition against donations from foreign nationals. 100.84, 114.1(a)(2)

(ix) and 300.35. This exemption does not apply to national party committees because they are prohibited from raising or spending funds not subject to the limitations, prohibitions and reporting requirements of the Act.<sup>7</sup> 114.1(a)(2)(ix) and 300.10(a).

A party committee must deposit such donations in a nonfederal account, since they do not meet the requirements for deposit in a federal account (see page 5). 100.84 and 102.5(a)(2). Federal funds may also be used to construct or purchase a party office building. 300.35(a). If federal funds are used for this purpose, the limitations and prohibitions of the Act apply.

If nonfederal funds are used, they are subject to the limits and prohibitions of state law. 300.35(a). State party committees may need to report such activity under state law. 300.35(b)(1). See also AO 2004-28 (Iowa Ethics Board).

Note that this exemption does not apply to funds used to pay rent, operating costs, property taxes or other administrative expenses of a party office building. AOs 2001-12 (Democratic Party of Wisconsin) and 2001-01 (NC Democratic Party).

### **Leasing a portion of the office building**

A state or local party committee may lease a portion of its office building at the usual and normal charge. If the building is purchased or constructed with any nonfederal funds, all rental income must be treated as nonfederal funds. If the building is purchased or constructed solely with federal funds, the income may be deposited in the federal account. 300.35(c).

## **8. State Tax Checkoff Funds and Other State Proceeds**

State and local party committees in some states may receive funds derived from state tax checkoffs or fees paid for a state service (e.g., fees for personalized license plates). This section explains when these funds may be deposited in a federal account and, if so, when they are considered contributions rather than miscellaneous receipts.

### **Deposit in federal account**

As a general rule, if the funds in question are from permissible sources (e.g., individuals) rather than from persons prohibited from making contributions under federal law (e.g., corporations, labor organizations, foreign nationals), the funds may be deposited into a federal account. For example, in several advisory opinions, the Commission concluded that proceeds from state income tax checkoff programs (whereby individual taxpayers designate funds for political parties) and fees for personalized license plates were permissible funds and could therefore be deposited into a federal account. AOs 1993-21 (Ohio Republican Party), 1991-14 (Kentucky Republicans), 1983-15 (Republican Party of Virginia), 1982-17 (Indiana Democratic Party),

In another opinion, AO 1988-33 (Florida Republicans), a state party committee was allowed to deposit into its federal account ballot fees and party assessments paid to the state of Florida by federal candidates. However, because state law allowed nonfederal candidates to accept funds that would be considered prohibited or excessive under federal law, fees and assessments from nonfederal candidates could not be deposited into the federal account.

<sup>7</sup> As noted previously, a national party committee may accept contributions up to three times its regular limit into a separate account used solely to defray expenses related to its headquarters building.

## **Treatment as contributions**

In the above cited advisory opinions, checkoff funds that did not increase the taxpayer's liability or decrease his or her refund were not considered contributions. Nor were the personalized license plate fees. In these situations, the funds were considered miscellaneous receipts (reportable as "other receipts"—see page 106).

However, in AO 1983-15 (Republican Party of Virginia), the checkoff funds represented taxpayer refunds. Under those circumstances—where the money would otherwise be refunded to the taxpayer—the funds were considered contributions if deposited into a federal account. Because the amount of each contribution was only \$1 to \$2 per taxpayer, the contributions were reportable as unitemized contributions from individuals (see page 100).

## Chapter 3

# Fundraising Procedures

### 1. Solicitation Notices

#### Federal election purpose

In order to be deposited in the party committee's federal account, contributions must:

- Be designated for the federal account;
- Result from a solicitation that expressly states that the contribution will be used in connection with federal elections; or
- Come from contributors who are informed that all contributions are subject to the prohibitions and limitations of the *Federal Election Campaign Act* (the Act).

Therefore, solicitations must inform potential contributors that their contributions will be used in connection with federal elections or that they are subject to the limits and prohibitions of the Act. 11 CFR 102.5(a)(2)(ii) and (iii).

#### Disclaimer notice

Solicitations for the party committee must include a disclaimer stating who has paid for the communication and must contain the following information:

If the communication is authorized by a candidate, candidate's committee, or agent of either entity, but paid for by any other person, the disclaimer must state the communication is paid for by the third party and is authorized by the candidate, authorized committee, or agent. Example: "Paid for by XYZ State Party Committee and authorized by Joe Johnson for Congress." 110.11(b)(2).

If the communication is not authorized by a candidate, authorized committee, or agent of either, the disclaimer must include who paid for the communication, the permanent street address, telephone number or website address of the person paying for the communication and that the communication was not authorized by any candidate. 110.11(b)(3).

Example: "Paid for by the XYZ State Party Committee (www.XYZ.org) and not authorized by any candidate or candidate's committee." 110.11(b)(3).

Disclaimers are discussed further in Chapter 9, "Communications."

#### "Best efforts" notice

Party committees and their treasurers must make "best efforts" to obtain, maintain and report the name, address, occupation and employer of each person who contributes more than \$200 in a calendar year. 100.12, 102.9(a), (d). Reports filed with the Commission will be considered in compliance with the Act when the treasurer shows that best efforts have been used to obtain, maintain and submit the information required by the Act. 104.4, 104.7. For the committee to demonstrate "best efforts," all solicitations must specifically request that information and inform contributors that the committee is required by law to undertake best efforts to report it. 104.7(b)(1).

## **IRS notice**

Section 6113 of the Internal Revenue Code requires political committees whose gross annual receipts normally exceed \$100,000 to include a special notice on solicitations informing solicitees that their contributions are not tax deductible. There are substantial penalties for failure to comply with this provision. Contact the IRS for more information (see Appendix H).

## **FCC notice**

Check with the Federal Communications Commission for information on required notices for political ads aired on radio or television (see Appendix H).

## **2. Forwarded Contributions**

### **Time limits**

Any person who receives contributions on behalf of a party committee must forward the contributions, along with the appropriate recordkeeping information about the contributors, to the committee treasurer within the following time periods:

- Contributions of \$50 or less—within 30 days after receiving the funds.
- Contributions of more than \$50—within 10 days after receiving the funds.<sup>1</sup> 102.8(b).

### **No commingling with personal funds**

Contributions and other committee receipts must not be deposited in a personal account or otherwise commingled with personal funds. 102.15.

## **3. Treasurer's Receipt**

### **Deposit or return contributions within 10 days**

Within 10 days of receipt by the treasurer, a contribution or other receipt must be deposited in the committee's campaign depository or returned to the source.<sup>2</sup> 103.3(a).

### **Determining legality**

The committee treasurer is responsible for examining all contributions to ensure that they are neither prohibited nor excessive. To determine whether a contribution exceeds the contributor's limit, the contribution must be aggregated with any others made by the contributor to the committee or its affiliates during that calendar year. 103.3(b).

Contributions of questionable legality must be handled as described in Section 6 below.

## **4. Federal Candidates and Nonfederal Fundraising**

Federal candidates, officeholders, and their agents may not raise funds for federal elections, including funds for FEA, outside the limits, prohibitions, and reporting requirements of the Act. In addition, federal

---

<sup>1</sup> The receipt of a contribution by an authorized agent (that is, a person authorized by the treasurer to receive contributions and make expenditures for the committee – 102.9) is the equivalent of the treasurer's receipt and triggers the 10-day deposit period at 103.3(a). AO 1992-29 (Holtzman).

<sup>2</sup> *Id.*



candidates, officeholders, and their agents may only raise funds in connection with nonfederal elections in amounts and from sources that are consistent with state law and within the limits and prohibitions of the Act.<sup>3</sup> 300.61 and 300.62.

## Participation at nonfederal fundraising events

Federal candidates or officeholders may attend, speak at, and be a featured guest at a nonfederal fundraiser. 300.64(b)(1). They are also free to solicit funds at fundraising events, provided that the funds they solicit comply with the limitations and prohibitions of the Act and are consistent with state law. 300.61, 300.64(b)(2).

Such a solicitation should either be explicitly limited or should be limited by displaying at the fundraiser a clear and conspicuous written notice, or by making a clear and conspicuous oral statement, that the solicitation is not for Levin funds (when applicable) and does not seek funds exceeding federally permissible amounts or from corporations, labor organizations, national banks, federal government contractors, and foreign nationals. A written or oral statement is not clear and conspicuous if it is difficult to read or hear or if it is easily overlooked by any significant number of attendees. 300.62(b)(2)(i-ii). If the federal candidate or officeholder chooses to make an oral statement, it need only be made once.

## Publicity for nonfederal fundraising events

FEC regulations also address the publicity for nonfederal fundraisers including, but not limited to, ads, announcements, or pre-event invitation materials, regardless of format or medium of the communication. 300.64(c)

If the publicity does not contain a solicitation or solicits only federally permissible funds, then the federal candidate or officeholder (or agent of either) is free to consent to the use of the name or likeness of the federal candidate or officeholder in the publicity for the nonfederal fundraiser. 300.64(c)(1)-(2).

If the publicity contains a solicitation for funds outside the limitations or prohibitions of the Act or Levin funds, the federal candidate or officeholder (or agent of either) may consent to the use the name or likeness of the federal candidate or officeholder in the publicity, only if:

- The federal candidate or officeholder is identified in a manner not specifically related to fundraising, such as a featured guest, honored guest, special guest, featured speaker or honored speaker; and
- The publicity includes a clear and conspicuous oral or written disclaimer that the solicitation is not being made by the federal candidate or officeholder. 300.64(c)(3)(i). Examples of disclaimers are provided in the regulation at 300.64(c)(3)(iv).

However, a federal candidate or officeholder (or agent of either) may not agree to the consent of his or her name or likeness in publicity that contains a solicitation of funds outside the limitations and prohibitions of the Act or of Levin funds if:

- The federal candidate or officeholder is identified as serving in a manner specifically related to fundraising, such as honorary chairperson or member of a host committee; or is identified in the publicity as extending the invitation to the event; or
- The federal candidate or officeholder signs the communication.

These restrictions apply even if the publicity contains a disclaimer. 300.64(c)(3)(v).

<sup>3</sup> These restrictions apply to the solicitation, receipt, directing, transfer, spending, and disbursement of funds. They also apply to entities that are directly or indirectly established, financed, maintained, or controlled by a federal candidate or officeholder, including leadership PACs. 300.61 and 300.62; see also 300.2(c) and 300.60.

In addition, the federal candidate or officeholder is prohibited from disseminating publicity for nonfederal fundraisers that contains a solicitation of funds outside the limitations or prohibitions of the Act or of Levin funds. 300.64(c)(3)(vi).

## 5. Prohibited Fundraising Activity

### 501(c) and 527 organizations

National, state, district, and local party committees, and their officers, agents, and entities of a committee,<sup>4</sup> may not solicit any funds for—or make or direct any donations of nonfederal funds (including Levin funds) to—the following organizations:

- 501(c) tax-exempt organizations that make expenditures or disbursements in connection with a federal election, including for federal election activity (FEA). This prohibition applies even if the organization has only applied for tax-exempt status. 300.11(a)(1) and (2); 300.37(a)(1) and (2); 300.50(a)(1) and (2); and 300.51(a)(1) and (2); or
- 527 organizations which are not political committees, state, district or local party committees or authorized campaign committees of a state or local candidate. 300.11(a)(3), 300.37(a)(3), 300.50(a)(3) and 300.51(a)(3). See also *McConnell v. FEC*, 540 U.S. 93, 174-81 (2003).

However, state, district, and local party committees may make or direct donations to a state political committee that supports only state and local candidates, and does not make any expenditures or disbursements in connection with federal elections, including for federal election activity (FEA). See Chapter 8. 300.37(a)(3)(iv) and 300.51(a)(3)(iv).

### Certification of 501(c) and 527 organizations

When determining whether a 501(c) or 527 organization makes expenditures or disbursements in connection with a federal election, including for FEA, the party committee may rely on a certification by the organization. 300.11(c) and (d); 300.37(c) and (d); 300.50(c) and (d); and 300.51(c) and (d). For more on the certification requirements, see page 49.

## 6. Handling Illegal Contributions

### Depositing questionable contributions

Within 10 days of receiving a contribution that appears to be excessive or prohibited, the committee treasurer must either return the contribution or deposit it. 103.3(b)(1).

If it is deposited, the treasurer must:

- Keep enough money in the committee's account to cover the potential refund or establish a separate account for such contributions.
- Keep a record explaining why the contribution may be illegal and include this explanation on Schedule A if the contribution requires itemization before its legality is established.
- In the case of an excessive contribution, obtain a redesignation or reattribution of the excessive portion or refund it to the contributor (see below).
- In the case of a possibly prohibited contribution, confirm its legality or refund it (see below). 103.3(b)(1), (3), (4) and (5).

---

<sup>4</sup> This includes entities directly or indirectly established, financed, maintained, or controlled by the party committee or the party committee's agents.

## **Excessive contributions: reattributions**

In addition to return or refund, a committee may remedy an excessive joint contribution through reattribution by the contributors or through presumptive reattribution by the committee, as described below.

### **Reattribution by contributor**

With a reattribution, the contributor instructs the committee in writing to attribute the excessive portion of a joint contribution to the other individual joining in the contribution. For example, if the committee receives an excessive contribution drawn on a joint checking account, but signed by only one account holder, the committee may seek a signed reattribution of the excessive amount to the other account holder. 110.1(k)(3)(ii)(A). (A joint contribution shall be attributed equally to each contributor, if the amount to be attributed is not indicated, but may also be reattributed so that a different amount is attributed to each contributor, if instructed by the contributors.) Note that a joint contribution must represent the personal funds of each contributor because contributions made in the name of another are prohibited. See 110.4(b).

When requesting reattributions, the committee must also inform contributors that they may, alternatively, ask for a refund of the excessive portions of their contributions. 110.1(k)(3)(ii)(A).

### **Requesting reattribution**

If the written instrument has more than one name imprinted on it, the treasurer may ask the contributor whether the contribution was intended to be a joint contribution from more than one person. The treasurer must inform the contributor that they may instead request a refund of the excessive portion. The treasurer should also inform contributors that a reattribution must be signed by each participating contributor and indicate the amount attributed to each contributor if equal attribution is not intended. 110.1(k)(3)(ii)(A). (This scenario would not be presumptive reattribution).

### **Receive reattribution or make refund**

Within 60 days of receiving the original contribution, the treasurer must receive a proper reattribution, presumptively reattribute (if applicable), or refund the excessive portion. 103.3(b)(3) and 110.1(k)(3)(ii)(A)(2) and (B)(3).

### **Presumptive reattribution by committee**

Under certain circumstances, a committee may reattribute an excessive contribution without first receiving a written request from the contributors. When a committee receives an excessive contribution made via a written instrument with more than one individual's name imprinted on it, but only one signature, the committee may attribute the permissible portion to the signer. The committee may make a presumptive reattribution of the excessive portion to the other individual whose name is imprinted on the written instrument, without obtaining a second signature, so long as the reattribution does not cause the contributor to exceed any other contribution limit. 110.1(k)(3)(ii)(B)(1).

The committee is required to notify the contributors of the reattribution within 60 days of the treasurer's receipt of the contribution and must offer the contributor the option to receive a refund instead.

### **Example of presumptive reattribution**

A state party committee receives an \$11,000 check that is drawn on a joint account but signed by only one account holder. The treasurer deposits the check and attributes \$10,000 to the signer and \$1,000 to the other account holder. Within 60 days of receiving the original contribution, the treasurer sends a letter informing the contributors of the reattribution and of their right to a refund. Assuming neither contributor objects, the committee may now keep the full \$11,000.

## **Prohibited contributions**

### **Questionable source**

If a committee treasurer deposits a contribution that appears to come from a prohibited source, they have 30 days from the date of the contribution's receipt to:

- Confirm the legality of the contribution; or
- Refund the contribution. 103.3(b)(1).

As evidence of legality, the treasurer should obtain a written statement from the contributor explaining why the contribution is legal. Alternatively, the treasurer may obtain an oral explanation by telephone and keep a written record of the conversation. 103.3(b)(1).

### **Late discovery of prohibited contribution**

If a treasurer discovers that a previously deposited contribution came from a prohibited source, they must refund the contribution within 30 days of making the discovery. This situation might arise, for example, if the treasurer learned that a past contribution was made by a foreign national.

If the committee does not have sufficient funds to refund the contribution when the illegality is discovered, the treasurer must use the next funds the committee receives. 103.3(b)(2).

## **Refunding a contribution from an unknown donor**

If the committee needs to refund a contribution, but the contributor's identity is unknown, the committee may pay the funds to the U.S. Treasury. To do so, send the funds to:

U.S. Department of the Treasury  
Bureau of the Fiscal Service  
P.O. Box 1328  
Parkersburg, WV 26106-1328  
Attn: Agency Cash Branch, Avery 3G

The committee should include a cover letter that explains that the funds being sent represent potential violations of the Act and requests that the funds be placed in the "general fund account."

## **7. Joint Fundraising Procedures**

Party committees may engage in joint fundraising with other political committees and organizations. This is discussed in detail in Appendix C.

## Chapter 4

### Other Committee Resources

In addition to receiving contributions and other funds, party committees may receive certain goods and services without any contribution resulting. In many cases, no reporting is required.

#### 1. Legal and Accounting Services

A party committee may receive, without limit, free legal and accounting services as long as:

- The services do not directly further the election of a specific federal candidate;
- The person paying for the service is the regular employer of the individual performing the service;
- The employer does not hire additional employees to free regular employees to perform the service;
- The employer does not hire new employees to perform the service directly; and
- The committee reports the value of the service (the amount paid by the employer), as well as the name of each person who performed the service and the date the service was provided. 11 CFR 100.85, 104.3(h) and 114.1(a)(2)(vi).

If an individual personally volunteers legal or accounting services without compensation, the above restrictions do not apply.

#### 2. Volunteer Activity

##### Personal services

An individual may volunteer uncompensated personal services to a party committee without making a contribution. 100.74. Volunteer activity is not reportable.

Note, however, that if volunteers are paid for their services by someone other than the party committee, the activity is no longer considered volunteering, and the payments result in in-kind contributions to the party committee. 100.54. Generally, if an individual provides services to a party committee during paid working hours (other than incidental or isolated activity), the employer makes a contribution to the committee. However, legal and accounting services, if they meet the conditions described in the above section, are an exception to this rule. For further exceptions, see 100.54(a)-(c).

##### Volunteer's living expenses

While volunteering, an individual may pay for normal subsistence expenses (meals and lodging) without making a contribution. These payments are not reportable. 100.79(b).

##### Activities in home, church, community room

In the course of volunteering personal services, individuals may use their homes—or the recreation room of the apartment complex where they live—for activities to support a party committee without making a contribution. Volunteers may also use a church or community room for party-support activities if the facility is regularly used for noncommercial purposes by members of the community without regard to political affiliation. (A nominal fee paid by the individual for the use of a recreation or community room is not a contribution and is not reportable.) 100.75 and 100.76.

For more information on political activity by religious organizations, contact the IRS tax exempt organizations division. See Appendix H.

### **Food, drink, invitations at home event**

Individuals may volunteer to hold fundraising receptions or other types of party-support activities in their homes or in churches or community rooms. An individual may purchase food, beverages and invitations for the event without making a contribution as long as such spending does not exceed \$2,000 per calendar year on behalf of all political committees of the same party. (A husband and wife may together spend up to \$4,000 per year.) Any amount spent in excess of \$2,000 per person, however, must be reported by the party committee as an in-kind contribution. (Otherwise, the activity is not reportable.) 100.77. Note that any expenses paid by a nonresident co-host of an activity are considered in-kind contributions to the party committee benefiting from the event. AO 1980-63 (Wirth).

### **Corporate/labor volunteers**

An employee, stockholder or member of a corporation or labor organization may make occasional, isolated or incidental use of the organization's facilities for volunteer work on behalf of a party committee (or candidate), subject to the rules and practices of the organization. However, the volunteer may have to reimburse the corporation or labor organization in some cases. 114.9(a)(1) and (b)(1). The rules for this type of volunteer activity are discussed under "Use of Facilities by Employees, Stockholders and Members."

### **Uncompensated internet activity**

An individual or group of individuals may engage in Internet activity for the purpose of influencing a federal election without making an expenditure or a contribution. The activity must be uncompensated, and the exemption does not include payments for email lists. The individual or group need not own the computer(s) used for the activity and is permitted to pay a nominal fee for the use of another person's web site without the amount paid being considered a contribution. 100.94.

## **3. Transportation Expenses**

### **Unreimbursed travel expenses**

The rules described in this section apply only to an individual's payments for his or her own travel expenses; if an individual uses personal funds to pay the travel expenses of another, an in-kind contribution results.

#### **\$2,000 transportation exemption**

An individual working for a party committee (including a paid staff member or a volunteer) may voluntarily spend up to \$2,000 for unreimbursed transportation expenses on behalf of all political committees of the same party without making a contribution. Payments for transportation expenses that exceed \$2,000 per year, however, are considered contributions—unless they are reimbursed by the party committee in a timely manner. 100.79(a).

### **Reimbursed travel expenses**

When an individual working on behalf of the party committee pays transportation and subsistence expenses while traveling, no contribution will result if the committee reimburses the individual within the following time limits:

- If the expense was paid with cash or a personal check, within 30 days from the date the expense was incurred.
- If the expense was paid with a credit card, within 60 days of the closing date on the credit card billing statement where the charge first appears.

Outside of these time limits, the payments are in-kind contributions. 116.5(b). See “Reporting Reimbursed Advances of Personal Funds” on page 112 for reporting rules.

## 4. Vendor Discounts

A vendor of food or beverages (even if incorporated) may sell food and beverages to a party committee at a discount. The amount charged must at least equal the vendor’s cost for the items. If the value of the discount—the difference between the normal charge and the amount paid by the committee—does not exceed \$2,000 per calendar year on behalf of all the committees of one political party, the discount is not considered a contribution. Discounts exceeding \$2,000, however, must be reported as in-kind contributions by the party committee. A corporate vendor may not exceed the discount limit since corporate contributions are prohibited. 100.78 and 114.1(a)(2)(v).

## 5. Corporate/Labor Exceptions

Although corporations (including incorporated trade associations and membership organizations) and labor organizations are generally prohibited from using their treasury funds to make contributions in connection with federal elections, they are permitted to:

- Establish separate segregated funds (popularly referred to as PACs), which can support federal candidates and party committees (114.1(a)(2)(iii));
- Contribute to independent expenditure-only committees (Super PACs) and to noncontribution accounts of Hybrid PACs;
- Provide certain free legal and accounting services to a campaign or party committee (See Section 1 above);
- Allow employees, stockholders and members to make incidental use of their facilities for volunteer campaign work<sup>1</sup> (see Section 2);
- Sponsor communications to the restricted class (e.g., a corporation’s executives and stockholders and their families; a labor organization’s members and their families) that contain express advocacy and may be coordinated with a candidate or party committee; and
- Sponsor certain election-related communications to other employees and/or the general public as long as they are not coordinated with a candidate or party committee. 114.10(a).

This section focuses on the last two items.

### Restricted class

A corporation’s restricted class consists of its executive and administrative personnel, its stockholders and the families of those two groups. A labor organization’s restricted class consists of its members, executive and administrative personnel and the families of those two groups. A membership organization’s restricted class generally includes the executive and administrative personnel of the organization, the organization’s members and the families of those two groups. (Note: If a member is incorporated, a membership organization or trade association would communicate with the personnel of the member corporation with whom they normally conduct business. See the *Campaign Guide for Corporations and Labor Organizations* for more information.)

<sup>1</sup> For information on a campaign or party committee’s use of corporate/labor facilities, see Section 6, this chapter.



## Coordination with a candidate or party committee

An expenditure that is coordinated between a candidate, the candidate's campaign or a political party committee and a third party is considered an in-kind contribution to the candidate or party committee, which must be reported as a contribution received, and an expenditure made. 104.13(a), 109.20(b) and 109.21(b). Because the Act prohibits corporations and labor organizations from making contributions, it is important to avoid coordinating with corporations and labor organizations regarding communications outside the restricted class except to the extent permitted under FEC regulations at 11 CFR 114.4.

## Coordination defined

An expenditure is coordinated if it is made in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate's authorized committee, or their agents, or a political party committee or its agents.<sup>2</sup> 109.20(a). FEC regulations provide for a three-part test to determine whether a communication is coordinated, and thus, represents an in-kind contribution (unless it is otherwise exempt under FEC regulations). See 109.21 and Chapter 9, "Communications."

## Communications to restricted class

A corporation may use its general treasury funds to pay for independent expenditures and electioneering communications. 114.10(a). In addition, under Commission regulations a corporation may make certain communications to its restricted class.

### Coordination

A corporation or labor organization may communicate with its restricted class in a manner that expressly advocates the election or defeat of a clearly identified candidate, and the organization may coordinate these communications with a candidate or party committee without making a prohibited contribution. While such coordination does not transform the restricted class communication into an in-kind contribution, it may provide evidence that could jeopardize the independence of future communications to those outside the restricted class by the organization or its SSF. 114.2(c) and 114.3(a)(1).

### Permitted restricted class communications

Corporations and labor organizations may engage in certain types of communications to the restricted class provided they follow the guidelines contained in the FEC regulations. The pertinent regulations and some examples follow.

- *Publications.* A corporation or labor organization may produce and distribute publications that endorse or solicit funds for a candidate or party (as long as the publications are not reproductions of the candidate's campaign materials, and the organization does not actually collect the funds). 114.2(f)(4)(ii) and 114.3(a) and (c)(1).
- *Web pages and emails.* A corporation or labor organization may endorse or solicit funds for a candidate or party committee through an email directed solely to members of its restricted class. Likewise, a corporation or labor organization may set up a web page, accessible only by its restricted class, which may contain express advocacy or solicitations. Note that in either case the organization may not actually collect the funds but may provide the address of the campaign or party committee to which contributions may be sent. 114.2(f)(4)(ii) and 114.3(a). See also AOs 1997-16 (ONRC Action) and 1996-01 (Trial Lawyers of America).

---

<sup>2</sup> For the purposes of § 109 only, "agent" is defined at 109.3.



- *Candidate and party appearances.* A candidate or party representative may make an appearance before the restricted class. They may solicit and accept contributions before, during or after the appearance. 114.3(c)(2).
- *Get-Out-The-Vote and Voter Registration Drives and Phone Banks.* The corporation or labor organization may run voter drives and phone banks urging the restricted class to vote for a particular candidate or to register with a particular party. 114.3(c)(3) and (4).
- *Endorsements.* Endorsements may be announced during a candidate appearance or in a publication to the restricted class. 114.3(c) and 114.4(c)(6).

## Communications to those outside the restricted class

As noted above, a corporation may use its general treasury funds to pay for independent expenditures and electioneering communications.<sup>3</sup> In addition, under Commission regulations a corporation may make certain communications to individuals outside the restricted class.

Disbursements by corporations and labor organizations for election-related activities described in 114.4 [i.e., communications that reach beyond the restricted class] will not cause those activities to be contributions or expenditures, even when coordinated with any candidate or party committee to the extent permitted in that section.<sup>4</sup> 114.2(c).

Note that any election-related communications made to those outside the restricted class may also be made to the restricted class.

### Types of communications

Corporations and labor organizations may engage in the following types of election-related communications that go beyond the restricted class provided they follow the guidelines contained in the FEC regulations. The pertinent regulations follow.

- *Appearances Before All Employees and Their Families.* A candidate or party committee, but not the sponsoring organization, may ask for support and may solicit contributions. Note, however, that the candidate or party committee may not accept contributions but may leave envelopes and campaign materials for the audience. 114.4(b)(1). Coordination between the candidate and the corporation or labor organization may include discussions regarding the structure, format and timing of the appearance, and the candidate's position on issues, but may not include any discussion of the candidate's plans, projects or needs relating to his or her campaign. 114.4(b)(1)(vii).
- *Appearances at Schools, Colleges or Universities.* A candidates or party committee may appear at an educational institution at no charge or at less than the usual and normal charge without the appearance being a prohibited contribution, provided that the school makes a reasonable effort to ensure that the appearance is in an academic setting (such as a speech or a question/answer setting) rather than a campaign setting (such as a rally or event) and the school does not expressly advocate the election or defeat of, nor favor, any specific candidate or party committee. Alternatively, the facilities of the school may be provided to the committee provided that the usual and normal rental charge is paid in the ordinary course of business. For more information on such appearances, see 114.4(c)(7)(i) and (ii).
- *Candidate Debates.* Candidate debates may be sponsored by a broadcaster, bona fide newspaper, magazine or other periodical or a nonprofit organization (i.e., those organizations under 501(c)(3) or (c)(4) of the Internal Revenue Code), in accordance with section 110.13 of the FEC regulations. In particular, a debate must include at least two candidates and should not be structured to promote or advance one candidate over the other.

<sup>3</sup> *Citizen's United v. FEC* (558 U.S. 310) (2010)

<sup>4</sup> See 114.4(b)(1)(vii), 114.4(c)(2), 114.4(c)(3)(v), 114.4(c)(4), 114.4(c)(5)(i) and (ii), 114.4(c)(6)(ii) and 114.4(d)(1).

- *Endorsements.* The corporation or labor organization may, without coordinating with the candidate or his or her campaign, publicly announce endorsements through a press release and press conference conducted through its normal media contacts. The endorsement may also be posted on a web page that is accessible to the general public if the corporation or labor organization normally posts its press releases online and the release is posted along with all other corporate or organization press releases. 114.4(c)(6)(i) and (ii); see AO 1997-16 (ONRC Action).

## **6. Use of Corporate/Labor Facilities and Resources**

When using the facilities and resources of a corporation (including an incorporated trade association or membership organization) or labor organization, a party committee must pay the organization according to the following rules. Otherwise, the use may result in a prohibited contribution from the corporation or labor organization.

### **Facilities**

If a party committee uses the facilities of a corporation or labor organization, the party committee must reimburse the organization within a commercially reasonable time and at the usual and normal rental charge. Use of facilities may include, for example, the use of telephones or office furniture. 114.9(d). If another political committee or an individual reimburses a corporation or labor organization for the campaign-related use of its facilities, the payment is considered an in-kind contribution from that committee or individual to the campaign. (In the case of a political committee sponsored by the organization providing the facilities, it is also advisable that payment be made to the organization in advance in order to avoid a prohibited contribution from the organization.) Note, however, that employees, stockholders and members of a corporation or labor organization may make incidental use of an organization's facilities, subject to the corporation or labor organization's own rules, for volunteer work without having to reimburse the organization (except for any increased overhead), as explained in Section 3 of this chapter. 114.9(a) and (b).

### **Meeting rooms**

#### **Usual and normal rental rate**

Candidates and political parties may, at the discretion of the organization, rent a corporation or labor organization's meeting rooms at the usual and normal rate, provided reimbursement is made within a commercially reasonable time. 114.9(d).

#### **Provided by organization's political committee**

As with other facilities, if the organization's political committee pays for the room as an in-kind contribution, it is advisable that payment be made in advance to avoid a prohibited contribution from the organization.

#### **For free or at a discount**

A candidate or party committee may be able to use the rooms for free or at a discount under the following conditions:

- The corporation or labor organization customarily makes its meeting rooms available to civic and community groups;
- The corporation or labor organization makes the rooms available to other political committees upon request; and

- The corporation or labor organization makes the rooms available to the candidate or political committee on the same terms given to other groups (i.e., for free or at a discount if those are the terms offered to other groups).

114.13.

## **Use of corporate/labor name or trademark**

A corporation or a labor organization may not use the corporation's names, trademarks, or service marks to facilitate the making of contributions to a federal political committee, and a federal political committee may not knowingly accept or receive such facilitated contributions. For example, a campaign or party committee may not recognize the corporate (or labor) employers of individual contributors in connection with a fundraising event. These restrictions do not apply to the use of a name as part of the name of a political committee. 114.2(d) and (f). See AO 2007-10 (Reyes).

## **7. Fundraisers for Candidates**

### **Restricted class events**

Under the exemptions at 114.3(c)(2) permitting candidate or party appearances before the restricted class (summarized in Section 8 of this chapter), the corporation or labor organization may allow a candidate or party committee to solicit its restricted class at an event without the related costs for the event counting as a contribution. The candidate may also collect funds at the appearance. However, corporate or labor organization staff are prohibited from collecting funds for the campaign, with a limited exception discussed in the next paragraph. 114.2(f) and 114.3(c)(2)(ii) and (iii).

### **Collection of funds**

An exception to the general prohibition on corporate or labor organization staff's collection of funds at a candidate's fundraising event exists in cases where the fundraiser is a restricted-class only event and the funds collected are treated not only as contributions to the candidate, but also as contributions both to and from the SSF of the corporation/labor organization. 114.2(f)(2)(iii) and (4)(iii). In this case, the event may not raise funds in excess of the SSF's candidate contribution limit (\$5,000 for a multicandidate PAC). Alternatively, the campaign may collect the funds.

## **Events beyond the restricted class**

### **Event sponsored by corporate/labor SSF**

Because the organization's SSF may make communications to the general public using the funds it has raised, it may sponsor fundraising events for a candidate or party committee and invite outside individuals and political committees. 114.5(i). All related costs paid for by the SSF, including staff time, mailing, room rental and catering charges, may count as an-kind contribution to the candidate or party committee, depending on whether the event is coordinated with the candidate or party committee. 109.20(b) and 100.52(d). Note that, as with other uses of corporate/labor facilities, the SSF must pay in advance for any use of corporate/labor staff, food service or mailing lists. Additionally, it is advisable that the SSF pay for rooms and equipment in advance to avoid a prohibited contribution from the organization.

### **Use of corporate/labor staff, food services and mailing lists for events beyond the restricted class**

A corporation or labor organization may only allow its food services and mailing lists to be used for candidate or party fundraisers if it receives payment in advance at the fair market value for the goods or

services. 114.2(f)(1) and (2). Likewise, a corporation or labor organization may direct its personnel to work on these fundraisers, so long as employees are not coerced into providing on-the-job fundraising services if they do not wish to perform them. In all cases, advance payment by a source who may legally make a contribution or expenditure (such as the campaign, party committee or the organization's SSF) is required in order to avoid a prohibited contribution by the organization. FEC regulations specifically require advance payments for:

- The services of corporate or labor personnel directed to carry out fundraising activities as part of their job;
- The use of catering or other food services arranged for or provided by the corporation or labor organization; and
- The use of the organization's list of clients, customers, vendors or other persons outside the restricted class for purposes of soliciting contributions or distributing invitations.

114.2(f)(2)(i)(A), (C) and (E).

Note, however, that if a corporation is providing the services (such as catering or personnel) in its ordinary course of business as a commercial vendor, payment does not have to be made in advance as long as: (1) the payment is at the usual and normal charge; and (2) the payment schedule conforms to normal business practice. Otherwise, a prohibited contribution results. 100.52(d)(1) and (2); 114.2(f)(1); 116.3; see also, for example, AOs 1994-33 (VITEL) and 1991-18 (New York Democrats).

### **Collection of funds**

As with restricted-class only events, corporate or labor organization staff may not collect contributions at an event that is coordinated, unless the funds collected are treated not only as contributions to the candidate, but also as contributions both to and from the SSF of the corporation/labor organization. 114.2(f)(2)(iii) and (4)(iii). Alternatively, the campaign or party committee may collect the funds.

### **Reporting**

If the campaign or party committee makes the advance payment for the costs of the event, it must report the cost as an expenditure. If the advance payment is made by any other source, such as the corporation or labor organization's SSF or an individual, the campaign or party committee must report it as an in-kind contribution received, where the event's costs are required to be treated as an in-kind contribution, as described above. 104.3(a) and (b).

## **8. Independent Expenditures**

An independent expenditure is an expenditure for a communication that expressly advocates the election or defeat of a clearly identified candidate and which is not made in coordination with any candidate or his or her campaign or political party. 100.16, 109.21 and 109.37. Independent expenditures are not subject to any limits but may be subject to reporting requirements. (The campaign of a candidate benefiting from an independent expenditure has no reporting obligation.) See *Citizens United v FEC* (558 U.S. 310), AOs 2010-11 (Commonsense Ten) and 2010-09 (Club for Growth).

Chapter 9 provides detailed information on independent expenditures. The chapter may be reproduced and distributed by a campaign or party committee to anyone who requests FEC guidelines on independent spending. Committee staff should pay special attention to the section "Coordinated Communications" which explains when the independence of an expenditure is compromised through contact with a campaign or party committee and thus results in an in-kind contribution, subject to contribution limits, to the committee. If a corporation or labor organization funds the coordinated expenditure, it results in a prohibited contribution.

## **9. Electioneering Communications**

Any broadcast, cable or satellite communication that is publicly distributed within 30 days of a primary or 60 days of a general election, refers to a clearly identified federal candidate and is targeted to the relevant electorate is an electioneering communication. 100.29(a).

If a registered political committee makes an electioneering communication, it must report it as it reports an expenditure or independent expenditure under the Act. 100.29(c)(3); 104.20(b).

### **Coordination of electioneering communications**

If a communication is considered coordinated under the Commission's three-part test, it results in an in-kind contribution subject to contribution limitations, source prohibitions and reporting. To avoid receiving an illegal excessive or prohibited contribution, campaigns and party committees should avoid certain interactions with those making electioneering communications. See 109.21(d) and Appendix D, Section 2 of the *Campaign Guide for Congressional Candidates and Committees* for more information.



## Chapter 5

# Contributions to Candidates and Committees

### 1. Overview

Contributions to influence federal elections are subject to the limits (and prohibitions) of the Act. A contribution that exceeds the limits is a violation of the Act. 11 CFR 110.9.

#### Types of contributions

The contributions made by a political committee commonly take the form of:

- Gifts of money, including the full purchase price of fundraising items or tickets to fundraisers;
- In-kind contributions (gifts of goods or services);
- Loans (other than bank loans); and
- Guarantees and endorsements of bank loans.

Contributions are discussed in greater detail in Chapter 2.

#### Affiliation

Committees of the same party established within one state are generally considered to be affiliated and share limits on contributions received and made to federal candidates and other committees. This means that the state committee and local committees together may not contribute more than \$5,000 to a candidate per election, assuming the state party committee has qualified as a multicandidate committee, and together may not receive more than a maximum of \$10,000 per calendar year from any one individual or non-multicandidate committee contributor. 110.1(c)(5), 110.2(b)(1), 110.3(b)(3).

### 2. Contributions To Candidates

#### Limits on contributions to candidates

As a general rule, the limits on contributions to federal candidates and candidate committees apply separately to each election in which a candidate participates—primary, runoff or general.

##### **\$3,300 per election<sup>1</sup>**

For elections held during the 2023-2024 election cycle, a committee may contribute up to \$3,300 to a candidate, per election, unless it has qualified as a multicandidate committee. 110.1(b)(1).

##### **\$5,000 per election: multicandidate status**

A multicandidate committee may contribute up to \$5,000 per candidate, per election. 110.2(b)(1).

<sup>1</sup> This figure is indexed for inflation in odd-numbered years. For current limits, visit the FEC website at <https://www.fec.gov/help-candidates-and-committees/candidate-taking-receipts/contribution-limits/>.

### National committee’s \$57,800 limit for senate candidates<sup>2</sup>

For elections held in the 2023-24 election cycle, a national party committee is entitled to contribute up to \$57,800 to a U.S. Senate candidate. Unlike the per-election limits, this limit applies to contributions made during the entire campaign period (e.g., the primary and general elections). The Democratic and Republican national committees share this limit with their parties’ national Senate campaign committees. 110.2(e).

## Multicandidate status

### Qualification criteria

A political committee becomes a multicandidate committee—with a higher per-candidate contribution limit—when it:

1. Has been registered as a political committee for at least six months;
2. Receives contributions (of any amount) from at least 51 unique contributors; and
3. Makes contributions (of any amount) to at least five federal candidates. 100.5(e)(3).

There is no time limit for satisfying criteria 2 and 3.

A state party committee becomes a multicandidate committee when it satisfies the first two criteria. 100.5(e)(3).

### Qualifying by affiliation

A party committee that is affiliated with a qualified multicandidate committee automatically shares that committee’s \$5,000 per candidate, per election contribution limit (since affiliated committees share the same limits on contributions received and made). 110.2(a)(1); AOs 1983-19 (AMAX) and 1980-40 (Transamerica Corporation PAC). For example, a newly registered local party committee affiliated with the state party committee automatically qualifies as a multicandidate committee if the state party committee has already achieved multicandidate status. The local committee should file Form 1M along with its Statement of Organization (Form 1).

### 5-1: Multicandidate Status (Form 1M)

**NOTIFICATION OF MULTICANDIDATE STATUS**  
(See reverse side for instructions)  
This form should be filed after the Committee qualifies as a multicandidate committee.

1. (a) NAME OF COMMITTEE IN FULL <b>Local Freedom Party</b>		2. FEC IDENTIFICATION NUMBER <b>C00300002</b>
(b) Number and Street Address <b>111 Bryce St.</b>		3. TYPE OF COMMITTEE (check one) <input type="checkbox"/> STATE PARTY <input checked="" type="checkbox"/> OTHER
(c) City, State and ZIP Code <b>Flatpoint, ST 00000</b>		

I certify that **one** of the following situations is correct (complete line 4 or 5):

4. **STATUS BY AFFILIATION:** The committee submitted its Statement of Organization (FEC FORM 1) on 12/01/2023 and simultaneously qualified as a multicandidate committee through its affiliation with:  
Committee Name: Freedom Party State Committee  
FEC Identification Number: C00300001

5. **STATUS BY QUALIFICATION:**  
(a) **Candidates:** The committee has made contributions to the five (5) federal candidates listed below (ONLY State party committees may leave this blank.):

	Name	Office Sought	State/District	Date
(i)				
(ii)				
(iii)				
(iv)				
(v)				

(b) **Contributors:** The committee received a contribution from its 51st contributor on: \_\_\_\_\_.

(c) **Registration:** The committee has been registered for at least 6 months. FEC FORM 1 was submitted on: \_\_\_\_\_.

(d) **Qualification:** The committee met the above requirements on: \_\_\_\_\_.

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

TYPE OR PRINT NAME OF TREASURER <b>Larry Halladay</b>	SIGNATURE OF TREASURER <i>Larry Halladay</i>	DATE <b>12/01/2023</b>
--	---	---------------------------

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 52 U.S.C. § 30109. ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

For further information, contact the Federal Election Commission at 800-424-9530 or visit www.fec.gov

FETANG18

**FEC FORM 1M**  
(Revised 1/2001)

<sup>2</sup> This figure is indexed for inflation in odd-numbered years. For current limits, visit the FEC website at <https://www.fec.gov/help-candidates-and-committees/candidate-taking-receipts/contribution-limits/>.



Table 1: Contribution limits for 2023–2024 federal elections

		Recipient				
		Candidate committee	PAC† (SSF and nonconnected)	Party committee: state/district/local	Party committee: national	Additional national party committee accounts‡
Donor	Individual	\$3,300* per election	\$5,000 per year	\$10,000 per year (combined)	\$41,300* per year	\$123,900* per year
	Candidate committee	\$2,000 per election	\$5,000 per year	Unlimited transfers	Unlimited transfers	
	PAC: multicandidate	\$5,000 per election	\$5,000 per year	\$5,000 per year (combined)	\$15,000 per year	\$45,000 per year
	PAC: non-multicandidate	\$3,300* per election	\$5,000 per year	\$10,000 per year (combined)	\$41,300* per year	\$123,900* per year
	Party committee: state/district/local	\$5,000 per election	\$5,000 per year	Unlimited transfers	Unlimited transfers	
	Party committee: national	\$5,000 per election**	\$5,000 per year	Unlimited transfers	Unlimited transfers	

\* Indexed for inflation in odd-numbered years.

†“PAC” here refers to a committee that makes contributions to other federal political committees. Independent-expenditure-only political committees (sometimes called “Super PACs”) may accept unlimited contributions, including from corporations and labor organizations.

‡ The limits in this column apply to a national party committee’s accounts for: (i) the presidential nominating convention; (ii) election recounts and contests and other legal proceedings; and (iii) national party headquarters buildings. A party’s national committee, Senate campaign committee and House campaign committee are each considered separate national party committees with separate limits. Only a national party committee, not the parties’ national congressional campaign committees, may have an account for the presidential nominating convention.

\*\*Additionally, a national party committee and its Senatorial campaign committee may contribute up to \$57,800 combined per campaign to each Senate candidate. 110.2(e).

### **Multicandidate status notification:**

#### **FEC Form 1M**

Once a committee qualifies as a multicandidate committee, it is required to certify its status by filing Form 1M within 10 days. 102.2(a)(3).

Each affiliated committee must file its own Form 1M.

#### **FEC Form 3X**

A committee must also indicate that it has qualified as a multicandidate committee on Form 3X.

#### **Written notice to recipient candidates**

When making contributions, a multicandidate committee must give written notice of its qualified status as a multicandidate committee to recipient candidate committees. 110.2(a)(2). For convenience, committees may choose to print the statement on their checks, letterhead or other appropriate materials.

### **In-kind contributions**

#### **Value**

The amount of an in-kind contribution counts against the contribution limits in the same way as a gift of money. 100.52(d). (See page 14 for information on valuation of in-kind contributions.)

The donor committee must notify the recipient candidate committee of the amount of an in-kind contribution. The recipient needs this information to monitor the donor's aggregate contributions and to report the correct amount. 104.13(a)(1).

#### **Allocation among candidates<sup>3</sup>**

When an in-kind contribution is made on behalf of more than one candidate, the amount must be allocated among the candidates in proportion to the benefit reasonably expected to be derived by each candidate. 106.1(a)(1). The allocated amount to each candidate is the amount of the committee's contribution.

In the case of a fundraiser held on behalf of several candidates, the portion of the costs allocated as an in-kind contribution to a particular candidate is based on the ratio of the funds received for that candidate to total funds received for all candidates.

Similarly, in the case of a publication or broadcast supporting several candidates, the allocation is based on the ratio of space or time devoted to each candidate to total space or time for all candidates. 104.10(a); 106.1(a) and (b).

For attributions to a candidate who is clearly identified in mass mailings that expressly advocate the election of that clearly identified federal candidate and refer to other candidates of the party only generically (e.g., "Vote for John Doe and our great Freedom Party team"), see AO 2006-11 (Washington Democratic State Central Committee).

Note that expenses for opinion polls are subject to the allocation rules at 106.4. Allocation is discussed in greater detail in Chapter 13.

---

<sup>3</sup> These allocation rules also apply to coordinated party expenditures and exempt party activities.

## Earmarked contributions

A party committee may receive earmarked contributions, or a contribution that a contributor directs (either orally or in writing) to a clearly identified candidate or authorized committee through an intermediary or conduit. An earmarked contribution does not count against the party committee's limit for the candidate unless the party committee exercises direction or control over the contributor's choice of candidate. 110.6(d). Chapter 6 explains the rules for transmitting and reporting earmarked contributions.

## Supporting nonfederal candidates

Contributions to nonfederal candidates are subject to relevant state and local law.

## 3. How the Candidate Limits Work

### House and Senate candidates

As explained earlier, the limits on contributions to U.S. House and Senate candidates apply separately to each election in which a candidate participates. In House and Senate races, each primary election, general election and runoff is considered a separate election with a separate limit. A special election—which may be a primary, general or runoff—also counts as a separate election for the purposes of the contribution limits. 100.2, 110.1(j)(1) and 110.2(i)(1).

### Party caucus or convention

A party caucus or convention constitutes a separate election only if it has the authority under state law to select a nominee for federal office (e.g., Utah and Connecticut). Otherwise, there is no separate limit for a caucus or convention; it is considered part of the primary election. 100.2(e). See AOs 2004-20 (Farrell), 1992-25 (Owens) and 1986-17 (Green).

### Candidates not running in an election

A candidate is entitled to receive contributions for a particular election only if they seek office in that election. Thus, for example, a candidate who loses the primary (or otherwise does not participate in the general election) is not entitled to contributions for the general election. 102.9(e), 110.1(b)(3)(i) and 110.2(b)(3)(i).

### Unopposed candidates

A candidate has a separate contribution limit for an election in which they run even if:

- The candidate is unopposed;
- A primary or general election for a particular office is not held because the candidate is unopposed; or
- The general election is not held because the candidate received a majority of votes in the previous election. (The date on which the election would have been held is considered the date of the election.) 110.1(j)(2) and (3); 110.2(i)(2) and (3).

### Presidential candidates

All elections held during a calendar year for the office of President (except a general election for that office) are considered to be one election. 110.1(j)(1) and 110.2(i)(1). Thus, for example, a multicandidate committee may give only \$5,000 to a Presidential candidate's primary campaign, regardless of the number of separate state Presidential primaries in which the candidate participates.

A multicandidate committee may also give \$5,000 to the general election campaign of a candidate who does not receive public funds.

### **Publicly funded candidates**

In the general election, contributions to the campaign of a Democratic or Republican nominee receiving public funding are not permitted. Therefore, when a presidential nominee receives public funding, state and local parties must be careful that their activities do not constitute a contribution. However, contributions may be made to the candidate's compliance fund to defray certain costs like legal and accounting services to ensure compliance with federal law. 9003.3(a)(1) and (2).

A nonmajor party nominee may receive partial general election public financing based on the results of the last Presidential election. 9004.2. The nominee may supplement that funding with private contributions up to the expenditure limits described in 9003.2(c)(3), but the nominee is otherwise subject to the same contribution limits that apply to House candidates. If the Presidential nominee does not receive public funding, then the general election contributions received by the nominee of a nonmajor party are subject to the same contribution limits that apply to House candidates, but there is no limit on total contributions received. 110.1(j)(1) and 110.2(i)(1).

### **Recounts**

A party committee may establish a recount fund to conduct recount activities in support of the party's federal candidate. Although they are not considered contributions under the Act, any funds solicited, received, directed, transferred or spent in connection with a recount of an election are subject to the amount limitations, source prohibitions and reporting requirements of the Act. 100.91,300.30(b)(3)(iii). This means that the normal contribution limits, reporting requirements and source restrictions apply. Donations to the party committee's recount fund, however, will not be aggregated with contributions from the same individuals to the party committee for the calendar year. For more information and reporting instructions, see AOs 2006-24 (Republican and Democratic Senatorial Committees), 2009-04 (Franken/DSCC), 2010-14 (DSCC), and 2011-03 (DSCC).

### **National party committee recount and contested election fund**

National party committees may establish accounts to defray expenses incurred with respect to election recounts and other legal proceedings. The limits applicable to these accounts are three times the limits on contributions to national party committees, meaning that the accounts may accept up to \$45,000 per year from a multicandidate PAC and \$123,900 per year from individuals and nonmulticandidate PACs. 52 U.S.C. § 30116(a)(1) and (a)(9)

## **4. Designating Contributions to Candidates**

### **Designated contributions**

The Commission encourages committees, when contributing to candidates, to designate their contributions in writing for a particular election (for example, primary or general). 110.1(b)(2)(i), (b)(4) and 110.2(b)(2)(i), (b)(4).

### **Undesignated contributions**

An undesignated contribution automatically counts against the limits for the next scheduled election. 110.1(b)(2)(ii) and 110.2(b)(2)(ii). Therefore, if a committee wishes to make a contribution for any election other than the next one, the contribution must be designated in writing.

## When designation is required

### Future elections

A written designation is required when a committee wants a contribution to apply toward a future election other than the next one. For example, a committee may make a contribution to a candidate's general election campaign before the primary election has taken place, but the committee's check (or an accompanying statement) must say "General" in order to count toward the general election limit.

### Past elections (debt retirement)

A committee must similarly designate a contribution for the appropriate election when making a contribution to retire a candidate's debt from a past election campaign. The committee should be certain that the contribution, when aggregated with other contributions from the committee for that same election, does not exceed the committee's per-election limit.

A candidate committee may accept a contribution only if the campaign has net debts outstanding with respect to the designated election on the day it receives the contribution. 110.1(b)(3)(i) and (iii) and 110.2(b)(3)(i) and (ii).

## Effect of date made

### Designated contributions

A candidate committee may accept a designated contribution if it is made before the designated election, regardless of whether the candidate has outstanding debts from that election. However, a designated contribution is subject to the net debts outstanding rule, described above, if it is made after the election for which it is designated. 110.1(b)(3)(i), (ii) and (iii) and 110.2(b)(3)(i) and (ii).

### Undesignated contributions

A committee may make an undesignated contribution on or before the day of the election regardless of whether the candidate has debts, even if the candidate does not receive the check until after the election has passed. An undesignated contribution made after the election has passed, however, must be applied to the donor's limit for the next election. 110.1(b)(2)(ii) and 110.2(b)(2)(ii). For the purposes of the per-election limits, then, it is important to distinguish the date a contribution is made from the date it is received by a candidate.

### Determining the date made

The date a contribution is made is the date when the contributor relinquishes control of the funds. Therefore:

- An in-kind contribution is made on the date that the goods or services are provided to the recipient committee.
- An online contribution is made on the date the contributor electronically authorizes the transaction.
- SMS contributions are considered made when the user completes an opt-in. AO 2012-17 (m-Qube).
- A mailed contribution is made on the date of the postmark.
- A hand-delivered contribution is considered made on the date it is delivered to the campaign committee or to an agent of the campaign (such as the candidate). 110.1(b)(6) and 110.2(b)(6).

## Redesignation

A candidate committee may ask a committee to redesignate a contribution (or a portion of it) for a different election. Redesignation permits the donor to remedy an excessive contribution so that the excessive portion counts against a different election limit. 110.1(b)(5) and 110.2(b)(5). A committee may comply

with a request for redesignation by returning a signed statement redesignating the contribution. The candidate committee must receive the redesignation within 60 days of its receipt of the original contribution. Otherwise, the candidate must refund the excessive portion to the committee.

In some cases, an authorized committee may “presumptively redesignate” an excessive primary contribution to the general election if the redesignation would not result in another excessive contribution. 110.1(b)(5)(ii) (B). Note that authorized committees may presumptively redesignate a contribution from non-multicandidate committees, but not from multicandidate committees. For more information on presumptive redesignation, see the *Campaign Guide for Congressional Candidates and Committees*.

The committee may always request a refund from the candidate instead of providing the redesignation. 103.3(b)(3), 110.1(b)(5)(ii) and 110.2(b)(5)(ii).

## 5. Contributions to PACs

In addition to contributing directly to candidate committees, a party committee may support PACs and other unauthorized committees, that is, committees that are not authorized committees of candidates.

### Limits on contributions to unauthorized committees

#### General rule

A party committee may make contributions of up to \$5,000 per calendar year to a PAC or other unauthorized committee. 110.1(d) and 110.2(d).

#### Candidate limits may apply

A contribution to an unauthorized committee may count against the contributing committee’s limit for a candidate if:

- The recipient committee is a single-candidate committee (i.e., an unauthorized committee that supports only one candidate);
- The contributing committee knows that a substantial portion of its contribution will be given to or spent on behalf of a particular candidate; or
- The contributing committee retains control over the contribution. 110.1(h) and 110.2(h).

#### Contributions to delegates and delegate committees

The limits on contributions to delegates and delegate committees are discussed in Appendix E.

## 6. Restrictions on Making, Directing or Soliciting Funds

Party committees may not solicit any funds for, or make or direct any donations of nonfederal funds (or Levin funds) to the following organizations:

- 501(c) tax-exempt organizations that make expenditures or disbursements in connection with a federal election, including for federal election activity (FEA). This prohibition applies even if the organization has only applied for tax-exempt status;
- 527 organizations that are not political committees, state, district or local party committees or authorized campaign committees of a state or local candidate. 300.11(a), 300.37(a), 300.50(a) and 300.51(a). See also *McConnell v. FEC*, 540 U.S. 93, 174–81 (2003).

However, state, district and local party committees may make or direct donations to a state political committee that supports only state and local candidates, and does not make any expenditures or disbursements in connection with federal elections, including for FEA. 300.37(a)(3)(iv) and 300.51(a)(3)(iv).

### **501(c) certification**

When determining whether a 501(c) organization makes expenditure or disbursements in connection with federal elections or for FEA, a party committee may rely on a certification by the organization if the certification:

- Is a signed written statement by an authorized representative of the organization who has knowledge of the organization's activities;
- States that within the current election cycle the organization has not made, and does not intend to make, any such expenditures or disbursements; and
- States that the organization does not intend to pay debts incurred in the past election cycle from those expenditures or disbursements.

If the party committee or any of their agents or entities knows the certification to be false, it may not be relied upon. 300.11(c)-(e), 300.37(c)-(e), 300.50(c)-(e) and 300.51(c)-(e).

### **527 certification**

When determining whether a 527 organization is a state-registered political committee that supports only state and local candidates and does not make expenditures or disbursements in connection with federal elections, including for FEA, a party committee may rely on the same certification requirements of 501(c) organizations described in the section above. 300.37(c)(2) and 300.51(c)(2).





## Chapter 6

# Earmarked Contributions

An earmarked contribution is one which the contributor directs (either orally or in writing) to a clearly identified candidate or candidate's committee through an intermediary or conduit. Earmarking may take the form of a designation, instruction or encumbrance and may be direct or indirect, express or implied. 11 CFR 110.6(b)(1).

In addition to the disclosure requirements regarding earmarked contributions discussed below, political party committees may be required to disclose information concerning certain “bundled” contributions that are forwarded by, or received and credited to lobbyists, registrants and political committees established or controlled by a lobbyist or registrant. See Appendix G for more information.

## 1. Conduits

### Who is a conduit

Anyone who receives and forwards an earmarked contribution to a candidate committee is considered a conduit or intermediary. 110.6(b)(2). (The terms “conduit” and “intermediary” are interchangeable; “conduit” will be used in the remainder of this chapter.)

Political committees (such as party committees and PACs), unregistered organizations (such as party organizations), individuals and partnerships are among those who may act as conduits for earmarked contributions.

### Persons not considered conduits

For the purposes of the earmarking rules, certain individuals and organizations are not considered conduits even though they may participate in activities to raise money for a candidate. These persons include:

- An employee or full-time volunteer working for a candidate committee;
- An individual who occupies a significant position in a candidate's campaign and who is expressly authorized to raise money on behalf of the candidate;
- A committee affiliated with the candidate committee;
- A fundraising representative conducting a joint fundraiser with the candidate committee; and
- A commercial fundraising firm retained by the candidate committee. 110.6(b)(2)(i).

### Prohibitions apply

No corporation, labor organization, foreign national or other entity prohibited from making contributions in connection with federal elections may act as a conduit for an earmarked contribution. 110.6(b)(2)(ii).

Furthermore, no individual may receive a contribution on behalf of a candidate (as a conduit or otherwise) while acting as the representative of a corporation, labor organization or other entity prohibited from making contributions.<sup>1</sup> 110.6(b)(2)(i)(A) and (E). AO 1986-04 (Armstrong Industries).

<sup>1</sup> A corporation, labor organization or separate segregated fund (SSF) may, however, solicit earmarked contributions to be collected and forwarded by the SSF. However, any such contributions solicited by the corporation or labor organization must be treated as contributions received and made by the SSF (as well as contributions made by the individual contributors to the designated candidates) and count against the limits of both the contributor and the SSF. 114.2(f)(2)(iii) and (4)(iii).

## 2. Contribution Limits

### Contributor's limit

An earmarked contribution counts against the contributor's limit for the recipient candidate. 110.6(a).

### Conduit's limit

#### Direction or control

The conduit's contribution limit is affected when the conduit exercises direction or control over the contributor's choice of the recipient candidate. In that case, the full amount of the contribution counts against the limits of both the original contributor and the conduit, even though the candidate receives only one check. 110.6(d)(2). For examples of how the Commission has viewed the "direction or control" rule in specific situations, see AOs 2014-13 (ActBlue), 2014-19 (ActBlue), 2019-01 (It Starts Today), 2019-11 (Pro-Life Democratic Candidate PAC)2003-23, (We Lead), 1986-04 (Armstrong Industries), 1981-57 (Coal Miners PAC) and 1980-46 (National Conservative PAC).

#### Solicitation costs for earmarked contributions

If a committee's solicitation is coordinated with the recipient campaign or its agents, then the direct costs of the solicitation constitute in-kind contributions to the named candidates. If the solicitation is not coordinated, however, the costs will be considered independent expenditures. AO 2003-23 (We Lead) and 100.16.

#### Effect on unregistered organization

An unregistered organization acting as a conduit should be aware that conduit activity could result in contributions by the organization if it exercises direction or control over earmarked contributions or if solicitation costs for earmarked contributions result in in-kind contributions to candidates. Such contributions may trigger registration and reporting requirements. 100.5(a)–(c).

## 3. Forwarding Earmarked Contributions

A person who receives a contribution of any amount for an authorized political committee, or a contribution greater than \$50 for a political committee that is not an authorized committee, must generally forward the contribution, along with a transmittal report, to the intended recipient no later than 10 days after receipt. 102.8(a) and (b)(2), and 110.6(c)(1)(iii) and (iv).

The Commission allows an exception to the 10-day period for forwarding contributions if the contribution is earmarked to a presumptive candidate, rather than to a named candidate. In AO 2006-30 (ActBlue), the Commission determined that a political committee could solicit and receive contributions earmarked for a prospective candidate and delay forwarding those contributions until no later than 10 days after the candidate had registered a campaign committee, rather than within 10 days after the political committee's receipt of the contribution. The Commission also determined that the political committee could forward the contribution to a named party committee in the event the intended candidate did not register with the Commission. See also AO 2003-23 (WeLead). Note that an earmarked contribution counts against the contributor's limits in effect during the election cycle in which the contribution is actually made by the contributor, regardless of the year in which the contribution is eventually forwarded to the recipient candidate or committee. 110.5(c)(1); 110.1(b)(6). AO 2008-08 (Zucker).

## 4. Reporting Conduit Activity

A conduit discloses information on earmarked contributions on two reports.

### Report for recipient candidate committee

A conduit must provide a transmittal report to the recipient candidate committee when it forwards an earmarked contribution. 110.6(c)(1)(i).

### Report filed with the government

#### Registered political committee

A political committee acting as a conduit must include information on an earmarked contribution on its next regularly scheduled FEC report. 110.6(c)(1)(i) and (ii).

#### Unregistered entity

An individual or other unregistered entity acting as a conduit must disclose information on an earmarked contribution in a letter to the FEC within 30 days after forwarding the earmarked contribution. 110.6(c)(1)(ii).

## 5. Contents of Transmittal Reports

Both conduit reports must disclose the following information:

- The name and mailing address of each contributor and, if the contribution exceeds \$200, the contributor’s occupation and employer.
- The amount of each earmarked contribution and the date the conduit received it.
- The intended recipient designated by the contributor. It is suggested that the conduit also include the election for which the contribution was designated (if any), the office sought by the candidate (state and, if applicable, Congressional district) and the name and address of the recipient candidate committee.
- The date the earmarked contribution was forwarded to the recipient committee.
- How the contribution was forwarded (by cash, contributor’s check or conduit’s check).
- A statement indicating that the conduit’s limit was also affected, if applicable. 110.6(c)(1)(iv) and (d)(2).

■ 6-1: Earmarked Contributions

<b>SCHEDULE A (FEC Form 3X)</b>		Use separate schedule(s) for each category of the Detailed Summary Page		FOR LINE NUMBER: (check only one)		PAGE 1 OF 1	
<b>ITEMIZED RECEIPTS</b>				<input checked="" type="checkbox"/> 11a		<input type="checkbox"/> 11b	
				<input type="checkbox"/> 11c		<input type="checkbox"/> 11d	
				<input type="checkbox"/> 11e		<input type="checkbox"/> 11f	
				<input type="checkbox"/> 11g		<input type="checkbox"/> 11h	
				<input type="checkbox"/> 11i		<input type="checkbox"/> 11j	
				<input type="checkbox"/> 11k		<input type="checkbox"/> 11l	
				<input type="checkbox"/> 11m		<input type="checkbox"/> 11n	
				<input type="checkbox"/> 11o		<input type="checkbox"/> 11p	
				<input type="checkbox"/> 11q		<input type="checkbox"/> 11r	
				<input type="checkbox"/> 11s		<input type="checkbox"/> 11t	
				<input type="checkbox"/> 11u		<input type="checkbox"/> 11v	
				<input type="checkbox"/> 11w		<input type="checkbox"/> 11x	
				<input type="checkbox"/> 11y		<input type="checkbox"/> 11z	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.							
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>							
A. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>Bob Stevens</b>				Date of Receipt 08 / 17 / 2024			
Mailing Address <b>112 Brooks Road</b>				City <b>City</b>			
State <b>ST</b> Zip Code <b>00000</b>				FEC ID number of contributing federal political committee <b>C</b>			
Name of Employer (for Individual) <b>RadioCorp Inc.</b>				Occupation (for Individual) <b>Vice-president</b>			
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼				Aggregate Year-to-Date ▼			
				Amount of Each Receipt this Period <b>500.00</b>			
				<input type="checkbox"/> Memo Item			
				<b>Earmarked for Jay Meyers, House, ST., District 6</b>			
<b>SCHEDULE B (FEC Form 3X)</b>		Use separate schedule(s) for each category of the Detailed Summary Page		FOR LINE NUMBER: (check only one)		PAGE 1 OF 1	
<b>ITEMIZED DISBURSEMENTS</b>				<input type="checkbox"/> 21a		<input type="checkbox"/> 21b	
				<input type="checkbox"/> 21c		<input type="checkbox"/> 21d	
				<input type="checkbox"/> 21e		<input type="checkbox"/> 21f	
				<input type="checkbox"/> 21g		<input type="checkbox"/> 21h	
				<input type="checkbox"/> 21i		<input type="checkbox"/> 21j	
				<input type="checkbox"/> 21k		<input type="checkbox"/> 21l	
				<input type="checkbox"/> 21m		<input type="checkbox"/> 21n	
				<input type="checkbox"/> 21o		<input type="checkbox"/> 21p	
				<input type="checkbox"/> 21q		<input type="checkbox"/> 21r	
				<input type="checkbox"/> 21s		<input type="checkbox"/> 21t	
				<input type="checkbox"/> 21u		<input type="checkbox"/> 21v	
				<input type="checkbox"/> 21w		<input type="checkbox"/> 21x	
				<input type="checkbox"/> 21y		<input type="checkbox"/> 21z	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.							
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>							
A. Full Name (Last, First, Middle Initial) <b>Friends of Jay Meyers</b>				Date of Disbursement 08 / 17 / 2024			
Mailing Address <b>111 East Egg Street</b>				City <b>City</b>			
State <b>ST</b> Zip Code <b>00000</b>				FEC Identification Number <b>C</b>			
Purpose of Disbursement <b>Contribution</b>				Category/Type <b>011</b>			
Candidate Name <b>Jay Meyers</b>				Amount of Each Disbursement this Period <b>500.00</b>			
Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President				Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼ <b>2024</b>			
State <b>ST</b> District <b>6</b>				<input type="checkbox"/> Memo Item			
				<b>Earmarked by Bob Stevens and transmitted by committee check.</b>			

## **6. Reporting Instructions for Political Committee Conduits**

### **Using Schedules A and B**

A political committee acting as a conduit itemizes information on earmarked contributions in its regular FEC reports using Schedules A and B. Note that if a committee forwards earmarked contributions in the form of the contributors' checks, without depositing them, it must itemize the earmarked contributions as memo entries on Schedules A and B. 110.6(c)(1)(v). Alternatively, instead of labeling each entry as a memo entry, the committee may itemize the contributions on Schedules A and B clearly labeled as memo entry schedules.

### **Schedule A**

A conduit committee reports the following information on Schedule A for each earmarked contribution:

- Contributor information (name, address and, if applicable, occupation and employer).
- The date of receipt and amount of the contribution.
- The name of the designated candidate.

### **Schedule B**

A conduit committee reports the following information on Schedule B:

- The designated candidate and, preferably, the office sought by the candidate and the name and address of the candidate committee.
- The amount of the contribution, the date it was forwarded and, preferably, the election (if any) designated by the contributor.
- A notation as to how the contribution was forwarded (cash, contributor check, committee check).
- A statement that the conduit's limit was also affected, if applicable.

## Chapter 7

# Other Candidate Support Activities

In addition to making contributions, party committees may support federal candidates through the activities described below.

In general, any candidate-support activities must be paid with federally permissible funds.

### 1. Coordinated Party Expenditures

National party committees and state party committees may make special expenditures in connection with the general election campaigns of federal candidates. 11 CFR 109.30. These coordinated party expenditures do not count against the contribution limits but are subject to a different set of limits, as explained below. Additionally, coordinated party expenditures must be made with federally permissible funds only.

#### Committees authorized to make coordinated party expenditures

##### National committee

Only a national party committee has a coordinated party expenditure limit for the party's Presidential nominee. 109.32(a).

A national party committee also has a coordinated party expenditure limit for the party's House and Senate candidates in the general election. 109.32(b).

##### State committee

A state party committee has its own separate spending limit for each of the party's House and Senate nominees in that state. 109.32(b).

##### Local committees

A district or local party committee or organization may make coordinated party expenditures only if authorized to do so by the national or state party committee. District and local party units do not have any coordinated party spending authority of their own.

#### Assigning spending limits

##### General rule

A national or state party committee may assign all or part of its coordinated party expenditure authority to another party committee. 109.33. The assigning committee must first authorize the spending in a written agreement and must specify the amount the designated committee may spend.

In this way, for example:

- State, district and local party committees may spend against the national committee's Presidential spending limit; and
- A district and local party committee may spend against the state committee's limits for House and Senate candidates.

### **Authorizing committee's responsibility**

A state party committee must ensure the entire state party organization complies with the coordinated party expenditure limits, for example by monitoring and disclosing party expenditures made by local committees within the state party structure. A state committee may use an FEC-recommended plan for this purpose, or some other method approved in advance by the Commission. 109.33(b).

National party committees should also monitor and disclose coordinated party expenditures made by party committees with assigned authority to spend within the national party committee spending limits.

### **Formulas for coordinated party expenditure limits**

Coordinated party expenditure limits are calculated as follows:

- House Candidate<sup>1</sup>: \$10,000 increased by the Cost-of-Living Adjustment (COLA)<sup>2</sup> or, in states with only one representative, the same as the Senate limit.
- Senate Candidate: state voting age population x 2 cents, increased by the COLA; or \$20,000 increased by the COLA, whichever is greater.
- Presidential Candidate: National voting age population x 2 cents, increased by the COLA. 109.32

Every election year, the Commission publishes the dollar amounts of the coordinated party expenditure limits in its online newsletter, the Record.

### **Coordinated party expenditures vs. contributions**

In making a coordinated party expenditure, the party committee may pay for goods or services in coordination with a candidate but cannot give money directly to the candidate or candidate committee. For example, a party committee's payment of a candidate's general election campaign bill could be treated and reported as a coordinated party expenditure (assuming the amount falls within applicable limits and the party committee has the necessary authorization), while a check from the party committee payable to the candidate committee would have to be treated as a contribution. 109.20(b).

#### **Similarities**

Coordinated party expenditures are similar to in-kind contributions in that both represent payments for goods or services that benefit a federal candidate. A coordinated party expenditure in connection with a candidate's general election campaign may count against either the party committee's coordinated party expenditure limit or its contribution limit for the candidate. It is up to the party committee to decide (assuming it has authority to make a coordinated party expenditure).

#### **Differences**

Coordinated party expenditures differ from contributions in the following ways:

- Coordinated party expenditures may be made in connection with the general election only, whereas contributions may be made in connection with any election.
- Coordinated party expenditures count against a separate limit, distinct from the contribution limits.

<sup>1</sup> The limit also applies to candidates for Delegate (District of Columbia, Guam, U.S. Virgin Islands, American Samoa, Northern Mariana Islands) and Resident Commissioner (Puerto Rico). 109.32(b)(2)(ii).

<sup>2</sup> The Cost of Living Adjustment uses 1974 as the base year. In 2024, the coordinated party expenditure limit for House nominees in states with only one representative is \$123,600. In other states, the limit for each House nominee was \$61,800. The 2024 Senate limits ranged from \$123,600 to \$3,772,100. For Presidential nominees, the limit is \$32,392,200. These limits are indexed for inflation. Current limits are always available on the FEC website at <https://www.fec.gov/help-candidates-and-committees/making-disbursements-political-party/coordinated-party-expenditures/coordinated-party-expenditure-limits>.

- There is only one coordinated party expenditure limit per candidate (it applies only to the general election candidate)<sup>3</sup>, whereas there is a separate contribution limit for each election in which a candidate participates.
- The coordinated party expenditure limits are much larger than the contribution limits.
- Coordinated party expenditures are reported by the party committee only, while contributions are reported by both the party committee and the recipient candidate committee.

## Communications

### Coordination

If a communication is coordinated with a candidate and paid for by a party committee, then the payment is either an in-kind contribution to that candidate or it is a coordinated party expenditure. 109.37(b). A communication is coordinated if it satisfies a three-pronged test. For more on determining coordination, see Chapter 9.

### Disclaimers

Disclaimers on coordinated party communications must identify the party committee that actually paid for the communication, regardless of whether the committee is spending against its own limit or against an amount assigned to it by another committee. 110.11(d)(1)(i).

When a coordinated party communication is distributed before the date the party's candidate is nominated, the communication need only state who paid for it; no authorization statement is required. 110.11(d)(1)(ii). However, a post-nomination coordinated party communication approved by a candidate or candidate's committee must state also that it is authorized by the nominee or nominee's committee. 110.11(d)(2). These post-nomination coordinated party expenditures must also comply with the additional disclaimer requirements explained on page 79.

For more on candidate appearances in their communications, see the *Campaign Guide for Congressional Candidates*.

### Allocation among candidates

A coordinated party expenditure made on behalf of more than one candidate must be allocated in proportion to the benefit each candidate is expected to receive. The amount allocated to a candidate counts against the coordinated spending limit (or contribution limit) for that candidate. Allocation procedures are the same as those used to allocate in-kind contributions; see page 130. 104.10(a); 106.1(a) and (b).

### Pre-nomination expenditures

Party committees may make coordinated party expenditures in connection with the general election campaign before or after the party's candidate has been nominated. All pre-nomination coordinated expenditures are subject to the coordinated party expenditure limitations, whether or not the candidate on whose behalf they are made receives the party's nomination. 109.34.

<sup>3</sup> In a few states, if an election does not result in the selection of a final winner because none of the candidates wins a majority of the votes, a second election is held between the top two vote getters. In this situation, however, only one coordinated party expenditure limit applies to both elections. *Democratic Senatorial Campaign Committee v. FEC*, 918 F. Supp. 1 (DDC 1994).

## 2. Exempt Party Activities

State and local party committees may spend unlimited amounts for certain activities—called exempt party activities—that benefit federal candidates but that are exempt from the definitions of contribution and expenditure. (A national party committee is not entitled to these exemptions.)

Generally, party committees must report spending on exempt activities as operating expenditures. (Exempt party activities are not reportable by the committees of federal candidates benefiting from the activity.) In many instances, however, these activities will qualify as federal election activity (FEA), triggering specific payment and disclosure requirements discussed in the next chapter. In cases where exempt party activities qualify as FEA, the party must finance it as FEA and not as exempt activity. See Chapter 8 for more information on FEA.

### Disclaimers

Public communications authorized by a candidate, candidate committee, or a party committee that qualify as exempt party activities are required to carry a “paid for by” disclaimer. However, the disclaimer does not need to state whether the communication is authorized by a candidate, or any authorized committee or agent of any candidate. Disclaimers are further discussed in Chapter 9, “Communications.” 110.11(e).

### Slate cards and sample ballots

A state or local party committee may pay to prepare and distribute a slate card, sample ballot, palm card or other printed list naming candidates for any public office without the payments being considered contributions or expenditures on behalf of any federal candidate listed, as long as the following conditions are met:

- The list names at least three candidates running for election to any public office in the state in which the committee is organized.
- The list is not distributed through broadcast stations, newspapers, magazines and similar types of public political advertising (for example billboards). Direct mail, however, is an acceptable method of distributing a slate card or sample ballot. AO 1978–09 (Republican State Central Committee of Iowa).
- The content is limited to the identification of each candidate (pictures may be used), the office or position currently held, the office sought and party affiliation. Additional descriptions, designs, images and photographs must not provide supplemental biographical information, descriptions of candidates’ positions on the issues or statements of party philosophy. Certain voting information, however, may be given, such as time, place and instructions on voting a straight party ticket. See AOs 1978–89 (Withers) and 2008-06 (Virginia Democrats).
- Costs allocable to federal candidates are paid with permissible funds. 100.80; 100.140. Allocating expenses is discussed in Chapter 13.

### Volunteer activity

A state or local party committee may pay the costs of campaign materials such as pins, bumper stickers, handbills, brochures, posters and yard signs without the payments being considered contributions or expenditures if the following conditions are met:

- The activity is conducted on behalf of the party’s nominees or presumptive nominees. AO 2010-01 (Nevada State Democratic Party).
- The materials are distributed by volunteers.



- The materials are not distributed through public political advertising such as television, radio, newspapers, magazines, billboards or direct mail (i.e., mailings by a commercial vendor or from commercial lists).
- The party committee does not use materials purchased by the national party committee or money transferred from the national committee for the purchase of such materials.
- The party committee does not use funds designated for a particular federal candidate.
- A payment from a nonfederal campaign to help pay for the materials does not exceed its allocated share of the expenses.
- Costs allocable to federal candidates are paid with permissible funds. 100.87; 100.147.

### **Voter drives for Presidential nominee**

A state or local party committee may conduct a voter registration or get-out-the-vote drive on behalf of the party's Presidential and Vice Presidential nominees without the payments being considered contributions or expenditures as long as the following conditions are met:

- The activity does not involve the use of public political advertising such as television, radio, newspapers, magazines, billboards or direct mail (mailings by a commercial vendor or from commercial lists).
- Phone banks are operated by volunteers (although paid professionals may design the system, develop calling instructions and train supervisors).
- The party committee does not use funds transferred by the national party committee for such voter drive activities.
- The party committee does not use funds designated for a particular federal candidate.
- Costs allocable to federal candidates are paid with permissible funds.
- Any reference to a U.S. House or Senate candidate must be incidental to the overall activity; otherwise, the cost allocable to the House or Senate candidate is a contribution to or expenditure on behalf of that candidate. 100.89, 100.149 and 106.1(c)(3).

### **3. Phone Banks**

In some cases, phone banks are governed by unique allocation rules. These unique rules apply to a phone bank conducted by a national, state, district or local party committee that:

- Refers to a clearly identified federal candidate;
- Does not refer to any other clearly identified federal or nonfederal candidate;
- Includes another reference that generically refers to other candidates of the federal candidate's party without clearly identifying them (e.g., "Come out and vote for President John Doe and our great Party team.");
- Does not solicit any contribution or donation or any other funds from any person; and
- Is not exempt from the definition of contribution or expenditure.<sup>4</sup> 106.8(a).

If the phone bank satisfies all of these conditions, then 50 percent of its cost is attributed to the federal candidate as an in-kind contribution or coordinated party expenditure or independent expenditure (or may be reimbursed by the candidate or the candidate's authorized committee) and must be paid for with federal funds. The remaining 50 percent is not attributed to any candidate but must also be paid for with federal funds. 106.8(b).

<sup>4</sup> See 100.89 and 100.149 for these exemptions.

## **4. Support of Presidential Nominee**

### **Contributions to major party nominees**

Contributions to a major party Presidential nominee who chooses not to accept public funding are subject to the per-election contribution limits. 110.1(j)(1) and 110.2(i)(1).

### **No contributions to general election campaign of publicly funded candidate**

Major party nominees who opt to receive public funding for the general election may not accept any campaign contributions for that election and must limit campaign spending to the amount of the public funding grant.<sup>5</sup> Thus, a Republican or Democratic party committee may not make any contributions to the general election campaign of its Presidential and Vice Presidential nominees if those nominees accept public funding. 9003.2(a)(2).

### **Contributions to compliance fund**

Publicly funded major party candidates and individuals seeking a major party nomination may, however, accept contributions designated for a general election legal and accounting compliance fund (GELAC fund), a special account used to pay legal and accounting expenses incurred in complying with the campaign finance law. Contributions to a GELAC fund are subject to the Act's prohibitions and the per-election contribution limits. (Contributions are limited to \$3,300 or, in the case of a multicandidate committee, \$5,000.) 9003.3(a).

### **Contributions to nonmajor party nominees**

General election contributions to the Presidential nominee of a nonmajor party are subject to the per-election contribution limits. 110.1(j)(1) and 110.2(i)(1).

A minor or new party candidate in the Presidential general election may qualify for pre-election public funding if the party's nominee in the previous Presidential election received between 5 and 25 percent of the popular vote or if the current nominee received at least 5 percent of the popular vote as the candidate of a minor party in the previous election. 9004.2. A minor or new party candidate in the Presidential general election may qualify for post-election public funding by receiving at least 5 percent of the popular vote. 9004.3.

The nominee may accept contributions (subject to the limits and prohibitions) to pay qualified campaign expenses that exceed the public funding grant. (The candidate is subject to the same spending limit as a major party nominee.) 9003.2(b) and 9003.3(c)(1).

### **Exempt activities**

State and local party committees may support the party's Presidential ticket through the exempt party activities listed earlier in this chapter.

### **Coordinated party expenditures**

As stated earlier, only a national party committee has a coordinated party spending limit for the party's Presidential nominee. Other party committees may spend against this limit if they have the national committee's prior written authorization (which must include the amount that may be spent). 109.33.

---

<sup>5</sup> If there is a deficiency in the Presidential Election Campaign Fund, nominees may solicit contributions to the extent necessary to make up the deficiency. 9003.3(b)(1).

## 5. Use of Candidates' Names in Special Projects

Under the court's decision in *Pursuing America's Greatness v. FEC*, 831 F.3d 500 (D.C. Cir. 2016), a party committee (or any other unauthorized committee) may use a candidate's name in all names under which the committee conducts activities, including how the committee identifies itself or its projects in solicitations and other communications. However, the statutory ban on an unauthorized committee's use of a candidate's name in its official name remains in place. 52 U.S.C. § 30102(e)(4).

## 6. Indirect Candidate Support

A party committee may perform certain activities and pay expenses which indirectly benefit a federal candidate, but which are not directly attributable to any clearly identified candidate. These forms of indirect candidate support are not considered contributions or coordinated party expenditures and, therefore, do not count against those limits. 106.1(c)(1) and (2), 106.1(e). Nevertheless, state, district, and local party committees with separate federal and nonfederal accounts, or with separate Levin accounts, must allocate a portion of such costs as federal expenses, payable with permissible funds. 106.7(b)-(d); 300.33. Allocating funds between federal and nonfederal accounts is discussed in greater detail in Chapter 13.

The specific types of indirect support activities described below must be allocated (or paid for entirely with federal funds).

### Administrative expenses

State, district, and local party committee expenses for rent, personnel, overhead and other day-to-day costs of running the committee are not considered contributions or coordinated party expenditures as long as the expenses are not directly attributable to a clearly identified federal candidate. As explained above, however, some of these expenses are allocable. 106.1(c)(1) and 106.7(c)(2).

### Generic voter drive costs

State, district, and local party committee activities that urge the general public to register to vote, to vote, or to support candidates of a particular party or associated with a particular issue, without supporting or opposing a candidate, are not considered contributions or coordinated party expenditures. However, costs for this type of activity may be allocable. 106.1(c)(2) and 106.7(c)(5).

In many instances, these activities will qualify as federal election activity, triggering specific payment and disclosure requirements discussed in the next chapter.



## Chapter 8

# Federal Election Activity

### 1. Definition

#### What federal election activity is

Federal election activity (FEA) is a specifically defined term of art for activity by state, district or local party committees and organizations (whether registered as political committees with the Commission or not) that triggers special payment and reporting requirements. As a general rule, FEA must be paid for with federal funds. However, under certain circumstances Levin funds may be used to pay a portion of some types of FEA.<sup>1</sup> No nonfederal funds may be used for FEA.

There are four types of FEA:

- I. Voter registration activity during the period 120 days before a regularly scheduled federal election including the election day itself;
- II. Voter identification, get-out-the-vote and generic campaign activity conducted in connection with an election in which a candidate for federal office appears on the ballot;<sup>2</sup>
- III. A public communication that refers to a clearly identified candidate for federal office and that promotes, attacks, supports or opposes (PASOs) a candidate for that office. The communication need not expressly advocate the election or defeat of the federal candidate to qualify as FEA; and
- IV. Services provided during any given calendar month by an employee of a state, district or local party committee who spends more than 25 percent of his or her compensated time during that month on activities in connection with a federal election, including FEA.<sup>3</sup> 11 CFR 100.24(b).

#### Type I FEA: voter registration activity

Time Period: 120 days before a regularly scheduled federal election.

For purposes of federal election activity, voter registration activity means:

- Encouraging or urging potential voters to register to vote, whether by mail (including direct mail), email, in person, by telephone (including pre-recorded telephone calls, phone banks and messaging such as SMS and MMS) or by any other means;
- Preparing and distributing information about registration and voting;
- Distributing voter registration forms or instructions to potential voters;
- Answering questions about how to complete or file a voter registration form, or assisting potential voters in completing or filing such forms;

<sup>1</sup> Levin funds may not be used by party associations consisting of individuals holding state or local office, such as a party governors association. These groups must spend only federal funds. AO 2013-04 (Democratic Governors Association).

<sup>2</sup> “In connection with an election in which a federal candidate appears on the ballot” means the period beginning on the filing deadline for primary election ballot access for federal candidates under state law – or January 1st of the election year for states that do not hold primaries – and ending on the day of the general election (or of the general election runoff if one is held). For special elections, it means the period beginning on the day that the date is set for the special election and ending on the day of that election.

<sup>3</sup> The salaries, wages and fringe benefits of employees who spend 25 percent or less of their compensated time in a given month on FEA or on activities in connection with a federal election may be paid for with federal funds or allocated as administrative costs. Employees who spend no time on FEA or on activities in connection with a federal election may be paid with nonfederal funds. 300.33(d)(1) and (3). For more information, see Chapter 13.

- Submitting or delivering a completed voter registration form on behalf of a potential voter;
- Offering or arranging to transport, or actually transporting, potential voters to a board of elections or county clerk's office for them to fill out voter registration forms; or
- Any other activity that assists potential voters to register to vote. 100.24(a)(2).

**Exception: Brief, incidental exhortations**

Brief exhortations to register to vote (regardless of the forum or medium) will not be considered voter registration activity as long as the exhortation is incidental to a communication, activity or event. 100.24(a)(2)(ii). Exhortations must be both brief and incidental to qualify for the exception.

Examples:

- A phone call for a state party committee fundraiser that provides recipients with information about the event, solicits donations and concludes by reminding the listener, “Don’t forget to register to vote,” would qualify for the exception because the exhortation is brief and incidental. An exhortation to register to vote that occupies a large amount of space on a mailer would not qualify for the exception because it would not be brief.
- A communication stating only “Register to Vote by October 1st!” and containing no other text would not qualify for the exception because it would not be incidental.

Note: The exception will not inoculate speeches or events that otherwise would meet the definition of voter registration activity.

**Type II FEA: voter ID, GOTV, generic campaign activity**

Time Period: “In connection with an election in which a federal candidate is on the ballot.”<sup>4</sup>

**Voter Identification**

In terms of federal election activity, voter identification is acquiring information about potential voters, including, but not limited to, obtaining voter lists and creating or enhancing voter lists by verifying or adding information about the voters' likelihood of voting in an upcoming election or voting for specific candidates. 100.24(a)(4). A purchase of a voter list before the FEA period begins may be made with an allocated mix of federal and nonfederal funds. Also, any subsequent use of the voter list during the FEA period will not be considered a separate FEA cost unless the political party is also “enhancing” the voter list by verifying or adding information.<sup>5</sup>

**Get-Out-The-Vote**

In regard to federal election activity, GOTV activity means:

- Encouraging or urging potential voters to vote, whether by mail (including direct mail), email, in person, by telephone (including pre-recorded telephone calls, phone banks and messaging such as SMS and MMS), or by any other means;
- Informing potential voters, whether by mail (including direct mail), email, in person, by telephone (including pre-recorded telephone calls, phone banks and messaging such as SMS and MMS), or by any other means, about the hours or location of polling places, or about early voting or voting by absentee ballot;

<sup>4</sup> For a regularly scheduled election, the time period begins on the day of the earliest federal office filing deadline for primary election ballot access under state law (or on January 1st in even years for states that do not hold primaries). The time period ends on the day of the general election (or on the day of a general election runoff, if applicable). The time period in connection with a special election begins on the day that the date is set for a special election and ends on the day of that election. 100.24(a)(1).

<sup>5</sup> See, Definition of Federal Election Activity, 71 Fed. Reg. 8926, 8930-31 (Feb. 22, 2006).

- Offering or arranging to transport, or actually transporting, voters to the polls;
- Any other activity that assists potential voters in voting. 100.24(a)(3).

**Exception: Brief, Incidental Exhortations**

Brief exhortations to vote (regardless of the forum or medium) will not be considered GOTV so long as the exhortation is incidental to a communication, activity or event. 100.24(a)(3)(ii). Exhortations must be both brief and incidental to qualify for this exception.

Examples:

- A mailer praising the public service record of a mayoral candidate and/or discussing the candidate’s platform that concludes by reminding the recipients to “Vote for [mayoral candidate] in November!” would qualify for the exception because the exhortation is both brief and incidental.
- A message in a mailer that stated only “Vote on Election Day!” with no other text would not be incidental and would not qualify for the exception.

Note: The exception will not inoculate speeches or events that otherwise would meet the definition of GOTV.

**Generic campaign activity**

Generic campaign activity is a public communication that promotes or opposes a political party and does not promote or oppose a clearly identified federal candidate or a nonfederal candidate.<sup>6</sup> 100.25.

**Type III FEA: public communication that PASOs a federal candidate**

Time Period: Any time during the calendar year.

Type III FEA covers public communications that refer to a clearly identified candidate for federal office, regardless of whether a candidate for state or local election is also mentioned or identified, and that promote, support, attack or oppose (PASO) any candidate for federal office. Such public communications are FEA whether or not the communication expressly advocates a vote for or against a federal candidate. 100.24(b)(3). However, a public communication that merely identifies an individual who is a federal candidate does not, in itself, PASO that candidate. See, e.g., AO 2009-26 (Coulson).

**Type IV FEA: employee services**

Time Period: Any time during the calendar year.

Services provided during any month by an employee of a state, district or local committee of a political party who spends more than 25 percent of that individual’s compensated time during that month on activities in connection with a federal election. 100.24(b)(4).

<sup>6</sup> A public communication is a communication by means of any broadcast, cable or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing (500 pieces of mail of substantially similar nature within any 30-day period) or telephone bank (500 calls of a substantially similar nature within any 30-day period) to the general public, or any other form of general public political advertising. The term general public political advertising does not include communications made over the internet, except for communications placed for a fee on another person’s website, digital device, application, or advertising platform. 100.26, 100.27, 100.28.

## What federal election activity is not

FEA does not include any amount expended by a state or local party committee for:

- A public communication that refers solely to clearly identified candidates for nonfederal office and does not PASO a federal candidate. However, the communication may be FEA if it otherwise qualifies as voter registration activity, generic campaign activity, get-out-the-vote activity or voter identification;
- A contribution to a candidate for state or local office, provided that it is not designated to pay for any of the four types of FEA;
- Costs of a state or local political convention, meeting or conference;
- Costs of grassroots campaign materials (such as buttons, bumper stickers, yard signs, handbills, brochures and posters) that name or depict only candidates for state and local office;
- Voter ID conducted solely in connection with a nonfederal election held on a date on which no federal election is held, and which is not used in a subsequent election in which a federal candidate appears on the ballot;
- GOTV activity conducted solely in connection with a nonfederal election held on a date on which no federal election is held, provided that any communications made as part of such activity refer exclusively to:
  - Nonfederal candidates participating in the nonfederal election, if the nonfederal candidates are not also federal candidates;
  - Ballot referenda or initiatives scheduled for the date of the nonfederal election; or
  - The date, polling hours, and locations of the nonfederal election;
- De minimis costs associated with the following:
  - Placing voter registration forms or absentee ballot applications obtained from the board of elections at the office of a party committee or an association of state or local candidates; or
  - On the website of a party committee or an association of state or local candidates:
    - Posting a hyperlink to a state or local election board's web page containing information on voting or registering to vote;
    - Enabling visitors to download a voter registration form or absentee ballot application; or
    - Posting information about voting dates and/or polling locations and hours of operation.

## 2. Funding Federal Election Activity

The first and second types of FEA may generally be allocated between federal and Levin funds according to fixed percentages described in Chapter 14. The third and fourth types of FEA must be paid for solely with federal funds.

Levin funds may not be used to pay for any part of FEA if the activity refers to a clearly identified federal candidate. In addition, Levin funds may not be used to pay for any part of the cost of any broadcasting, cable or satellite communication (unless the communication refers solely to a clearly identified state or local candidate). Finally, Levin funds may not be used to pay employee salaries and wages. 300.32(c)(2), 300.33(a)(1), (2).<sup>7</sup>

Disbursements for allocable federal election activity may be paid for either entirely with federal funds or with a combination of federal funds and Levin funds. 300.32(c)(4), 300.33. See Chapter 14 for information about reporting FEA.

<sup>7</sup> If a party committee pays to produce Internet content that would qualify as FEA—e.g., a video that PASOs a clearly identified federal candidate—and pays to post that content on another person's website, or digital device, application, or advertising platform, then the entire cost of production and publication of the content must be paid for with federal funds. 100.24(a)(3) and 300.32(a)(2). See also Internet Communications, 71 Fed. Reg. 18589, 18597 (Apr. 12, 2006); Internet Communication Disclaimers and Definition of "Public Communication", 87 Fed. Reg. 77467, 77478 (Dec. 19, 2022).



Table 2: Federal Election Activity

FEA Type	Time Period	Payment	Examples
<b>Type I:</b> Voter Registration Activity	120 days before regularly scheduled election	Federal Funds or Allocate between Federal / Levin Funds	Mass mailing voter registration forms to potential voters, or submitting completed voter registration forms to the state or local voter registration office.
<b>Type II:</b> Voter ID, GOTV, Generic Campaign Activity*	"In connection with an election on which a candidate for federal office appears on the ballot"	Federal Funds or Allocate between Federal / Levin Funds	<b>Voter ID:</b> verifying a voter's likelihood of voting for specific candidates and updating the party committee's voter list. <b>GOTV:</b> Driving a sound truck through a neighborhood and playing a message urging listeners to "Vote next Tuesday at the Main Street community center" or making telephone calls (including robocalls) reminding the recipient of the times the polls are open on election day. <b>Generic Campaign Activity:</b> Paying for a television ad campaign encouraging support for a party committee.
<b>Type III:</b> Public Communication+ that PASOs a federal candidate	Any time during the calendar year	Federal funds only	Paying for a phone bank that encourages support for a clearly identified federal candidate
<b>Type IV:</b> Services of Employee who spends over 25% of compensated time per month on FEA	Any time during the calendar year	Federal funds only	Employee spending over 25 percent of her time preparing materials for use in voter registration drives and then validating and turning in completed voter registration forms. See AO 2010-24 (Republican Party of San Diego County).

\* "In connection with an election in which a federal candidate appears on the ballot" means the period beginning on the filing deadline for primary election ballot access for federal candidates under state law – or January 1st of the election year for states that do not hold primaries – and ending on the day of the general election (or of the general election runoff if one is held). For special elections, it means the period beginning on the day that the date is set for the special election and ending on the day of that election. 100.24(a)(1).

+ A public communication is a communication by means of any broadcast, cable or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing (500 pieces of mail of substantially similar nature within any 30-day period) or telephone bank (500 calls of a substantially similar nature within any 30-day period) to the general public, or any other form of general public political advertising. The term general public political advertising does not include communications made over the Internet, except for communications placed for a fee on another person's website, digital device, application, or advertising platform. 100.26, 100.27, 100.28.

Unregistered party organizations should note that, unless the payments otherwise qualify as expenditures, payments of federal funds or Levin funds for FEA by a state, district or local party committee do not constitute expenditures for the purpose of determining registration requirements. 300.36(a)(2).

### **Exempt party activity that is also federal election activity**

If an exempt party activity also meets one or more of the definitions of FEA described above, the activity is subject to the FEA funding rules/restrictions. 300.33. Levin funds may not be used to fund any activity that refers to a clearly identified federal candidate. As a result, any exempt party activity that qualifies as FEA and refers to a clearly identified federal candidate must be funded entirely with federal funds. See Prohibited and Excessive Contributions: Non-Federal Funds or Soft Money Final Rule, 67 Fed. Reg. 49064, 49069, (July 29, 2002). See page 58 for a discussion of exempt party activities and see Section 3 below for a discussion of Levin funds.

### **3. Levin Funds**

As noted in Chapter 1, Levin funds are a category of funds that can be used for certain types of FEA. State, district and local party committees may raise Levin funds in limited amounts and use them to pay for certain federal election activities. 300.2(i), 300.30- 300.34.

Levin funds may be kept in an account with other nonfederal funds or may be placed in an account exclusively for Levin funds. 300.30(c)(2) and (3). For more on committee bank accounts and Levin funds, see Chapter 1 and Chapter 12, Section 13, “Levin Funds/Federal Election Activity.”

### **Raising Levin funds**

#### **Limitations**

A party committee may not solicit or accept Levin funds which aggregate to more than \$10,000 per donor in a calendar year. If the laws of the state in which the committee is organized limit donations to that committee to less than \$10,000, that lower limit would apply. 300.31(d)(1)-(2).

Certain sources that cannot contribute federal funds (e.g., corporations and labor organizations) may contribute Levin funds, so long as the applicable state law permits it. 300.31(c).

Levin fund donations are not subject to the normal aggregation requirements based on affiliation between committees. While other contributions to state and local committees aggregate toward the same limit, donations of Levin funds do not. 300.31(d)(3).

Similarly, while state, district and local parties can typically transfer among themselves without limit, Levin funds cannot be transferred. Any Levin funds expended or disbursed by a committee must have been raised solely by that committee. 300.31(a), 300.34(b). A state, district or local party committee must itself raise the federal component of an expenditure or disbursement allocated between federal and Levin funds. 300.34(a)(1).

Moreover, when making allocated payments for FEA, a committee must be able to show that the federal and Levin funds it uses to make a disbursement for FEA do not include federal funds transferred to it by any other party committee. 300.34(a)(2).

Additionally, Levin funds may not be raised via a joint fundraiser with any other party committee. 300.31(f). Also see Appendix C for more information on joint fundraising.

### **Fundraising expenses**

Expenditures to raise only federal funds which are to be used for FEA must be made with federal funds. However, expenditures to raise Levin funds which are to be used for FEA must be made with either entirely federal funds or Levin funds. 300.32(a)(3) and (4). These fundraising expenses include the cost of solicitation and the administration and planning for the event. A party committee may use federal funds raised in a federal/nonfederal fundraiser for FEA if proper allocation is used. 300.32(a)(3). See page 131 for the “funds received” allocation method for federal/nonfederal fundraising.

### **Prohibited sources**

Party committees may not accept donations to their Levin accounts which were solicited, received, transferred or spent by, or in the name of:

- A national committee of a political party, including their national congressional campaign committee, any officer or agent acting on behalf of the national party committee, or any entity that is directly or indirectly established, financed, maintained or controlled by the national party committee;
- A federal candidate or officeholder, an agent of a federal candidate or office holder, or an entity directly or indirectly established, financed, maintained or controlled by, or acting on behalf of, one or more federal candidates or individuals holding federal office; or
- A foreign national.

300.31(c) and (e).

Corporate and union donations and donations from federal government contractors are permissible, as long as state law does not prohibit them. 300.31(c).

### **Spending Levin funds**

In addition to the FEA expenses identified above, state, district and local party committees may use Levin funds to pay for any activity that is lawful in the state where the party committee is organized. 300.32(b) (2).

Bear in mind, however, that state, district and local party committees may not spend Levin funds on:

- Any part of the cost of any broadcast, cable or satellite communication unless it refers solely to a clearly identified candidate for state or local office;
- Services provided by an employee of a state, district or local party committee who devotes over 25 percent of his or her compensated time to activity in connection with federal elections; and
- FEA which refers to a clearly identified federal candidate. 300.32(c).

## **4. Reporting Requirements**

Party committees must report their federal election activity, including all expenditures of Levin funds. Reporting requirements are explained in Chapter 14.



## Chapter 9

# Communications

In addition to contributions and other financial assistance, party committees may also distribute communications which support candidates. This chapter discusses the varied types of communications, how they must be paid for and the disclaimer requirements that apply.

### 1. Party Coordinated Communications

When a party committee pays for a communication that is coordinated with a candidate, the communication is either an in-kind contribution or a coordinated party expenditure. (On the other hand, when a non-party committee pays for a communication that is coordinated with a political party committee, the communication is an in-kind contribution to the party committee.)

#### Coordination defined

Coordinated means made in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate's authorized committee, or their agents, or a political party committee or its agents.<sup>1</sup> 11 CFR 109.20.

#### Determining coordination

There is a three-pronged test to determine whether a communication is a party coordinated communication under Commission regulations. A communication must satisfy all three prongs of the test to be considered a party coordinated communication. 109.37(a). Political party committees are subject to a coordination test similar to, but not the same as, that which would be applied to communications paid for by other persons. Compare 109.21(a) with 109.37(a).

The three prongs of the test consider:

- The source of payment (payment prong);
- The content of the communication (content prong); and
- The interaction between the person paying for the communication and the candidate or political party committee (conduct prong).

#### Payment prong

A coordinated communication is paid for, in whole or in part, by a political party committee or its agent. 109.37(a)(1).

#### Content prong

A communication that meets any one of these three standards meets the content prong:

- A public communication that republishes, disseminates or distributes candidate campaign materials, unless the activity meets one of the exceptions at 109.23(b);
- A public communication that expressly advocates the election or defeat of a clearly identified candidate for federal office; or

<sup>1</sup> For the purposes of 11 CFR § 109 only, "agent" is defined at 109.3.

- A public communication that:
  - Refers to a clearly identified House or Senate candidate and is publicly distributed in the identified candidate’s jurisdiction within 90 days of the candidate’s primary or general election; or
  - Refers to a clearly identified Presidential or Vice-Presidential candidate and is publicly distributed in a jurisdiction during the period starting 120 days before the primary election in that jurisdiction and ending on the date of the general election.

109.37(a)(2).

### **Conduct prong**

The purpose of the conduct prong is to determine when interaction between the campaign and the person paying for the communication might constitute coordination. When the conduct prong, the content prong and the payment prong are all satisfied, then the communication is a party coordinated communication and results in an in-kind contribution or a party coordinated expenditure. A communication that satisfies any one of the conduct standards described below satisfies the conduct prong.

#### **1) Request or suggestion**

This conduct standard has two parts, and satisfying either satisfies the standard. The first part is satisfied if the person creating, producing or distributing the communication does so at the request or suggestion of a candidate, authorized committee, or agent of any of these. A communication satisfies the second part of the “request or suggestion” conduct standard if the person paying for the communication suggests the creation, production or distribution of the communication to the candidate, authorized committee, or agent of any of the above, and the candidate assents to the suggestion. 109.21(d)(1).

#### **2) Material involvement**

This conduct standard is satisfied if a candidate, candidate committee, or an agent of any of these is “materially involved in decisions” regarding any of the following aspects of a public communication paid for by the party committee:

- Content of the communication;
- Intended audience;
- Means or mode of the communication;
- Specific media outlet used;
- Timing or frequency of the communication; or
- Size or prominence of a printed communication or duration of a communication by means of broadcast, cable or satellite. 109.21(d)(2).

#### **3) Substantial discussion**

A communication meets this conduct standard if it is created, produced or distributed after one or more substantial discussions between the person paying for the communication, or the person’s agents, and the candidate clearly identified in the communication or that candidate’s committee, that candidate’s opponent or opponent’s committee, or an agent of the above. A discussion is “substantial” if information about the plans, projects, activities or needs of the candidate that is material to the creation, production or distribution of the communication is conveyed to the person paying for the communication. 109.21(d)(3).

#### **4) Employment of common vendor**

The conduct standard provides that the use of a common vendor in the creation, production or distribution of a communication satisfies the conduct standard if:

- The person paying for the communication contracts with, or employs, a “commercial vendor” to create, produce or distribute the communication;<sup>2</sup> and
- The commercial vendor, including any officer, owner or employee of the vendor, has provided to the candidate or that candidate’s opponent at least one of nine specific services related to campaigning and campaign communications.<sup>3</sup> Note that these services would have to have been rendered during the previous 120 days before the production of the communication; and
- The commercial vendor uses or conveys information about the campaign plans, projects, activities or needs of the candidate or that candidate’s opponent, or information previously used by the commercial vendor in serving the candidate or that candidate’s opponent, to the person paying for the communication, and that information is material to the creation, production or distribution of the communication. 109.21(d)(4).

#### **5) Former employee/independent contractor**

This conduct standard applies to communications paid for by a person (or the employer of a person) who has previously been an employee or an independent contractor of a candidate’s campaign committee or that candidate’s opponent during the previous 120 days.

This standard requires that the former employee use or convey information about the campaign plans, projects, activities or needs of the candidate or that candidate’s opponent, or information used by the former employee in serving the candidate or that candidate’s opponent, to the person paying for the communication, and the information is material to the creation, production or distribution of the communication. 109.21(d)(5).<sup>4</sup>

#### **Special rules regarding dissemination, distribution or republication of campaign material**

A communication that republishes, disseminates or distributes campaign material only satisfies the first three conduct standards on the basis of the candidate’s conduct—or that of his or her committee or agents—that occurs after the original preparation of the campaign materials that are disseminated, distributed or republished. 109.21(d)(6).<sup>5</sup>

The following uses of campaign materials do not constitute a contribution to the candidate who prepared the materials pursuant to the exceptions at 109.23(b):

- The campaign material is disseminated, distributed or republished by the candidate or authorized committee of the candidate who prepared the material;
- The campaign material is incorporated in a communication that advocates the defeat of the candidate who prepared it;
- The campaign materials are disseminated, distributed or republished in a news story, commentary or editorial that is described in 100.73 and 100.132;
- The campaign material used consists of a brief quote of materials that demonstrate a candidate’s position as part of a person’s expression of its own views; or
- A national, state or local political party pays for the communication using coordinated expenditure authority. 109.23(b).

<sup>2</sup> The term “commercial vendor” is defined at 116.1(c).

<sup>3</sup> The nine services are listed at 109.21(d)(4)(ii).

<sup>4</sup> Under the rules, a candidate with whom a party coordinated communication is coordinated would not receive or accept an in-kind contribution that resulted only from conduct described in the “Employment of Common Vendor” and “Former Employee/Independent Contractor” sections. 109.37(a)(3) and 109.21(b)(2).

<sup>5</sup> Please note that the financing of the distribution or republication of campaign materials, while considered an in-kind contribution by the person making the expenditure, is not considered an expenditure (or an accepted contribution) by the candidate’s authorized committee unless the dissemination, distribution or republication of campaign materials is a party coordinated communication. 109.23(a).

**Agreement or formal collaboration.**

Neither agreement (defined as a mutual understanding on any part of the material aspect of the communication or its dissemination) nor formal collaboration (defined as planned or systematically organized work) is necessary for a communication to be a coordinated communication. 109.21(e).

**Safe harbor provisions to the conduct prong**

**Safe harbor for responses to inquiries about legislative or policy issues.**

A candidate's response to an inquiry about that candidate's positions on legislative or policy issues, which does not include discussion of campaign plans, projects, activities or needs, will not satisfy any of the conduct standards. 109.37(a)(3).

**Safe harbor for publicly available information.**

Using information that was obtained from a publicly available source to create, produce or distribute a communication would not, in and of itself, satisfy the conduct standard unless the public communication itself was a request or suggestion by the candidate's committee. 109.21(d)(2); 109.21(d)(3); 109.21(d)(4)(iii); 109.21(d)(5)(ii).

**Safe harbor for the establishment and use of a firewall.<sup>6</sup>**

The conduct standard for coordination is not met if a commercial vendor, former employee or political committee establishes a "firewall" to prohibit the flow of information between employees or consultants of the person paying for the communication and employees or consultants currently or previously providing services to the candidate who is clearly identified in the communication, or an opponent of the candidate mentioned in the communication. The firewall must be described in a written policy that is distributed to all relevant employees, consultants and clients affected by the policy. 109.21(h).

**Safe harbor for candidate endorsements and solicitations.**

A federal candidate may endorse or solicit funds for a candidate for federal or nonfederal office in a public communication without the communication being considered a "coordinated communication" with respect to the endorsing or soliciting candidate, so long as the communication does not promote or support the candidate making the endorsement or solicitation and does not attack or oppose his/her opponent. The safe harbor described in this paragraph also covers candidate solicitations for other political committees (including party committees) and candidate solicitations for certain tax-exempt organizations. For permissible tax-exempt organizations, see 300.65. 109.21(g)(1) and (2).

**In-kind contribution vs. party coordinated expenditure**

Party coordinated communications must be treated by the party committee as either an in-kind contribution to the candidate or as a coordinated party expenditure to the general election campaign of the candidate. 109.37(b). See page 55.

**2. Communications Coordinated with a Party Committee**

In addition to the rules regarding "party coordinated communications" discussed above, there are also rules governing communications that are paid for by an outside group or individual and are coordinated with a party committee. If these communications meet the three-pronged test for coordination, then

<sup>6</sup> This safe harbor provision does not apply if specific information indicates that, despite the firewall, information about the candidate's or political party committee's campaign plans, projects, activities, or needs that is material to the creation, production, or distribution of the communication was used or conveyed to the person paying for the communication.



the payment for the communication is an in-kind contribution to the party committee. 109.21(a). In 2010, the Commission revised the content prong under 109.21 to cover public communications that are the functional equivalent of express advocacy. See the *Campaign Guide for Congressional Candidates and Committees*, Appendix D, for more information.

## Determining coordination

Communications that are coordinated with a party committee satisfy a similar three-pronged test for coordination. However, there are six important differences:

- First, the communication must be paid for in whole or in part by a person other than the political party committee. 109.21(a)(1).
- Second, electioneering communications will satisfy the content prong. 109.21(c)(1).
- Third, the content prong includes a standard that addresses references to political parties. If the public communication refers to a political party, does not refer to a clearly identified federal candidate and is publicly distributed or otherwise publicly disseminated in a jurisdiction where one or more candidates of that political party will appear on the ballot, then the content standard for a communication that is coordinated with a party committee will be met. 109.21(c)(4)(iii).
- Fourth, a public communication that is the functional equivalent of express advocacy will satisfy the content prong if the communication is susceptible of no reasonable interpretation other than as an appeal to vote for or against a clearly identified federal candidate. 109.21(c)(5).<sup>7</sup>
- Fifth, the coordination rules establish an additional safe harbor for communications identifying a candidate only in his or her capacity as the owner or operator of a business that existed prior to the candidacy. 109.21(i)
- Finally, coordinated communications under 109.21 are treated as in-kind contributions, and are not under the coordinated party expenditure limits. 109.21(b).

## 3. Independent Expenditures

Party committees may support (or oppose) candidates by making independent expenditures. Independent expenditures are not contributions and are not subject to contribution limits.

Independent expenditures must be paid for with federally permissible funds and must be reported to the Commission. Reporting requirements are explained on page 116.

### Defined

An independent expenditure is an expenditure for a communication, such as a website, newspaper, TV or direct mail advertisement, that:

- Expressly advocates the election or defeat of a clearly identified federal candidate; and
- Is not coordinated with a candidate, candidate's committee, party committee or their agents. (See above.) 100.16(a).

### Clearly identified candidate

A candidate is "clearly identified" if the candidate's name, nickname or image appears, or the identity of the candidate is otherwise apparent. Examples include: "the President," "your Congressman," "the Democratic presidential nominee," "the Republican candidate for Senate in the State of Georgia." 100.17.

<sup>7</sup> This content standard applies without regard to the timing of the communication or the targeted audience. In applying the test, the Commission will follow the Supreme Court's reasoning in *FEC v. Wisconsin Right to Life, Inc.*, 551 U.S. 449 (2007) and *Citizens United v. FEC*, 130 S.Ct. 876 (2010).

### **Express advocacy**

“Express advocacy” means that the communication includes a message that unmistakably urges the election or defeat of one or more clearly identified candidate(s). There are two ways that a communication can be considered express advocacy. 100.22.

#### **Explicit words of advocacy of election or defeat**

The following examples are phrases that convey a message of express advocacy (see 100.22(a) for more examples):

- “Vote for the President,” “re-elect your Congressman,” “support the Democratic nominee,” “cast your ballot for the Republican challenger for the U.S. Senate in Georgia,” “Smith for Congress,” “Bill McKay in ‘94”;
- Words urging action with respect to candidates associated with a particular issue, such as “vote Pro-Life”/ “vote Pro-Choice,” when accompanied by names or photographs of candidates identified as either supporting or opposing the issue;
- “Defeat” accompanied by a photograph of the opposed candidate, the opposed candidate’s name or “reject the incumbent”; and
- Campaign slogan(s) or word(s) on, for example, posters, bumper stickers and advertisements, that in context can have no other reasonable meaning than to support or oppose a clearly identified candidate, for example, “Nixon’s the One,” “Carter ‘76,” “Reagan/Bush.” 100.22(a).

#### **“Only Reasonable Interpretation” Test**

In the absence of such explicit words of advocacy of election or defeat, express advocacy is found in a communication that, when taken as a whole and with limited reference to external events, such as the proximity to the election, can only be interpreted by a “reasonable person” as advocating the election or defeat of one or more clearly identified candidate(s). 100.22(b)(1) and (2).

This test requires an electoral portion of the communication that is unmistakable, unambiguous and suggestive of only one meaning. 100.22(b)(1).

Note that the author’s intent is irrelevant. The test is how a “reasonable” receiver of the communication objectively interprets the message. If reasonable minds could not differ as to whether it encourages actions to elect or defeat a clearly identified candidate, it is express advocacy regardless of what the author intended. 100.22(b)(2).

### **Disclaimer notice required**

An independent expenditure must display a disclaimer notice. See Section 6: Disclaimer Notices on Communications for more information.

### **Allocation among candidates**

When an independent expenditure is made on behalf of more than one clearly identified candidate, the committee must allocate the expenditure among the candidates in proportion to the benefit that each is expected to receive. For example, in the case of a published or broadcast communication, the attribution should be determined by the proportion of space or time devoted to each candidate in comparison with the total space or time devoted to all the candidates. 106.1(a).

## Multistate independent expenditures

Independent expenditures in support of or opposition to a presidential primary candidate that are publicly distributed or otherwise disseminated in six or more states, but do not refer to any particular state, must be reported as a single expenditure. The report must indicate the state with the next upcoming presidential primary among those states where the independent expenditure is distributed, and must indicate the states (or regions, such as “nationwide” or “New England”) where the communication is distributed as memo text. 104.3(b)(3)(vii)(C). If more than one of these states are holding primaries on the same date, any one of these states may be indicated in the state field, with the others listed in memo text.

## 4. Communications that are Federal Election Activity

The funding of certain activities is restricted under the Act when those activities qualify as federal election activity (FEA). The funding restrictions cover certain communications.

FEA includes a public communication that refers to a clearly identified candidate for federal office and that promotes, attacks, supports or opposes any candidate for federal office. The communication does not need to expressly advocate the election or defeat of the federal candidate to qualify as federal election activity. FEA requires specific payment methods.

For further information on all types of federal election activity, see Chapter 8.

## 5. Electioneering Communications

An electioneering communication is any broadcast, cable or satellite communication that 1) refers to a clearly identified federal candidate, 2) is publicly distributed within 60 days of a general election or 30 days of a primary and 3) in the case of House and Senate candidates, is targeted to the relevant electorate. 100.29(a). Individuals and other persons, including corporations, labor organizations and 527 organizations that are not political committees under the Act, may make electioneering communications.

Certain communications by unregistered party organizations may qualify as electioneering communications and may thus be subject to the reporting requirements of the Act. However, if a communication that meets the three requirements discussed above is made by a registered party committee, it must be reported as an expenditure or independent expenditure that is required to be reported accordingly under the Act. 104.20(b).

Electioneering communications must include disclaimers (as described below) and are subject to disclosure requirements. Unregistered political organizations report electioneering communications aggregating over \$10,000 in a calendar year on Form 9. However, registered political party committees simply report their communications as disbursements on Form 3X.

For more information on electioneering communications, see the *Campaign Guide for Congressional Candidates and Committees*, Appendix D.

## 6. Disclaimer Notices on Communications

Any public communication made by a political committee – including communications that do not expressly advocate the election or defeat of a clearly identified federal candidate or solicit a contribution – must display a disclaimer. As explained below, disclaimers must also appear on political committees’ Internet websites and in certain email communications. 110.11(a)(1). Please note that solicitations must meet additional disclaimer requirements. See pages 25–26.

## Types of communications

The disclaimer requirements apply to public communications, including.

- Broadcast, cable or satellite
- Newspaper or magazine
- Outdoor advertising facility
- Mass mailing (more than 500 substantially similar mailings within 30 days)
- Phone bank (more than 500 substantially similar calls within 30 days)
- Communications placed for a fee on another person’s website, digital device, application, or advertising platform. 100.26.

These requirements also apply to political committees’ websites available to the general public, to emails of more than 500 substantially similar communications, and to any electioneering communication.110.11(a).

## Wording of disclaimer

How the disclaimer is worded depends on the type of communication and whether it was authorized by a candidate. There are additional visibility requirements for the disclaimers, as explained below.

### Communications not authorized by a candidate

Communications not authorized by a candidate or his/her campaign committee, including any solicitation, must disclose the full name and permanent street address, telephone number or website address of the person who paid for the communication, and also state that the communication was not authorized by any candidate. 110.11(b) and 110.11(d)(3).

Example“Paid for by the XYZ State Party Committee (www.XYZ.org) and not authorized by any candidate or candidate’s committee.”

For a radio or television communication that is not authorized by a candidate or the candidate’s authorized committee, a representative of the individual or group paying for the communication must state, either on-screen or in voice-over, that “XXX is responsible for the content of this advertising,” where “XXX” is the name of the political committee or other person who paid for the communication. If applicable, the name of the sponsoring committee’s connected organization is also required in the disclaimer.<sup>8</sup> 110.11(c)(4). A television communication must also include a similar statement in clearly readable writing at the end of the communication. 110.11(c)(4)(iii).

### Communications authorized by a candidate

The disclaimer for a communication authorized by a candidate or candidate’s committee, but paid for by any other person, must state both who paid for the communication and that it was authorized by that candidate. 110.11(b)(2).

Example: “Paid for by the XYZ State Party Committee and authorized by the John Doe for Congress Committee.”

---

<sup>8</sup> In addition, communications by political committees transmitted through telephone banks, defined by 100.28 as more than 500 substantially similar calls within 30 days, must carry this same disclaimer statement made by a representative of the individual or group paying for the communication. 110.11(a); 100.26.

### **Authorized by multiple candidates**

If an advertisement lists several candidates, the disclaimer may state that the advertisement was authorized by the candidates identified in the ad or, if only some candidates have authorized it, by those candidates identified with an asterisk. AOs 2004-37 (Waters) and 1994-13 (Voter Education Project).

Example: “Paid for by the Civil Republic PAC and authorized by the candidates marked with an asterisk.”

### **Coordinated party expenditures**

On a communication that is made as a coordinated party expenditure before a nominee is officially chosen, the disclaimer notice need only identify the committee that paid for the message. 110.11(d)(1)(ii).

Example: “Paid for by the XYZ State Party Committee.”

Once a candidate has been nominated for the general election, the disclaimer notice must also state who authorized the communication and comply with the other applicable requirements listed below.

Example: “Paid for by the XYZ State Party Committee and authorized by John Doe for Congress Committee.” 110.11(d)(2).

### **Exempt party activity**

On an exempt activity communication such as slate cards, sample ballots, or get-out-the-vote materials, the disclaimer notice must identify the committee that paid for the message, but need not state whether the communication is authorized by a candidate. 110.11(e).

Example: “Paid for by the XYZ State Party Committee.”

### **Visibility requirements**

All disclaimers must be “clear and conspicuous” regardless of the medium in which the communication is transmitted. A disclaimer is not clear and conspicuous if it is difficult to read or hear, or if its placement is easily overlooked. 110.11(c)(1).

### **Specific requirements for radio and television communications.**

For radio and television communications authorized by a candidate, the candidate must deliver an audio statement identifying himself or herself and stating that he or she has approved the communication. 110.11(c)(3)(i) and (ii). For example, the candidate could state “My name is John Doe, I’m running for Senate, and I approved this message.”<sup>9</sup> See AO 2004-01 (Bush/Kerr). For a television communication, this disclaimer must be conveyed by either:

- A full-screen view of the candidate making the statement; or
- A “clearly identifiable photographic or similar image of the candidate” that appears during the candidate’s voice-over statement. 110.11(c)(3)(ii)(A) and (B).

In the case of a televised ad not authorized by a candidate, the disclaimer must include a statement indicating the political committee or person paying for the ad, that is conveyed by a full screen view of a representative of the political committee or other person making the statement, or a voice-over by the representative. 110.11(c)(4)(i) and (ii). See AO 2007-33 (Club for Growth PAC).

<sup>9</sup> This is an example of an acceptable statement that would satisfy the spoken statement requirements of 110.11(c)(3) with respect to a radio, television, or other broadcast, cable or satellite communication but it is not the only allowable statement. See 110.11(c)(3)(iv).

Both authorized and unauthorized television communications must also contain a “clearly readable” written statement that appears at the end of the communication, with a reasonable degree of color contrast between the background and the disclaimer statement. The written statement must occupy at least four percent of the vertical picture height, and it must be shown for a period of at least four seconds. 110.11(c)(3)(iii) and 110.11(c)(4)(iii).

### **Safe harbors for television communication disclaimers**

A still picture of the candidate shall be considered “clearly identifiable” if it occupies at least 80 percent of the vertical screen height. 110.11(c)(3)(ii)(B). Disclaimers that are printed in black text on a white background, as well as disclaimers that have at least the same degree of contrast with the background color as the degree of contrast between the background color and the color of the largest text used in the communication, will satisfy the color contrast requirement. 110.11(c)(3)(iii)(C).

### **Specific requirements for printed communications.**

Printed materials must contain a disclaimer in a printed box that is set apart from the contents in the communication. The disclaimer print in this box must be of sufficient type size to be “clearly readable” by the recipient of the communication, and the print must have a reasonable degree of color contrast between the background and the printed statement. 110.11(c)(2)(i-iii).

The regulations contain a safe harbor that establishes a fixed, twelve-point type size as a sufficient size for disclaimer text in newspapers, magazines, flyers, signs and other printed communications that are no larger than the common poster size of 24”X36”. 110.11(c)(2)(i). Disclaimers for larger communications will be judged on a case-by-case basis.

The regulations additionally provide two safe harbor examples that would comply with the color-contrast requirement:

- The disclaimer is printed in black text on a white background; or
- The degree of contrast between the background color and the disclaimer text color is at least as great as the degree of contrast between the background color and the color of the largest text in the communication. 110.11(c)(2)(iii).<sup>10</sup>

### **Internet public communications**

Disclaimer requirements for internet public communications are similar to those for print and broadcast media, but take into account the ways in which internet public communications differ from print and broadcast media. Although the internet disclaimer provisions do not impose the stand-by-your-ad requirements applicable to radio and television advertisements, they do require similar audio or visual disclaimers.

### **Internet public communications with text or graphic components**

Unless they qualify for an adapted disclaimer, internet public communications that include text or graphic components must include a written disclaimer that can be viewed without taking any action. The text of the disclaimer must be large enough to be clearly readable by the recipient of the communication. Disclaimer text that is at least as large as the majority of other text in the communication satisfies this requirement. The disclaimer must also be displayed with a reasonable degree of color contrast between the background and the disclaimer’s text. 110.11(c)(5)(iii). A disclaimer satisfies this requirement if it is:

---

<sup>10</sup> Please note these examples do not constitute the only ways to satisfy the color contrast requirement.

- Displayed in black text on a white background; or
- If the degree of color contrast is no less than the color contrast between the background and the largest text used in the communication. 110.11(c)(5)(iii)(C).

### **Internet public communications with only audio or video components**

For internet public communications in which the disclaimer is displayed within a video, the disclaimer must be visible for at least four seconds and appear without the recipient taking any action. 110.11(c)(5)(iii)(D).

For internet public communications that contain only audio (no video, graphic or text components), the disclaimer must be included within the audio component so that a recipient need not take any additional action beyond listening to the advertisement to obtain the disclaimer information. 110.11(c)(5)(iii)(E).

### **Adapted disclaimer option for internet public communications**

When the full disclaimer cannot be provided or would occupy more than 25 percent of the communication due to character or space constraints intrinsic to the advertising product or medium, committees may use an adapted disclaimer to satisfy the disclaimer requirement. 110.11(g)(2). An adapted disclaimer is a clear statement that the internet public communication is paid for, identifying the person or persons who paid for it using their full name or a commonly understood abbreviation or acronym by which the payor is known, and is accompanied by an indicator and a mechanism. 110.11(g)(1)(i).

#### **Indicator**

An indicator is a visible or audible element associated with an internet public communication that is presented in a clear and conspicuous manner and gives notice to those reading, observing or listening to the communication that they may read, observe, or listen to a disclaimer through a mechanism. 110.11(g)(1)(ii). An indicator may take any form including, but not limited to words, images, sounds, symbols and icons.

#### **Mechanism**

A mechanism is a use of technology that enables the person reading, observing, or listening to the communication to see or hear a disclaimer by taking no more than one action. 110.11(g)(1)(iii). Examples of a mechanism include, but are not limited to, hover-over text, pop-up screens, scrolling text, rotating panels and hyperlinks to a landing page.

### **Multiple-paged document**

A disclaimer need not appear on the front page or cover of a multiple-paged document so long as it appears somewhere within the communication. 110.11(c)(2)(iv).

### **Package of materials**

Each communication that would require a disclaimer if distributed separately must still display the disclaimer when included in a package of materials. 110.11(c)(2)(v). For example, if a campaign poster is mailed with a solicitation for contributions, separate disclaimers must appear on the solicitation and the poster.

### **When disclaimer not required**

A disclaimer is not required:

- When it cannot be conveniently printed (e.g., pens, bumper stickers, campaign pins, campaign buttons and similar small items).

## Chapter 9

- When its display is not practicable (e.g., clothing, water towers and skywriting).
- When the item is of minimal value, does not contain a political message and is used for administrative purposes (e.g., checks and receipts).

110.11(f). See AOs 2007-33 (Club for Growth), 2004-10 (Metro Networks) and 2002-09 (Target Wireless).



# Chapter 10

## Keeping Records

### 1. Treasurer's Duties

The treasurer is responsible for complying with recordkeeping requirements, even if someone else keeps the committee's records. AO 1995-10 (Helms).

The treasurer's responsibilities include:

- Keeping required records on all receipts and disbursements. 11 CFR 102.9(a) and (b)(1); see also 104.3(a)(2), (a)(4), (b)(1) and (b)(3). (Specific requirements are explained below.)
- Retaining a copy of each statement, disclosure report and notice filed under the *Federal Election Campaign Act* (the Act), along with original backup records relevant to the report or notice (such as bank statements, paid invoices, etc.). 104.14(b)(1) and (2).
- Preserving the above records for 3 years after the related report or statement is filed and making them available to the Commission upon request. 102.9(c) and 104.14(b)(3).
- Exercising "best efforts" to obtain, maintain and report required information and keeping a complete written record on such efforts for the required 3-year period. 102.9(c) and (d).

### 2. Receipts

#### Records needed

##### All receipts

For each contribution, a treasurer must record the following information:

- Amount received;
- Date of receipt; and
- Name and address of source. See 102.9(a) and (a)(1).

##### Contributions aggregating over \$200

Records must additionally identify the occupation and employer of an individual contributor whose contributions exceed \$200 or aggregate over \$200 when added to previous contributions made during the calendar year. 100.12 and 102.9(a)(2).

##### Contributions over \$50

In addition to any other recordkeeping requirements, committees must retain a full-size photocopy or digital image of the check for any contribution over \$50. 102.9(a)(4). See also 102.9(a)(1).

##### Small contributions collected at fundraising event

When a committee receives a large number of contributions of \$50 or less at a fundraising event, records need identify only the name of the event and the total amount received on each day of the event. AOs 1981-48 (Muskegan County Republican Party) and 1980-99 (Republican Round Up Committee). These amounts are reported under the category "unitemized contributions from individuals".

##### Small contributions collected through tax checkoff

When a committee receives small contributions in the form of state tax checkoff funds, records on individual contributors are not required. The contributions are reported as "unitemized contributions from

individuals”. AO 1983-15 (Republican Party of Virginia). However, the committee must keep a record of the state government source, the date of receipt and the amount received.

### **Contributions through online banking services**

When a committee receives a contribution from a contributor who used an online banking service to issue a physical check bearing the signature of an authorized bank official, the treasurer is not required to send a follow-up letter to obtain the contributor’s written signature. However, when the check does not include all of the necessary contributor information and the treasurer does not have accurate and up-to-date contributor information on file for the individual on whose account the check is drawn, the treasurer must use “best efforts” to obtain such information. (See Section 4: Treasurer’s Best Efforts below.) 102.9(d). In addition, when such a check is drawn on a joint account and it is not clear which account holder is making the contribution, the committee must contact the account holders to determine their intent. However, if there is only one way to attribute the contribution consistent with the source prohibitions and amount limitations of the Act, the committee may attribute the contribution by following the rules for presumptive reattributions. AO 2007-17 (DSCC); 110.1(k)(3)(ii).

### **Contributions by text message**

Recipient committees, not wireless providers, are solely responsible for ensuring that contributions sent by text messages are lawful under the Act and Commission regulations. Committees should work with the text messaging application provider to collect the name, address, occupation and employer of individuals making contributions that aggregate over \$200 in a calendar year. Committees must return or refund any contribution that comes from a prohibited source. AOs 2012-17 (RedBlue T LLC, Armourmedia and m-Qube, Inc), 2012-26 (Cooper for Congress), 2012-28 (CTIA, the Wireless Association), 2012-30 (Revolution Messaging).

### **Bitcoin**

The Commission has determined that contributions of bitcoins are “money or anything of value” within the meaning of the Act. AO 2014-02 (Make Your Laws PAC). The value of bitcoin contributions is based on the market value of bitcoins at the time the contribution is received. To determine the market value, the committee should first rely on any contemporaneous determination provided by the entity that processes the bitcoin contribution. If the processor provides an exchange rate for the transaction in question, then the committee should use this rate to value the contribution. If, however, the contribution is made through an entity that does not provide an exchange rate for that contribution (or if no processor is involved in the transaction), then the recipient committee may value the contribution using another reasonable exchange rate of bitcoins for dollars. See AO 2014-02 (Make Your Laws PAC).

### **Reattributed contributions**

For each reattributed contribution (other than a contribution that has been presumptively reattributed), a committee must keep a copy of the written reattribution signed by each contributor as well as documentation verifying that the reattribution was received within 60 days after the committee’s receipt of the original contribution. For each contribution that has been presumptively reattributed, a committee must keep a copy of its written notification to the contributor verifying that it provided the notification within 60 days after the committee’s receipt of the original contribution. If these records are not kept, the reattribution is not effective. 102.9(f); 110.1(k)(3)(ii); 110.1(l)(3), (5) and (6).

**Possibly illegal contributions**

A committee must keep a written record noting the basis for concern for each deposited contribution that:

- Requires a written reattribution from the contributor; or
- Requires confirmation that it is not from a prohibited source. 103.3(b)(5).

See “Handling Illegal Contributions” on page 28.

**Date of receipt****General rule**

Except as described below, a contribution’s date of receipt is the date on which the person receiving the contribution on behalf of the committee obtains possession of it. 102.8(b)(2). That is the date used for recordkeeping and reporting.

The date of receipt may be earlier than the date the committee treasurer receives the money, since a person collecting contributions (other than an authorized agent) has 10 days (or 30 days for contributions of \$50 or less) in which to forward them to the treasurer. 102.8(b). (See “Forwarding Earmarked Contributions” on page 52).

**Contributions charged on credit cards**

When the committee receives contributions through credit card charges, the date of receipt is the date on which the committee receives the contributor’s signed authorization to charge the contribution. The treasurer should retain a copy of the authorization form in the committee’s records. See AOs 1995-09 (Newtwatch) and 1990-04 (American Veterinary Medical Association).

**Contributions sent by text message**

The date of receipt for contributions sent by text message is the date the contributor “opts-in,” or confirms their intention to make the contribution and certifies his or her eligibility. AO 2012-17 (RedBlue T LLC, Armourmedia and m-Qube, Inc).

**In-kind contributions**

The date of receipt for an in-kind contribution is the date the goods or services are provided to the committee, even if the contributor pays the bill for the goods or services after they are provided. See 110.1(b)(6).

**Deposit of receipts**

The committee treasurer (or authorized agent) must deposit a contribution or other receipt in the committee’s designated campaign depository or return it to the contributor or donor within 10 days of receipt. 103.3(a).

**3. Disbursements****Check and cash disbursements**

Disbursements must be made by check or similar draft drawn on an account maintained at the committee’s designated campaign depository. 102.10 and 103.3(a).

A committee may also make disbursements from a petty cash fund, but petty cash payments to one person for any one purchase or transaction may not exceed \$100. 102.11.

Regardless of whether a disbursement is made by check or from a petty cash fund, the required recordkeeping information must be maintained.

## Records needed

### All disbursements

Each disbursement must be identified by:

- Date;
- Amount of payment;
- Name and address of payee; and
- Purpose of disbursement (a brief explanation of why the disbursement was made, such as “dinner expenses” or “postage”).<sup>1</sup> 102.9(b)(1).

### Disbursements exceeding \$200

For each disbursement of more than \$200, the committee must keep a receipt, invoice or canceled check (in addition to the information above). 102.9(b)(2).

### Contributions and expenditures on behalf of candidates

In addition to the records discussed above for all disbursements, a committee must keep the following records on expenditures made on behalf of candidates:

- Name of candidate and office sought by candidate, including the state and, for House candidates, Congressional district (102.9(b)(1)(iii)); and
- Election for which a contribution was made (to facilitate reporting).

### Credit card transactions

For each credit card transaction, a committee must retain a monthly billing statement or customer receipt and the canceled check used to pay the account. 102.9(b)(2)(ii).

### Credit union checks or share drafts

A committee may use carbon copies of share drafts or checks drawn on a credit union account provided it also retains the monthly account statement (showing that the draft or check was paid by the credit union). 102.9(b)(2)(iii).

## 4. Treasurer’s Best Efforts

Party committees and their treasurers must make best efforts to obtain, maintain and report the information required by law with respect to itemized receipts and disbursements. 102.9(d). When reporting information is incomplete, the committee and the treasurer will be in compliance with the law if they can demonstrate that they used “best efforts” in trying to obtain and report the needed information. 104.7(a). The criteria for making “best efforts” vary, depending on the type of transaction.

### Contributor information

If an individual who has contributed more than \$200 during the calendar year fails to provide the required recordkeeping information (i.e., name, address, occupation and employer), the committee will nonetheless

---

<sup>1</sup> A list of acceptable/unacceptable descriptions of “purpose” was published in a Policy Statement at 72 Fed. Reg. 887 (January 9, 2007). This notice and an updated list of unacceptable “purpose” statements are available online at <http://www.fec.gov/law/policy.shtml#purpose>. In its Policy Statement, the Commission explained that “the ‘purpose of disbursement’ entry, when considered along with the identity of the disbursement recipient, must be sufficiently specific to make the purpose of the disbursement clear.” Accordingly, where a party committee is functioning as a payroll processor for an authorized committee (e.g. making disbursements for salary to authorized committee employees and/or the candidate using funds which the authorized committee has provided to the party committee), the purpose description should indicate that the payment is being made on behalf of the authorized committee. See Factual and Legal Analysis, MUR 7792 (Ohio Democratic Party).

be in compliance with the Act's recordkeeping and reporting requirements if it shows that it made "best efforts" to obtain and report that information. To demonstrate "best efforts," the committee must be able to show that it requested the information—first, in any solicitation materials that prompted the contribution and, second, in at least one timely follow-up request. Furthermore, if requested information is not received until after the contribution has been reported, the committee must report the information using one of the procedures described under "File Amendments If Necessary," below.

## Solicitation materials<sup>2</sup>

To satisfy the "best efforts" standard, solicitation materials must include an accurate and clear statement of the law's requirements for the collection and reporting of contributor information. The following examples are acceptable wording that may be included in the solicitations (other statements of similar meaning may also be used):

- "Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 in a calendar year."
- "To comply with federal law, we must use best efforts to obtain, maintain and submit the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 per calendar year."

The request and the statement must appear in a clear and conspicuous manner on both the committee's solicitations and response materials. The request and statement will not be considered to be "clear and conspicuous" if:

- The request and statement are printed in smaller type than the solicitation and response materials;
- The printing is difficult to read; or
- The request and statement are placed where they may be easily overlooked. 104.7(b)(1).

## Follow-up request within 30 days

If the contributor does not provide sufficient reporting information when making a contribution, in order to satisfy "best efforts" standards, the committee must make at least one request for the information after the contribution is received. This follow-up request must be made for any solicited or unsolicited contributions that aggregate in excess of \$200 per calendar year and lack the necessary information (see "Contributions aggregating over \$200" on page 83).

The request must be made within 30 days of receipt of the contribution; it may not include an additional solicitation or material on any other subject, but it may thank the contributor. The follow-up request may be made orally or in writing, but a written request must be accompanied by a pre-addressed postcard or envelope for the response. Requests made by telephone must be documented in a memorandum. A political committee may also use email to request missing contributor information. AOs 1999-17 (Bush Exploratory Committee) and 1995-09 (Newtwatch). Committees must retain records of follow-up requests. 102.9(d) and 104.7(b)(2).

The follow-up request must, like the solicitation, include a clear and conspicuous statement of the Act's requirement for the collection and reporting of contributor information, such as stated in the examples above.

<sup>2</sup> Any contribution which is reported by a committee with all required contributor information will meet the reporting requirements, whether or not the committee asked for the information or used the language specified under "Solicitation materials." See Recordkeeping and Reporting by Political Committees; Best Efforts, 58 Fed. Reg. 57725, 57727 (October 27, 1993).

### **Use of information from prior records**

If the contributor does not respond to the follow-up request, but the committee possesses the information in its contributor records, fundraising records or prior reports filed during the same two-year election cycle, then the committee must use that information when disclosing the contribution. 104.7(b)(3).

### **File amendments if necessary**

If requested information about a contribution is received after the contribution has been disclosed on a report, the committee must either:

- File amendments to the original reports; or
- File a memo Schedule A with its next regularly scheduled report, listing all contributions for which new contributor information has been received.

In either case, the entries must cross-reference the prior reports to which they relate. However, the committee is only required to submit the information for contributions received during the current two-year election cycle. 104.7(b)(4).

### **Documenting a contribution's legality**

In order to determine whether a contribution of questionable legality that has been deposited in a committee's campaign depository is permissible, the treasurer must make at least one written or oral request for evidence of the contribution's legality. If the contribution cannot be determined to be legal, the treasurer must refund the contribution within thirty days of receipt. 103.3(b)(1). See "Handling Illegal Contributions" on page 28.

### **Documenting disbursements**

If a treasurer fails to receive a receipt, invoice or canceled check (required for disbursements exceeding \$200), the committee must make at least one written effort per transaction to obtain a duplicate copy of the needed documentation in order to show it used "best efforts." 102.9(d).

## Chapter 11

# Filing FEC Reports

Once an organization has triggered political committee status, it must begin to file reports of receipts and disbursements on FEC Form 3X and supporting schedules.

This chapter explains when and where to file FEC reports.

### 1. Treasurer's Duties

The treasurer of a committee has the following reporting responsibilities:

- Signing and filing complete, accurate reports and statements on time. 11 CFR 104.14(a) and (d).
- Making “best efforts” to obtain and report required information. 102.9(d) and 104.7.
- Retaining a copy of each report (and pertinent backup records) for 3 years. 102.9(c) and 104.14(b).
- Continuing to file required reports until the committee has filed a termination report and the FEC notifies the party committee that the termination report has been accepted. 102.3(a).

In case of the treasurer's absence, a committee should designate an assistant treasurer to assume the duties and responsibilities of the treasurer. Note that the committee may neither accept contributions nor make expenditures at a time when there is a vacancy in the office of treasurer. 102.7(b). Only an assistant treasurer (“designated agent”) listed on the committee's Statement of Organization may sign reports and assume the treasurer's duties. See 102.7(a); 102.9; 104.14.

### 2. Reporting Deadlines

#### Report on time

Committee treasurers must file reports on time. 104.14(d), The Commission does not have statutory authority to grant extensions to reporting deadlines. Filing reports late or not at all may result in enforcement action, including administrative fines.

#### Filing date

Unless sent by registered or certified mail, priority or express mail having a delivery confirmation or an overnight delivery service with an online tracking system, a report is considered to be filed on time if it reaches the appropriate federal and state filing offices by close of business on the filing date. 100.19 and 104.5(e). Thus, reports filed by first class mail or by hand delivery must be received by the FEC by the filing date.

A filing date is not extended even if it falls on a weekend or holiday, when filing offices are closed. In such cases, the report must reach the filing offices by the last working day before the filing date.

#### Registered, certified, priority or express mailing date

If a report is sent by registered or certified mail, or by priority or express mail having a delivery confirmation, it is considered filed on time if postmarked by the filing date. Exception: In the case of a pre-election report, the report must be postmarked at least three days before the filing date. 100.19(b) and 104.5(e).

## Overnight delivery date

If a report is sent by overnight delivery service with an online tracking system and is scheduled to be delivered the next business day, it is considered filed on time if delivered to the overnight service and postmarked by 11:59 p.m. Eastern Standard/Daylight Time on the filing date. Committees should keep the mailing receipt with its postmark, or a similar document if a private overnight delivery service is used, as proof of filing. 100.19(b).

Exception: In the case of a pre-election report, the report must be delivered to the overnight service and postmarked at least 15 days before the date of the election. 100.19(b)(1)(ii) and 104.5(e).

## Electronic filing

An electronic report is considered “filed” when it is received and validated by the Commission’s computer system on or before 11:59 p.m. (Eastern time) on the filing date. Incomplete or inaccurate reports that do not pass the FEC’s validation program will not be considered filed. 100.19(c).

The Commission will notify the filer if the report is not accepted. 104.18(e)(2). If the report is accepted, the Commission will send the filer a receipt.

An electronic filer that files its report on paper, instead of electronically, is considered a nonfiler. 104.18(a)(2).

## Administrative fines for late filers and nonfilers

The Commission has implemented an Administrative Fine Program, based on amendments to the *Federal Election Campaign Act*, for assessing civil money penalties for violations involving:

- Failure to file reports on time;
- Failure to file reports at all; and
- Failure to file 48-hour notices (campaign committees). 111.30; 52 U.S.C. § 30109(a)(4)(C)(v).

If the Commission finds “reason to believe” (RTB) that a committee and its treasurer violated the law, the Commission will notify them in writing of its finding and the amount of the civil money penalty.<sup>1</sup> The committee has 40 days to either pay the penalty or submit a written challenge to the Commission action. If the committee does not respond to the Commission’s original RTB finding, the Commission will make a final determination with an appropriate civil money penalty. If the committee challenges the finding, the Commission will turn the case over to an independent reviewing officer who was not involved in the RTB finding. After the Commission considers the reviewing officer’s recommendation and the committee and treasurer’s response to it, the Commission will make a final determination whether the committee violated 52 U.S.C. § 30104(a) and, if so, will assess a civil money penalty based on the schedule of penalties. The committee will then have 30 days to pay the penalty or seek court review of the case. If the committee loses the court challenge, it will have 30 days after the final disposition to pay the civil money penalty. 111.39(b). For more information on the Administrative Fine Program, see 111.30 to 111.46.

---

<sup>1</sup> The civil money penalty is calculated according to a set schedule that may be viewed at the FEC’s website [www.fec.gov](http://www.fec.gov) and at 111.43. In those cases where the report in question has not been filed, the civil money penalty included with the RTB finding will be based upon the estimated level of activity. 111.43(a)(2).



## Information on reporting dates

General rules on when to file reports are outlined below. To ensure timely filing, treasurers should read the FEC reporting notices sent two weeks before most reporting deadlines. They should also consult the FEC's online newsletter, the Record, and the FEC's website ([www.fec.gov](http://www.fec.gov)) for upcoming reporting dates. While others occasionally fill out reports for treasurers, the treasurer must sign and is ultimately responsible for ensuring that all reports are filed completely and timely. 104.14(d).

## 3. Monthly Reporting

All national party committees file monthly, as does any state, district or local party committee that engages in reportable federal election activity (FEA). 104.5(c)(4) and 300.36(c).

All committees, including monthly filers, must file a year-end report due January 31st of the next year. Also, in even-numbered years (election years), party committees that generally file monthly reports file pre-general and post-general election reports in lieu of the reports otherwise due in November and December.

State, district and local party committees that do not engage in reportable FEA may file quarterly in election years and semiannually in nonelection years, or they may choose to file monthly. 104.5(c).

### Monthly filing schedule

A committee filing on a monthly schedule files reports covering each month's activity by the 20th of the following month. For example, January activity is filed in the monthly report due February 20. There are, however, certain exceptions to this schedule in both election and nonelection years. 104.5(c)(3)(ii).

### Election year reporting

In an election year, the last regularly scheduled monthly report is the one covering September activity (due October 20). In lieu of the reports due in November and December, the committee files a 12-day pre-general election report and a 30-day post-general election report. The last report of the year, covering activity that occurred from the closing date of the post-general report through December 31, is the year-end report, due by January 31 of the following year. 104.5(c)(3)(ii); see also 52 U.S.C. § 30104(a)(4)(b).

### Nonelection year reporting

In nonelection years, there is one exception to the monthly filing schedule. The final report of the year, normally covering December activity, is called a year-end report and is due January 31. 104.5(c)(3)(i) – (ii); see also 52 U.S.C. § 30104(a)(4)(B). In the event of a special election in an odd-numbered year, the committee should file its usual monthly report and is not required to file a special election report. 104.5(h).

### Changing the filing schedule

Committees that are not required to file monthly may change their filing schedule from monthly to quarterly (or vice versa) only once per calendar year. The treasurer must notify the FEC in writing at the time it files a required report under its current filing schedule before changing its filing schedule. The committee will then be required to file the next report under its new filing schedule. Electronic filers must file this notification electronically. 104.5(c).

## 4. Quarterly Reporting

### Election year reporting for quarterly filers

Election years are years in which there are regularly scheduled federal elections (i.e., even-numbered years).

### Quarterly reporting

The following reports are required from state, district and local party committees filing on a quarterly schedule during an election year:

#### Three quarterly reports

Under the quarterly schedule, a committee must file three quarterly reports, due respectively on the 15th of April, July and October. A quarterly report covers activity that occurred after the closing date of the previous report through the end of the calendar quarter (i.e., through March 31, June 30 and September 30). 104.5(c)(1)(i)(A)–(B).

The Commission will waive a quarterly report if a pre-election report (see below) is due between the 5th through the 15th of the month following the close of the calendar quarter 104.5(c)(1)(i)(C). Committees should check with the FEC to verify a quarterly report waiver.

#### Year-end report

A year-end report, covering activity from the close of the previous report through December 31, is due on January 31 of the following year. All committees are required to file a year-end report. 104.5(c)(1)(i)(A)–(B).

### Primary election reporting

#### 12-Day pre-primary (or runoff) report

In addition to filing quarterly and year-end reports, a committee may have to file pre-primary reports. A pre-primary report is required if the committee makes contributions or expenditures in connection with a primary election during the coverage dates for the primary report: the day following the close of books of the previous report through the 20th day before the primary. The report is due no later than the 12th day before the primary election. If sent by registered or certified mail, by priority or express mail having a delivery confirmation or by overnight mail, the report must be postmarked no later than the 15th day before the election. 104.5(c)(1)(ii).

To avoid the pre-primary filing obligation, a committee may change from a quarterly to a monthly filing schedule. 104.5(c). Committees may change their filing schedule at any time before their next filing date by notifying the Commission using Form 99. The committee will receive an email from the Commission approving the filing frequency change. A political committee may change its filing frequency no more than once per calendar year.

Note that the FEC does not automatically send party committee treasurers notices and forms for pre-primary reports. The treasurer is responsible for determining whether the committee must file a pre-election report.

**Example**

A committee files its first quarterly report, covering activity through the March 31 closing date. On May 17, the committee makes a contribution to a candidate running in a June 7 primary. Because the May 17 contribution falls within the coverage dates for the pre-primary report, i.e., from April 1 (day after the closing date of previous report) through May 18 (20 days before election), the committee must file the pre-primary report. The report must reach the appropriate state and federal filing offices by May 26 (12 days before election). If sent by registered or certified mail, or priority or express mail having a delivery confirmation, the report must be postmarked by May 23 (15 days before election).

The committee's next report is the second quarterly report, due July 15. It should cover activity from May 19 (day after closing date of pre-primary report) through June 30. Because this is not a pre-election report, the report may be postmarked as late as the July 15 filing date if sent by registered or certified mail, or priority or express mail having a delivery confirmation.

**No post-primary report**

There is no requirement for a post-primary report. By contrast, all party committees must file a post-general election report, as explained below.

**General election reporting****12-Day pre-general election report**

A committee must file a pre-general election report covering activity that occurred after the closing date of the previous report through the 20th day before the general election if the committee makes contributions or expenditures in connection with the general election during that period. The report is due no later than the 12th day before the general election unless sent by registered or certified mail, or priority or express mail having a delivery confirmation, in which case the report must be postmarked no later than the 15th day before the election. 104.5(c)(1)(ii).

**30-Day post-general election report**

Regardless of its activity, a party committee must file a post-general election report. The report covers activity that occurred after the closing date of the previous report through the 20th day after the general election. The report is due 30 days after the election. 104.5(c)(1)(iii).

**Example**

A party committee that does not engage in federal election activity (FEA) files its third quarterly report, covering activity through September 30. On October 1, the committee makes a coordinated party expenditure on behalf of a candidate running in the general election. (For purposes of this example, the general election is on November 5.) The committee must therefore file a pre-general election report to disclose the October 1 expenditure. The report covers activity from October 1 (day after closing date of previous report) through October 16 (20 days before election). It is due by October 24 (12 days before election). Because it is a pre-election report, it must be postmarked no later than October 21 (15 days before election) if sent by registered or certified mail, or priority or express mail having a delivery confirmation.

Although the committee does not make any further contributions or expenditures in connection with the general election, it is still required to file a post-general election report. The report covers activity from October 17 (day after closing date of pre-election report) through November 25 (20 days after the November 5 election). It must be received by the appropriate state and federal filing office by December 5 (30 days after election) or postmarked by that date if sent by registered or certified mail, or priority or express mail having a delivery confirmation.

## Nonelection year reporting for quarterly filers

Nonelection years are years in which there are no regularly scheduled federal elections (i.e., odd-numbered years).

During a nonelection year, party committees that file quarterly automatically switch to a semiannual reporting schedule. Two semiannual reports are required:

- The mid-year report, covering activity from January 1 through June 30, must be filed by July 31; and
- The year-end report, covering activity from July 1 through December 31, must be filed by January 31 of the following year. 104.5(c)(2)(i).

If the committee makes contributions or expenditures in connection with a special election, it may have additional reporting responsibilities, as explained below.

## 5. Special Elections

Committees making contributions or expenditures in connection with a special election may be required to file special election reports. Filing dates for special elections are published in the Federal Register and—whenever possible—the FEC Record newsletter. 104.5(h)(1). A regularly scheduled report may be waived by the Commission if a committee must file a special election report within 10 days of the regularly scheduled report filing date. The Commission will notify all affected committees if their report has been waived. Monthly filers are not required to file special election reports. 104.5(h)(2).

## 6. Electronic Filing

A committee must file all reports and statements electronically if it receives contributions that exceed \$50,000 or makes expenditures that exceed \$50,000 in any calendar year or expects to do so. Committees that are required to file electronically, but that file on paper or fail to file, will be considered nonfilers and may be subject to enforcement action. 104.18(a)(1) and (2).

Since electronic filing is more efficient and cost effective than paper filing, even committees that do not meet the \$50,000 threshold requirements are encouraged to file electronically. Please note, however, that voluntary electronic filers must continue to file electronically for the remainder of the calendar year unless the Commission determines that extraordinary and unforeseeable circumstances make continued electronic filing impracticable. 104.18(b).

### Methods of electronic filing

Most committees filing electronically find it convenient to do so via an internet connection with a password. Committees may, however, submit their electronic reports on CDs, either hand delivered or sent by other means such as the U.S. Postal Service. Electronic filers must file all their reports, notices, designations and statements electronically, and the reports must adhere to the FEC's electronic filing specifications requirements. 104.18(d).

### Calculating the threshold

Committees should use the following formulas to determine if their total expenditures or total contributions are over \$50,000 per calendar year:

$$\begin{aligned}
 & \text{Total Contributions Received}^2 \\
 & - \text{Refunds of Contributions} \\
 & + \text{Transfers from Affiliated or Other Party Committees} \\
 & = \text{Total Contributions}
 \end{aligned}$$

or

$$\begin{aligned}
 & \text{Total Federal Expenditures} \\
 & + \text{Federal Contributions Made} \\
 & + \text{Transfers to Affiliated Federal Committees or Other Party Committees} \\
 & + \text{Independent Expenditures} \\
 & + \text{Coordinated Party Expenditures} \\
 & = \text{Total Expenditures}
 \end{aligned}$$

### Have reason to expect to exceed the threshold

Once committees actually exceed the \$50,000 yearly threshold, they have “reason to expect to exceed” the threshold in the following two calendar years. 104.18(a)(3)(i). Consequently, committees must continue to file electronically for the next two calendar years (January through December).

### Committees with no history

New committees with no history of campaign finance activity have reason to expect to exceed the \$50,000 yearly threshold if:

- The committee receives contributions or makes expenditures that exceed one-quarter of the threshold amount in the first calendar quarter of the calendar year (i.e., exceeds \$12,500 by the end of March); or
- The committee receives contributions or makes expenditures that exceed one-half of the threshold amount in the first half of the calendar year (i.e., exceeds \$ 25,000 by the end of June).

104.18(a)(3)(ii).

### Verification requirements

The political committee’s treasurer must verify the electronically filed reports by:

- Using a personal password from the FEC (see below);
- Submitting a signed certification on paper along with the CD; or
- Submitting a digitized copy of the signed certification as a separate file in an electronic submission.

The signed verification must certify that the treasurer or assistant treasurer has examined the submitted report, and that, to the best of his or her knowledge, the report is true, correct and complete. 104.18(g).

<sup>2</sup> This amount includes the outstanding balance of any loans received during that reporting period.

## Obtaining a password

### Requesting a password

A committee's treasurer or assistant treasurer can request or change an electronic password on-line at <https://webforms.fec.gov/psa/getstarted.htm>.

For security purposes, a committee will have to provide information to verify its identity. Additionally, the committee must have an official email address listed on its Statement of Organization filed with the FEC. The Commission will use that email address to validate the change. Registered committees that are unable to use the online system should contact the FEC's Electronic Filing Office at 202/694-1307 for assistance.

### New treasurers

When a committee appoints a new treasurer, it must amend its Statement of Organization to disclose the change. To do so electronically, the new treasurer must request a password following the instructions above.

Once a password is received, the new treasurer can file the amended Form 1 to indicate the change of position.

### Lost or forgotten password

The Commission cannot provide a treasurer's password to a treasurer or committee if a treasurer forgets or loses the password because the passwords are encrypted. Instead, the treasurer must ask for a new password, repeating the process described above.

### Special requirements

The following documents have special signature and submission requirements:

- Schedule C1 (Loans and Line of Credit), including copies of loan agreements; and
- Form 8 (Debt Settlement Plan).

Schedule C1 and Form 8, in addition to being included in the electronic report, must be submitted on paper or in a digitized format (submitted as a separate file in the electronic report). 104.18(h).

## 7. Where To File

Unless filing electronically via an internet connection with a password, party committees file reports and statements with the Federal Election Commission, 1050 First St. NE, Washington, DC 20463. 105.4. (Filers using a delivery service other than the U.S. Postal Service should use 20002 as the zip code.)

Notices of last-minute expenditures (24 and 48-hour Reports of Independent Expenditures) supporting or opposing House, Senate or Presidential candidates must also be filed with the FEC. 105.2 and 105.4.

### State filing

Party committees headquartered in Guam, Northern Mariana Islands or Puerto Rico must file copies of their reports with the appropriate office in those territories. All 50 states, American Samoa and the U.S. Virgin Islands have been granted waivers from the Commission, so committees need not file copies in those localities. For more information and for a list of states and territories granted waivers, visit <https://www.fec.gov/introduction-campaign-finance/how-to-research-public-records/state-filing-waivers/>.

## 8. Public Review of Reports

All reports filed by political committees are available for on the Commission’s website ([www.fec.gov](http://www.fec.gov)). They are also available for public inspection and copying in the FEC’s Public Records Office. Copies of reports may also be purchased by mail. For more information, call 800/424-9530 (option 2) or 202/694-1120.

### “Sale or use” restriction

The Act prohibits anyone from selling or using the names and addresses of individual contributors copied from FEC reports for commercial purposes or for the purpose of soliciting funds. This “sale or use” restriction, however, does not apply to the names and addresses of political committees that are disclosed in FEC reports. 104.15 and AO 2003-24 (National Center for Tobacco Free Kids).

### Sale or use of committee’s contributor list

The sale or use restriction does not prevent a committee from compiling its own list of contributors and distributing it to others. Under certain conditions, a committee may donate, sell, trade or rent its own contributor list to other committees and organizations. AOs 2002-14 (Libertarian National Committee), 1982-41 (Dellums) and 1981-53 (Frazier). For more information, see “Sale or use of contributor information” at <https://www.fec.gov/updates/sale-or-use-contributor-information/>.

### “Salting” reports to detect misuse

A committee may “salt” a report with up to 10 fictitious contributors (referred to under the law as “pseudonyms”) to detect impermissible uses of individual contributor information by other organizations. 104.3 (e)(1) and (e)(2).

The committee must subtract the dollar amount of the fictitious contributions from the total amount listed on line 11(a) of the Detailed Summary Page: “Unitemized contributions from individual persons other than political committees.”

In this way, the committee will overstate the amount of itemized contributions received and will understate (by the same amount) the unitemized contributions received. 104.3(e)(3).

On or before the day the committee files the report, the list of fictitious contributions must be sent under separate cover directly to the Commission’s Reports Analysis Division (RAD) on or before the date the report containing the fictitious names is filed. Committees may email the list to [saltlists@fec.gov](mailto:saltlists@fec.gov). Alternately, the list may be mailed to:

Federal Election Commission  
1050 First St. N.E.  
Washington, DC 20463 (use 20002 for other delivery services such as UPS, DHL, FedEx).

The list should not be sent to any other filing office. The FEC will not make the list public. 104.3(e)(5).

If a solicitation or commercial mailing is sent to the fictitious names, the committee will know that someone has illegally used the names of contributors disclosed in the report. The committee may then file a complaint with the FEC. For more information about the complaint process, and to learn how to file a complaint, visit <https://www.fec.gov/legal-resources/enforcement/complaints-process/>.





## Chapter 12

# Completing FEC Form 3X

### 1. Reporting Forms

FEC paper forms should be typed; printing in ink is also acceptable as long as the forms are legible. Because filings will be scanned before being placed on the public record, the documents filed with the Commission should be the originals. Committees submitting illegible documents will be required to refile.

The treasurer must retain a copy of each report filed with the Commission, along with the appropriate records, for three years. 11 CFR 102.9(c), 104.14(b)(1), (2) and (3).

#### Form 3X and schedules

FEC Form 3X is the form used by party committees to disclose receipts and disbursements. The same form is used for all types of reports, including quarterly reports, semiannual reports, pre- and post-election reports and termination reports.

The Form 3X booklet contains:

- The Summary Page
- The Detailed Summary Page
- Schedule A—Itemized Receipts
- Schedule B—Itemized Disbursements
- Schedule C—Loans
- Schedule C-1—Loans and Lines of Credit from Lending Institutions
- Schedule D—Debts and Obligations
- Schedule E—Independent Expenditures
- Schedule F—Itemized Coordinated Party Expenditures
- Schedules H1-H6—Allocation of Federal Nonfederal and Levin Expenses (See Chapter 13 for information on the allocation schedules.)
- Schedules L, L-A and L-B. – Receipts and Disbursements of Levin Funds

Information entered on the Summary Page and Detailed Summary Page is based on information from the schedules. The schedules, therefore, are normally filled out first. The instructions in this chapter begin with Schedule A.

#### Electronic filing

A party committee must file all reports and statements electronically if it raises or spends, or has reason to expect to raise or spend, more than \$50,000 in any calendar year. 104.18(a). While most electronic filers find it more convenient to file through the internet, the Commission also accepts properly formatted electronic reports on CDs either hand delivered or sent by other delivery means, such as the U.S. Postal Service. The preceding chapter provides more information about electronic filing, including the mandatory electronic filing requirements that apply to some committees.

While what follows in this chapter applies to both paper and electronic filers, electronic filers should consult their software providers for additional information.

## Computerized forms

A committee that files on paper may use computer-produced versions of the Schedules included in Form 3X, but they must first be submitted to the Commission for approval. This rule applies even if the committee is using commercial software advertised as approved for FEC reporting. 104.2(d). Committees may also submit computer-generated Summary and Detailed Summary Pages, but these pages must be reproductions of the original FEC forms. See AO 1992-11 (Nice).

The committee should send samples of its proposed forms and schedules to the FEC's Reports Analysis Division. 104.2(d); FEC Directive 37.

## Forms available on the FEC website

All FEC reporting forms are available on the FEC website (<https://www.fec.gov/help-candidates-and-committees/forms/>).

## 2. Itemize Receipts: Schedule A

### When to itemize receipts

#### Regardless of amount

Several types of receipts must be itemized on Schedule A regardless of amount. They include:

- Contributions from political committees and similar organizations;
- Transfers from other party committees and party organizations;
- Transfers from nonfederal accounts and of Levin funds;
- Loans received;
- Loan payments received; and
- Refunded contributions received from political committees. 104.3(a)(4).

#### \$200 Threshold

A receipt in any of the following categories must be itemized if it exceeds \$200 per calendar year, either by itself or when aggregated with other receipts from the same source:

- Contributions from individuals and groups other than political committees;
- Offsets to operating expenditures (rebates, refunds and returns of deposits); and
- Other receipts (such as interest and dividends earned on invested funds). 104.3(a)(4).

#### Itemizing receipts when not required

A committee that chooses to itemize all its receipts, regardless of the \$200 threshold, should use a separate Schedule A to itemize the receipts that do not aggregate over \$200. The committee should include those receipts in the total for Line 11a(ii) on the Detailed Summary Page (see pages 104–105).

### Categorizing receipts

Before beginning to itemize the committee's receipts, separate them into the different categories listed on the Detailed Summary Page ("Contributions from Individuals," "Contributions from Political Committees," etc.; an illustration of a completed Detailed Summary Page appears on page 104). The receipts in each category must be itemized on a separate Schedule A designated for that category.

Indicate the type of receipt itemized on a particular Schedule A by entering the corresponding line number from the Detailed Summary Page where indicated in the upper right corner of the schedule. The appropriate category of receipt may also be written at the top of each page.

Some categories may require several pages. The total for each category should be entered on the bottom line of the last page for that category.

### **Memo entry**

Use a memo entry on a schedule (a dollar amount with the designation “memo”) to provide narrative information about a particular transaction when the amount of that transaction is not to be included in the total figure for that schedule (and the corresponding line number on the Detailed Summary Page). For example, a memo entry is used to disclose a reattribution of a contribution whose dollar amount has already been included in the total for Line 11.

### **Negative entry**

A negative entry is usually shown as a dollar amount in parentheses. The amount is always deducted from the total for that schedule (and the corresponding line number on the Detailed Summary Page). A negative entry is used, for example, when a contributor’s check bounces or is returned to the contributor without having been deposited in the committee’s account. In this case, there must also be a report of the receipt of the check or the committee’s cash on hand will be deflated. See “Refunds made by the committee” and “Refunds received by the committee” on pages 110–111.

### **Itemized information**

For each itemized receipt, provide:

- The full name and mailing address (including zip code) of the contributor or other source;
- The name of the contributor’s employer (if the contributor is an individual);
- The contributor’s occupation (if the contributor is an individual);
- The date of receipt;
- The amount;
- The aggregate, year-to-date total of all receipts (within the same category) from the same source. 104.3(a)(4) and 104.8; and
- The committee ID number of the contributor, if appropriate.

(The space indicating the election for which a contribution is made (“Receipt For”) should be left blank by a party committee unless the receipt is a refund of a contribution made to a candidate.)

### **Special employer information**

If a contributor is self-employed, that should be recorded in the Employer space. If a contributor is not employed, the Employer space should be left blank, but the Occupation space should always be completed (e.g., “unemployed,” “retired,” “homemaker”).

### **Best efforts required**

Apply “best efforts” to obtain and report the information listed above. See page 86 for information.

### **In-kind contributions**

When determining whether to itemize an in-kind contribution, follow the same guidelines listed under “When to itemize receipts,” page 100. Chapter 2 discusses the valuation of in-kind contributions in greater detail.

In addition, add the value of the in-kind contribution to the operating expenditures total on Line 21b (in order to avoid inflating the cash-on-hand amount). 104.13(a)(2).

12-1: In-kind contributions

<b>SCHEDULE A (FEC Form 3X)</b> <b>ITEMIZED RECEIPTS</b>		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one) <input checked="" type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/> 16 <input type="checkbox"/> 17	PAGE 1 OF 1
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.				
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>				
A. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>Barnes, John</b>		Date of Receipt <b>07 / 04 / 2024</b>		
Mailing Address <b>111 Gettysburg Ave</b>		Amount of Each Receipt this Period <b>1,500.00</b>		
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	<input type="checkbox"/> Memo Item	
FEC ID number of contributing federal political committee. <b>C</b>		In-kind party supplies		
Name of Employer (for Individual) <b>HBE, Inc.</b>		Occupation (for Individual) <b>Service Manager</b>		
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) <b>▼</b>		Aggregate Year-to-Date <b>1,500.00</b>		

  

<b>SCHEDULE B (FEC Form 3X)</b> <b>ITEMIZED DISBURSEMENTS</b>		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one) <input checked="" type="checkbox"/> 21b <input type="checkbox"/> 22 <input type="checkbox"/> 23 <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 29 <input type="checkbox"/> 30b	PAGE 1 OF 1
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.				
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>				
A. Full Name (Last, First, Middle Initial) <b>Barnes, John</b>		Date of Disbursement <b>07 / 04 / 2024</b>		
Mailing Address <b>111 Gettysburg Ave</b>		FEC Identification Number <b>C</b>		
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period <b>1,500.00</b>	
Purpose of Disbursement <b>Party Supplies</b>		Category/Type		
Candidate Name		Memo Item <input type="checkbox"/>		
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) <b>▼</b>	State: <input type="checkbox"/> District: <input type="checkbox"/>		

Itemize in-kind contributions on both Schedules A and B so as not to inflate the cash on hand balance.

12-2: Joint contributions

<b>SCHEDULE A (FEC Form 3X)</b> <b>ITEMIZED RECEIPTS</b>		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one) <input checked="" type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/> 16 <input type="checkbox"/> 17	PAGE 1 OF 1
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.				
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>				
A. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>Cochran, Dan</b>		Date of Receipt <b>06 / 23 / 2024</b>		
Mailing Address <b>1472 Loleta Street</b>		Amount of Each Receipt this Period <b>500.00</b>		
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	<input type="checkbox"/> Memo Item	
FEC ID number of contributing federal political committee. <b>C</b>		In-kind party supplies		
Name of Employer (for Individual) <b>Grimbridge and Associates</b>		Occupation (for Individual) <b>General Manager</b>		
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) <b>▼</b>		Aggregate Year-to-Date <b>500.00</b>		
B. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>Cochran, Linda</b>		Date of Receipt <b>06 / 23 / 2024</b>		
Mailing Address <b>1472 Loleta Street</b>		Amount of Each Receipt this Period <b>500.00</b>		
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	<input type="checkbox"/> Memo Item	
FEC ID number of contributing federal political committee. <b>C</b>		In-kind party supplies		
Name of Employer (for Individual) <b>Starker High School</b>		Occupation (for Individual) <b>Teacher</b>		
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) <b>▼</b>		Aggregate Year-to-Date <b>500.00</b>		

If the in-kind contribution must be itemized on Schedule A, then it must also be itemized on a Schedule B for operating expenditures (see illustration).

Appreciated goods

When a committee receives an in-kind contribution of an item to be liquidated whose value may appreciate over time, such as stocks, bonds, artwork, etc., special reporting rules apply:

- Itemize the initial gift as a memo entry on Schedule A. Under “Amount,” report the fair market value of the contribution on the date the item was received. (Reminder: the amount is subject to applicable contribution limits.) Do not include that amount in the total for Line 11a(i) on the Detailed Summary Page.
- Once the item is sold, report the sale price as a contribution from the purchaser on Line 11a(i) if the purchaser is known. Report the sale price as an “other receipt” on Line 17 if the purchaser is unknown (e.g., if the stock is sold through an established market mechanism where the purchaser’s name is not known by the committee). Itemize the transaction on Schedule A. If the purchase price exceeds \$200, report the name of employer and occupation if the purchaser is known. 104.13(b). Any expenses incurred from the liquidation of appreciated goods must be reported as operating expenditures. See AOs 2000-30 (PAC.com) and 1989-06 (Boehlert).

Joint contributions

A joint contribution is a contribution made by more than one person. If made via a single check (or other written instrument), it must bear the signature

of each contributor or be accompanied by a writing signed by each contributor that instructs the committee to treat it as a joint contribution. (A check drawn on a joint bank account but signed by only one person does not qualify as a joint contribution absent an accompanying writing signed by the second contributor. Attribute the full amount of such a check only to the person who signed it. Alternatively, the committee may reattribute the contribution using the procedures described below.)

For the purposes of itemization, report a joint contribution as though the joint contributors had given separately.

A joint contribution is itemized in the illustration (entries A and B). The committee received a \$1,000 check from Mr. and Mrs. Cochran, signed by both. Because there were no instructions as to how to attribute the check, the committee must divide it equally between the two spouses—\$500 from each. 110.1(k)(2).

### Reattributions

This section describes how to report contributions for which the committee has requested reattributions from contributors. (See page 29.)

#### Receipt of original contribution

When itemizing a contribution that must be reattributed to correct an excessive amount, include a statement on Schedule A noting that a reattribution has been requested. 103.3(b)(5), 110.1(k)(3).

#### Receipt of reattribution

In the report covering the period during which the reattribution is received, itemize as memo entries:

### 12-3: Reattribution requested

SCHEDULE A (FEC Form 3X)		FOR LINE NUMBER: PAGE 1 OF 1	
ITEMIZED RECEIPTS		Use separate schedule(s) for each category of the Detailed Summary Page (check only one)	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.		<input checked="" type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/> 16 <input type="checkbox"/> 17	
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>A. Williams, George</b>		Date of Receipt 05 / 20 / 2024	
Mailing Address <b>111 Camino La Costa</b>		Amount of Each Receipt This Period 15,000.00	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Memo Item <input type="checkbox"/>
FEC ID number of contributing federal political committee. <b>C</b>		Aggregate Year-to-Date 15,000.00	
Name of Employer (for Individual) <b>BMI Detective Agency</b>		Occupation (for Individual) <b>Owner and CEO</b>	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		<input checked="" type="checkbox"/> Memo Item Originally disclosed in June Monthly Report. See \$5,000 reattribution below.	
Reattribution requested.			

The entry should note that the committee has requested a reattribution to show that it has taken corrective action for an excessive contribution.

### 12-4: Reattribution received

SCHEDULE A (FEC Form 3X)		FOR LINE NUMBER: PAGE 1 OF 1	
ITEMIZED RECEIPTS		Use separate schedule(s) for each category of the Detailed Summary Page (check only one)	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.		<input checked="" type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/> 16 <input type="checkbox"/> 17	
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>A. Williams, George</b>		Date of Receipt 05 / 20 / 2024	
Mailing Address <b>111 Camino La Costa</b>		Amount of Each Receipt This Period 15,000.00	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Memo Item <input checked="" type="checkbox"/>
FEC ID number of contributing federal political committee. <b>C</b>		Aggregate Year-to-Date 15,000.00	
Name of Employer (for Individual) <b>BMI Detective Agency</b>		Occupation (for Individual) <b>Owner and CEO</b>	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		<input checked="" type="checkbox"/> Memo Item Originally disclosed in June Monthly Report. See \$5,000 reattribution below.	
Reattribution requested.			
Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>B. Williams, George</b>		Date of Receipt 07 / 01 / 2024	
Mailing Address <b>111 Camino La Costa</b>		Amount of Each Receipt This Period 5,000.00	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Memo Item <input checked="" type="checkbox"/>
FEC ID number of contributing federal political committee. <b>C</b>		Aggregate Year-to-Date 10,000.00	
Name of Employer (for Individual) <b>BMI Detective Agency</b>		Occupation (for Individual) <b>Owner and CEO</b>	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		<input checked="" type="checkbox"/> Memo Item Reattribution below	
Reattribution below			
Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>C. Williams, Claudia</b>		Date of Receipt 07 / 01 / 2024	
Mailing Address <b>111 Camino La Costa</b>		Amount of Each Receipt This Period 5,000.00	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Memo Item <input checked="" type="checkbox"/>
FEC ID number of contributing federal political committee. <b>C</b>		Aggregate Year-to-Date 5,000.00	
Name of Employer (for Individual) <b>Sidney Aaron LLP</b>		Occupation (for Individual) <b>Attorney</b>	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		<input checked="" type="checkbox"/> Memo Item Reattribution	
Reattribution			
SUBTOTAL of Receipts This Page (optional).....		▶	
TOTAL This Period (last page this line number only).....		▶	

- Information on the contribution as it was previously disclosed; and
- Information on the contribution as it was reattributed, including the date the reattribution was received. 104.8(d)(3).

### Refund of excessive portion

If the committee does not receive the reattribution instruction from the contributors, the committee must refund the excessive portion within 60 days of the treasurer’s receipt of the contribution. 110.1(k). Disclose the refund on the next report. 103.3(b)(3) and (5); 104.8(d)(4). See also “Refunds made by the committee,” page 110 and “Excessive contributions: reattributions” on page 29.

### Bounced checks

If a committee reports the receipt of a check and later finds it cannot be negotiated because of insufficient funds in the donor’s account, the committee deducts the amount from its next report as follows:

- If the receipt was not itemized in a previous report, deduct the amount of the check from the total for unitemized contributions (Line 11a(ii)) on the Detailed Summary Page).
- If the receipt was itemized previously, itemize the return of the check as a negative entry on a Schedule A for the appropriate line number.

Checks received and returned by the bank in the same reporting period do not need to be reported.

## 3. Reporting Receipts: The Detailed Summary Page

Listed below are the categories of receipts found on the Detailed Summary Page. For each category, committees report a total for the current period and for the year to date.

### 12-5: Returned/bounced check

**SCHEDULE A (FEC Form 3X)**  
**ITEMIZED RECEIPTS**

Use separate schedule(s) for each category of the Detailed Summary Page

FOR LINE NUMBER: (check only one)  
 11a  11b  11c  12  13  14  15  16  17

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)  
**Freedom Party State Committee**

A. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name  
**Smith, John**

Mailing Address  
**111 Wilshire Lane**

City **City** State **ST** Zip Code **00000**

FEC ID number of contributing federal political committee.  
**C**

Name of Employer (for Individual)  
**Self-Employed**

Occupation (for Individual)  
**Writer**

Receipt For:  
 Primary  General  Other (specify) ▼

Aggregate Year-to-Date ▼  
**0.00**

Date of Receipt  
**06 / 14 / 2024**

Amount of Each Receipt this Period  
**-250.00**

Memo Item  
**Bounced check, originally disclosed in April Monthly Report**

### 12-6: The Detailed Summary Page

**DETAILED SUMMARY PAGE**  
of Receipts

FEC Form 3X (Rev. 05/2016) Page 3

Write or Type Committee Name

Report Covering the Period: From: **04 / 01 / 2024** To: **04 / 30 / 2024**

I. Receipts	COLUMN A		COLUMN B	
	Total This Period		Calendar Year-to-Date	
11. Contributions (other than loans) From:				
(a) Individuals/Persons Other Than Political Committees				
(i) Itemized (use Schedule A).....		<b>20,672.92</b>		<b>58,856.73</b>
(ii) Unitemized .....		<b>12,437.81</b>		<b>33,110.73</b>
(iii) TOTAL (add Lines 11(a)(i) and (ii)).....		<b>33,110.73</b>		<b>97,967.46</b>
(b) Political Party Committees.....		<b>0.00</b>		<b>0.00</b>
(c) Other Political Committees (such as PACs).....		<b>5,000.00</b>		<b>5,000.00</b>
(d) Total Contributions (add Lines 11(a)(ii), (b), and (c)) (Carry Totals to Line 33, page 5).....		<b>38,110.73</b>		<b>102,967.46</b>
12. Transfers From Affiliated/Other Party Committees.....		<b>5,722.01</b>		<b>15,605.69</b>
13. All Loans Received.....		<b>15,000.00</b>		<b>15,000.00</b>
14. Loan Repayments Received.....		<b>0.00</b>		<b>0.00</b>
15. Offsets To Operating Expenditures (Refunds, Rebates, etc.) (Carry Totals to Line 37, page 5).....		<b>250.00</b>		<b>250.00</b>
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees.....		<b>1,000.00</b>		<b>1,000.00</b>
17. Other Federal Receipts (Dividends, Interest, etc.).....		<b>480.84</b>		<b>851.88</b>
18. Transfers from Non-Federal and Levin Funds				
(a) Non-Federal Account (from Schedule H3).....		<b>2,983.32</b>		<b>7,824.30</b>
(b) Levin Funds (from Schedule H5).....		<b>6,400.00</b>		<b>6,400.00</b>
(c) Total Transfers (add 18(a) and 18(b)).....		<b>9,383.32</b>		<b>14,224.30</b>
19. Total Receipts (add Lines 11(d), 12, 13, 14, 15, 16, 17, and 18(c)).....		<b>69,946.90</b>		<b>149,899.33</b>
20. Total Federal Receipts (subtract Line 18(c) from Line 19).....		<b>60,563.58</b>		<b>135,675.03</b>

## Line 11. Contributions

Report total monetary and in-kind contributions received, both itemized and unitemized.

### Line 11a: Contributions from Individuals and Other Groups

Use Line 11a to report contributions from individuals and groups other than political committees (such as partnerships).

Itemize contributions that exceed the \$200 aggregate threshold on Schedule A; enter the total on Line 11a(i). Enter total unitemized contribution on Line 11a(ii). Enter total itemized and unitemized contributions from individuals/others on Line 11a(iii).

### Line 11b: Political Party Committees

Leave this line blank: party committees report funds received from other party committees and party organizations as transfers-in on Line 12; see below.

### Line 11c: Other Political Committees

Itemize contributions from nonparty political committees on Schedule A, regardless of amount, and enter the total on Line 11c.

### Line 11d: Total Contributions

Enter the total of Lines 11a–c on Line 11d.

## Line 12. Transfers-In

Itemize any transfers of funds received from other party committees or party organizations on a Schedule A (see example). Enter the total on Line 12.

## Line 13. Loans Received

Itemize any loans received on a Schedule A. Enter the total amount on Line 13. Committees receiving loans must also file Schedules C and C-1. See page 122 for more information.

## Line 14. Loan Repayments Received

Itemize any repayments received on loans made by the committee on a Schedule A. Enter the total on Line 14. Committees receiving loan repayments must also file Schedule C. See page 124.

## 12-7: Transfers-In

SCHEDULE A (FEC Form 3X) ITEMIZED RECEIPTS		FOR LINE NUMBER: (check only one)		PAGE 1 OF 1	
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 11a	<input type="checkbox"/> 11b	<input checked="" type="checkbox"/> 11c	<input type="checkbox"/> 11d
		<input type="checkbox"/> 13	<input type="checkbox"/> 14	<input type="checkbox"/> 15	<input type="checkbox"/> 17
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.					
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>					
A. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>National Freedom Party</b>			Date of Receipt <b>09 / 08 / 2024</b>		
Mailing Address <b>111 Key Ave.</b>			Amount of Each Receipt this Period <b>1,987.30</b>		
City <b>Washington</b>		State <b>DC</b>	Zip Code <b>00000</b>		
FEC ID number of contributing federal political committee. <b>C 00300000</b>			<input type="checkbox"/> Memo Item		
Name of Employer (for Individual)		Occupation (for Individual)			
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		Aggregate Year-to-Date ▼ <b>5,436.14</b>			
B. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>Local Freedom Party</b>			Date of Receipt <b>09 / 14 / 2024</b>		
Mailing Address <b>111 Grassroots St.</b>			Amount of Each Receipt this Period <b>169.55</b>		
City <b>City</b>		State <b>ST</b>	Zip Code <b>00000</b>		
FEC ID number of contributing federal political committee. <b>C 00300001</b>			<input type="checkbox"/> Memo Item		
Name of Employer (for Individual)		Occupation (for Individual)			
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		Aggregate Year-to-Date ▼ <b>169.55</b>			

*Itemize all transfers from other party committees and organizations regardless of amount. Transfers from a committee's nonfederal account, however, are itemized on line 16.*



## Line 15. Offsets to Operating Expenditures

Refunds, rebates and returns of deposits are considered offsets to operating expenditures. Itemize offsets on a Schedule A once the committee receives more than \$200 from the same source during a calendar year (see example). Enter the total on Line 15.

## Line 16. Refunds of Contributions Made

Itemize refunds of contributions made by the committee on a Schedule A regardless of their amount. Enter the total on Line 16. See also page 110.

## Line 17. Other Federal Receipts

This category includes interest and dividends earned on investments. Itemize these receipts on a Schedule A once the committee receives more than \$200 from the same source during a calendar year. Enter the total under this category on Line 17. See page 21 for more information on interest and dividends.

## Line 18. Transfers from Nonfederal Account and Levin Funds

If the committee maintains a nonfederal account for state and local election activities, or a Levin account for federal election activity (FEA), the federal account (or the allocation account, if applicable) may accept funds transferred by the nonfederal or Levin account in order to pay its share of certain allocable expenses. 106.7(f)(1) and 300.33(d)(1). Report the total amount transferred from the nonfederal or Levin account during the period (i.e., the total from Schedule H3 or H5) on Line 18.

Other rules concerning these transfers are explained in Chapters 13 and 14.

## 4. Itemized Disbursements

### When to itemize disbursements

#### Regardless of amount

The disbursements listed below must be itemized, regardless of amount, on Schedule B (or indicated schedule):

- Allocable federal/nonfederal operating expenditures (itemized on Schedule H4—see Chapter 13);
- Expenditures for allocated FEA;<sup>1</sup>
- Contributions to candidates and political committees;
- Coordinated party expenditures (itemized on Schedule F);
- Loan repayments;

<sup>1</sup> Expenditures in excess of \$200 for FEA which are made entirely with federal funds must be itemized on a Schedule B. The total is reported on Line 30(b) of the Detailed Summary Page.

### 12-8: Offsets to operating expenditures

SCHEDULE A (FEC Form 3X)		FOR LINE NUMBER: (check only one)		PAGE 1 OF 1	
ITEMIZED RECEIPTS		Use separate schedule(s) for each category of the Detailed Summary Page			
		<input type="checkbox"/> 11a	<input type="checkbox"/> 11b	<input checked="" type="checkbox"/> 11c	<input type="checkbox"/> 12
		<input type="checkbox"/> 13	<input type="checkbox"/> 14	<input type="checkbox"/> 15	<input type="checkbox"/> 17
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.					
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>					
Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>A. Campaign Mailing Services</b>					
Mailing Address <b>1016 La Posada</b>				Date of Receipt <b>10 / 30 / 2024</b>	
City <b>City</b>		State <b>ST</b>	Zip Code <b>00000</b>		
FEC ID number of contributing federal political committee. <b>C</b>				Amount of Each Receipt this Period <b>250.00</b>	
Name of Employer (for individual)		Occupation (for individual)			
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		Aggregate Year-to-Date <b>5,436.14</b>			
				Memo Item <b>Refund of overcharge Original Disbursement 08/30/24</b>	

Itemize offsets to operating expenditures when they aggregate over \$200 per calendar year from the same source.



- Loans made by the committee; and
- Transfers to other party committees and party organizations.

Note that refunds of contributions (Line 26 of the Detailed Summary Page) must be itemized on Schedule B only if the incoming contribution had to be itemized on Schedule A, as explained on page 100.

### Other disbursements: \$200 threshold

A disbursement that does not fall under one of the categories listed above (such as a federal operating expenditure or an independent expenditure) must be itemized if it exceeds \$200 when aggregated with other disbursements made to the same payee during the calendar year. (Please note that independent expenditures are itemized on Schedule E; see page 116.) Disbursements that do not meet this threshold do not have to be itemized, but must be reported on the Detailed Summary Page.

### How to itemize disbursements

#### Separate categories of disbursements

Before beginning to itemize the committee's disbursements, separate them into the different categories listed on the Detailed Summary Page ("Operating Expenditures," "Contributions to Federal Candidates," etc.; an illustration of a completed Detailed Summary Page appears on page 109). The disbursements in each category must be itemized on a separate Schedule B designated for that category.

The type of disbursement itemized on a particular Schedule B corresponds with the appropriate line number from the Detailed Summary Page in the upper right corner of the schedule.

### 12-9: Contributions to candidates

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 21b <input type="checkbox"/> 28a <input checked="" type="checkbox"/> 23 <input type="checkbox"/> 22 <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 26 <input type="checkbox"/> 29 <input type="checkbox"/> 27 <input type="checkbox"/> 30b	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
Full Name (Last, First, Middle Initial) <b>A. Friends of Kate Dawson</b>		Date of Disbursement 01 / 20 / 2024	
Mailing Address <b>111 Speedway Street</b>		FEC Identification Number C	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period <b>5,000.00</b>
Purpose of Disbursement <b>Contribution</b>		Category/Type <b>011</b>	
Candidate Name <b>Kate Dawson</b>		Memo Item <input type="checkbox"/>	
Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General Other (specify) <b>2024</b>		
State: <b>ST</b>	District: <b>6</b>		

### 12-10: Original designation

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 21b <input type="checkbox"/> 28a <input checked="" type="checkbox"/> 23 <input type="checkbox"/> 22 <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 26 <input type="checkbox"/> 29 <input type="checkbox"/> 27 <input type="checkbox"/> 30b	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
Full Name (Last, First, Middle Initial) <b>A. Jim Roth for Congress Committee</b>		Date of Disbursement 01 / 20 / 2024	
Mailing Address <b>111 Freedom Hill Ave.</b>		FEC Identification Number C	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period <b>10,000.00</b>
Purpose of Disbursement <b>Contribution</b>		Category/Type <b>011</b>	
Candidate Name <b>Jim Roth</b>		Memo Item <input type="checkbox"/>	
Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General Other (specify) <b>2024</b>		
State: <b>ST</b>	District: <b>4</b>		

### 12-11: Resignation, March monthly report

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 21b <input type="checkbox"/> 28a <input checked="" type="checkbox"/> 23 <input type="checkbox"/> 22 <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 26 <input type="checkbox"/> 29 <input type="checkbox"/> 27 <input type="checkbox"/> 30b	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
Full Name (Last, First, Middle Initial) <b>A. Jim Roth for Congress Committee</b>		Date of Disbursement 01 / 25 / 2024	
Mailing Address <b>111 Freedom Hill Ave.</b>		FEC Identification Number C	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period <b>10,000.00</b>
Purpose of Disbursement <b>Contribution</b>		Category/Type <b>011</b>	
Candidate Name <b>Jim Roth</b>		Memo Item <input checked="" type="checkbox"/> As originally reported in February Monthly Report	
Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify) <b>2024</b>		
State: <b>ST</b>	District: <b>4</b>		
Full Name (Last, First, Middle Initial) <b>B. Jim Roth for Congress Committee</b>		Date of Disbursement 02 / 25 / 2024	
Mailing Address <b>111 Freedom Hill Ave.</b>		FEC Identification Number C	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period <b>5,000.00</b>
Purpose of Disbursement <b>Contribution</b>		Category/Type <b>011</b>	
Candidate Name <b>Jim Roth</b>		Memo Item <input checked="" type="checkbox"/> Resignation	
Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) <b>2024</b>		
State: <b>ST</b>	District: <b>4</b>		

Some categories may require several pages. The total for each category should be entered on the bottom line of the last page for that category.

### **Itemized information**

Itemized disbursement information includes:

- Name of payee;
- Address of payee;
- Purpose of disbursement (a brief but specific description of why the disbursement was made—see Schedule B instructions and 104.3(b)(3)(i)(B));<sup>2</sup>
- Date of payment; and
- Amount. 104.3(b)(3); 104.9.

### **Contributions to candidates: additional information**

Further information is required when itemizing a contribution to a candidate committee on Schedule B. Include the candidate's name and the office sought (including the state and, if applicable, Congressional district). When itemizing a contribution or loan to a candidate committee, specify the election for which the payment was made by checking the appropriate category in the election designation box. 104.3(b)(3)(v). See illustration 12–9.

### **Redesignations of contributions made**

Use memo entries to show any redesignations of contributions made by the committee (explained on page 47).

If a contribution to a candidate is redesignated for a different election after the close of books, show the redesignation on the next report and indicate the report on which the original contribution was itemized.

In illustrations 12–10 and 12–11, the committee originally made a \$10,000 contribution to a candidate's campaign, intending half of it to count toward the general election. The committee itemized the contribution in its February monthly report. The following month, the campaign requested that the committee redesignate the excessive \$5,000 for the general election campaign. The committee itemized the redesignation in its March monthly report.

## **5. Reporting Disbursements: The Detailed Summary Page**

Line-by-line instructions for filling out the Disbursements portion of the Detailed Summary Page are given below. See previous page for information on how to itemize disbursements on Schedule B.

More information on reporting loans, debts and independent expenditures appears later in this chapter.

### **Line 21. Operating Expenditures**

#### **Line 21a: Allocated Federal/Nonfederal Activity**

Report the total federal and nonfederal portions of allocated operating expenditures separately on Lines 21a(i) and (ii). The numbers are taken from the bottom of Schedule H4. Line 21a is not used if the committee maintains only one account for federal and nonfederal activities or if the committee is not involved in nonfederal election activities.

<sup>2</sup> Non-exhaustive lists of adequate and inadequate purposes of disbursement are available on the Commission's website at <https://www.fec.gov/help-candidates-and-committees/purposes-disbursements/>.

**Line 21b: Other Federal Operating Expenditures**

Report all operating expenditures other than allocated operating expenditures on Line 21b.

Itemize them on a Schedule B for Line 21b once payments to any payee exceed \$200 in a calendar year.

**Line 21c: Total Operating Expenditures**

Report the total of Lines 21a and 21b on Line 21c.

**Line 22. Transfers-Out**

Itemize transfers to party committees and party organizations, regardless of amount, on a Schedule B for Line 22. Enter the total from that schedule on the Detailed Summary Page.

**Line 23. Contributions to Federal Candidates and Other Political Committees**

Itemize all monetary and in-kind contributions made to candidate committees and other federal political committees, regardless of amount, on a Schedule B for Line 23. Report the total from that schedule on the Detailed Summary Page. Examples of itemized contributions to candidates are provided on page 107.

**Line 24. Independent Expenditures**

Disclose independent expenditures on Schedule E (see page 116). Enter the Schedule E total of itemized and unitemized independent expenditures on Line 24.

**Line 25. Coordinated Party Expenditures**

Disclose coordinated party expenditures on Schedule F (see page 115). Enter the Schedule F total on Line 25.

**Line 26. Loan Repayments**

See page 122-23 for information on how to itemize the payments on Schedules B and C. Enter the total paid on loans on Line 26.

**12-12: Detailed Summary Page**

DETAILED SUMMARY PAGE of Disbursements		
FEC Form 3X (Rev. 05/2016)	Page 4	
II. Disbursements	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date
21. Operating Expenditures:		
(a) Allocated Federal/Non-Federal Activity (from Schedule H4)		
(i) Federal Share .....	6,509.72	15,227.33
(ii) Non-Federal Share.....	9,383.32	14,224.30
(b) Other Federal Operating Expenditures .....	1,195.00	2,542.91
(c) Total Operating Expenditures (add 21(a)(i), (a)(ii), and (b)) .....	17,088.04	31,994.54
22. Transfers to Affiliated/Other Party Committees .....	0.00	0.00
23. Contributions to Federal Candidates/Committees and Other Political Committees .....	24,200.00	40,975.00
24. Independent Expenditures (use Schedule E) .....	2,500.00	2,500.00
25. Coordinated Party Expenditures (52 U.S.C. § 30116(d)) (use Schedule F) .....	18,751.88	18,751.88
26. Loan Repayments Made.....	0.00	0.00
27. Loans Made .....	0.00	0.00
28. Refunds of Contributions To:		
(a) Individuals/Persons Other Than Political Committees .....	120.00	120.00
(b) Political Party Committees .....	0.00	0.00
(c) Other Political Committees (such as PACs).....	0.00	0.00
(d) Total Contribution Refunds (add Lines 28(a), (b), and (c)).....	120.00	120.00
29. Other Disbursements (Including Non-Federal Donations).....	500.00	990.00
30. Federal Election Activity (52 U.S.C. § 30101(20))		
(a) Allocated Federal Election Activity (from Schedule H6)		
(i) Federal Share .....	3,600.00	3,600.00
(ii) "Levin" Share.....	6,400.00	6,400.00
(b) Federal Election Activity Paid Entirely With Federal Funds .....	5,000.00	5,000.00
(c) Total Federal Election Activity (add Lines 30(a)(i), 30(a)(ii) and 30(b)) .....	15,000.00	15,000.00
31. Total Disbursements (add Lines 21(c), 22, 23, 24, 25, 26, 27, 28(d), 29 and 30(c)) ..	78,159.92	110,331.42
32. Total Federal Disbursements (subtract Line 21(a)(ii) and Line 30(a)(i) from Line 31).....	62,376.60	89,707.12

### **Line 27. Loans Made**

See page 123 for information on how to report loans made by the committee on Schedules B and C. Enter the total amount loaned during the period on Line 27.

### **Line 28. Refunds of Contributions**

Itemize a refund made by the committee only if the original contribution was itemized. Other rules for reporting contribution refunds made by the committee are described below. Enter the total amount refunded during the period on Line 28.

### **Line 29. Other Disbursements**

“Other disbursements” include donations made by the committee to nonfederal candidates and committees (Illustration 12–13). Itemize “other disbursements” on a Schedule B for Line 29 when they exceed \$200 to the same payee during a calendar year. Enter the total of itemized and unitemized other disbursements on the Detailed Summary Page.

### **Line 30. Federal Election Activity**

State, district and local party committees making disbursements for FEA must disclose figures on Line 30.

#### **Line 30(a): Allocated Federal Election Activity**

Report the total federal and Levin portions of allocated federal election activity separately on Lines 30(a)(i) and (ii). The numbers are taken from Schedule H6.

#### **Line 30(b): FEA Paid Entirely with Federal Funds**

Expenditures of \$200 or more for FEA which are made entirely with federal funds must be itemized on Line 30(b).

#### **Line 30(c): Total Federal Election Activity**

Report the total of Lines 30(a) and 30(b) on Line 30(c).

For further information on FEA, see below and in Chapter 8. For information on allocating these disbursements, see Chapter 14.

## **6. Contribution Refunds Made and Received**

### **Refunds made by the committee**

When a committee refunds a contribution to a donor, the committee must include the disbursement in the total for the appropriate category of refund on the Detailed Summary Page (Line 28(a), (b) or (c)). If the committee previously itemized the incoming contribution on Schedule A, then it must itemize the refund on a Schedule B for the appropriate line number. 104.8(d)(4).

A committee may return a contribution to the donor without depositing it, although the return must be made within 10 days of the treasurer’s receipt of the contribution. 103.3(a). In this case, the committee does not have to report either the receipt or the return of the contribution.

## Refunds received by the committee

If a committee receives a refund of a contribution it has made, it must report the refund in one of two ways, depending on the circumstances described below. 104.8(d)(4).

### Original check not deposited

If a previously reported check to a candidate committee or other political committee is not deposited (e.g., if it is returned uncashed or is lost), report the amount as a negative entry on a Schedule B for Line 23, "Contributions to Federal Candidates and Other Political Committees." (The amount is subtracted from the total for Line 23.)

### Refunded by recipient's check

If the recipient committee deposits the contribution and then refunds it with its own check, itemize the refund, regardless of amount, on a Schedule A for Line 16, "Refunds of Contributions."

## 12-13: Contributions to nonfederal candidates (other disbursements)

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 21b <input type="checkbox"/> 22 <input type="checkbox"/> 23 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input checked="" type="checkbox"/> 28c <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 30b	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
Full Name (Last, First, Middle Initial) <b>Michelle Johnson for Governor</b>		Date of Disbursement 09 / 29 / 2024	
Mailing Address <b>111 Mulberry Street</b>		FEC Identification Number C	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period <b>1,000.00</b>
Purpose of Disbursement <b>Nonfederal Contribution</b>		Category/Type <b>011</b>	
Candidate Name <b>Howard Beale</b>		Memo Item <input type="checkbox"/>	
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		
State: <b>ST</b>	District:		

Itemize "other disbursements" such as nonfederal donations, once they exceed \$200 per payee per calendar year.

## 12-14: Refunded contribution

SCHEDULE A (FEC Form 3X) ITEMIZED RECEIPTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input checked="" type="checkbox"/> 16 <input type="checkbox"/> 17	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>Walter Eckland for Senate</b>		Date of Receipt 04 / 04 / 2024	
Mailing Address <b>1016 Matalava Blvd.</b>		Amount of Each Receipt this Period <b>1,000.00</b>	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	<input type="checkbox"/> Memo Item
FEC ID number of contributing federal political committee. C		Refund of contribution itemized in February Monthly Report.	
Name of Employer (for Individual)		Occupation (for Individual)	
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼ <b>2024</b>		Aggregate Year-to-Date <b>1,000.00</b>	

Unlike returned contributions, contributions refunded by a check from the recipient are reported as receipts.

## 12-15: Returned contribution

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 21b <input type="checkbox"/> 22 <input checked="" type="checkbox"/> 23 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 30b	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
Full Name (Last, First, Middle Initial) <b>Howard Beale for Senate</b>		Date of Disbursement 09 / 29 / 2024	
Mailing Address <b>111 Ritchie Street</b>		FEC Identification Number C	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period <b>-5,000.00</b>
Purpose of Disbursement <b>Voided Check - Original Contribution 6/1/24</b>		Category/Type <b>011</b>	
Candidate Name <b>Howard Beale</b>		Memo Item <b>Voided Check</b>	
Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼ <b>2024</b>		
State: <b>ST</b>	District:		

## 7. Reporting Reimbursed Advances of Personal Funds

When a volunteer or a committee staff member uses his or her personal funds or personal credit to pay a vendor for an expense and is later reimbursed by the committee, special reporting rules apply.

### Travel expenses reimbursed within 30 or 60 days

When an individual is traveling on behalf of a party committee, no contribution results when the committee reimburses the individual for travel expenses within the following time periods:

- If the individual paid with cash or a personal check, within 30 days from the date the expense was incurred.
- If the individual paid with a credit card, within 60 days of the closing date on the credit card billing statement. 116.5(b)(2).

### Reimbursed within time limit and in same reporting period

When the committee makes a reimbursement within these time limits, the committee reports the advance and reimbursement as follows:

- The original advance is not reported; and
- The reimbursement is reported as an operating expenditure on Line 21(b). AO 1992–01 (Faulkner).

### Reimbursed within time limit but in later reporting period

Note that, if the reimbursement is made within the appropriate time limit but not within the reporting period in which the advance was made, the committee must report the advance on Schedule D as a debt if it exceeds \$500. 116.5(c) and 104.11(b).

Once the reimbursement is actually made, the committee reports it as an operating expenditure and itemizes it on Schedule B if reimbursements to any one person exceed \$200 for the calendar year.

### Travel advances not reimbursed within 30 or 60 days

#### Not reimbursed within time limit but within same reporting period

Travel advances that are not reimbursed within the appropriate 30- or 60-day time limit (116.5(b)) but that are reimbursed within the reporting period in which the advance is made are considered contributions and must be reported as follows:

#### 12–16: Advances from personal funds

SCHEDULE A (FEC Form 3X) ITEMIZED RECEIPTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input checked="" type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/> 16 <input type="checkbox"/> 17	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
A. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>Suranez, Alex</b>		Date of Receipt <b>12 / 16 / 2023</b>	
Mailing Address <b>111 Vicksburg Ave.</b>		Amount of Each Receipt this Period <b>402.80</b>	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	<input checked="" type="checkbox"/> Memo Item <b>Airfare to be reimbursed</b>
FEC ID number of contributing federal political committee. <b>C</b>	Aggregate Year-to-Date <b>402.80</b>		
Name of Employer (for Individual) <b>Freedom Party</b>	Occupation (for Individual) <b>Regional Director</b>		
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼			
SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input checked="" type="checkbox"/> 21b <input type="checkbox"/> 21c <input type="checkbox"/> 22 <input type="checkbox"/> 23 <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 29 <input type="checkbox"/> 30b	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
A. Full Name (Last, First, Middle Initial) <b>Suranez, Alex</b>		Date of Disbursement <b>01 / 30 / 2024</b>	
Mailing Address <b>111 Vicksburg Ave.</b>		FEC Identification Number <b>C</b>	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period <b>402.80</b>
Purpose of Disbursement <b>Reimbursement of airfare</b>	Category/Type <b>002</b>		
Candidate Name	Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		
Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼	Memo Item <input type="checkbox"/> See Schedule A, December 2023 Monthly Report		
State: District:			

Unreimbursed advances that aggregate over \$200 appear as memo entries on Schedule A for Line 11(a)(i). The reimbursement is reported as an operating expenditure on Schedule B, with a cross reference to the corresponding Schedule A.

- Report the original advance as a memo entry contribution on Schedule A if the total of the advance plus any other contributions made by the same person within the calendar year, minus any reimbursements made in the reporting period, exceeds \$200; and
- Report the reimbursement as an operating expenditure and, if reimbursements to that person exceed \$200 in the calendar year, itemize it on Schedule B (with a cross-reference to the memo entry on Schedule A for the advance—if the advance was itemized).

### **Not reimbursed within time limit and not within same reporting period**

Travel advances that are not reimbursed within the appropriate 30- or 60-day time limit and that are not reimbursed within the reporting period in which the advance was made must be reported as follows:

- Report the original advance as a memo entry contribution on Schedule A if the total of the advance plus any other contributions made by the same person within the calendar year, minus any reimbursements made in the reporting period, exceeds \$200;
- Report the amount of the advance outstanding at the end of the reporting period as a debt on Schedule D if it exceeds \$500 or has been outstanding for more than 60 days; and
- Report the reimbursement as an operating expenditure and, if reimbursements to that person exceed \$200 in the calendar year, itemize it on Schedule B (with a cross-reference to the memo entry on Schedule A for the advance—if the advance was itemized). 116.5(b) and (c), and 104.11.

### **Nontravel advances made and reimbursed within same reporting period**

Nontravel advances that are made and reimbursed within the same reporting period are considered contributions and must be reported as follows:

- Do not report the original advance unless, at the end of the reporting period, the amount of previous contributions in the calendar year from the person making the advance plus the amount of the advance minus the amount of the reimbursement is greater than \$200 (i.e., previous contributions + the advance - the reimbursement > \$200). In that case, report the advance as a memo entry contribution on Schedule A; and
- Report the reimbursement as an operating expenditure and, if reimbursements to that person exceed \$200 in the calendar year, itemize it on Schedule B (with a cross-reference to the memo entry on Schedule A for the advance—if the advance was itemized). 104.3(d). See AO 1992-01 (Faulkner).

### **Nontravel advances made and reimbursed in different reporting periods**

Nontravel advances that are to be reimbursed in a later reporting period must be reported as follows:

- Do not report the original advance unless, at the end of the reporting period, the amount of previous contributions in the calendar year from the person making the advance plus the amount of the advance minus the amount of the reimbursement is greater than \$200 (i.e., previous contributions + the advance - the reimbursement > \$200). In that case, report the advance as a memo entry contribution on Schedule A;
- Report the amount of the advance outstanding at the end of the reporting period as a debt on Schedule D if it exceeds \$500 or has been outstanding for more than 60 days (see example at left); and
- Report the reimbursement, once made, as an operating expenditure and, if reimbursements to that person exceed \$200 in the calendar year, itemize it on Schedule B (with a cross-reference to the memo entry on Schedule A for the advance—if the advance was itemized). 104.3(d). See AO 1992-01 (Faulkner).



## Special rule for reporting reimbursements to staff (for travel and subsistence advances)

If the total amount reimbursed to the staff member is \$500 or less, the committee should report the staff member as the payee. If the total amount exceeds \$500 and payments to any one vendor used for the expenses total over \$200 for the calendar year, additional information is required to achieve full disclosure. In this instance the committee must:

- Report the staff member as payee; and
- Report the payments aggregating over \$200 to any one vendor as memo entries on Schedule B. See AO 1996-20 (Lucas), footnote 3.

## 8. Investments and Bitcoin

### Principal

When the committee invests funds in a savings account, money market fund, certificate of deposit or similar type of account, the principal deposited must be included in the committee’s cash-on-hand total. The committee does not report this type of investment as a disbursement because the money is still a committee asset. Any other committee investments valued at cost are also included in cash-on-hand because they would be a conversion of one form of cash-on-hand to another. 104.3(a)(1); AOs 1990-02 (Chris Smith), 1997-06 (Hutchison) and 1999-08 (Specter).

### Investment income

Report investment income received or lost during the reporting period in the “Other Federal Receipts” category (Line 17) of the Detailed Summary Page. If investment income from one source aggregates over \$200 during a calendar year, itemize the interest on a Schedule A for Line 17. 104.3(a)(4)(vi). Losses are indicated by negative entries. (See “Interest and Dividends,” page 21.)

### Bitcoin contributions

The Act defines a “contribution” to include “any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.” In Advisory Opinion 2014-02 (Make Your Laws PAC), the Commission concluded that bitcoins are “money or anything of value” within the meaning of the Act.

Bitcoins may be received into and held in a bitcoin wallet until the committee

### 12-17: Bitcoin

SCHEDULE A (FEC Form 3X)		FOR LINE NUMBER: (check only one)		PAGE OF	
ITEMIZED RECEIPTS		<input checked="" type="checkbox"/> 11a	<input type="checkbox"/> 11b	<input type="checkbox"/> 11c	<input type="checkbox"/> 12
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 13	<input type="checkbox"/> 14	<input type="checkbox"/> 15	<input type="checkbox"/> 16
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.					
NAME OF COMMITTEE (In Full) <b>XYZ Action Fund</b>					
A. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>Contributor, John</b>			Date of Receipt 02 / 15 / 2024		
Mailing Address <b>123 First Street</b>			Amount of Each Receipt this Period <b>100.00</b>		
City <b>Alexandria</b>		State <b>VA</b>	Zip Code <b>22314</b>		
FEC ID number of contributing federal political committee. <b>C</b>			<input type="checkbox"/> Memo Item		
Name of Employer (for Individual) <b>First Bank</b>		Occupation (for Individual) <b>Teller</b>			
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		Aggregate Year-to-Date <b>425.00</b>			
<b>0.2 Bitcoins not liquidated</b>					

SCHEDULE B (FEC Form 3X)		FOR LINE NUMBER: (check only one)		PAGE OF	
ITEMIZED DISBURSEMENTS		<input checked="" type="checkbox"/> 21b	<input type="checkbox"/> 22	<input type="checkbox"/> 23	<input type="checkbox"/> 26
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 28a	<input type="checkbox"/> 28b	<input type="checkbox"/> 28c	<input type="checkbox"/> 29
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.					
NAME OF COMMITTEE (In Full) <b>XYZ Action Fund</b>					
A. Full Name (Last, First, Middle Initial) <b>Contributor, John</b>			Date of Disbursement 02 / 15 / 2024		
Mailing Address <b>123 First Street</b>			FEC Identification Number <b>C</b>		
City <b>Alexandria</b>		State <b>VA</b>	Zip Code <b>22314</b>		
Purpose of Disbursement <b>0.2 Bitcoins received, not liquidated</b>			Amount of Each Disbursement this Period <b>100.00</b>		
Candidate Name			Category/Type		
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼			
State: District:		<input type="checkbox"/> Memo Item <b>0.2 Bitcoins not liquidated</b>			



liquidates them. Holding bitcoins in a bitcoin wallet does not relieve the committee of its obligations to return or refund a bitcoin contribution that is from a prohibited source, exceeds the contributor’s contribution limit, or is otherwise not legal.

A political committee that receives a contribution in bitcoins should report that contribution and a corresponding disbursement based on the market value of bitcoins at the time the contribution is received.

### Reporting on Form 3X

Parties report receiving bitcoin contributions on Form 3X and itemized on Schedule A when necessary. The line number used to report a bitcoin contribution depends on who is giving the contribution. Use Line 11(a) if the contribution is from an individual or group other than a political committee (such as a partnership), Line 11(b) if it comes from a party committee, and Line 11(c) if it comes from another type of political committee.

The initial receipt of bitcoins as contributions should be reported like in-kind contributions. The committee will disclose the receipt of the contribution and also report the bitcoins as a disbursement. These offsetting entries allow the committee’s reported cash on hand to remain unchanged while holding the bitcoins outside of a committee depository. The FEC recommends including a notation or memo text indicating the number of bitcoins that the committee received and that the bitcoins were not liquidated.

### Income tax

Include income taxes paid by the committee as other disbursements on Line 21. Itemize income tax payments on Schedule B only if they aggregate over \$200 per year to the same payee—i.e., the local, state or federal government.

## 9. Coordinated Party Expenditures

### Schedule F

Itemize all coordinated party expenditures on Schedule F. (See example.) Enter the Schedule F total on Line 25 of the Detailed Summary Page.

### Expenditures by designated agents

A state party committee that has designated other party committees to make coordinated party expenditures must ensure that the designated party groups do not exceed the expenditure limits for the candidates supported as discussed in Chapter 7. To this end, the FEC recommends the reporting method outlined below, although a committee may use its own method of controlling and reporting coordinated party expenditures made by designated agents if the method receives advance approval from the FEC. 109.33(b).

12-18: Coordinated party expenditures

SCHEDULE F (FEC Form 3X)				PAGE 1 OF 1	
ITEMIZED COORDINATED PARTY EXPENDITURES MADE BY POLITICAL PARTY COMMITTEES OR DESIGNATED AGENT(S) ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE				FOR LINE 25 OF FORM 3X	
(To be used only by Political Committees in the General Election)					
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>					
Has your committee been designated to make coordinated expenditures by a political party committee? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			Full Name of Subordinate Committee		
If YES, name the designating committee:			Mailing Address		
			City		
			State		ZIP Code
Full Name (Last, First, Middle Initial) of Each Payee <b>City Press</b>			<input type="checkbox"/> Memo Item		Purpose of Expenditure <b>Newspaper Ad</b>
Mailing Address <b>111 Industrial Ave.</b>					Category/Type <b>004</b>
City <b>City</b>			State <b>ST</b>		Date <b>10 / 15 / 2024</b>
Zip Code <b>00000</b>			Name of Federal Candidate Supported <b>Jay Meyers</b>		Amount <b>20,000.00</b>
			Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> Presidential		
			State: <b>ST</b> District: <b>6</b>		
Aggregate General Election Expenditure for this Candidate ▶			<b>35,050.00</b>		

Under the recommended method, each designated party committee itemizes its coordinated party expenditures on Schedule F. The committee files Schedule F with its own report but also forwards a copy to the designating party committee.

The designating committee, in addition to filing its own Schedule F, includes those forwarded by designated agents as memo entries. (The memo entry expenditures are not included in the Line 25 total on the Detailed Summary Page.)

## 10. Independent Expenditures

### Schedule E

Itemize any independent expenditure which, by itself or when added to other independent expenditures made to the same payee during the same calendar year, exceeds \$200. The date that a communication is publicly distributed or otherwise publicly disseminated serves as the date the expenditure is “made” and that a committee must use to determine whether the total amount of independent expenditures has, in the aggregate, exceeded the threshold reporting amount of \$200.<sup>3</sup>

Independent expenditures are itemized on Schedule E. A subtotal for itemized independent expenditures is entered on Line (a). Independent expenditures made prior to payment should be disclosed as memo entries on Schedule E and on Schedule D as a reportable debt under 104.11.

Independent expenditures of \$200 or less do not need to be itemized, though the committee must report the subtotal of those expenditures on Line (b). 104.3(b)(3)(vii)(C) and 104.4(a).

Report the total of itemized and unitemized independent expenditures on Line (c) of Schedule E and on Line 24 of the Detailed Summary Page.

■ 12-19: Independent expenditures

SCHEDULE E (FEC Form 3X) ITEMIZED INDEPENDENT EXPENDITURES				PAGE 1 OF 1 FOR LINE 24 OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			FEC IDENTIFICATION NUMBER <b>C 0030002</b>	
Check if <input type="checkbox"/> 24-hour report <input type="checkbox"/> 48-hour report <input type="checkbox"/> New report <input type="checkbox"/> Amends report filed on				
Full Name of Payee <b>Morning News</b>		<input type="checkbox"/> Memo Item		Date of Public Distribution/Dissemination <b>10 / 10 / 2024</b>
Mailing Address <b>111 First Ave.</b>			Amount <b>5,500.00</b>	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Date of Disbursement or Obligation	
Purpose of Expenditure <b>Newspaper Ad</b>		Category/Type <b>004</b>		
Name of Federal Candidate: <b>Joe Voterfriend</b>			Office Sought: <input checked="" type="checkbox"/> House District: <b>4</b> <input type="checkbox"/> President <input type="checkbox"/> Senate State: <b>ST</b>	
Calendar Year-To-Date Per Election for Office Sought <b>8,700.00</b>			Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) <b>2024</b>	

■ 12-20: Reporting debt payment for an independent expenditure

SCHEDULE D (FEC Form 3X) DEBTS AND OBLIGATIONS Excluding Loans			(Use separate schedule(s) for each numbered line)	PAGE 9 OF 10 FOR LINE NUMBER: (check only one) <input checked="" type="checkbox"/> 9 <input type="checkbox"/> 10
NAME OF COMMITTEE (In Full) <b>Delian PAC</b>				
A. Full Name (Last, First, Middle Initial) of Debtor or Creditor <b>Blue Star Productions</b>			Nature of Debt (Purpose): <b>TV Ad</b>	
Mailing Address <b>2000 Trail Way</b>				
City <b>Braintree</b>	State <b>MA</b>	Zip Code <b>02184</b>		
Outstanding Balance Beginning This Period <b>14,500.00</b>				
Amount Incurred This Period <b>0.00</b>	Payment This Period <b>14,500.00</b>	Outstanding Balance at Close of This Period <b>0.00</b>		

<sup>3</sup> Independent expenditures such as yard signs, mini-billboards, handbills, t-shirts, hats and buttons are “publicly disseminated on any reasonable date starting with the date the filer receives or exercises control over the items in the usual and normal course of dissemination, up to and including the date that the communications are actually disseminated to the public.” For more information, see the FEC’s Interpretive Rule on when Certain Independent Expenditures are “Publicly Disseminated” for Reporting Purposes at [http://www.fec.gov/law/cfr/ej\\_compilation/2011/notice\\_2011-13.pdf](http://www.fec.gov/law/cfr/ej_compilation/2011/notice_2011-13.pdf).

## Multistate independent expenditures

Multistate presidential primary independent expenditures, as discussed in Chapter 9, must be disclosed as a single expenditure – without allocating it among states – and must indicate in the State field the state with the next upcoming presidential primary among the states where it is distributed. Furthermore, memo text must be used to indicate the states (or regions, such as “nationwide” or “New England”) where the communication is distributed. If more than one of these states are holding primaries on the same date, any one of these states may be indicated in the state field, with the others listed in memo text. 104.3(b)(3)(vii)(C)

To itemize the multistate independent expenditure, the filer must disclose:

- Name and address of the payee;
- Date of public distribution/dissemination and/or the date of disbursement or obligation (depending on the timing of the expenditure distribution and the payment made);
- The full amount of the expenditure;
- Purpose of the expenditure;
- Candidate supported or opposed (including name, office sought, election, and state of next upcoming presidential primary); and
- Total amount expended or obligated in the aggregate during the calendar year, per election, per office sought.

## 48-Hour independent expenditure reports

Political committees and other persons who make independent expenditures at any time during a calendar year (including non-election years) – up to and including the 20th day before an election—must disclose this activity within 48 hours each time that the expenditures aggregate \$10,000 or more. This reporting requirement is in addition to the requirement to file 24-hour reports of independent expenditures each time that disbursements for independent expenditures aggregate at or above \$1,000 during the last 20 days—up to 24-hours—before an election. 52 U.S.C. § 30104(b), (d) and (g); 104.4(b), (c). For information on such last-minute independent expenditure reports, see below.

### 12-21: Reporting multistate independent expenditure

SCHEDULE E (FEC Form 3X) ITEMIZED INDEPENDENT EXPENDITURES		PAGE 1 OF 1 FOR LINE 24 OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Delian PAC</b>		FEC IDENTIFICATION NUMBER C 000007
Check if <input type="checkbox"/> 24-hour report <input type="checkbox"/> 48-hour report <input type="checkbox"/> New report <input type="checkbox"/> Amends report filed on		
Full Name of Payee <b>Big Media Co.</b>		Date of Public Distribution/Dissemination 02 / 07 / 2024
Mailing Address <b>1181 Main Street</b>		Amount 7,500.00
City <b>Miami</b>	State <b>FL</b>	Zip Code <b>33101</b>
Purpose of Expenditure <b>Television advertisement</b>		Date of Disbursement or Obligation 02 / 08 / 2024
Name of Federal Candidate: <b>Martha Washington</b>		Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> District: <b>NH</b>
Calendar Year-To-Date Per Election for Office Sought 7,500.00		Disbursement For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General 2024 <input type="checkbox"/> Other (specify) ▶

### 12-22: Disseminating an independent expenditure

SCHEDULE E (FEC Form 3X) ITEMIZED INDEPENDENT EXPENDITURES		PAGE 1 OF 1 FOR LINE 24 OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Delian PAC</b>		FEC IDENTIFICATION NUMBER C 000007
Check if <input type="checkbox"/> 24-hour report <input type="checkbox"/> 48-hour report <input type="checkbox"/> New report <input type="checkbox"/> Amends report filed on		
Full Name of Payee <b>Blue Star Productions</b>		Date of Public Distribution/Dissemination 05 / 11 / 2024
Mailing Address <b>2000 Trail Way</b>		Amount 14,500.00
City <b>Braintree</b>	State <b>MA</b>	Zip Code <b>02184</b>
Purpose of Expenditure <b>TV Ad</b>		Date of Disbursement or Obligation
Name of Federal Candidate: <b>Lousia Adams</b>		Office Sought: <input type="checkbox"/> House <input checked="" type="checkbox"/> Senate <input type="checkbox"/> District: <b>MA</b>
Calendar Year-To-Date Per Election for Office Sought 14,500.00		Disbursement For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General 2024 <input type="checkbox"/> Other (specify) ▶

Note: expenditures that have already been disclosed in a previous report do not have to be included on the 48-hour report.

### **Independent expenditures aggregating less than \$10,000**

Committees must report on Schedule E independent expenditures that aggregate less than \$10,000 with respect to a given election during the calendar year that are made up to and including the 20th day before an election. The report must be filed no later than the filing date of the committee's next regularly scheduled report. 104.4(a) and (b)(1).

### **Independent expenditures aggregating \$10,000 and above**

Once an individual's or committee's independent expenditures reach or exceed \$10,000 in the aggregate with respect to a given election during the calendar year at any time up to and including the 20th day before an election, they must be reported within 48 hours of the date that the expenditure is publicly distributed or otherwise publicly disseminated. All 48-hour reports must be filed with and received by the Commission by 11:59 p.m. Eastern Time on the second day after the independent expenditure is publicly distributed. Electronic filers must file these reports electronically. Paper filers may file by fax or email. Additionally, electronic filers and paper filers may file 48-hour reports using the FEC website's online program. 104.4(b)(2), 109.10(c) and 100.19(d)(3).

### **Aggregating independent expenditures for reporting purposes**

Independent expenditures are aggregated toward the various reporting thresholds on a per-election and per-office sought basis within the calendar year. Consider, as examples, the following scenarios, all of which occur outside of the 20-day window before an election when 24-hour reports are required:

- If a committee makes \$5,000 in independent expenditures with respect to a Senate candidate, and \$5,000 in independent expenditures with respect to a House candidate, then the committee is not required to file 48-hour reports but must disclose this activity on its next regularly scheduled report.
- If the committee makes \$5,000 in independent expenditures with respect to a clearly identified federal candidate in the primary, and an additional \$5,000 in independent expenditures with respect to the same candidate in the general, then again, no 48-hour report is required, and the expenditures are disclosed on the committee's next report.
- If the committee makes \$6,000 in independent expenditures supporting a Senate candidate in the primary election and \$4,000 opposing that Senate candidate's opponent in the same election, then the committee must file a 48-hour report.

The date that a communication is publicly distributed or otherwise publicly disseminated serves as the date that the independent expenditure is "made" and thus the date that a committee must use to determine

whether the total amount of independent expenditures with respect to a given election has, in the aggregate, reached or exceeded the threshold reporting amounts of \$10,000. Please note that a committee must aggregate its independent expenditures each time the communication is publicly distributed or otherwise publicly disseminated to see if the threshold has been reached. 104.4(f). Independent expenditures publicly distributed or otherwise publicly disseminated prior to payment should be disclosed as memo entries on Schedule E and on Schedule D as a reportable debt under 104.11.

The calculation of the aggregate amount of the independent expenditures must include both disbursements for independent expenditures and all contracts obliging funds for disbursements of independent expenditures. A 48-hour report is required for each additional \$10,000 in aggregate expenditures in connection with a given election. 104.4(f).

Expenditures that have already been disclosed in a previous report do not have to be included on the 48-hour report.

### **Aggregating multistate independent expenditures**

Independent expenditures are aggregated toward the various reporting thresholds on a per-election basis, within the calendar year, per office sought (race). For multistate independent expenditures made in support of or opposition to a presidential primary candidate, the expenditures must be aggregated using the date of the next upcoming presidential primary election among the presidential primary elections to be held in the states in which the independent expenditure is publicly distributed or disseminated. That state's election date will be used for purposes of determining whether 24 or 48-hour reports must be filed. 104.4(f).

### **Last-minute independent expenditure reports (24-hour reports)**

Any independent expenditures aggregating \$1,000 or more and made after the 20th day but more than 24 hours before the day of an election must be reported and the report must be received by 11:59 p.m. Eastern Time on the day following the day the expenditure is made. A 24-hour report is required for each independent expenditure that aggregates \$1,000 or more. The 24-hour report must be filed on a Schedule E. Twenty-four-hour reports must be filed with the appropriate federal and state filing offices. (Please note that state filing is only required in Puerto Rico and Guam since all other states, territories and possessions have qualified for a waiver from the Commission. 104.4(c) and 104.5(g)). The date that a communication is publicly distributed or otherwise publicly disseminated serves as the date that the independent expenditure is "made" and thus the date that a committee must use to determine whether the total amount of independent expenditures with respect to a given election has, in the aggregate, reached or exceeded the threshold reporting amount of \$1,000.

12-23: Reporting an independent expenditure and its subsequent dissemination

Option 1: Two reports

March Monthly Report

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one)	PAGE	OF
			<input checked="" type="checkbox"/> 21b	22	23
			<input type="checkbox"/> 28a	28b	28c
			<input type="checkbox"/> 29	26	27
			<input type="checkbox"/> 30b	29	30b
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.					
NAME OF COMMITTEE (In Full) <b>Delian PAC</b>					
Full Name (Last, First, Middle Initial) <b>Archer Advertising Agency</b>			Date of Disbursement <b>03 / 02 / 2024</b>		
Mailing Address <b>123 Main Street</b>			FEC Identification Number <b>C 0000007</b>		
City <b>Alexandria</b> State <b>VA</b> Zip Code <b>22303</b>			Amount of Each Disbursement this Period <b>13,000.00</b>		
Purpose of Disbursement <b>Pre-payment for television advertising</b>			Category/Type		
Candidate Name			Memo Item <input type="checkbox"/>		
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		State: District:	

Disclose payment as an operating expenditure on March monthly report.

April Monthly Report

SCHEDULE E (FEC Form 3X) ITEMIZED INDEPENDENT EXPENDITURES		PAGE	OF
			FOR LINE 24 OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Delian PAC</b>		FEC IDENTIFICATION NUMBER <b>C 0000007</b>	
Check if <input type="checkbox"/> 24-hour report <input type="checkbox"/> 48-hour report <input type="checkbox"/> New report <input type="checkbox"/> Amends report filed on			
Full Name of Payee <b>Archer Advertising Agency</b>		Date of Public Distribution/Dissemination <b>04 / 12 / 2024</b>	
Mailing Address <b>123 Main Street</b>		Amount <b>13,000.00</b>	
City <b>Alexandria</b> State <b>VA</b> Zip Code <b>22303</b>		Date of Disbursement or Obligation	
Purpose of Expenditure <b>Television advertisement - see Schedule B</b>		Category/Type	
Name of Federal Candidate: <b>Elizabeth Monroe</b>		<input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	
Calendar Year-To-Date Per Election for Office Sought <b>13,000.00</b>		Office Sought: <input type="checkbox"/> House <input checked="" type="checkbox"/> Senate District: <b>VA</b>	
Disbursement For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▶		Date of Disbursement: <b>2024</b>	

Report subsequent dissemination as an independent expenditure on April monthly report.

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one)	PAGE	OF
			<input checked="" type="checkbox"/> 21b	22	23
			<input type="checkbox"/> 28a	28b	28c
			<input type="checkbox"/> 29	26	27
			<input type="checkbox"/> 30b	29	30b
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.					
NAME OF COMMITTEE (In Full) <b>Delian PAC</b>					
Full Name (Last, First, Middle Initial) <b>Archer Advertising Agency</b>			Date of Disbursement <b>04 / 12 / 2024</b>		
Mailing Address <b>123 Main St.</b>			FEC Identification Number <b>C 0000007</b>		
City <b>Alexandria</b> State <b>VA</b> Zip Code <b>22303</b>			Amount of Each Disbursement this Period <b>-13,000.00</b>		
Purpose of Disbursement <b>TV ad (IE paid 3/2/24- see Schedule E)</b>			Category/Type		
Candidate Name			Memo Item <input type="checkbox"/>		
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		State: District:	

Enter a negative operating expenditure to balance cash on hand.

Option 2: One report

March Monthly Report

SCHEDULE E (FEC Form 3X) ITEMIZED INDEPENDENT EXPENDITURES		PAGE OF FOR LINE 24 OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Delian PAC</b>		FEC IDENTIFICATION NUMBER C 0000007
Check if <input type="checkbox"/> 24-hour report <input type="checkbox"/> 48-hour report <input checked="" type="checkbox"/> New report <input type="checkbox"/> Amends report filed on		
Full Name of Payee <b>Archer Advertising Agency</b>		Date of Public Distribution/Dissemination
Mailing Address <b>123 Main Street</b>		Amount 13,000.00
City <b>Alexandria</b>	State <b>VA</b>	Zip Code <b>22303</b>
Purpose of Expenditure <b>Pre-payment of television ad</b>		Date of Disbursement or Obligation 03 / 02 / 2024
Name of Federal Candidate: <b>Elizabeth Monroe</b>		Office Sought: <input type="checkbox"/> House <input checked="" type="checkbox"/> Senate <input type="checkbox"/> President <input type="checkbox"/> District: <b>VA</b>
Support: <input checked="" type="checkbox"/> Oppose: <input type="checkbox"/>		Disbursement For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General
Calendar Year-To-Date Per Election for Office Sought 13,000.00		2024 <input type="checkbox"/> Other (specify) ▶

Disbursement appears as an independent expenditure on March monthly report.

12-24: Reporting independent expenditure dissemination and subsequent payment

SCHEDULE E (FEC Form 3X) ITEMIZED INDEPENDENT EXPENDITURES		PAGE OF FOR LINE 24 OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Delian PAC</b>		FEC IDENTIFICATION NUMBER C 0000007
Check if <input type="checkbox"/> 24-hour report <input checked="" type="checkbox"/> 48-hour report <input checked="" type="checkbox"/> New report <input type="checkbox"/> Amends report filed on		
Full Name of Payee <b>XYZ Studios</b>		Date of Public Distribution/Dissemination 08 / 17 / 2024
Mailing Address <b>789 Main Street</b>		Amount 12,000.00
City <b>Sparta</b>	State <b>IL</b>	Zip Code <b>10010</b>
Purpose of Expenditure <b>Television advertisement (estimate)</b>		Date of Disbursement or Obligation
Name of Federal Candidate: <b>Al Verroes</b>		Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President <input type="checkbox"/> District: <b>25</b>
Support: <input checked="" type="checkbox"/> Oppose: <input type="checkbox"/>		Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General
Calendar Year-To-Date Per Election for Office Sought 12,000.00		2024 <input type="checkbox"/> Other (specify) ▶

Estimated independent expenditure disclosed on 48-hour report.

SCHEDULE E (FEC Form 3X) ITEMIZED INDEPENDENT EXPENDITURES		PAGE OF FOR LINE 24 OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Delian PAC</b>		FEC IDENTIFICATION NUMBER C 0000007
Check if <input type="checkbox"/> 24-hour report <input type="checkbox"/> 48-hour report <input checked="" type="checkbox"/> New report <input type="checkbox"/> Amends report filed on		
Full Name of Payee <b>XYZ Studios</b>		Date of Public Distribution/Dissemination 08 / 17 / 2024
Mailing Address <b>789 Main Street</b>		Amount 12,811.95
City <b>Sparta</b>	State <b>IL</b>	Zip Code <b>10010</b>
Purpose of Expenditure <b>Television ad (actual cost of estimated IE on 48-hr rpt filed 8/17/24)</b>		Date of Disbursement or Obligation 08 / 29 / 2024
Name of Federal Candidate: <b>Al Verroes</b>		Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President <input type="checkbox"/> District: <b>25</b>
Support: <input checked="" type="checkbox"/> Oppose: <input type="checkbox"/>		Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General
Calendar Year-To-Date Per Election for Office Sought 12,811.95		2024 <input type="checkbox"/> Other (specify) ▶

Actual disbursement appears on next regularly scheduled report.

The committee must report a last-minute expenditure a second time on a Schedule E filed with its next regular report. 104.4(a).

Electronic filers must file these reports electronically, and paper filers may file by fax or email. Additionally, electronic filers and paper filers may file 24-hour reports using the FEC website's online program. 104.4(c).

## Verification

All 24- and 48-hour reports must contain, among other things, a verification under penalty of perjury as to whether the expenditure was made in cooperation, consultation or concert with a candidate, a candidate's committee, a political party committee or an agent of any of these. 104.4(d) and 109.10(e)(1)(v).

For reports filed on paper, the treasurer must sign the Schedule E. For reports filed by email, the treasurer must type his or her name on the Schedule E following the certification. 104.4(d).

## 11. Reporting Loans

Continuously itemize all loans received and made by the committee until they are repaid. All repayments made or received on a loan must also be itemized. 104.3(a)(4)(iv); 104.3(b)(3)(iii) and (vi); 104.3(d); 104.11. Procedures for reporting loans and loan repayments are explained below.

Reminder: Loans are considered contributions to the extent of the outstanding balance of the loan. 100.52(b)(2). Loans from banks, however, are not considered contributions if made in the ordinary course of business. Endorsements and guarantees of bank loans do count as contributions. 100.52(b)(3) and 100.82(c).

### Loans received by the committee

#### Schedule A: initial receipt of loan

Itemize the receipt of a loan, regardless of amount, on a separate Schedule A for Line 13 ("Loans Received").

#### Schedule B: interest and principal payments

Report the interest paid on a loan as an operating expenditure, itemizing the payment on a Schedule B for Line 21(b) ("Operating Expenditures") once interest payments to the payee aggregate over \$200 in a calendar year. 100.111(b) and 104.3(b)(3)(i).

Payments to reduce the principal must be itemized, regardless of amount, on a separate Schedule B for Line 26 ("Loan Repayments Made"). 104.3(b)(3)(iii).

#### Schedule C: continuous reporting

In addition, report both the original loan and payments made to repay the loan on Schedule C each reporting period until the loan is repaid. 104.3(d) and 104.11. Instructions on the back of Schedule C explain what information must be disclosed. Use separate Schedule C forms to itemize loans received and loans made.

The Schedule C balance of the total amount owed on loans appears on Line 10 of the Summary Page ("Debts and Obligations Owed by the Committee") or, if the committee has other debts, the balance is carried over to Schedule D.



12-25: Initial receipt of loan

SCHEDULE A (FEC Form 3X) ITEMIZED RECEIPTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one) <input type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 12 <input checked="" type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/> 16 <input type="checkbox"/> 17	PAGE 1 OF 1
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.				
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>				
Full Name of Individual (Last, First, Middle Initial) or Full Organization Name A. <b>Second National Bank</b>			Date of Receipt 11 / 01 / 2024	
Mailing Address <b>1016 Fiduciary St.</b>			Amount of Each Receipt this Period 5,000.00	
City <b>City</b> State <b>ST</b> Zip Code <b>00000</b>			<input type="checkbox"/> Memo Item	
FEC ID number of contributing federal political committee. <b>C</b>			<b>Receipt of Loan</b>	
Name of Employer (for Individual) Occupation (for Individual)			Aggregate Year-to-Date 5,000.00	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼				

12-26: Loan payment

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one) <input type="checkbox"/> 21b <input type="checkbox"/> 22 <input type="checkbox"/> 23 <input type="checkbox"/> 26 <input checked="" type="checkbox"/> 27 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 29 <input type="checkbox"/> 30b	PAGE 1 OF 1
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.				
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>				
Full Name (Last, First, Middle Initial) A. <b>Second National Bank</b>			Date of Disbursement 11 / 01 / 2023	
Mailing Address <b>111 Fiduciary St.</b>			FEC Identification Number <b>C</b>	
City <b>City</b> State <b>ST</b> Zip Code <b>00000</b>			Amount of Each Disbursement this Period 2,000.00	
Purpose of Disbursement <b>Loan Repayment</b>			<input type="checkbox"/> Memo Item	
Candidate Name <b>009</b>			Category/Type	
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President			Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼	
State: District:				

12-27: Continuous reporting of loan

SCHEDULE C (FEC Form 3X) LOANS		Use separate schedule(s) for each category of the Detailed Summary Page	PAGE 1 OF 1
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
LOAN SOURCE Full Name (Last, First, Middle Initial) <b>Second National Bank</b>		<input type="checkbox"/> Memo Item Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼	
Mailing Address <b>111 Fiduciary St.</b>			
City <b>City</b> State <b>ST</b> ZIP Code <b>00000</b>			
Original Amount of Loan 5,000.00	Cumulative Payment To Date 2,000.00	Balance Outstanding at Close of This Period 3,000.00	
TERMS Date Incurred: 11 / 01 / 2023 Date Due: 11 / 01 / 2024 Interest Rate: 12.00 % (apr) Secured: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
List All Endorsers or Guarantors (if any) to Loan Source			
1. Full Name (Last, First, Middle Initial) <b>Steinbeck, Charlie</b>		Name of Employer <b>Authors and Publishers, Inc.</b>	
Mailing Address <b>1961 Rocinante Street</b>		Occupation <b>Executive Vice-President</b>	
City <b>City</b> State <b>ST</b> ZIP Code <b>00000</b>		Amount Guaranteed Outstanding: 3,000.00	

Each reporting period, a committee uses Schedule C to report both the original loan and payments made to repay the principal on the loan. Loans must be continually reported on Schedule C until repaid.

**Schedule C-1: additional information for bank loans**

A committee that obtains a loan from a bank must also file Schedule C-1 with the first report due after a new loan or line of credit has been established. 104.3(d)(1). A new Schedule C-1 must also be filed with the first report due after any terms of the loan or line of credit are restructured.

Additionally, in the case of a committee that has obtained a line of credit, a new Schedule C-1 must be filed with the next report whenever the committee draws on the line of credit. 104.3(d)(1) and (3).

Line-by-line instructions for filling out the schedule appear on the back of Schedule C-1. The committee treasurer or designated assistant treasurer must sign the schedule on Line G and attach a copy of the loan agreement. 104.3(d)(2).

Finally, an authorized representative of the lending institution must sign the statement on Line I.

**Schedule D: debt and obligations excluding loans**

A committee that fails to make interest payments on a loan must report the accumulated unpaid interest as a debt on Schedule D. 104.3(d)

**Loans made by the committee**

**Schedule B: outgoing loan**

When making a loan to another organization, itemize the disbursement, regardless of amount, on a Schedule B for Line 27 (“Loans Made”). 104.3(b)(3)(vi).

### Schedule A: interest and principal payments received

Report interest received on a loan on a Schedule A for Line 17 (“Other Receipts”) if the payments aggregate over \$200 from the same source during the calendar year.

Itemize payments received that reduce the principal owed on a separate Schedule A for Line 14 (“Loan Repayments Received”), regardless of amount.

### Schedule C: continuous reporting

The original amount loaned and repayments received on it must be itemized on Schedule C each reporting period until the loan is repaid in full. Schedule C instructions (see back of schedule) explain what information must be disclosed. (Note that separate Schedule C forms are used to itemize loans received and loans made. Filers should label the forms accordingly.)

The Schedule C balance of the total outstanding loans owed to a committee is entered on Line 9 of the Summary Page (“Debts and Obligations Owed to the Committee”) unless other types of debts are owed to the committee. In that case, the Schedule C total is carried over to Schedule D.

## 12. Reporting Debts Other Than Loans

Unpaid bills and written contracts or agreements to make expenditures are considered debts. 100.112. Report debts and obligations (other than loans) on Schedule D according to the following rules:

- A debt of \$500 or less is reportable as of the time the payment is made or not later than 60 days after the date the debt is incurred (the date of the transaction, not the date the bill is received, whichever comes first). The debt is disclosed on the next regularly scheduled report.
- A debt exceeding \$500 must be reported on the next report filed after the debt is incurred. 104.3(d); 104.11.

Use separate Schedule D forms for debts owed by the committee and debts owed to the committee. Label each schedule accordingly.

Regularly recurring administrative expenses, like rent and salaries, do not have to be treated as debts until payment is due. 104.11(b); see also 116.6(c).

### 12-28: Additional information on bank loans and lines of credit

SCHEDULE C-1 (FEC Form 3X) LOANS AND LINES OF CREDIT FROM LENDING INSTITUTIONS		Supplementary for Information found on Page 1 of Schedule C	
Federal Election Commission, Washington, D.C.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>		FEC IDENTIFICATION NUMBER <b>C</b>	
LENDING INSTITUTION (LENDER) Full Name <b>Second National Bank</b>	Amount of Loan <b>5,000.00</b>	Interest Rate (APR) <b>12.00</b> %	
Mailing Address <b>111 Fiduciary St.</b>	Date Incurred or Established <b>11 / 01 / 2023</b>	Date Due <b>11 / 01 / 2024</b>	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	
A. Has loan been restructured? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If yes, date originally incurred			
B. If line of credit, Total Outstanding Balance: _____			
C. Are other parties secondarily liable for the debt incurred? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Endorsers and guarantors must be reported on Schedule C.)			
D. Are any of the following pledged as collateral for the loan: real estate, personal property, goods, negotiable instruments, certificates of deposit, chattel papers, stocks, accounts receivable, cash on deposit, or other similar traditional collateral? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes If yes, specify: <b>Cash on deposit</b>		What is the value of this collateral? <b>5,000.00</b>	
E. Are any future contributions or future receipts of interest income, pledged as collateral for the loan? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If yes, specify: _____		Does the lender have a perfected security interest in it? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	
A depository account must be established pursuant to 11 CFR 100.82(e)(2) and 100.142(e)(2). Date account established: _____		Location of account: Address: _____ City, State, Zip: _____	
F. If neither of the types of collateral described above was pledged for this loan, or if the amount pledged does not equal or exceed the loan amount, state the basis upon which this loan was made and the basis upon which it assures repayment.			
G. COMMITTEE TREASURER Typed Name <b>John Responsible</b> Signature <i>John Responsible</i>		DATE <b>11 / 01 / 2023</b>	
H. Attach a signed copy of the loan agreement.			
I. TO BE SIGNED BY THE LENDING INSTITUTION: I. To the best of this institution's knowledge, the terms of the loan and other information regarding the extension of the loan are accurate as stated above. II. The loan was made on terms and conditions (including interest rate) no more favorable at the time than those imposed for similar extensions of credit to other borrowers of comparable credit worthiness. III. This institution is aware of the requirement that a loan must be made on a basis which assures repayment, and has complied with the requirements set forth at 11 CFR 100.82 and 100.142 in making this loan.			
AUTHORIZED REPRESENTATIVE Typed Name <b>Jane Smith</b> Signature <i>Jane Smith</i>		DATE <b>11 / 01 / 2023</b>	
Title <b>Asst. Vice-President</b>			

Schedule C-1 must be filed with the first report after the committee obtains a bank loan or line of credit. Schedule C-1 must again be filed if the terms of loan or line of credit are restructured.

## Debts owed by the committee

Use Schedule D to report:

- The outstanding amount owed on a debt or obligation including any unpaid interest accrued on a debt; and
- Payments made to reduce the debt.

Schedule D instructions explain what additional information is required.

Report the Schedule D total of outstanding debts, plus the balance of loans owed by the committee (carried over from Schedule C, as explained above) on Line 10 of the Summary Page.

Note that payments to reduce debts must also be reported under the appropriate category of disbursement on the Detailed Summary Page (for example, Line 21(b) for a payment on a bill for an operating expenditure).

### 12-29: Debts owed by the committee

SCHEDULE D (FEC Form 3X) DEBTS AND OBLIGATIONS Excluding Loans		(Use separate schedule(s) for each numbered line)	PAGE 1 OF 1 FOR LINE NUMBER: (check only one) <input type="checkbox"/> 9 <input checked="" type="checkbox"/> 10
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
A. Full Name (Last, First, Middle Initial) of Debtor or Creditor <b>Second National Bank</b>		Nature of Debt (Purpose): <b>Radio advertisement for Jay Meyers for Congress</b>	
Mailing Address <b>111 Fiduciary St.</b>			
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	
Outstanding Balance Beginning This Period <b>1,125.00</b>		Amount Incurred This Period <b>0.00</b>	Payment This Period <b>875.00</b>
		Outstanding Balance at Close of This Period <b>250.00</b>	

## Settlement of debts

Special rules apply to debts that are forgiven or settled for less than their full amount. See page 154 for more information.

## Special debt reporting problems

### Debts of unknown amount

If the exact amount of a debt is not known, report the estimated amount of the debt. The committee must amend the report once a correct figure is known or include the correct figure in a later report. 104.11(b).

### Unpayable debts

If a debt cannot be paid because the creditor has gone out of business or cannot be located, the committee may write to the FEC to request permission to discontinue reporting the debt. The letter must demonstrate that the debt is at least two years old, and that the committee has exercised reasonable diligence to reach the creditor. The committee must continue to report the debt until the Commission determines that the debt is unpayable. 116.9.

### Disputed debts

A disputed debt is a bona fide disagreement between the creditor and the committee as to the existence of a debt or the amount owed by the committee. 116.10. Until the creditor and committee resolve the dispute (assuming the creditor did provide something of value), the committee must disclose:

- The amount the committee admits it owes;
- The amount the creditor claims is owed; and
- Any amounts the committee has paid the creditor.

## Debts owed to the committee

Report a debt owed to a committee on Schedule D if the debt exceeds \$500 or has been outstanding 60 days. Such debts must be continuously reported by a committee until they are extinguished. 104.3(d) and 104.11. Payments on the debt are also reported on Schedule D for the reporting period in which they are received until the debt is retired. The payments must also be reported on the appropriate line number of the Detailed Summary Page and itemized on Schedule A if necessary.

Enter the Schedule D total of outstanding debts owed to a committee, plus the balance of outstanding loans carried over from Schedule C, on Line 9 of the Summary Page.

## 13. Levin Funds/Federal Election Activity

### What must be reported

If a committee has less than \$5,000 of aggregate receipts and disbursements for FEA in a calendar year, it is required only to report receipts and disbursements of federal funds for FEA. 300.36(b)(1).

If the committee has \$5,000 or more of aggregate receipts and disbursements for FEA in a calendar year, it must disclose all receipts and disbursements for FEA, including Levin funds, on Schedules L, H5 and H6. (Schedules H5 and H6 are discussed in Chapter 14.) Note: Once a committee crosses this threshold, it must file on a monthly basis. 300.36(b)(2). See “Monthly Reporting” in the preceding chapter.

### Schedule L

State, district and local party committees use Schedule L to aggregate receipts and disbursements of Levin funds for the reporting period and for the calendar year-to-date.

### Schedules L-A and L-B

Committees itemize receipts and disbursements of Levin funds of \$200 or more on Schedules L-A and L-B.

### Committees without a separate Levin account

If a committee has Levin-eligible funds in its nonfederal account, the committee is not required to report them as Levin funds until it characterizes them as such. When reporting these funds, the date of receipt is the date that the committee received them under state law, even though they are itemized on Schedule L-A in a later reporting period.

## 14. The Summary Page

### Line 1. Name and Address

Fill in the committee’s full name (including any abbreviations used) and mailing address. If the address has changed, check the appropriate box.

### Line 2. ID Number

Report the committee’s FEC identification number on Line 2. If the committee is filing its first report, it may not have yet received an ID number; in that case, the committee should leave this space blank.

Once a committee has received its FEC identification number, it must include that identification number in all reports, statements, notices and other written communication with the FEC.

### **Line 3. New or Amended Report**

Check the appropriate box to indicate whether the report is new (N) or amended (A).

### **Line 4. Type of Report**

Check the appropriate box under (a) indicating the type of disclosure report being filed (e.g., April Quarterly; see Chapter 11).

### **Line 5. Coverage Dates**

The period covered by the report begins the day after the close of books of the last report filed by the committee. If the report is the first one filed by a committee, then the reporting period begins with the date of the committee's first activity.

### **Line 6. Cash on Hand**

#### **What is cash on hand**

Cash on hand includes funds held in checking and savings accounts, certificates of deposit, petty cash funds, traveler's checks, treasury bills and other investments valued at cost. 104.3(a)(1).

#### **Line 6(a) Cash on Hand January 1**

On this line, report cash on hand as of January 1st of the reporting year.

#### **Line 6(b) Cash on Hand at Beginning of Reporting Period**

The amount entered on this line should be the same as your cash on hand at the close of books of your last report.

#### **First Report**

Beginning cash on hand—i.e., money that the committee had in its possession at the time of registration—is subject to the contribution limits, prohibitions and disclosure requirements of federal law. (The committee must exclude any contributions that are not permissible under federal law and remove such contributions from its federal account.) The committee may have to itemize contributions and other receipts included in the beginning cash-on-hand balance. See “When to itemize receipts” on page 100. 104.12.

### **Treasurer's Name and Signature**

The treasurer must sign and date Form 3X at the bottom of the page 1. Only a treasurer or assistant treasurer designated on Form 1 (Statement of Organization) may sign the report (see page 8). 104.14(a). Chapter 1 has more information about the treasurer's responsibilities. See also “Electronic Filing” on page 94.

## 15. Filing Amendments

The committee must file an amended report if it:

- Discovers that an earlier report contained erroneous information; or
- Does not obtain required reporting information concerning a particular transaction until after the transaction has been reported.<sup>4</sup> 104.7(b)(4).

### Paper filers

When filing an amendment to an original report, complete the Summary Page (including the treasurer's signature), indicating on Line 3 that the document is an amended report. In addition to the Summary Page, submit a corrected version of the schedule that contained the incomplete or incorrect itemized information in the earlier report, along with a revised Detailed Summary Page, if appropriate. Transactions originally reported correctly do not have to be itemized again. The Commission recommends that the treasurer attach a cover letter explaining the changes.

### Electronic filers

Electronic filers must resubmit the entire report as amended.

### 12-30: The Summary Page

SUMMARY PAGE OF RECEIPTS AND DISBURSEMENTS		
FEC Form 3X (Rev. 05/2016)	Page 2	
Write or Type Committee Name		
Freedom Party State Committee		
Report Covering the Period: From: 04 / 01 / 2024 To: 04 / 30 / 2024		
	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. (a) Cash on Hand January 1, 2024	2024	64,683.22
(b) Cash on Hand at Beginning of Reporting Period.....	118,894.35	
(c) Total Receipts (from Line 19).....	69,946.90	120,826.58
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B).....	188,841.25	185,509.80
7. Total Disbursements (from Line 31).....	78,159.92	92,258.67
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d)).....	110,681.33	93,251.13
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D).....	0.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D).....	5,830.82	
<input checked="" type="checkbox"/> This committee has qualified as a multicandidate committee. (see FEC FORM 1M)		
For further information, contact the Federal Election Commission at 800-424-9530 or visit <a href="http://www.fec.gov">www.fec.gov</a>		

<sup>4</sup> With respect to contributor information received after a report has been filed, as an alternative, filers may report the information as memo entries on Schedule A of the next report filed after the necessary information has been received. See "File amendments if necessary" on page 88.

## Chapter 13

# Allocating Certain Federal and Nonfederal Expenses

### 1. Who Must Allocate

State, district or local party committees – or party organizations that do not meet the definition of “political committees”<sup>1</sup> – that have established a nonfederal account may allocate certain expenses between their federal and nonfederal accounts. An allocation formula determines the federal and nonfederal portions of an expense. The federal portion must be paid from funds subject to the limits and prohibitions of the Act. 11 CFR 106.7(b). National party committees may not allocate any expenses because all disbursements by national party committees must be paid entirely with federal funds. 106.7(a), 300.10(a).

Federal, nonfederal and Levin accounts are discussed in Chapter 1. Allocating federal election activity (FEA) is discussed in Chapter 14.

Note that Type I and Type II FEA expenses may not be allocated between federal and nonfederal accounts; they must be paid for either entirely with federal funds or with a mixture of federal and Levin funds. If the FEA refers to a clearly identified federal candidate, or if the funds used pay for any part of the costs of a broadcast, cable or satellite communication (and the communication does not refer solely to a clearly identified state or local candidate), only federal funds may be used to pay for the FEA. 106.7(e)(3), 300.32(c)(1) and (2).

Also note that the following expenses may not be allocated between the federal and nonfederal accounts and must be paid with all federal funds:

- Public communications that promote, attack, support or oppose a clearly identified federal candidate, regardless of whether they mention a state candidate. (Type III FEA). 300.33(c).
- Disbursements for activities that refer only to candidates for federal office. 106.7(e)(1).
- Salaries and wages (including fringe benefits) of employees who spend more than 25 percent of their compensated time in a given month in connection with a federal election. (Type IV FEA). 106.7(2).

### 2. What Expenses to Allocate

The categories of expenses listed below are subject to allocation. A committee may finance any of the following activities either through the allocation methods specified in Section 3 or with 100 percent federal funds.

#### Administrative expenses

Administrative expenses may be allocated, including rent, utilities and office supplies, except when such expenses are directly attributable to a clearly identified candidate. 106.7(c)(2). If administrative expenses are not allocated, they must be paid for with all federal funds. Note that salaries are only allocable as administrative expenses for employees who spend 25 percent or less of their compensated time on activities in connection with a federal election or FEA. 106.7(c)(1). (See Section 3 below for this allocation.)<sup>2</sup>

<sup>1</sup> See 100.5(a) and (c) for the definition of political committee.

<sup>2</sup> If an employee spends 25 percent or less of his or her compensated time on activities in connection with a federal election or FEA, the costs may be paid with federal funds or allocated as administrative expenses between federal funds and nonfederal funds per the rules described in this chapter. Employees who spend no time on activities in connection with a federal election or FEA may be paid with all nonfederal funds. 300.33(d)(1) and (3).

## **Voter drive activities**

Unless they otherwise qualify as federal election activity, expenses for voter registration, voter identification, get-out-the-vote drives or any other activity that urges the general public to register or to vote or that promotes or opposes a political party without promoting or opposing any federal or nonfederal candidate may be allocated between federal and nonfederal accounts. 106.7(c)(5). Please note that salaries and wages do not qualify as voter drive activity.

## **Exempt party activity**

State, district and local party committees may allocate from their federal and nonfederal accounts expenses for exempt party activities that are conducted in conjunction with nonfederal activity and are not federal election activity. 106.7(c)(3).

## **Fundraising expenses**

When one program or event is held for the purpose of collecting both federal funds (i.e., funds to be used in federal elections) and nonfederal funds (i.e., funds to be used in nonfederal elections), the sponsoring committee may allocate the direct costs of the activity, including planning, administrative and solicitation costs. The direct costs may be paid by a combination of federal and nonfederal funds.

Such expenses must be allocated pursuant to the “funds received” method. This method is described in detail below. 106.7(d)(4).

## **Candidate support expenses**

Expenses for activities that are conducted on behalf of (or in opposition to) both federal and nonfederal candidates may be allocated or paid for with 100 percent federal funds. 106.1(a)(2).

Depending on the circumstances of the candidate support expenses, the amount attributed to a federal candidate is considered:

- An in-kind contribution;
- A coordinated party expenditure;
- An independent expenditure; or
- A disbursement for an exempt party activity.

If a state, district or local party committee’s payment on behalf of both a federal candidate and a nonfederal candidate is for FEA, the committee must pay the cost with all federal funds. This is discussed further in Chapter 14. 106.1(a)(2).

## **3. Allocation Methods**

### **Fixed percentage ratio**

#### **Used for:**

Administrative expenses, voter drive activities, exempt party activities and certain staff salaries (see Section 2).

Note: any of the above activities that qualify as federal election activity must be paid for under unique rules. See Chapter 14 for more information.



**Calculation:**

Under this allocation ratio, the minimum percentage of federal funds depends upon which federal offices appear on the ballot in the state where the party committee is located during the relevant even-numbered election year (and in the preceding year):

- If both a Presidential candidate and a Senate candidate appear on the ballot, then at least 36 percent of the expenses must be allocated to the federal account;
- If a Presidential candidate, but not a Senate candidate, appears on the ballot, then at least 28 percent of the expenses must be allocated to the federal account;
- If a Senate candidate, but not a Presidential candidate, appears on the ballot, then at least 21 percent of the expenses must be allocated to the federal account; and
- If neither a Presidential candidate nor a Senate candidate appears on the ballot, then at least 15 percent of the expenses must be allocated to the federal account. 106.7(d)(2)-(3).

**Funds received ratio – fundraising expenses**

**Used for:**

The direct costs of each fundraising program or event in which the committee collects both federal and nonfederal funds. See 106.7(d)(4). This method is also used to allocate the direct expenses of a fundraiser for multiple federal and nonfederal candidates. See 106.1(a).

**Calculation:**

Costs are allocated according to the ratio of federal funds received to total receipts for the program or event.

To determine the portion of the costs attributable as an in-kind contribution—or coordinated party expenditure, if applicable—on behalf of a particular federal candidate, divide the amount received for the federal candidate by total receipts for all candidates. 106.1(a) and (2) and 106.7(d)(4).

The allocation ratio is estimated before making payments for the program or event, based on a reasonable prediction of receipts. The committee has up to 60 days after the ending date of the program or event to:

- Adjust the ratio based on the actual funds received; and
- Transfer funds from the nonfederal account to the federal (or allocation) account based on the adjusted allocation percentage.

Should additional federal receipts come in after the 60-day period, further ratio adjustments and reimbursements from the federal account to the nonfederal account will be necessary. The committee must note the initial ratio and adjustments in its reports. (Federal law permits the federal account to pay more than its share of an allocable expense. However, overpayments by the nonfederal account are illegal. See Payment of Allocated Expenses: Transfers from Federal Account below.)

For purposes of the 60-day time period, the last day of an event is either the final day of a telemarketing campaign or the day on which final direct mail solicitations are mailed. 106.7(d)(4)(ii).

**Unique identifier:**

Because the allocation ratios will vary with each fundraising activity, committees are required to assign a unique title or code to each program or event and to use that identifier consistently when reporting the activity. 104.17(b)(1)(iii).

## Time or space ratio

### Used for:

Communications that are direct candidate support activities for federal and nonfederal candidates, and that do not otherwise qualify as FEA or exempt party activity.

Note: Many communications will be considered FEA or exempt party activity or both. In those cases, the committee must use the required FEA payment method and may not use the time/space allocation ratio to pay for the communication.

### Calculation:

Costs are allocated according to the ratio of space or time devoted to federal candidates compared with the total space or time devoted to all candidates, federal and nonfederal. In the case of a phone bank, the ratio is determined by the number of questions or statements devoted to federal candidates compared with the total number of questions or statements for all candidates (or elections). 106.1(a)(1).

To determine the portion of the costs attributable as an in-kind contribution, coordinated party expenditure or independent expenditure on behalf of (or in opposition to) a particular federal candidate, divide the space/time devoted to that candidate by the total space/time devoted to all candidates. 106.1(a)(1).

### Unique identifier:

Because the allocation ratios will vary with each candidate support activity, committees are required to assign a unique title or code to each activity and to use that identifier consistently when reporting the activity. 104.17(a)(1).

## 4. Payment Of Allocated Expenses

### Payment from federal or allocation account

There are two ways to make payments for allocated expenses:

- A party committee may pay the entire amount of the expense from the federal account. It may then transfer funds from the nonfederal account to the federal account solely to cover the nonfederal share of each allocable expense. 106.7(f)(1)(i); or
- A party committee may establish a separate federal account—called an allocation account—solely for the purpose of paying allocable expenses. The committee transfers funds from its federal and nonfederal accounts to the allocation account in amounts equal to the federal and nonfederal shares of each allocable expense. 106.7(f)(1)(ii).

### Transfers from nonfederal account

Transfers from the nonfederal account to pay the nonfederal portion of an allocable expense must be made within a 70-day window: no more than 10 days before or 60 days after the day the federal account (or allocation account) makes the payment. 106.7(f)(2). Transfers of nonfederal funds to the federal account must be reported on Schedule H3 of Form 3X. Transfers of Levin funds to the federal account must be reported on Schedule H5.

Exception: If the nonfederal account transfers additional funds to the federal or allocation account due to an adjusted allocation ratio for a fundraising event, the transfer must be made within 60 days after the date of a fundraising program or event. 106.7(d)(4)(ii).

Note that transfers from a nonfederal account to pay its allocated share of expenses are an exception to the overall ban on nonfederal transfers to a federal or allocation account. See 102.5(a)(1)(i).

## Transfers from federal account

If an adjusted ratio for a fundraising event results in an increased federal portion, the federal account must transfer to the nonfederal account, as necessary, the increased share of federal fundraising payments. This is required because a nonfederal overpayment of an allocated expense, if left uncorrected, is a violation of the Act. 106.7(d)(4)(ii).

## 5. Reporting Allocated Administrative, Voter Drive Activity and Exempt Party Activity Expenses

### Required forms

- Schedule H1—Allocation Ratio for Administrative, Voter Drive Expenses, Exempt Activity Costs and Federal Election Activity
- Schedule H3—Transfers from Nonfederal Account
- Schedule H4—Payments for Allocable Expenses

### Allocation Ratio (H1)

A state or local party committee uses Schedule H1 to state its fixed percentage allocation ratio at the beginning of each calendar year.

### Nonfederal Transfers (H3)

Each reporting period, the committee discloses transfers from the nonfederal account to the federal (or allocation) account to pay the allocated nonfederal portion of administrative, voter drive and exempt activity costs. As previously noted, transfers must be made within a 70-day window (no more than 10 days before or 60 days after an allocated payment is made).

The total amount of transfers itemized on Schedule H3 is entered on Line 18(a) of the Detailed Summary Page.

#### 13-1: Allocation ratio for administrative/generic voter drive and exempt party activity expenses (H1)

<b>SCHEDULE H1 (FEC Form 3X)</b>	
<b>METHOD OF ALLOCATION FOR:</b>	
<ul style="list-style-type: none"> <li>• ALLOCATED FEDERAL AND NONFEDERAL ADMINISTRATIVE, GENERIC VOTER DRIVE AND EXEMPT ACTIVITY COSTS</li> <li>• ALLOCATED FEDERAL AND LEVIN FUNDS FEDERAL ELECTION ACTIVITY EXPENSES (State, District and Local Party Committees Only)</li> <li>• ALLOCATED PUBLIC COMMUNICATIONS THAT REFER TO ANY POLITICAL PARTY (BUT NOT A CANDIDATE) (Separate Segregated Funds And Nonconnected Committees Only)</li> </ul>	
NAME OF COMMITTEE (In Full)	
Freedom Party State Committee	
USE ONLY ONE SECTION, A or B	
<b>A. State and Local Party Committees</b>	
Fixed Percentage (select one)	
<input type="checkbox"/> Presidential-Only Election Year (28% Federal)	
<input checked="" type="checkbox"/> Presidential and Senate Election Year (36% Federal)	
<input type="checkbox"/> Senate-Only Election Year (21% Federal)	
<input type="checkbox"/> Non-Presidential and Non-Senate Election Year (15% Federal)	

#### 13-2: Transfer from nonfederal account (H3)

<b>SCHEDULE H3 (FEC Form 3X)</b>			PAGE 1 OF 1
<b>TRANSFERS FROM NONFEDERAL ACCOUNTS FOR ALLOCATED FEDERAL / NONFEDERAL ACTIVITY</b>			FOR LINE 18a OF FORM 3X
NAME OF COMMITTEE (In Full)			
Freedom Party State Committee			
NAME OF ACCOUNT	DATE OF RECEIPT	TOTAL AMOUNT TRANSFERRED	
Nonfederal Account	05 / 01 / 2024	3,200.00	
BREAKDOWN OF TRANSFER RECEIVED			
i) Total Administrative .....		3,200.00	
ii) Generic Voter Drive .....			
iii) Exempt Activities .....			

13-3: Allocated payment (H4)

**SCHEDULE H4 (FEC Form 3X)**  
**DISBURSEMENTS FOR ALLOCATED FEDERAL/NONFEDERAL ACTIVITY**

PAGE 1 OF 1  
 FOR LINE 21a OF FORM 3X

NAME OF COMMITTEE (In Full)  
**Freedom Party State Committee**

A. Full Name (Last, First, Middle Initial)  Memo Item  Allocated Activity or Event:  
**Clifford Sanders Realty**  Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Mailing Address  
**111 Brooks Road**  
 City **City** State **ST** Zip Code **00000**

Purpose of Disbursement:  
**Rent** Allocated Activity or Event Year-To-Date **5,000.00**

Activity or Event Identifier:  
**001** Category/Type

Date **04 / 15 / 2014**

FEDERAL SHARE	NONFEDERAL SHARE	TOTAL AMOUNT
<b>1,800.00</b>	<b>3,200.00</b>	<b>5,000.00</b>

### Payments (H4)

Each reporting period, the committee uses Schedule H4 to itemize all payments for administrative, voter drive and exempt activity costs, showing the allocated federal and nonfederal shares.

The federal and nonfederal payment totals that appear on Schedule H4 are entered on Lines 21a(i) and (ii) of the Form 3X Detailed Summary Page.

### Phone banks

In some cases, phone banks have their own allocation rules. See page 59.

## 6. Reporting Allocated Committee Fundraising Expenses

### Example

The Freedom Party State Committee raises money for its federal and nonfederal accounts at a banquet called “Memorial Day Gala” (the unique identifier). People buying tickets must designate their checks as either federal contributions (subject to the limits and prohibitions of the Act) or nonfederal contributions (subject to applicable state law). People wishing to contribute to both accounts must write separate checks to each account. The Freedom Party State Committee spends \$50,000 on “Memorial Day Gala.”

### Required forms

- Schedule H2—Allocation Ratios
- Schedule H3—Transfers from Nonfederal Account
- Schedule H4—Payments for Allocable Expenses
- Estimated Fundraising Ratio (H2)

A committee raising money for both its federal and nonfederal accounts through the same fundraising activity allocates the costs directly associated with the program or event according to the “funds received” method (ratio of federal funds received to total funds received). In the first reporting period in which money is spent on “Memorial Day Gala,” the Freedom Party State Committee estimates the ratio on Schedule H2, as shown in the illustration.

13-4: Estimated fundraising ratio (H2)

The committee must continue to file Schedule H2 with each report disclosing a disbursement for “Memorial Day Gala.”

### Nonfederal Transfer (H3)

Using Schedule H3, the Freedom Party State Committee reports the transfer received from the nonfederal account to

**SCHEDULE H2 (FEC Form 3X)**  
**ALLOCATION RATIOS**

PAGE 1 OF 1

NAME OF COMMITTEE (In Full)  
**Freedom Party State Committee**

**RATIOS FOR ALLOCABLE FUNDRAISING EVENTS AND DIRECT CANDIDATE SUPPORT ACTIVITIES APPEARING ON THIS REPORT.**

Methods of allocation:  
 I. FUNDRAISING activities are allocated using the “funds received method” where the federal proportion of expenses must equal the federal proportion of monies raised.  
 II. Shared DIRECT CANDIDATE SUPPORT activities are allocated according to benefit expected to be derived, where the federal proportion of disbursements is based on the benefit derived by federal candidates from the activity. For PACs Only: Direct candidate support includes public communications or voter drives that refer to both federal and nonfederal candidates, regardless of whether there is a reference to a political party. Such expenses are allocated using a time/space method.

ACTIVITY OR EVENT IDENTIFIER  
**Memorial Day Gala (event date 4/28/2024)**

ACTIVITY IS:  
 Fundraising  Direct Candidate Support

CHECK IF THE RATIO IS:  
 New  Revised  Same as Previously Reported

FEDERAL %	NONFEDERAL %
<b>30.00</b> %	<b>70.00</b> %

13-5: Transfers from nonfederal account (H3)

**SCHEDULE H3 (FEC Form 3X)**  
**TRANSFERS FROM NONFEDERAL ACCOUNTS FOR**  
**ALLOCATED FEDERAL / NONFEDERAL ACTIVITY**

PAGE 1 OF 1  
 FOR LINE 18a OF FORM 3X

NAME OF COMMITTEE (In Full)  
 Freedom Party State Committee

NAME OF ACCOUNT Nonfederal Account	DATE OF RECEIPT 05 / 31 / 2024	TOTAL AMOUNT TRANSFERRED 35,000.00
---------------------------------------	-----------------------------------	---------------------------------------

BREAKDOWN OF TRANSFER RECEIVED

i) Total Administrative

ii) Generic Voter Drive

iii) Exempt Activities

iv) Direct Fundraising (List Activity or Event Identifier)

a) \_\_\_\_\_

b) \_\_\_\_\_

c) Total Amount Transferred For Direct Fundraising

v) Direct Candidate Support (List Activity or Event Identifier)

a) Memorial Day Gala (4/28/24) 35,000.00

b) \_\_\_\_\_

c) Total Amount Transferred For Direct Candidate Support 35,000.00

pay the nonfederal portion of “Memorial Day Gala” (\$35,000). The unique identifier is again noted.

(The total amount of transfers itemized on Schedule H3 is entered on Line 18(a) of the Detailed Summary Page.)

**Payments (H4)**

The committee discloses the federal and nonfederal shares of “Memorial Day Gala” payments on Schedule H4, again using the unique identifier.

(The federal and nonfederal payments totals that appear on Schedule H4 are entered on Lines 21a(i) and (ii) of the Detailed Summary Page.)

13-6: Allocated payment (H4)

**SCHEDULE H4 (FEC Form 3X)**  
**DISBURSEMENTS FOR ALLOCATED**  
**FEDERAL/NONFEDERAL ACTIVITY**

PAGE 1 OF 1  
 FOR LINE 21a OF FORM 3X

NAME OF COMMITTEE (In Full)  
 Freedom Party State Committee

A. Full Name (Last, First, Middle Initial)  Memo Item  
 Champagne Jam Party Planners

Mailing Address  
 112 Meadow Drive

City \_\_\_\_\_ State ST Zip Code 00000

Purpose of Disbursement:  
 Fundraising Consulting

Activity or Event Identifier:  
 Memorial Day Gala (4/28/24)

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date  
 50,000.00

Category/Type 003 Date 05 / 20 / 2024

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
15,000.00		35,000.00		50,000.00

**Adjusted Ratio (H2)**

Within 60 days after the last day of the program or event, the committee needs to adjust the allocation ratio to reflect the actual ratio of federal receipts to total receipts. The committee reports the adjusted ratio on Schedule H2. Note that the committee must disclose the date of a fundraising program or event when reporting an adjustment to the ratio. This information may be provided in memo text on the report or by filing FEC Form 99.

(Further ratio adjustments will be necessary if additional receipts come in.)

13-7: Adjusted ratio: federal percentage increased (H2)

**SCHEDULE H2 (FEC Form 3X)**  
**ALLOCATION RATIOS**

PAGE 1 OF 1

NAME OF COMMITTEE (In Full)  
 Freedom Party State Committee

RATIOS FOR ALLOCABLE FUNDRAISING EVENTS AND DIRECT CANDIDATE SUPPORT  
 ACTIVITIES APPEARING ON THIS REPORT.

Methods of allocation:

I. FUNDRAISING activities are allocated using the “funds received method” where the federal proportion of expenses must equal the federal proportion of monies raised.

II. Shared DIRECT CANDIDATE SUPPORT activities are allocated according to benefit expected to be derived, where the federal proportion of disbursements is based on the benefit derived by federal candidates from the activity. For PACs Only: Direct candidate support includes public communications or voter drives that refer to both federal and nonfederal candidates, regardless of whether there is a reference to a political party. Such expenses are allocated using a time/space method.

ACTIVITY OR EVENT IDENTIFIER  
 Memorial Day Gala (event date 4/28/2024)

ACTIVITY IS:  
 Fundraising  Direct Candidate Support

CHECK IF THE RATIO IS:  
 New  Revised  Same as Previously Reported

FEDERAL %	NONFEDERAL %
60.00 %	40.00 %

**Federal Transfer (H4)**

If the adjusted ratio increases the federal portion, the federal (or allocation) account must make a transfer to the nonfederal account for the nonfederal overpayment. See Payment of Allocated Expenses: Transfers from Federal Account above. The date of the program or event must be noted when reporting a transfer based on an adjusted ratio.

## Adjusted Ratio (H2) Nonfederal Transfer (H3)

If the adjusted ratio increases the nonfederal portion, the nonfederal account may transfer the additional amount to the federal account if it does so within 60 days after the date of the event. Nonfederal transfers are itemized on Schedule H3. The date of the program or event must be noted when reporting a ratio adjustment or a corrective transfer.

## 7. Candidate Support Activities as In-Kind Contributions

This section discusses how to report direct candidate support that is an in-kind contribution. However, direct candidate support may instead be a coordinated party expenditure, independent expenditure or exempt party activity. Each type should be reported accordingly.

### Example

Over the course of several weeks, the Freedom Party State Committee, two federal candidates (a U.S. House candidate and a U.S. Senate candidate) and three nonfederal candidates meet to discuss plans for a mailer urging support for the candidates. The Freedom Party State Committee pays \$1,000 to design and mail the 300 letters.

Note: Because the mailing is less than 500 letters in thirty days, it does not qualify as a public communication. Had the communication qualified as a mass mailing and supported a federal candidate, then it would have been considered FEA and its cost would be paid for entirely with federal funds.

### Required forms

- Schedule H2—Allocation Ratios
- Schedule H3—Transfers from Nonfederal Account
- Schedule H4—Payments for Allocable Expenses
- Schedule B for Line 23—Contributions to Federal Candidates

#### 13-8: Nonfederal transfers (H3)

SCHEDULE H3 (FEC Form 3X) TRANSFERS FROM NONFEDERAL ACCOUNTS FOR ALLOCATED FEDERAL / NONFEDERAL ACTIVITY			PAGE 1 OF 1 FOR LINE 18a OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
NAME OF ACCOUNT <b>Nonfederal Account</b>	DATE OF RECEIPT 05 / 31 / 2024	TOTAL AMOUNT TRANSFERRED <b>35,000.00</b>	
BREAKDOWN OF TRANSFER RECEIVED			
i) Total Administrative .....			
ii) Generic Voter Drive .....			
iii) Exempt Activities .....			
iv) Direct Fundraising (List Activity or Event Identifier)			
a) .....			
b) .....			
c) Total Amount Transferred For Direct Fundraising .....			
v) Direct Candidate Support (List Activity or Event Identifier)			
a) <b>Memorial Day Gala (4/28/24)</b>		<b>35,000.00</b>	
b) .....			
c) Total Amount Transferred For Direct Candidate Support .....		<b>35,000.00</b>	

#### 13-9: Candidate support ratio (H2)

SCHEDULE H2 (FEC Form 3X) ALLOCATION RATIOS			PAGE 1 OF 1
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
RATIOS FOR ALLOCABLE FUNDRAISING EVENTS AND DIRECT CANDIDATE SUPPORT ACTIVITIES APPEARING ON THIS REPORT.			
Methods of allocation:			
I. FUNDRAISING activities are allocated using the "funds received method" where the federal proportion of expenses must equal the federal proportion of monies raised.			
II. Shared <b>DIRECT CANDIDATE SUPPORT</b> activities are allocated according to benefit expected to be derived, where the federal proportion of disbursements is based on the benefit derived by federal candidates from the activity. <b>For PACs Only:</b> Direct candidate support includes public communications or voter drives that refer to both federal and nonfederal candidates, regardless of whether there is a reference to a political party. Such expenses are allocated using a time/space method.			
ACTIVITY OR EVENT IDENTIFIER <b>June Mailing</b>	FEDERAL % <b>40.00</b> %	NONFEDERAL % <b>60.00</b> %	
ACTIVITY IS: <input type="checkbox"/> Fundraising <input checked="" type="checkbox"/> Direct Candidate Support			
CHECK IF THE RATIO IS: <input checked="" type="checkbox"/> New <input type="checkbox"/> Revised <input type="checkbox"/> Same as Previously Reported			

## Allocation Ratio (H2)

The committee uses Schedule H2 to disclose the allocation ratio for “June Mailing” (the unique identifier). The federal allocation percentage is calculated using the time/space method (ratio of time/space devoted to federal candidates to total time/space devoted to all candidates). In this case, 40 percent of the total space is devoted to federal candidates, so the ratio is 40 percent federal and 60 percent nonfederal.

## Nonfederal Transfer (H3)

The committee discloses the transfer from the nonfederal account to pay the allocated nonfederal portion of “June Mailing” costs. As previously noted, a transfer must be made no more than 10 days before or 60 days after payment is made.

The total amount of transfers itemized on Schedule H3 is entered on Line 18(a) of the Detailed Summary Page.

### 13-10: Transfers from nonfederal account (H3)

SCHEDULE H3 (FEC Form 3X) TRANSFERS FROM NONFEDERAL ACCOUNTS FOR ALLOCATED FEDERAL / NONFEDERAL ACTIVITY			PAGE 1 OF 1 FOR LINE 18a OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
NAME OF ACCOUNT <b>Nonfederal Account</b>	DATE OF RECEIPT 07 / 25 / 2024	TOTAL AMOUNT TRANSFERRED 600.00	
BREAKDOWN OF TRANSFER RECEIVED			
i) Total Administrative .....			
ii) Generic Voter Drive .....			
iii) Exempt Activities .....			
iv) Direct Fundraising (List Activity or Event Identifier)			
a) _____			
b) _____			
c) Total Amount Transferred For Direct Fundraising .....			
v) Direct Candidate Support (List Activity or Event Identifier)			
a) <b>June Mailing</b> _____		600.00	
b) _____			
c) Total Amount Transferred For Direct Candidate Support .....			

## Payments (H4 and B)

The committee uses Schedule H4 to itemize the two payments (the federal payment and the nonfederal payment) for “June Mailing.” Because the allocated federal shares result in contributions in-kind, they are itemized as memo entries with cross references to Schedule B for Line 23, where the in-kind contributions are itemized.

The Schedule B entries include the amounts allocable to each federal candidate, also based on the time/space method. In this case, the committee allocates 50 percent of the federal payment to each candidate.

Nonfederal payments disclosed on Schedule H4 are entered on Line 21a(ii) of the Form 3X Detailed Summary Page. The Schedule B total is entered on Line 23.

### 13-11: Allocated payment (H4)

SCHEDULE H4 (FEC Form 3X) DISBURSEMENTS FOR ALLOCATED FEDERAL/NONFEDERAL ACTIVITY			PAGE 1 OF 1 FOR LINE 21a OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
A. Full Name (Last, First, Middle Initial) <b>Jacoby, David</b> <input checked="" type="checkbox"/> Memo Item		Allocated Activity or Event: <input type="checkbox"/> Administrative <input type="checkbox"/> Fundraising <input type="checkbox"/> Exempt <input type="checkbox"/> Voter Drive <input checked="" type="checkbox"/> Direct Candidate Support <input type="checkbox"/> Public Comm (ref to party only) by PAC	
Mailing Address <b>111 Harborside Avenue</b>		Allocated Activity or Event Year-To-Date 1,000.00	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	
Purpose of Disbursement: <b>Graphics Design</b>	Category/ Type <b>011</b>	Date 06 / 01 / 2024	
Activity or Event Identifier: <b>June Mailing (See Schedule B, Line 23)</b>			
FEDERAL SHARE	NONFEDERAL SHARE	TOTAL AMOUNT	
400.00	600.00	1,000.00	



13-12: Allocation of in-kind contribution (B)

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 21b <input type="checkbox"/> 22a <input checked="" type="checkbox"/> 22b <input type="checkbox"/> 23 <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input type="checkbox"/> 29 <input type="checkbox"/> 30b	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
Full Name (Last, First, Middle Initial) <b>David Jacoby</b>		Date of Disbursement 06 / 20 / 2024	
Mailing Address <b>111 Harborside Ave.</b>		FEC Identification Number C	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period 400.00
Purpose of Disbursement <b>Graphic Design</b>		Category/Type <b>011</b>	<input type="checkbox"/> Memo Item <b>See allocation below</b>
Candidate Name <b>June Mailing</b>			
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> Other (specify) <input checked="" type="checkbox"/> General		
State: District:			
Full Name (Last, First, Middle Initial) <b>Jay Meyers for Congress</b>		Date of Disbursement 06 / 20 / 2024	
Mailing Address <b>111 East Egg Street</b>		FEC Identification Number C	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period 200.00
Purpose of Disbursement <b>Contribution</b>		Category/Type <b>011</b>	<input checked="" type="checkbox"/> Memo Item
Candidate Name <b>Jay Meyers</b>			
Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) <b>2024</b>		
State: District:	<b>ST</b> <b>6</b>		
Full Name (Last, First, Middle Initial) <b>Bob Voterfriend for Congress</b>		Date of Disbursement 06 / 20 / 2024	
Mailing Address <b>111 Bond Street</b>		FEC Identification Number C	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period 200.00
Purpose of Disbursement <b>Contribution</b>		Category/Type <b>011</b>	<input checked="" type="checkbox"/> Memo Item
Candidate Name <b>Bob Voterfriend</b>			
Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) <b>2024</b>		
State: District:	<b>ST</b>		
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			

## 8. Transfers and Payments Covering Different Categories

The sample forms in this section show:

- How to report a nonfederal transfer that covers nonfederal payments for several allocable activities; and
- How to report a payment to one vendor for several categories of expenses.

### Schedule H3

The Schedule H3 above shows how to report transfers received from a nonfederal account to pay for different categories of allocable expenses.

The \$4,000 transfer covers the following allocable expenses:

- A direct fundraising event (“Big Event”); and
- An exempt party activity (“Johnson/Smith Posters”).

### Schedule H4

The adjacent Schedule H4 shows how to report a payment covering expenses for:

- The “Big Event” fundraiser; and
- The “Johnson/Smith Posters” exempt party activity.



13-13: Nonfederal transfers (H3)

**SCHEDULE H3 (FEC Form 3X)  
TRANSFERS FROM NONFEDERAL ACCOUNTS FOR  
ALLOCATED FEDERAL / NONFEDERAL ACTIVITY**

PAGE 1 OF 1  
FOR LINE 18a OF FORM 3X

NAME OF COMMITTEE (In Full)  
**Freedom Party State Committee**

NAME OF ACCOUNT	DATE OF RECEIPT	TOTAL AMOUNT TRANSFERRED
<b>Nonfederal Account</b>	08 / 31 / 2024	4,000.00

BREAKDOWN OF TRANSFER RECEIVED

i) Total Administrative .....

ii) Generic Voter Drive .....

iii) Exempt Activities..... 2,000.00

iv) Direct Fundraising (List Activity or Event Identifier)

a) **Big Event** .....

b) .....

c) Total Amount Transferred For Direct Fundraising ..... 2,000.00

v) Direct Candidate Support (List Activity or Event Identifier)

a) .....

b) .....

c) Total Amount Transferred For Direct Candidate Support.....

vi) Public Communications Referring Only to Party (Made by PAC) .....

TOTALS FOR BREAKDOWN OF TRANSFER RECEIVED

TOTAL This Period (Administrative) .....	
TOTAL This Period (Generic Voter Drive) .....	
TOTAL This Period (Exempt Activities) .....	2,000.00
TOTAL This Period (Direct Fundraising) .....	2,000.00
TOTAL This Period (Direct Candidate Support) .....	
TOTAL This Period (Public Communications Referring Only to Party) .....	
TOTAL This Period (Total Amount Transferred) .....	4,000.00

FEC Schedule H3 (Form 3X) Rev. 05/2016

## 9. Refunds and Rebates of Allocable Expenses

If a committee receives a refund or a rebate of an allocable expense, the refund or rebate must be deposited in the federal or allocation account. The refund or rebate must then be allocated between the federal and nonfederal accounts according to the same allocation ratio used to allocate the original disbursement. The federal account must transfer the nonfederal portion to the nonfederal account.

### Example

A committee receives a \$400 rebate on office equipment from the Acme Office Store. The original purchase was an administrative expense allocated according to the following ratio: 36 percent federal; 64 percent nonfederal.

Reporting Method 1 illustrates how this rebate would be reported according to the method approved in Advisory Opinion (AO) 1995-22 (DCCC).<sup>3</sup> Reporting Method 2 shows how the rebate would be reported under an alternative method. See Illustrations on pages 140 and 141.

### Reporting method 1

Using the method of reporting described in AO 1995-22 (DCCC), the committee discloses the receipt of the rebate and the federal and nonfederal shares on Schedule H4. The amounts are negative entries subtracted from total shared federal and nonfederal disbursements for the reporting period (disclosed on Lines 21a(i) and (ii) of the Detailed Summary Page).

### Reporting method 2

Under the alternative method, the committee reports the receipt of the \$400 rebate under the category “Offsets to Operating Expenditures” on Line 15 of the Form 3X Detailed Summary Page. The committee uses Schedule H4 to disclose the federal account’s \$256 transfer to the nonfederal account for the nonfederal share.

<sup>3</sup> Although AO 1995-22 (DCCC) is no longer applicable to national party committees as of 2002, it may still apply to state, district and local party committees.



13-16: Receipt of rebate (A/line 15)(Method 2)

**SCHEDULE A (FEC Form 3X)**  
**ITEMIZED RECEIPTS**

FOR LINE NUMBER: PAGE 1 OF 1  
 (check only one)  
 11a  11b  11c  12  13  14  16  17

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)  
 Freedom Party State Committee

Full Name of Individual (Last, First, Middle Initial) or Full Organization Name  
 A. Acme Office Supplies

Mailing Address  
 1016 Paddenpencil St.  
 City State Zip Code  
 City ST 00000

FEC ID number of contributing federal political committee.  
 C

Name of Employer (for Individual) Occupation (for Individual)

Receipt For:  
 Primary  General  
 Other (specify) ▼

Aggregate Year-to-Date  
 400.00

Date of Receipt  
 03 / 15 / 2024

Amount of Each Receipt this Period  
 400.00

Memo Item

13-17: Nonfederal transfer (H4)(Method 2)

**SCHEDULE H4 (FEC Form 3X)**  
**DISBURSEMENTS FOR ALLOCATED FEDERAL/NONFEDERAL ACTIVITY**

PAGE 1 OF 1  
 FOR LINE 21a OF FORM 3X

NAME OF COMMITTEE (In Full)  
 Freedom Party State Committee

A. Full Name (Last, First, Middle Initial)  Memo Item  
 Freedom Party State Committee Nonfederal Account

Mailing Address  
 111 Politics St.  
 City State Zip Code  
 City ST 00000

Purpose of Disbursement:  
 Transfer of Nonfederal Share of Rebate

Activity or Event Identifier: (See Schedule A)

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date  
 6,600.00

Date  
 03 / 15 / 2024

FEDERAL SHARE	NONFEDERAL SHARE	TOTAL AMOUNT
256.00	0.00	256.00

13-18: Receipt of in-kind donation (H3)

**SCHEDULE H3 (FEC Form 3X)**  
**TRANSFERS FROM NONFEDERAL ACCOUNTS FOR ALLOCATED FEDERAL / NONFEDERAL ACTIVITY**

PAGE 1 OF 1  
 FOR LINE 18a OF FORM 3X

NAME OF COMMITTEE (In Full)  
 Freedom Party State Committee

NAME OF ACCOUNT  
 Nonfederal Account

DATE OF RECEIPT  
 10 / 01 / 2024

TOTAL AMOUNT TRANSFERRED  
 5,000.00

BREAKDOWN OF TRANSFER RECEIVED

i) Total Administrative

ii) Generic Voter Drive

iii) Exempt Activities

iv) Direct Fundraising (List Activity or Event Identifier)

a) Chairman's Gala – In-Kind 5,000.00

**Per-Transaction transfers**

The federal transfer may be made on a per-transaction basis—that is, shortly before or on the same day the in-kind donation is received.

**Escrow transfers**

Alternatively, the federal account may make bulk transfers to cover the federal share of anticipated in-kind donations. Under this “escrow” arrangement, a committee makes a good faith estimate of the amount of in-kind donations that it expects to receive and transfers sufficient funds from the federal account to cover the federal share.

**Adjustments**

Should the federal account pay more than its share of an in-kind donation, adjustment transfers from the nonfederal account are permissible.

**Basic reporting of in-kind donations: example**

On October 1, a state party committee receives a \$5,000 in-kind donation of flowers from a corporation for a federal/nonfederal fundraiser (“Chairman’s Gala”). The estimated allocation ratio for the fundraiser is 50 percent federal and 50 percent nonfederal. That same day, the federal account transfers its share of the in-kind donation (\$2,500) to the nonfederal account.

**Required forms**

- Schedule H2—Allocation Ratios
- Schedule H3—Transfers from Nonfederal Account
- Schedule H4—Payments for Allocable Expenses

13-19: Disbursement of in-kind donation (H3); federal transfer (H4)

SCHEDULE H4 (FEC Form 3X)		PAGE 1 OF 1	
DISBURSEMENTS FOR ALLOCATED FEDERAL/NONFEDERAL ACTIVITY		FOR LINE 21a OF FORM 3X	
NAME OF COMMITTEE (In Full) Freedom Party State Committee			
A. Full Name (Last, First, Middle Initial) Pretty Flowers		<input type="checkbox"/> Memo Item <input type="checkbox"/> Administrative <input checked="" type="checkbox"/> Fundraising <input type="checkbox"/> Exempt <input type="checkbox"/> Voter Drive <input type="checkbox"/> Direct Candidate Support <input type="checkbox"/> Public Comm (ref to party only) by PAC	
Mailing Address 111 West Meadow Lane		Allocated Activity or Event Year-To-Date 5,000.00	
City City	State ST	Zip Code 00000	
Purpose of Disbursement: Flowers – In-Kind		Category/Type 003	Date 10 / 01 / 2024
Activity or Event Identifier: Chairman's Gala			
FEDERAL SHARE	+	NONFEDERAL SHARE	= TOTAL AMOUNT
0.00		5,000.00	5,000.00
B. Full Name (Last, First, Middle Initial) Freedom Party State Committee		<input type="checkbox"/> Memo Item <input type="checkbox"/> Administrative <input checked="" type="checkbox"/> Fundraising <input type="checkbox"/> Exempt <input type="checkbox"/> Voter Drive <input type="checkbox"/> Direct Candidate Support <input type="checkbox"/> Public Comm (ref to party only) by PAC	
Mailing Address 111 Washington St.		Allocated Activity or Event Year-To-Date	
City City	State ST	Zip Code 00000	
Purpose of Disbursement: Transfer of Federal Share of Flowers – In-Kind		Category/Type 003	Date 10 / 01 / 2024
Activity or Event Identifier: Chairman's Gala			
FEDERAL SHARE	+	NONFEDERAL SHARE	= TOTAL AMOUNT
2,500.00		0.00	2,500.00

**Schedule H3—Receipt of in-kind donation**

The committee reports the receipt of the in-kind donation as a transfer from the nonfederal account for the “Chairman’s Gala” fundraiser. The date used here is the date the committee received the flowers.

**“Disbursement” of in-kind donation (H4)**

Like in-kind contributions, in-kind donations must be reported as both receipts and disbursements so as not to inflate the cash-on-hand balance. (The disbursement side reflects the use or “expenditure” of the resources.) Schedule H4 is used for the disbursement entry, which shows the \$5,000 in-kind donation as a 100

percent nonfederal disbursement. The donor’s name and address are disclosed in the box generally used for payees.

**Transfer from federal account (H4)**

The second entry on Schedule H4 shows the contemporaneous transfer of \$2,500 (the federal share of the donation) from the federal account to the nonfederal account. The explanation of the transfer is described in the “Purpose” box, with a reference to the previous entry.

**Alternative reporting method**

To minimize entries and avoid duplication, a committee may use alternative methods to report transactions relating to in-kind donations.

The committee may use one entry on Schedule H3 to show the receipt of all in-kind donations made within the same reporting period for a particular fundraising program or event (or administrative activity).

The committee may also use one entry on Schedule H4 to show total federal payments (transfers) made on the same day for the federal share of in-kind donations.

**Example**

A committee receives two in-kind donations from prohibited sources for a mixed federal/nonfederal fundraising event, “July Fundraiser”:

- Invitations donated by XYZ Printing (value: \$3,000) received on July 1; and
- Balloons donated by Balloons!, Inc. (value: \$1,000) received on July 15.

The fundraising ratio for “July Fundraiser” is 50 percent federal, 50 percent nonfederal. The federal account transfers its \$2,000 share of the two donations on July 1.

**Schedule H3—receipt of in-kind donations**

The committee uses one entry on Schedule H3 to show the total in-kind donations for “July Fundraiser” received during the reporting period. The “date of receipt” shows the period during which the committee received the contributions. The “July Fundraiser” entry cross references the Schedule H4 entries showing the “disbursement” of the donations and the identity of the contributors.

**Schedule H4—“disbursement” of donations; federal transfer**

Schedule H4 shows the “disbursement” of the two in-kind donations by the nonfederal account, each entry identifying the donor and the dates the donations were received.

The third entry shows the federal account’s payment for its 50 percent share of the two donations and the date of the transfer to the nonfederal account. The entry refers to the previous two entries to show the transfer relates to those transactions.

**“Escrow” transfer**

Advance transfers from the federal account to the nonfederal account to pay the federal share of anticipated in-kind donations for allocable activities are reported on Schedule H4 as federal share payments. If known, the particular activity (fundraising program/event or administrative) to which the transfer applies should be noted. Any adjustment payments made from the nonfederal account to the federal account would appear on Schedule H3, noting the previous H4 entries to which they relate.



## Chapter 14

# Reporting Federal Election Activity

### 1. What to Report

If a state, district or local party committee's combined annual receipts and disbursements for federal election activity (FEA) are \$5,000 or more, and it is a political committee under the *Federal Election Campaign Act* (the Act), then it must disclose all receipts and disbursements for FEA, including those of Levin funds. 11 CFR 300.36(b)(2).

State, district and local party committees that are political committees (see 100.5) that have less than \$5,000 in receipts and disbursements for FEA, and associations or similar groups of candidates for state or local office or of individuals holding state or local office that are political committees (see 100.5), are required to disclose only their federal receipts and disbursements for FEA. 300.36(b)(1).

### When to file

A state, district or local party committee, or an association or similar group of candidates for state or local office or of individuals holding state or local office, that has had any federal receipts or disbursements for FEA—or any reportable Levin receipts and disbursements—must file monthly. 300.36(c)(1). Once a committee triggers the monthly filing requirement, it must file the next regularly scheduled monthly report and must continue to file monthly for the remainder of the calendar year. During the next year, if a committee would like to return to a quarterly filing schedule and is eligible to do so, it must first notify the Commission in writing of its intent to do so at the time it files a required report under its current filing frequency. Committees filing electronically must file the notice in an electronic format using Form 99. 104.5(c).

### 2. Reporting Receipts and Disbursements of Levin Funds

#### Schedule L – aggregation page

Aggregate receipts and disbursements of Levin Funds are reported on Schedule L. The L Schedules are memo schedules and do not affect totals on the Summary and Detailed Summary Pages.

#### 14-1: Levin fund aggregation page (L)

#### Line 1: Receipts from persons

Report total Levin fund donations received from individuals, committees and other entities that aggregate to \$200 or more on Line 1(a). Unitemized receipts are reported on Line 1(b). The committee must itemize any receipts of Levin funds aggregating \$200 or more in a calendar year on Schedule L-A. 300.36(b)(2)(iv).

#### Line 2: Other receipts

Report any receipts which are not donations, such as refunds, interest dividends, etc.

SCHEDULE L (FEC Form 3X)		
AGGREGATION PAGE: LEVIN FUNDS		
NAME OF COMMITTEE (In Full) Freedom Party State Committee		
NAME OF ACCOUNT Freedom Party State Committee Levin Account		
	COLUMN A TOTAL THIS PERIOD	COLUMN B YEAR-TO-DATE
1. RECEIPTS FROM PERSONS		
(a) Itemized ..... <small>(Use Schedule L-A)</small>	5,000.00	5,000.00
(b) Unitemized .....	6,000.00	6,000.00
(c) Total .....	11,000.00	11,000.00
2. OTHER RECEIPTS .....		
3. TOTAL RECEIPTS .....	11,000.00	11,000.00
<small>(Add Lines 1c and 2)</small>		

**Line 3: Total receipts**

Enter the total of Lines 1 and 2 on Line 3.

**Line 4: Transfers to federal or allocation account**

Itemize any Levin fund transfers into the federal or allocation account on Schedule L-B. Report the amount for each disbursement category, on Lines 4a-d. Enter the total on Line 4e.

**Line 5: Other disbursements**

Enter the total amount of all other Levin fund disbursements. Any disbursements of \$200 or more are also itemized on Schedule L-B.

**Line 6: Total disbursements**

Enter the total of Lines 4e and 5 on Line 6.

**Line 7: Beginning cash on hand**

Enter the total amount of Levin funds on hand at the beginning of the reporting period. For Column B, enter the total amount of cash on hand as of January 1 of the calendar year.

**Line 8: Total receipts**

Repeat the total from Line 3.

**Line 9: Subtotal**

Add lines 7 and 8.

**Line 10: Disbursements**

Repeat the total from Line 6

**Line 11: Ending cash on hand**

Subtract Line 10 from Line 9 to determine the Levin funds on hand at the end of the reporting period.

**Schedule L-A - Levin fund receipts**

Itemize any receipt of \$200 or more on Schedule L-A. 300.36(b)(2)(iv).

Committees must categorize their receipts between donations, which are reported on Line 1a of the Levin fund aggregation page, and other receipts such as refunds or uncashed checks which are reported on Line 2. Use separate Schedules for the different categories of receipts and note the Line number in the upper-right corner.

■ 14-2: Receipt of Levin funds (L-A)

SCHEDULE L-A (FEC Form 3X)			PAGE 1 OF 1	
ITEMIZED RECEIPTS OF LEVIN FUNDS			Use separate schedule(s) for each category of the Aggregation Page	FOR LINE NUMBER: (check only one) <input checked="" type="checkbox"/> 1a <input type="checkbox"/> 2
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.				
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>				
Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <input type="checkbox"/> Memo Item			Date of Receipt	
<b>Globo-Chem Industries</b>			02 / 14 / 2024	
Mailing Address <b>111 Conglomerate Ave.</b>			Amount of Each Receipt this Period 2,000.00	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Aggregate Year-to-Date 2,000.00	
Name of Employer (for Individual)				
Occupation (for Individual)				
Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <input type="checkbox"/> Memo Item			Date of Receipt	
<b>Lira, Max</b>			02 / 23 / 2024	
Mailing Address <b>111 Tribute Street</b>			Amount of Each Receipt this Period 3,000.00	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Aggregate Year-to-Date 3,000.00	
Name of Employer (for Individual) <b>Globo-Chem Industries</b>				
Occupation (for Individual) <b>Director of Acquisitions</b>				



## Schedule L-B – Levin fund disbursements

Itemize any disbursement of \$200 or more on Schedule L-B.

Committees must categorize their transfers on Line 4 by what type of federal election activity was allocated – voter registration, voter identification, get out the vote activity or generic campaign activity. Other disbursements must be itemized when they aggregate \$200 or more per entity in the calendar year. Use separate Schedules for each category of disbursement and note the Line number in the upper-right corner.

## 3. Allocation Between Federal and Levin Funds

### What federal election activity may be allocated

As discussed in Chapter 8, state, district and local party committees may allocate between their federal and their Levin funds expenses arising from two types of FEA:

- Voter registration activity between 120 days before a regularly scheduled federal election and the date of the election. 300.33(a)(1); and
- Voter identification, get-out-the-vote activity or generic campaign activity conducted in connection with an election in which a federal candidate appears on the ballot. 300.33(a)(2).

However, no Levin funds may be used to pay for:

- Any FEA that refers to a clearly identified candidate. (300.32(c)(1); or
- Any broadcast, cable or satellite communication unless it refers solely to a clearly identified candidate for state or local office. 300.32(c)(2). See "Funding Federal Election Activity" on page 66 and "Spending Levin funds" on page 69.

Other types of FEA must be paid for entirely with federal funds, including:

- Public communications that refer to a clearly identified federal candidate and that promote, attack, support or oppose any federal candidate 100.24(b)(3), 300.32(c)(1); and,
- Salaries, wages, and fringe benefits of state, district and local party committee employees who spend more than 25 percent of their compensated time in a given month on federal election activity or in connection with a federal election or for FEA.<sup>1</sup> (Salaries and wages of employees who spend no time in connection with a federal election or on FEA may be paid for with 100 percent nonfederal funds). 300.33(d)(2).

State, district and local party committees that raise federal and nonfederal funds through a single fundraising event must either pay the direct costs of fundraising entirely with federal funds or allocate the direct costs according to the "funds received" method if any of the federal funds raised will be used for FEA. 300.32(a)(3).

Disbursements for direct fundraising costs incurred by state, district and local party committees and organizations for Levin funds only may be paid for with either federal funds or Levin funds. Nonfederal funds may not be used to raise Levin funds. 300.32(a)(4).

<sup>1</sup> The salaries and wages of employees who spend 25 percent or less of their compensated time in a given month in connection with a federal election or on FEA may be allocated as administrative costs under 106.7(d)(2) using federal and nonfederal funds (thus using the same fixed percentages as described in the preceding chapter. 300.33(d)(1)).

## Allocation ratio

When allocating FEA, committees must use a fixed minimum percentage of federal funds.<sup>2</sup> The minimum percentage of federal funds depends upon which federal offices appear on the ballot in the state where the party committee is located during the election year:

- If both a Presidential candidate and a Senate candidate appear on the ballot, then at least 36 percent of the expenses must be allocated to the federal account;
- If a Presidential candidate, but not a Senate candidate, appears on the ballot, then at least 28 percent of the expenses must be allocated to the federal account;
- If a Senate candidate, but not a Presidential candidate, appears on the ballot, then at least 21 percent of the expenses must be allocated to the federal account; and
- If neither a Presidential candidate nor a Senate candidate appears on the ballot, then at least 15 percent of the expenses must be allocated to the federal account. 300.33(b)(1)-(4).

## 4. Reporting Unallocated Federal Election Activity

Report disbursements for unallocated FEA (FEA paid for entirely with federal funds) on Schedule B for Line 30(b) of the Detailed Summary Page. This includes payments for public communications that promote, attack, support or oppose any candidate for federal office. Any Type I or Type II FEA that refers to a clearly identified federal candidate must be paid with all federal funds. See Chapter 8 for specific definition of FEA and rules regarding spending Levin funds.

14-3: Unallocated FEA communication (B/line 30b)

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 21b <input type="checkbox"/> 22 <input type="checkbox"/> 23 <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 29 <input checked="" type="checkbox"/> 30b	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
A. Full Name (Last, First, Middle Initial) <b>M. Robbins Communications</b>		Date of Disbursement <b>07 / 04 / 2024</b>	
Mailing Address <b>111 Big Iron Rd.</b>		FEC Identification Number <b>C</b>	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period <b>5,000.00</b>
Purpose of Disbursement <b>Television Advertisement</b>		Category/Type <b>004</b>	<input type="checkbox"/> Memo Item
Candidate Name <b>Guy Blank</b>			
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		
State:	District:		

## 5. Reporting Allocated Expenses

### Required forms

- Schedule H1 - Allocation Ratio for Administrative, Generic Voter Drive and Exempt Activity Costs, Federal Election Activity and public communications that refer to any political party (but not a candidate);
- Schedule H5 – Transfers of Levin Funds Received for Allocated Federal Election Activity; and
- Schedule H6 – Disbursements of Federal and Levin Funds for Allocated Federal Election Activity.

14-4: Raising federal funds for FEA (B)

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 1
Use separate schedule(s) for each category of the Detailed Summary Page		<input checked="" type="checkbox"/> 21b <input type="checkbox"/> 22 <input type="checkbox"/> 23 <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 29 <input type="checkbox"/> 30b	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
A. Full Name (Last, First, Middle Initial) <b>Special Events, Ltd.</b>		Date of Disbursement <b>03 / 20 / 2024</b>	
Mailing Address <b>111 Dinero Ln.</b>		FEC Identification Number <b>C</b>	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	Amount of Each Disbursement this Period <b>1,000.00</b>
Purpose of Disbursement <b>Fundraising Event Planning</b>		Category/Type <b>003</b>	<input type="checkbox"/> Memo Item
Candidate Name			
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		
State:	District:		

<sup>2</sup> Please note that disbursements for fundraising costs require using the funds-received method described in the previous chapter.

14-5: Allocation ratio for Levin activity (H1)

**SCHEDULE H1 (FEC Form 3X)**

**METHOD OF ALLOCATION FOR:**

- ALLOCATED FEDERAL AND NONFEDERAL ADMINISTRATIVE, GENERIC VOTER DRIVE AND EXEMPT ACTIVITY COSTS
- ALLOCATED FEDERAL AND LEVIN FUNDS FEDERAL ELECTION ACTIVITY EXPENSES (State, District and Local Party Committees Only)
- ALLOCATED PUBLIC COMMUNICATIONS THAT REFER TO ANY POLITICAL PARTY (BUT NOT A CANDIDATE) (Separate Segregated Funds And Nonconnected Committees Only)

NAME OF COMMITTEE (In Full)  
**Freedom Party State Committee**

USE ONLY ONE SECTION, A or B

**A. State and Local Party Committees**

Fixed Percentage (select one)

Presidential-Only Election Year (28% Federal)

Presidential and Senate Election Year (36% Federal)

Senate-Only Election Year (21% Federal)

Non-Presidential and Non-Senate Election Year (15% Federal)

### Allocation ratio (H1)

A state, district or local party committee uses Schedule H1 to determine its allocation ratio at the beginning of each calendar year. This schedule is filed during the first report of the calendar year that discloses allocated disbursements.

14-6: Levin transfers (H5)

**SCHEDULE H5 (FEC Form 3X)**

**TRANSFERS OF LEVIN FUNDS RECEIVED FOR ALLOCATED FEDERAL ELECTION ACTIVITY**  
 (To be used by State, District and Local Party Committees Only)

PAGE 1 OF 1  
 FOR LINE 18b OF FORM 3X

NAME OF COMMITTEE (In Full)  
**Freedom Party State Committee**

NAME OF ACCOUNT	DATE OF RECEIPT	TOTAL AMOUNT TRANSFERRED
<b>Levin Account</b>	05 / 15 / 2024	6,400.00

BREAKDOWN OF THIS TRANSFER

i) Voter Registration  
 Total Amount Transferred for Voter Registration.....

VOTER REGISTRATION

ii) Voter ID  
 Total Amount Transferred for Voter ID..... **6,400.00**

VOTER ID

### Levin transfers (H5)

Each reporting period, the committee discloses transfers from the Levin account to the federal (or allocation) account to pay the allocated portion of allocable federal election activity costs. Transfers must be made within a 70-day window (no more than 10 days before or 60 days after an allocated payment is made). As an exception, transfers may be made more than 10 days before a payment if advance payment is required by the vendor(s) and if the payment is based on a reasonable estimate of the activity's final costs as determined by the committee and the vendor(s) involved. 300.33(e)(2).

Levin fund transfers are itemized on Schedule L-B.

14-7: Levin transfers (L-B/ line 4b)

**SCHEDULE L-B (FEC Form 3X)**

**ITEMIZED DISBURSEMENTS OF LEVIN FUNDS**

Use separate schedule(s) for each category of the Aggregation Page

FOR LINE NUMBER: (check only one)  
 4a  4b  4c  4d  5

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)  
**Freedom Party State Committee**

Full Name (Last, First, Middle Initial) / Full Organization Name  Memo Item  
**A. Freedom Party State Committee, Federal Account**

Mailing Address  
**123 Washington Street**

City **City** State **ST** Zip Code **00000**

Date of Disbursement  
 05 / 15 / 2024

Purpose of Disbursement  
**Transfer of Levin Funds**

Amount of Each Disbursement this Period  
**6,400.00**

The total amount of transfers itemized on Schedule H5 is entered on Line 18(b) of the Detailed Summary Page.

## Payments (H6)

Each reporting period, the committee uses Schedule H6 to itemize all payments for allocable federal election activity costs, showing the allocated federal and Levin shares.

The federal and Levin payment totals that appear on Schedule H6 are entered on Line 30(a) of the Form 3X Detailed Summary Page (federal share on Line 30(a)(i) and Levin share on Line 30(a)(ii)).

### 14-8: Accounting for Levin transfers on aggregation page (L)

SCHEDULE L (FEC Form 3X) AGGREGATION PAGE: LEVIN FUNDS		
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>		
NAME OF ACCOUNT <b>Freedom Party State Committee Levin Account</b>		
	COLUMN A TOTAL THIS PERIOD	COLUMN B YEAR-TO-DATE
1. RECEIPTS FROM PERSONS		
(a) Itemized (Use Schedule L-4)		
(b) Unitemized		
(c) Total		
2. OTHER RECEIPTS		
3. TOTAL RECEIPTS (Add Lines 1c and 2)		
4. TRANSFERS TO FEDERAL OR ALLOCATION ACCOUNT (Use Schedule L-8)		
(a) Voter Registration		
(b) Voter ID	<b>6,400.00</b>	<b>10,000.00</b>

### 14-9: Levin payment (H6)

SCHEDULE H6 (FEC Form 3X) DISBURSEMENTS OF FEDERAL AND LEVIN FUNDS FOR ALLOCATED FEDERAL ELECTION ACTIVITY (To be used by State, District and Local Party Committees Only)		PAGE <b>1</b> OF <b>1</b> FOR LINE 30a OF FORM 3X
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>		
A. Full Name (Last, First, Middle Initial) / Full Organization Name <input type="checkbox"/> Memo Item <b>Voter Strategies</b>		Type of Allocated Activity or Event: <input type="checkbox"/> Voter Registration <input type="checkbox"/> GOTV <input checked="" type="checkbox"/> Voter ID <input type="checkbox"/> Generic Campaign
Mailing Address <b>111 Data Rd.</b>		Allocated Activity or Event Year-To-Date <b>10,000.00</b>
City <b>City</b> State <b>ST</b> Zip Code <b>00000</b>	Date <b>04 / 30 / 2024</b>	
Purpose of Disbursement <b>Voter ID Calls</b>	Category/Type	
FEDERAL SHARE <b>3,600.00</b>	LEVIN SHARE <b>6,400.00</b>	TOTAL AMOUNT <b>10,000.00</b>

## Chapter 15

# Termination and Debt Settlement

### 1. Committees with No Outstanding Debts

A party committee may terminate its registration and reporting obligations by filing a termination report, provided that:

- The committee will no longer receive contributions, make expenditures or make any disbursements that would otherwise qualify it as a political committee. 11 CFR 102.3(a)(1);
- The committee seeking to terminate has no outstanding debts or obligations. (102.3(a)(1)); and
- The committee is not involved in an enforcement action (e.g., Matter Under Review (MUR)), an audit or litigation with the FEC.

#### Termination report

A party committee that meets the above criteria may file a termination report at any time. The treasurer must check the “Termination Report” box on Line 4 of the Form 3X Summary Page.

The termination report must disclose:

- All receipts and disbursements not previously reported, including an accounting of debt retirement; and
- The purposes for which any remaining committee funds will be used. 102.3(a), see also 116.1(a).

A party committee may use its remaining funds for any lawful purpose, including refunding them to their donors or giving them to certain charities. See 300.51, 300.37 and see also, AO 1991-21 (Alliance for Representative Government).

#### When to stop reporting

Before a committee can stop filing with the FEC, it must file a termination report with the Commission. See 102.3. A committee must continue to file reports until the Commission notifies it in writing that its termination report has been accepted.

#### 15-1: Debt settlement, Part I

FEC FORM 8 DEBT SETTLEMENT PLAN		Office Use Only
(Revised 01/2018)		Example: If typing, type over the lines. 12FE4M5
1. NAME OF COMMITTEE (in full)	TYPE OR PRINT ▼	
Freedom Party State Committee		
ADDRESS (number and street)		
123 Washington St.		
<input type="checkbox"/>	Check if different than previously reported. (ACC)	
	City	ST 00000 - 0000
	CITY ▲	STATE ▲ ZIP CODE ▲
2. FEC IDENTIFICATION NUMBER	▶ C C00300001	
3. <input checked="" type="checkbox"/>	<b>IMPORTANT</b> — By checking this box, the committee verifies that it qualifies as a “terminating committee” as that term is defined in 11 CFR 116.1(a), plans to terminate and does not intend to raise contributions or make expenditures except for the purpose of paying winding-down costs and retiring its debts. (Only a terminating committee may settle debts for less than the full amount owed. A committee that plans to continue raising contributions and making expenditures cannot file this form.)	
PART I - COMMITTEE SUMMARY INFORMATION		
4. Cash on Hand as of	“04” / “01” / “2024”	is 949,21
5. Total Assets to be Liquidated		175,00
6. Total (Add 4 and 5)		1,124,21
7. Year To Date Receipts		257,68
8. Year To Date Disbursements		1,586,74
9. Total Amount of Debts Owed by the Committee		1,139,29
10. Total Number of Creditors Owed		2
11. Number of Creditors in Part II of this Plan		1
12. Total Amount of Debts Owed to the Creditors in Part II of this Plan		748,08
13. Total Amount to be Paid to Creditors in Part II of this Plan		558,00
14. If this is an authorized committee, does the candidate have other authorized committees?	No <input type="checkbox"/> Yes <input type="checkbox"/>	
Name of Committee ▲		
FEC Identification Number ▶ C		

## 2. Committees with Outstanding Debts: Debt Settlement

### Eligibility for debt settlement

A committee that has outstanding debts but wants to terminate may be permitted to settle its debts for less than the full amount owed to the creditors if the creditors agree and meet certain requirements. This option is available only to a terminating committee, a committee that, in preparing to file a termination report, has stopped making or accepting contributions and making expenditures other than for the purpose of paying winding-down administrative expenses (if any) and retiring debts. 116.1(a) and 116.2(a).

An ongoing committee—that is, a committee that does not qualify as a terminating committee—may not settle any outstanding debts for less than the entire amount owed and must continuously report debts until they are extinguished. 104.3(d), 116.1(b) and 116.2(b). However, the committee may resolve its disputed debts and may request a Commission determination that such debts are not payable. Creditors also may forgive debts owed by ongoing committees under certain limited circumstances. 116.8, 116.9 and 116.10.

### Debts subject to settlement

The types of debts that are subject to debt settlement requirements include:

- Amounts owed to commercial vendors;
- Debts arising from advances by individuals<sup>1</sup> (e.g., staff using personal funds or credit to purchase goods and services on behalf of the committee);
- Salary owed to committee employees; and
- Loans owed to political committees or individuals (including candidates). 116.7(b).

### Debts not subject to settlement

The debt settlement rules do not apply to:

- Disputed debts, which are covered by other rules (see below). 116.7(c)(2) and 116.10.
- Bank loans and lines of credit. AO 2003-30 (Fitzgerald).

#### 15-2: Debt settlement, Part I (continued)

FEC Form 8 (Revised 01/2018)		DEBT SETTLEMENT PLAN		Page 2
Write or Type Name of Committee Filing this Plan				
Freedom Party State Committee				
FEC Identification Number ▶ C C00300001				
PART I - COMMITTEE SUMMARY INFORMATION (continued)				
15. Does the committee have sufficient funds to pay the total amount indicated in this Plan? If no, please indicate what steps will be taken to obtain the funds: ▼				
				No <input type="checkbox"/> Yes <input checked="" type="checkbox"/>
16. After disposing of all the committee's debts and obligations, will there be any residual funds? If yes, please indicate how the funds will be disbursed: ▼				
				No <input checked="" type="checkbox"/> Yes <input type="checkbox"/>
17. Has the committee been released from any debts included in this Debt Settlement Plan pursuant to a discharge under 11 USC Chapter 7 by a Bankruptcy Court? If so, please attach a copy of the order(s) and a list of debts so released.				
				No <input checked="" type="checkbox"/> Yes <input type="checkbox"/>
I certify that I have examined this Plan and to the best of my knowledge and belief it is true, correct and complete.				
Type or Print Name of Treasurer John Responsible				
Signature of Treasurer <i>John Responsible</i>				Date 04 / 10 / 2024
NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Plan to the penalties of 52 USC §30109.				
Office Use Only				

<sup>1</sup> Advances of personal funds for committee expenses are treated as contributions under most circumstances. 116.

## Debt settlement rules

A commercial vendor (incorporated or unincorporated) may forgive or settle debts owed by a committee without making a contribution if:

- Credit was initially extended in the ordinary course of business, and the terms of the credit are substantially similar to those observed by the vendor when extending credit to a nonpolitical debtor of similar risk and size of obligation. 116.3 and 116.4(d)(1);
- The committee undertook all reasonable efforts to satisfy the outstanding debt, such as fundraising, reducing overhead costs and liquidating assets. 116.4(d)(2); and
- The vendor made the same efforts to collect the debt as those made to collect debts from a nonpolitical debtor in similar circumstances. Such efforts might include, for example, requests for payment, withholding delivery of additional goods until overdue debts are satisfied, late fee charges, referral to a debt collection agency or litigation. 116.4(d)(3).

If the committee or the creditor fails to take these steps, the difference between the amount owed and the amount actually paid may be considered a contribution. 100.52(a) and (d).

### 15-3: Debt settlement, Part II creditor summary

FEC Form 8 (Revised 01/2018) DEBT SETTLEMENT PLAN		Page	of
Write or Type Name of Committee Filing this Plan			
Freedom Party State Committee			
FEC Identification Number ▶ C C00300001			
PART II - CREDITOR SUMMARY INFORMATION (FILL OUT FOR EACH CREDITOR IN PLAN)			
A. FULL NAME AND MAILING ADDRESS OF CREDITOR			
Lessor Campaign Services			
ADDRESS (number and street) 111 Usury St.			
City		STATE	ZIP CODE
		ST	00000-0000
B. DATE(S) INCURRED			
10 / 02 / 2020			
C. AMOUNT OWED TO CREDITOR			
748.08			
D. AMOUNT OFFERED IN SETTLEMENT			
558.00			
E. TYPE OF CREDITOR			
Incorporated Commercial Vendor <input checked="" type="checkbox"/>		Unincorporated Commercial Vendor <input type="checkbox"/>	
Candidate <input type="checkbox"/>		Committee Employee <input type="checkbox"/>	
		Other Individual <input type="checkbox"/>	
F. LIST EFFORTS MADE BY THE COMMITTEE TO PAY THE DEBT ▼			
The committee has attempted to raise additional funds, but its contributor base has eroded.			

## Creditor's rights

No commercial vendor or other creditor is required to forgive or settle debts owed by committees. 116.4(e).

## Debt settlement plans

Once a terminating committee has reached an agreement with a creditor, the treasurer must file a debt settlement plan on FEC Form 8. Debt settlement plans must include, among other information, the signature of all creditors listed in Part I of Form 8. The treasurer may use a separate form for each debt or may combine several debt settlements in one plan. 116.7(e). The terms of the debt settlement, as well as a signed statement from each creditor indicating agreement to the terms of the settlement owed to that creditor, must be provided in the debt settlement plan. 116.7(e)(iv).

## Completing form 8

Step-by-step instructions for completing Form 8 are included with the form. The treasurer must sign and date the first page, Part I.

## Commission review

The Commission reviews each debt settlement plan to ensure compliance with the rules discussed above and with the criteria listed in Commission regulations. 116.7(f). After reviewing the plan, the Commission sends a written notification to the committee.

## Payment to creditors

The committee must postpone paying creditors included in a plan until the Commission has completed its review. 116.7(a).

## Reporting debts undergoing settlement

### General rule

Debts undergoing settlement must be continuously reported until the Commission has completed its review of the committee's debt settlement plan. 116.7(d). The committee may file a termination report once all debts have been paid, settled, forgiven, determined to be unpayable, or otherwise extinguished. 116.7(a).

### Disputed debts

A disputed debt is an actual or potential debt owed by a committee where there is a bona fide disagreement between the creditor and the committee as to the existence of a debt or the amount owed by the committee. 116.1(d). Chapter 12, section 12 shows how to report disputed debts on Schedule D.

When filing a debt settlement plan, a terminating committee must describe the nature of the dispute and the committee's efforts to resolve it on Part II of Form 8. 116.10. The committee may also note that the disclosure of a disputed debt does not constitute an admission of liability or a waiver of any claims the committee may have against the creditor. 116.10(a).

### 15-4: Debt settlement, Part II creditor section

FEC Form 8 (Revised 01/2018) DEBT SETTLEMENT PLAN		Page	of
Write or Type Name of Committee Filing this Plan			
Freedom Party State Committee			
FEC Identification Number ▶		C	C00300001
PART II - CREDITOR SECTION (TO BE FILLED OUT BY CREDITOR)			
FULL NAME AND MAILING ADDRESS OF CREDITOR			
Lessor Campaign Services			
ADDRESS (number and street)			
111 Usury St.			
CITY		ST	00000 - 0000
CITY ▲		STATE ▲	ZIP CODE ▲
A. List terms of the initial extension of credit and nature of the debt. ▼			
Debt was incurred for production of radio advertisements. Half of total owed was to be paid up front with the balance due after the general election.			
Were the terms under which credit was extended to the committee similar to those under which the creditor extended credit to non-political debtors of similar risk and obligation size?			No <input type="checkbox"/> Yes <input checked="" type="checkbox"/>
Describe the terms of credit extension by the creditor to non-political debtors of similar risk and obligation size: ▼			
The credit was extended in the normal course of Lessor Campaign's business practices. We generally invoice clients for half the fee up-front and require the remainder to be paid when services are rendered.			
B. Did the creditor agree to provide the committee additional time to pay beyond the original due date(s)?			No <input checked="" type="checkbox"/> Yes <input type="checkbox"/>
If yes, list the terms of any additional payment agreement(s): ▼			
C. If the creditor is a commercial vendor, does the creditor's usual and normal business involve providing the same type(s) of goods or services that it provided to the committee?			No <input type="checkbox"/> Yes <input checked="" type="checkbox"/>
D. List steps by the creditor to collect the debt: ▼			
Creditor sent bills 10, 30, and 60 days after services were rendered, following its normal practice.			



**Unpayable debts**

Both terminating and ongoing committees may obtain a determination from the Commission that a debt is unpayable for purposes of the Act because the creditor has gone out of business and no other entity has the right to be paid or because the committee, despite exercising reasonable diligence, could not locate the creditor. A debt must be outstanding for at least 24 months for the Commission to consider whether a debt is unpayable. The committee must continue to report the debt until the Commission determines that the debt is unpayable. 116.9.

**3. Committees with Outstanding Debts: Administrative Termination**

An inactive committee that wants to terminate but still has outstanding debts must make efforts to settle the debts under the procedures described above. If debt settlement efforts fail, however, such a committee may seek administrative termination by the FEC. (The Commission may also, at its own initiative, administratively terminate a committee’s reporting status.)

**Criteria for administrative termination**

When determining a committee’s eligibility for administrative termination, the Commission will consider the following factors:

15-5: Debt settlement, Part II creditor section (continued)

FEC Form 8 (Revised 01/2018) **DEBT SETTLEMENT PLAN** Page of

Write or Type Name of Committee Filing this Plan  
 Freedom Party State Committee

FEC Identification Number ▶ C C00300001

**PART II - CREDITOR SECTION (continued)**  
 (TO BE FILLED OUT BY CREDITOR)

**FULL NAME AND MAILING ADDRESS OF CREDITOR**  
 Lessor Campaign Services

ADDRESS (number and street) 111 Usury St.  
 City STATE ZIP CODE  
 CITY ▲ STATE ▲ ZIP CODE ▲

E. If the creditor is a commercial vendor:

1. Did the vendor follow its established procedures and past practices in approving the extension of credit? No  Yes

2. Has the creditor previously extended credit to the committee? No  Yes   
 If yes, did it receive prompt payment in full? No  Yes

3. Did the creditor extend credit in conformity to the usual and normal practice in the creditor's trade or industry? No  Yes

F. Was the effort made by the creditor to collect the debt similar to other debts collection efforts against non-political debtors in similar circumstances? No  Yes

G. Are the terms of the debt settlement comparable to other settlements made by the creditor with other non-political debtors in similar circumstances? If no, please explain No  Yes

As the creditor or a representative of the creditor, I hereby accept the settlement offer made to me by the committee and upon payment agree to consider the debt satisfied (or attach a copy of the signed statement).

Type or Print Name of Creditor or Representative George Robert Allen Vice President Title

Telephone Number (555) 694-1000 E-Mail Address grallen@shellnb.fec

Signature of Creditor or Representative *George Robert Allen* Date '04 / '10 / '2024

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Plan to the penalties of 52 USC §30108.

Office Use Only

- The committee is not involved in any matter before the Commission (such as a MUR, an audit, litigation or an Administrative Fine case);
- The committee’s aggregate reported financial activity in one year is less than \$5,000;
- The committee’s reports disclose no receipt of contributions for the previous year;
- The committee’s last report disclosed minimal expenditures;
- The committee’s primary purpose for filing its reports has been to disclose outstanding debts and obligations;
- The committee has failed to file reports for the previous year;
- The committee’s last report disclosed that the debts owed to the committee were not substantial;
- The committee’s last report disclosed that the committee’s outstanding debts and obligations do not appear to present a possible violation of the Act’s contribution prohibitions and limitations; and
- The committee’s outstanding debts and obligations exceed the total of the committee’s reported cash-on-hand balance. 102.4(a).

## Procedures for requesting administrative termination

When requesting administrative termination, the committee’s treasurer should set forth the committee’s eligibility in writing, based on the factors listed above. 102.4(b). In addition, with respect to any outstanding debts, the committee’s request should describe its compliance with debt settlement procedures:

- The terms and conditions of the initial extension of credit;
- Steps taken by the committee to repay the debt; and
- Efforts made by the creditors to obtain payment.

Requests should be addressed to the Commission’s Reports Analysis Division.<sup>2</sup>

Once the Commission completes its review of the request, the committee will be sent a written notification of the Commission’s approval or disapproval. Committees must continue to file regular reports until the request for administrative termination has been approved.

### 15-6: Debt settlement, Part III

FEC Form 8 (Revised 01/2018) **DEBT SETTLEMENT PLAN** Page of

Write or Type Name of Committee Filing this Plan  
Freedom Party State Committee

FEC Identification Number ▶ C C00300001

---

**PART III - LIST OF REMAINING DEBTS**

**FULL NAME, MAILING ADDRESS AND ZIP CODE OF CREDITOR**  
Campaign Mailing Services

ADDRESS (number and street) 1016 La Poscada

CITY City STATE ST ZIP CODE 00000 - 0000

1. Type Of Creditor  Incorporated Commercial Vendor  Other Individual  Repayment Obligation to U.S. Treasury of Presidential Candidate  
 Unincorporated Commercial Vendor  Candidate  Committee Employee

2. Is This A Disputed Debt?  No  Yes  
 If yes, describe the nature of dispute and status of efforts to resolve ▼

3. Amount Owed to Creditor..... 391.21

4. Amount Expected to Pay/Offer ... 391.21

---

**FULL NAME, MAILING ADDRESS AND ZIP CODE OF CREDITOR**

ADDRESS (number and street)

CITY STATE ZIP CODE

1. Type Of Creditor  Incorporated Commercial Vendor  Other Individual  Repayment Obligation to U.S. Treasury of Presidential Candidate  
 Unincorporated Commercial Vendor  Candidate  Committee Employee

2. Is This A Disputed Debt?  No  Yes  
 If yes, describe the nature of dispute and status of efforts to resolve ▼

3. Amount Owed to Creditor.....

4. Amount Expected to Pay/Offer ...

---

**DOES THE COMMITTEE HAVE SUFFICIENT FUNDS TO PAY THE REMAINING AMOUNTS TO BE PAID OR OFFERED?**

Yes

No (Please list steps that will be taken to obtain the funds) ▶

Reproduce this page to list additional remaining debts.

<sup>2</sup> Each committee has an assigned RAD analyst. A committee may find its analyst on the FEC website at <https://www.fec.gov/help-candidates-and-committees/question-rad/>.

## Appendix A

# Nonmajor Political Parties

This appendix has been written for groups that have formed a minor political party or who wish to start one. Federal law confers benefits on party committees at the local, state and national levels, but only groups meeting specific criteria may take advantage of those benefits.

### 1. Benefits of Political Party Status

Party committees are entitled to spend more money in coordinated support of their candidates for federal office than other political groups.

- In addition to making contributions, local party committees may spend unlimited amounts for certain candidate-support activities called exempt party activities.
- State party committees may also pay for unlimited exempt party activities. Additionally, state party committees may spend limited—but substantial—amounts on coordinated party expenditures to support their U.S. House and Senate candidates in the general election. Coordinated party expenditures do not count against the contribution limits.
- While national committees are not entitled to the exempt party activities benefit, they have other advantages. They can make coordinated party expenditures on behalf of House, Senate and Presidential nominees. Moreover, they enjoy higher limits on the contributions they raise than other committees.

Any organization that wants to become a political party should keep in mind unique regulations. First, national party committees may not accept or direct any funds outside the limits and prohibitions of federal law. 52 U.S.C. § 30125. Second, certain activity by state, district and local committees, termed federal election activity, is uniquely regulated, as discussed in Chapters 8 and 14. Third, party committees are restricted in how they may support certain tax-exempt organizations. See Chapter 3, section 5.

### 2. Qualifying as Political Party

The benefits of political party status apply only to organizations that qualify as political parties.

#### Federal law

The federal campaign finance law defines “political party” as a committee or organization whose nominated or selected candidates for federal office appear on the ballot as the party’s candidates. 11 CFR 100.15. However, ballot access is governed by state law.

#### State law

The laws in each state determine when a political organization qualifies as a “political party” entitled to have its candidates’ names appear as party-designated candidates on the general election ballot. While the laws differ from state to state, they generally all require a nonmajor party to demonstrate sufficient voter support—such as by filing a petition for party recognition signed by a representative number of voters—in order to qualify for ballot access in the general election. Moreover, the party must receive a sufficient number of votes in the election in order to sustain its qualified status.

In nearly all states, a party can achieve limited recognition as a political party for a specific general election by being named as the organization represented by the candidate in his or her nominating petition.

Contact the Secretary of State's office (or equivalent office) in each state for specific information on achieving political party status under state law.

### **3. Qualifying as National Committee**

Federal law defines a national committee as an organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of the party at the national level, as determined by the Commission. 100.13.

A committee should seek an FEC advisory opinion to verify that it has attained national committee status before taking advantage of the expanded contribution and expenditure limits that apply to a qualified national committee. The Commission will decide whether the committee or the party has demonstrated sufficient national-level activity to qualify, based on the criteria listed below. See AOs 2006-36 (Green Senatorial Campaign Committee), 2001-13 (Green Party of the United States), 1998-02 (Reform Party USA) and 1995-16 (National Committee of the U.S. Taxpayers Party).

#### **Nominating candidates for federal office in numerous states**

The party's ballot access efforts must extend beyond the Presidential races to races for the U.S. Congress. The party must have a sufficient number of party-designated federal candidates on the ballot in a sufficient number of states in different geographic areas to meet this requirement. See AOs 2006-36 (Green Senatorial Campaign Committee), 2001-13 (Green Party of the United States), 1988-45 (Populist Party of America) and 1980-131 (National Unity Campaign) and those cited below.

For example, in the 1992 elections, a party's Presidential and Vice-Presidential candidates achieved ballot access in several states, but the party's ballot access activity with respect to candidates for U.S. Congress—nine candidates in three states—was considered too limited to meet this criterion. AO 1992-44 (National Committee of the U.S. Taxpayers Party). The same party, in the 1994 election cycle, expanded its efforts, achieving ballot access for 14 Congressional candidates in six states located in different sections of the country. This was considered sufficient activity to meet the ballot access requirement. AO 1995-16 (National Committee of the U.S. Taxpayers Party). See also AO 1992-30 (Natural Law Party of the United States of America).

Parties whose candidates do not qualify as such under FECA and who fail to gain ballot access for federal candidates have failed to be recognized as national party committees in the past. See AOs 2016-07 (United National Committee), 2013-01 (1787 National Committee).

#### **Conducting activities on ongoing basis**

The committee must engage in activities such as voter registration drives on an ongoing basis (rather than with respect to a particular election). See, for example, AO 1992-30 (Natural Law Party).

#### **Publicizing issues nationwide**

A national committee must publicize, on a national basis, issues of importance to the party and its adherents such as through print or on a party website. This activity might involve publishing the party's philosophy and positions, issuing press releases and distributing a national newsletter. See, for example, AOs 2006-36 (Green Senatorial Campaign Committee) and 1992-44 (National Committee of the U.S. Taxpayers Party).

## Other criteria

Other factors which indicate that a party committee has attained national status include holding a national convention, setting up national headquarters and establishing state party committees. See, for example, AO 1992-30 (Natural Law Party).

## 4. Qualifying as State Party Committee

The Commission determines whether an organization qualifies as a state party committee through the advisory opinion process. To make its determination, the Commission examines whether the organization is, by virtue of the bylaws of a political party or by the operation of state law, part of the official party structure and responsible for the day-to-day operation of a political party at the state level. 100.14(a).

Three requirements must be met for a committee to qualify as a state party committee:

- First, the committee must have at least one candidate for federal office whose name appears on the ballot as a candidate of the committee;
- Second, the committee must possess an official party structure;
- Third, the relationship between the political party and the committee must be based on an agreement that requires the committee to perform activities commensurate with the day-to-day operation of the party on a state level (such as raising contributions; assisting candidates' fundraising efforts; conducting voter registration drives; holding state conventions; and nominating candidates for state and federal office). See AOs 2008-13 (Pacific Green Party of Oregon), 2008-12 (Independent Party of Oregon) and 2007-23 (Independence Party of New York).

## 5. Qualifying as District or Local Party Committee or Subordinate Committee

A district or local party committee is the organization that by virtue of the bylaws of a political party or by the operation of state law is part of the official party structure. It is responsible for the day-to-day operation of a political party at the level of city, county, neighborhood, ward, district, precinct or any other subdivision of a state. 100.14(b).

A subordinate committee is a committee that operates in any subdivision of a state or is an organization under the control or direction of a state committee and is directly or indirectly established, financed, directed or controlled by a state, district or local committee. 100.14(c).



## Appendix B

# Local Party Organizations

### 1. Introduction

A local party organization is an organization that is responsible for a political party's activities below the state level (such as city, county or district level) but is not registered with the Federal Election Commission (FEC) as a district or local party committee. This appendix will explain more fully the ways in which a local party organization can support candidates for federal office without having to register or report to the FEC. Commission regulations:

- Require local party organizations to register and file disclosure reports with the FEC once their activities related to federal elections exceed certain dollar thresholds;
- Place dollar limits on the contributions and expenditures that local party organizations may make on behalf of candidates for federal office;
- Prohibit certain kinds of contributions in connection with federal elections; and
- Require local party organizations to spend only permissible funds to support federal candidates and engage in "federal election activity," as defined by the *Bipartisan Campaign Reform Act of 2002* (BCRA).

Because of these limits, prohibitions and registration thresholds, local party organizations should carefully monitor the money they raise and spend in connection with federal elections. Organizations that wish to avoid registration and disclosure should make certain that their activities do not exceed the registration thresholds discussed below.

Once a committee has reached or exceeded any of these thresholds, it must register and begin reporting to the Commission, which is discussed in Chapter 1.

### Why does it matter?

Once a local party organization is required to register with the FEC, it becomes a local political party committee. An important consequence of registration is that the local party committee is presumed to be affiliated with all other federal committees of that party within that state. 11 CFR 110.3(b)(3).<sup>1</sup>

If affiliated, committees share limits on contributions made and received. This means, for example, that an individual's total contributions to the federal accounts of all affiliated state and local party committees cannot exceed \$10,000 per year; and those affiliated committees' total contributions to any one candidate cannot exceed \$5,000 per election. Because of this, if a local party organization becomes a registered party committee, it will need to carefully monitor contributions to and from both the state party and itself.

### Federal funds

Local party organizations that are involved in federal elections must establish an accounting procedure to ensure that they spend only "federally permissible funds" (funds subject to the limits and prohibitions of

<sup>1</sup> A local political party committee may disprove this presumption, and therefore be deemed unaffiliated with other party committees in the state, if it does not receive funds from other federal committees of that party in the state that are established, financed, maintained or controlled by any party unit within the state and if it does not coordinate its activities and contributions with any other party unit or political committee established, financed, maintained or controlled by another party unit within the state. 110.3(b)(3)(i) and (ii); AOs 1999-04 (Republican Party of Minnesota) and 1978-09 (Republican State Central Committee of Iowa).

the Act) on activities related to federal elections. The organization must keep records of its receipts and disbursements for three years and must, upon request, make such records available for examination by the FEC. 52 U.S.C. § 30102(d); 102.5(b).

## **2. Registration Thresholds**

A local party organization must register with the FEC as a party committee only after its activity exceeds one of the thresholds described below. Once an organization has triggered a registration requirement, it must file a Statement of Organization (FEC Form 1) within 10 days and will thereafter file regular disclosure reports on FEC Form 3X. 102.1(d); 104.2(e)(3).

### **\$1,000 Threshold for contributions/expenditures made**

A local party organization must register as a political committee once its contributions or expenditures relating to federal candidates or elections exceed \$1,000 in a calendar year. This threshold is an aggregate one, applying to all federal contributions or expenditures during the year, including transfers to another party committee's federal account. 100.5(c).

### **\$5,000 Threshold for contributions received**

A local party organization is required to register with the FEC once it receives in excess of \$5,000 in contributions in a calendar year. 100.5(c).

Funds (including loans) transferred in from a party committee (i.e., a federal account) also count towards the threshold if they are used by the recipient party organization for federal activity.

### **\$5,000 Threshold for exempt activities**

Spending in excess of \$5,000 per year on exempt party activities triggers political committee status. However, if the exempt activity supports both federal and nonfederal candidates, only the portion of the expense allocable to federal candidates counts against the \$5,000 threshold. The term "exempt activities" refers to three types of party activities that are conducted to support federal candidates but not considered "contributions" or "expenditures." Exempt party activity is discussed in detail in Chapter 7.

## **3. Volunteer activities**

The activities described in the "Volunteer Activities" section of Chapter 4 do not count as contributions to the local party organization and do not count against any of the registration thresholds. Thus, a local party may organize unlimited volunteer activity on behalf of federal candidates without triggering registration or reporting to the Commission.



## Appendix C

# Joint Fundraising

### 1. Introduction

#### What is joint fundraising?

Joint fundraising is fundraising conducted jointly by a political committee and one or more other political committees or unregistered organizations.

#### Who must observe joint fundraising rules?

The rules described in this appendix apply to political committees and unregistered organizations engaged in joint fundraising.<sup>1</sup> The participants in joint fundraising activity may include:

- national, state, district, and local party committees;
- party organizations not registered as political committees;
- federal and nonfederal candidate committees;
- nonparty political committees (e.g., federal PACs); and
- unregistered nonparty organizations (e.g., nonfederal PACs). 11 CFR 102.17(a)(1)(i) and (a)(2).

#### Overview of rules

All participants in a joint fundraising effort, including unregistered organizations, must:

- Create or select a political committee to act as the fundraising representative;
- Agree to a formula for allocating proceeds and expenses;
- Enter into a written agreement naming the fundraising representative and stating the allocation formula;
- Establish a separate account for joint fundraising receipts and disbursements;
- Notify the public of the allocation formula and certain other information (detailed below) when soliciting contributions;
- Screen contributions to make sure they comply with the limits and prohibitions of the *Federal Election Campaign Act*; and
- Report allocated proceeds and expenses (applies to political committees only). 102.17.

The committee named as the fundraising representative has additional responsibilities, as explained below.

### 2. Restrictions

Participation in a joint fundraiser does not exempt any participants from any restrictions on their ability to raise funds outside the limits and prohibitions of federal law. 102.17(a).

#### Soft money ban

National party committees may not participate in any joint fundraiser where nonfederal or Levin funds are raised. 300.10, 300.31(e)(1).

<sup>1</sup> The joint fundraising rules do not, however, apply to fundraising by collecting agents and separate segregated funds. (A collecting agent is an organization that solicits and collects contributions for a separate segregated fund.) 102.17(a)(3). See 102.6(b).

## Federal candidate fundraising

Federal candidates may not raise funds outside the limits and prohibitions of the Act. This ban limits their ability to participate in joint fundraisers with organizations that can raise nonfederal funds, such as state campaign committees. 300.61 and 300.62. Participation by federal candidates in nonfederal fundraising is covered in greater detail in Chapter 3, section 4, as well as the *Campaign Guide for Congressional Candidates and Committees*.<sup>2</sup>

## Levin fundraising

State and local party committees may not raise Levin funds through joint fundraising activity with any other state or local party committee. This prohibition applies to committees in different states as well. However, state and local party committees may jointly raise funds which are not used for federal election activity. 300.31(f).

## 3. Fundraising Representative

Joint fundraising participants must either establish a new political committee (using a Statement of Organization, FEC Form 1) or select a participating political committee to act as the fundraising representative. This committee is responsible for: collecting and depositing joint fundraising contributions; paying expenses; allocating proceeds and expenses to each participant; keeping records; and reporting overall joint fundraising activity. Any federal candidate participating in the fundraiser must designate the fundraising representative as an authorized candidate committee (using a Statement of Candidacy, FEC Form 2). 102.17(a)(1)(i), (b)(1) and (b)(2).

### New committee

If a new committee is established, it collects all the contributions. 102.17(b)(1). Note that a new committee may not itself be a participant in any other joint fundraising effort, though it may conduct more than one event or activity on behalf of the participants. 102.17(a)(1)(i).

### Participating committee

If a participating committee acts as a fundraising representative, the other participants may also collect contributions, but they must forward them to the fundraising representative as required under 102.8 of FEC regulations. 102.17(b)(2).

### Commercial firm

Although participants may hire a commercial fundraising firm or other type of agent to assist the joint fundraiser, they are still required to establish or select a fundraising representative. 102.17(a)(1)(ii).

## 4. Written Agreement

Before conducting a joint fundraiser, all participants must enter into a written agreement that identifies the fundraising representative and states the allocation formula—the percentages or amounts used to allocate joint fundraising proceeds and expenses among participants. The fundraising representative must retain a copy of the written agreement for three years and make it available to the FEC upon request. 102.17(c)(1).

---

<sup>2</sup> You may find the *Campaign Guide for Congressional Candidates and Committees* on the FEC website. <https://www.fec.gov/resources/cms-content/documents/policy-guidance/candgui.pdf>

## 5. Separate Depository

### Establishing the account

Joint fundraising participants must establish a separate account for the receipt and disbursement of all joint fundraising proceeds. Each participating political committee must amend its Statement of Organization (FEC Form 1) to show the account as an additional depository. 102.17(c)(3)(i).

### Depositing contributions

The fundraising representative must deposit contributions into the account within 10 days after receiving them. Only contributions permissible under the *Federal Election Campaign Act* (the Act) may be deposited in the joint fundraising account. If any participant is an unregistered organization which may, under state law, accept prohibited contributions, the participants may either establish a second account for such contributions or forward them directly to the participants that may accept them. 102.17(c)(3)(i) and (ii).

## 6. Statements Of Organization

### Joint fundraising representatives

If the joint fundraising committee is a new committee, it must file a Statement of Organization (FEC Form 1). If, on the other hand, the representative is an existing committee, it must amend its Statement of Organization. In either instance, the Statement of Organization must:

- Identify the committee as the joint fundraising representative (check box 5(i) or (j), as appropriate) and list the names and FEC identification numbers of the participating committees;
- Name the depository institution being used by the joint fundraising committee. In the case of a representative which is an existing committee, the depository is named only if it is different from the depository named on the committee's current Statement of Organization.

### Other joint fundraising participants

Committees (other than the joint fundraising representative) that are participating in the joint fundraising effort must amend their Statements of Organization (FEC Form 1). On the form the committees must:

- Provide the name and address of the Joint Fundraising Representative in box 6 and check the "Joint Fundraising Representative" box; and
- State the name and address of the depository institution holding the joint fundraising account, if it is different from the depository named on line 9 of their current Statements of Organization. 102.17(c)(3)(i).

## 7. Start-Up Costs

Participants may advance funds to the fundraising representative for start-up costs of the fundraiser. The amount advanced by a participant should be in proportion to the agreed upon allocation formula. Any amount advanced exceeding a participant's proportionate share is considered a contribution and must not exceed the amount the participant may contribute to the other participants. 102.17(b)(3)(i) and (ii). (However, an exception is made for funds transferred between affiliated committees and between party committees under 110.3(c)(1) and 102.6(a)(1)(ii); 102.17(b)(3)(iii); see Section 16).

## Example

Committees A, B and C determine they need \$2,000 in start-up costs. According to their allocation formula (Committees A and B, 25 percent each; Committee C, 50 percent), Committees A and B each advance \$500 to the fundraising representative, and Committee C, \$1,000. If, however, Committee C advances the entire \$2,000, it has made a \$500 contribution to both committees A and B.

## Unregistered organizations

An unregistered organization must use funds that are permissible under the Act when advancing money for start-up costs. 102.17(a). If an unregistered participant advances more than its share of start-up costs and thus makes a contribution, the contributed amount may trigger registration and reporting requirements under the Act. 100.5.

## 8. Joint Fundraising Notice

### General rule

In addition to any notice required under “Disclaimer Notices on Communications” (page 77) and “Solicitation Notices” (page 25), participants or the joint fundraising committee must include a joint fundraising notice with every solicitation for contributions. The notice must contain the following information:

- The names of all participants, regardless of whether they are registered political committees or unregistered organizations;
- The allocation formula (the amount or percentage of each contribution that will be allocated to each participant);
- A statement informing contributors that they may designate contributions for a particular participant (notwithstanding the allocation formula); and
- A statement that the allocation formula may change if any contributor makes a contribution that exceeds the amount they may lawfully give to any participant. 102.17(c)(2)(i).

### Special situations

In two situations, participants must include additional information in the joint fundraising notice:

- If a participant is engaging in the joint fundraiser to pay off outstanding debts, the notice must state that the allocation formula may change if the participant receives enough funds to pay its debts.
- If, under state law, any unregistered participant is permitted to receive contributions prohibited under the Act, the notice must say that such contributions will be given only to participants that may legally accept them. 102.17(c)(2)(ii).

## 9. Communications

All political committees, including joint fundraising committees, must include disclaimers on their public communications. 110.11. The disclaimer must identify who paid for the message and indicate whether it was authorized by a candidate’s campaign. A Joint Fundraising Committee must present the disclaimer in a clear and conspicuous manner, to give the reader, observer or listener adequate notice of the identity of the person or political committee that paid for the ad and if required, that the ad is authorized by participating candidates. 110.11(b)(2). For example, a Joint Fundraising Committee may not use only its name and URL to identify itself in disclaimers. All participating candidates must be listed. 110.11(c)(1); AO 2013-13 (Freshman Hold’em).

## 10. Screening Contributions

The fundraising representative and participants must screen all contributions to make sure they are neither prohibited by the Act nor in excess of the Act's contribution limits. (Any prohibited contributions must be allocated to any unregistered participants in compliance with applicable state law.) The maximum a contributor may give to a joint fundraiser is the total amount they may contribute to all participants without exceeding any limits (less any amounts that the contributor has otherwise contributed to any of the participants). For example, in a joint fundraiser between three state party committees, an individual would be permitted to contribute \$30,000 per year—\$10,000 to each committee—if they hadn't yet contributed to any of the participants.

To facilitate screening, participants must make their contributor records available to the fundraising representative so that the representative can determine whether a donor has exceeded the contribution limits. 102.17(c)(4)(i) and (c)(5).

## 11. Recordkeeping

### Receipts

With regard to gross proceeds, the fundraising representative must collect the following contributor information and later forward it to the participating political committees:

- For contributions exceeding \$50 per calendar year: the amount, date of receipt and the contributor's name and address.
- For contributions exceeding \$200 per calendar year: the amount, date of receipt and the contributor's name, address, occupation and employer. 102.8(a) and (b); 102.17(c)(4)(ii).

The date of receipt is the date the fundraising representative receives the contribution. 102.17(c)(3)(iii).

### Prohibited contributions

The fundraising representative must also keep a record of the total amount of prohibited contributions received, if any, and of any transfers containing prohibited funds made to participants that may accept them. 102.17(c)(4)(ii).

### Disbursements

The fundraising representative must retain records on all disbursements made for the joint fundraiser for three years. The required recordkeeping information is described in Chapter 10. If a commercial fundraising firm or agent is used, it must forward required records on disbursements to the fundraising representative. 102.17(c)(4)(iii).

## 12. Allocating Gross Proceeds

The fundraising representative may make payments for fundraising expenses from gross proceeds collected at the fundraiser (and from funds advanced by the participants). 102.17(c)(7)(iii). Nevertheless, it must allocate (but not transfer) gross proceeds among the participants. The transfer is not made until after the net proceeds are determined. (See Section 14: Calculating Net Proceeds. See also AO 2007-24 (Burkee/Walz).

Generally, the fundraising representative must allocate gross proceeds according to the allocation formula. However, the formula may change if the allocation results in:

- An excessive contribution from a contributor to one of the participating committees; or
- A surplus for a participant raising money solely to pay off campaign debts.

Reallocation under these circumstances must be based on the other participants' proportionate shares under the allocation formula. If reallocation results in a contributor's exceeding contribution limits for the remaining participants, the fundraising representative must return the excess amount to the contributor. 102.17(c)(6)(i).

### **Example**

Using the same example mentioned above (allocation formula: Committees A and B, 25 percent each; Committee C, 50 percent), the participants receive a \$2,000 contribution from a donor who had previously contributed up to his limit to Committee C. If the fundraising representative were to divide the contribution according to the allocation formula, Committee C would receive an excessive contribution of \$1,000. Instead, the excess \$1,000 is divided equally between Committees A and B since their proportionate shares under the allocation formula are equal. Each receives an extra \$500, bringing their total allocation to \$1,000 apiece.

If, however, Committee A can accept only \$800 from the contributor without exceeding the limit, the excess \$200 is allocated to Committee B. If Committee B cannot accept the money for the same reason, the \$200 must be returned to the contributor.

### **Designated contributions**

Designated or earmarked contributions which exceed the contributor's limit for a participant may not be reallocated without the written consent of the contributor. 102.17(c)(6)(ii).

### **Prohibited contributions**

Prohibited contributions must be distributed only to the unregistered participants that may lawfully accept them; they do not have to be distributed according to the allocation formula. 102.17(c)(6)(iii).

## **13. Allocating Expenses**

After gross proceeds are allocated, the joint fundraising representative must calculate each participant's share of expenses based on its actual share of gross proceeds. (Prohibited contributions may be excluded from the gross proceeds when making this calculation.) 102.17(c)(7)(i)(A). (An exception is made for party committees; see below.) The final allocation formula may differ from the original formula if receipts have to be reallocated.

Expenses for a series of fundraising events must be allocated on a per-event basis. 102.17(c)(7)(i)(C).

### **Example**

At the start of the fundraiser, Committees A, B and C agree to allocate 25 percent of proceeds and expenses to Committee A, 25 percent to Committee B and 50 percent to Committee C. However, because the fundraising representative must reallocate some contributions, Committee A is actually allocated 20 percent of gross proceeds; Committee B, 35 percent; and Committee C, 45 percent. The fundraising representative must allocate the joint fundraising expenses, \$10,000, on the same basis: \$2,000 to Committee A, \$3,500 to Committee B and \$4,500 to Committee C.

## Excess payment

If a participant pays for more than its allocated share of expenses, the excess payment is considered a contribution to the other participants, subject to the Act's limits (see "Start-Up Costs" earlier in this appendix). 102.17(c)(7)(i)(B). (Party committees are excepted from this rule because they may make unlimited transfers to other party committees.)

Remember, if an unregistered participant makes or receives such a contribution, the payment may trigger registration and reporting requirements for that organization. 100.5.

## 14. Calculating Net Proceeds

The fundraising representative may delay transferring net proceeds to participants until after it receives all contributions and pays all expenses for the fundraiser. To determine net proceeds, the fundraising representative subtracts the participant's share of expenses from its share of gross proceeds. 102.17(c)(3)(ii) and (c)(7)(i)(A).

For example, Committees A, B and C raise \$50,000 in gross proceeds and spend \$10,000 in expenses, leaving \$40,000 in net proceeds. The fundraising representative allocates \$10,000 (20 percent) in gross proceeds to Committee A and \$2,000 (20 percent) in expenses; Committee A's net proceeds equal \$8,000.

## 15. Reporting

### Fundraising representative

The fundraising representative must report all joint fundraising proceeds in the reporting period in which they are received. If any prohibited contributions are received for an unregistered organization, the fundraising representative must report them as memo entries. Each Schedule A used to itemize contributions must clearly indicate that the receipts are joint fundraising proceeds. 102.17(c)(3)(iii) and (c)(8)(i)(A).

The fundraising representative must also report all disbursements made for the joint fundraiser in the reporting period in which they are made. 102.17(c)(8)(ii).

### Electronic filing

A joint fundraising representative must file electronically if its total yearly contributions or total yearly expenditures exceed, or are expected to exceed, \$50,000. 104.18. Political committees are encouraged to file electronically even if they have not met the \$50,000 threshold.

### Participants

After the fundraising representative distributes the net proceeds, each participating political committee reports its share as a transfer-in from the fundraising representative. Using the records received from the fundraising representative, a participating committee itemizes its share of gross receipts as contributions from the original donors (to the extent required by the rules on itemization as discussed in Chapter 12) on memo entry Schedules A. When itemizing gross contributions, the participant must report the date of receipt as the day the fundraising representative received the contribution, not on the date the participant received the funds. 102.17(c)(3)(iii); (c)(8)(i)(B).

Note that, if the fundraising representative is one of the participating committees (rather than a committee established solely for the joint fundraiser), it must report its own share of gross receipts in addition to reporting total fundraising proceeds.

## **Termination/when to stop reporting**

If the joint fundraising participants registered a new political committee as the fundraising representative, then they must follow the procedure in Chapter 15 to terminate the committee. Before a committee can stop filing with the FEC, it must file a termination report with the Commission. 102.3. A committee must continue to file reports until the Commission notifies it in writing that its termination report has been accepted.

## **16. Exception For Party Committees and Organizations<sup>3</sup>**

Payments made by a party committee (that is, a political committee) on behalf of another party committee are considered transfers of funds rather than contributions. Because there is no limit on transfers between party committees of the same political party, a party committee may pay any amount of another party committee's allocated start-up costs and fundraising expenses. Moreover, if all the participants in the fundraiser are party committees, start-up costs and fundraising expenses need not be allocated at all. 102.6(a)(1)(ii); 102.17(b)(3)(iii) and (c)(7)(ii).

The same exception also applies to party organizations (that is, unregistered party groups). They must use funds permissible under the Act when making payments for start-up costs and fundraising expenses. Furthermore, such payments by a party organization on behalf of a registered party committee count against the \$1,000 contribution/expenditure threshold for registration as a political committee. (See Chapter 1.) 100.5(a) and (c); 102.6(a)(1)(iv) and (a)(2); 102.17(c)(7)(ii).

---

<sup>3</sup> This section also applies to nonparty committees and organizations that are affiliated. (See Appendix I for the definition of "affiliated committee.")



## Appendix D

### Partnership Contributions

Outlined below are special rules concerning contributions from partnerships to party committees.

#### 1. Contribution Limits

##### Contributions made by partnership

A partnership may make contributions aggregating up to \$10,000 per calendar year to the state, district and local party committees of a particular state party (combined limit) and up to \$41,300 to a national party committee during the 2023-24 election cycle. A contribution from a partnership is attributed to the partnership and to each partner either proportionally according to each partner's share of the firm's profits, or by agreement of the partners (see below). 11 CFR 110.1(c) and (e).

##### Contributions made by individual partners

Each partner may make contributions aggregating up to \$10,000 per calendar year to the state, district, and local party committees in a particular state (combined limit) and up to \$41,300 to a national party committee during the 2023-24 election cycle. 110.1(c).

##### Limited liability companies

In some cases, limited liability companies (LLCs) are treated as partnerships. For the purposes of contribution limitations and prohibitions, an LLC is treated as a partnership if:

- It does not have publicly traded shares; and
- It has chosen to file, under IRS rules, as a partnership; or
- It has made no choice, under IRS rules, as to whether it is a corporation or a partnership. 110.1(g)(2) and (3)

Under these conditions, this appendix would apply to those LLCs.

#### 2. Attribution Among Partners

##### Formula

A portion of the partnership contribution must be attributed to each contributing partner. If all partners within the organization are contributing, the partnership may attribute the contribution according to each partner's share of the firm's profits.

However, if the partnership attributes a contribution on another basis agreed to by the partners, the following rules must be observed:

- Only the profits of the partners to whom the contribution is attributed are reduced (or losses increased); and
- The profits (or losses) of only the contributing partners are reduced (or losses increased) in proportion to the contribution attributed to each of them.

The portion attributed to each partner, when aggregated with other contributions from that person, must not exceed the individual partner’s contribution limit. 110.1(e). Partnerships with corporate members are discussed in the next section.

### Notice to recipient committee

Because a contribution from a partnership is a joint contribution, the partnership must provide to the recipient committee, along with the contribution, a written notice listing the names of the contributing partners and the amount to be attributed to each. However, unlike other joint contributions, the signature of each contributing partner is not required. 110.1(k)(1).

### 3. Prohibited Partnership Contributions

#### Partnerships with corporate members

Because contributions from corporations are prohibited, a partnership with corporate members may not attribute any portion of a contribution to the corporate partners. 110.1(e) and 114.2(b). A partnership composed solely of corporate partners may not make any contributions.

#### Partnerships with foreign national members

Because contributions from foreign nationals are prohibited, a partnership may not attribute any portion of a contribution to a partner who is a foreign national. 110.20. (See page 16 for further information on the foreign national prohibition.)

#### Partnerships with federal government contracts

A partnership which is negotiating a contract with the federal government, or which has not completed performance of such a contract, is prohibited from making contributions. However, an individual partner in such a firm may make contributions from personal funds (rather than from funds drawn on the partnership’s account). 115.4. See also AOs 2005-20 (Pillsbury Winthrop Shaw Pittman) and 1991-01 (Deloitte & Touche PAC).

### D-1: Partnership contribution

SCHEDULE A (FEC Form 3X) ITEMIZED RECEIPTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one) <input checked="" type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/> 16 <input type="checkbox"/> 17
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Freedom Party State Committee</b>			
A. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>RMN Partners</b>		Date of Receipt 10 / 01 / 2024	
Mailing Address <b>1472 Skyline Drive</b>		Amount of Each Receipt this Period 1,000.00	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	
FEC ID number of contributing federal political committee. <b>C</b>		<input type="checkbox"/> Memo Item	
Name of Employer (for Individual) <b>RMN Partners</b>		Occupation (for Individual) <b>Partner</b>	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		Aggregate Year-to-Date 1,000.00	
<b>SEE MEMOS BELOW</b>			
B. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>Rogers, Henry</b>		Date of Receipt 10 / 01 / 2024	
Mailing Address <b>112 Sunset Circle</b>		Amount of Each Receipt this Period 500.00	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	
FEC ID number of contributing federal political committee. <b>C</b>		<input checked="" type="checkbox"/> Memo Item	
Name of Employer (for Individual) <b>RMN Partners</b>		Occupation (for Individual) <b>Partner</b>	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		Aggregate Year-to-Date 500.00	
C. Full Name of Individual (Last, First, Middle Initial) or Full Organization Name <b>Kissinger, Bill</b>		Date of Receipt 10 / 01 / 2024	
Mailing Address <b>126 Linden Street</b>		Amount of Each Receipt this Period 500.00	
City <b>City</b>	State <b>ST</b>	Zip Code <b>00000</b>	
FEC ID number of contributing federal political committee. <b>C</b>		<input checked="" type="checkbox"/> Memo Item	
Name of Employer (for Individual) <b>RMN Partners</b>		Occupation (for Individual) <b>Partner</b>	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		Aggregate Year-to-Date 500.00	
SUBTOTAL of Receipts This Page (optional).....		1,000.00	
TOTAL This Period (last page this line number only).....		1,000.00	

Also, an individual partner who is a federal contractor in his or her own right may not make contributions using any funds (business or personal) under his control. 115.5.

#### **4. Contributions from Professional Corporations**

Although law firms, doctors' practices and similar groups are often organized as partnerships, some of these groups may instead be professional corporations. Unlike a partnership, a professional corporation is prohibited from making any contributions to party committees because contributions from corporations are unlawful. 114.2(b).

#### **5. Reporting Partnership Contributions**

##### **Included in total figure**

Partnership contributions are included in the total figure reported for "Contributions from Individuals/Persons Other Than Political Committees" (Line 11a(i)) on the Detailed Summary Page of Form 3X.

##### **Itemization**

If a partnership contribution exceeds \$200 or aggregates over \$200 during a calendar year, the committee must itemize the contribution on a Schedule A used for "Contributions from Individuals/Persons Other Than Political Committees" (Line 11a(i)).

Additionally, if an individual partner's share of the contribution exceeds \$200 when combined with other contributions received from that partner in the same calendar year, the committee must disclose, as a memo entry, itemized information on the partner (name, address, occupation, date contribution received, partner's share of contribution and aggregate year-to-date total of contributions made by that partner). 104.8 and 110.1(e).

##### **In-kind contributions**

A committee reports the value of an in-kind contribution from a partnership in the same way it reports a monetary contribution. In addition, as with all in-kind contributions, the committee must report the value of the in-kind contribution as an operating expenditure. Moreover, an in-kind contribution itemized on Schedule A must also be itemized on a Schedule B for operating expenditures. 104.13 and 110.1(e). However, any information about a partner itemized as a memo entry on Schedule A does not have to be reported on Schedule B.

#### **6. Partnership Contribution Plans**

In several advisory opinions (AOs), the Commission has said that a partnership may set up an internal plan to facilitate contributions from individual partners or the partnership as a whole to candidates or political committees (other than a nonconnected committee sponsored by the firm). Incidental expenses incurred to administer such plans do not trigger a requirement, on the part of the firm, to register as a political committee. See AOs 1984-18 (Hamel & Park), 1982-13 (Sutherland, Asbill & Brennan), 1981-50 (Hansell, Post, Brandon & Dorsey) and 1980-72 (Kilpatrick & Cody) for more information.

## 7. Partnership PACs

A partnership may form its own political committee (a nonconnected committee) which, in turn, may make contributions to a party committee, subject to the applicable limits. In this case, any administrative and solicitation costs paid by the partnership on behalf of its committee count as in-kind contributions to the committee. See AO 2005-20 (Pillsbury Winthrop Shaw Pittman). For more information on PACs sponsored by partnerships, see the *Campaign Guide for Nonconnected Committees*.<sup>1</sup>

---

<sup>1</sup> The *Campaign Guide for Nonconnected Committees* may be found at <https://www.fec.gov/resources/cms-content/documents/policy-guidance/nongui.pdf>.

## Appendix E

# National Convention Delegates

This appendix explains FEC rules governing the financing of delegate selection activity with respect to a national nominating convention. Much of the information presented here does not apply to party committees, particularly the material on expenditures and affiliation. The appendix is included because it may be of value to party committee staff and other individuals who plan to seek selection as delegates.

## 1. Delegates and Delegate Committees

### Definitions

#### Delegate

The term “delegate” means an individual who is seeking selection as a delegate, or who has already been selected as a delegate, at any level of the delegate selection process (local, district, state or national). 11 CFR 110.14(b)(1).

#### Delegate committee

A “delegate committee”<sup>1</sup> is a group that raises or spends funds for the sole purpose of influencing the selection of one or more delegates. A delegate committee may be a group of delegates (defined above) or a group that supports delegates. 110.14(b)(2).

### FEC reporting

#### By registered delegate committee

A delegate committee becomes a “political committee” under federal law once it receives contributions or makes expenditures exceeding \$1,000 in a calendar year. 100.5(a) and (e)(5). At that point, the committee must register with the FEC within 10 days and begin filing periodic FEC reports on its receipts and disbursements. 102.1(d) and 104.1(a). All pre-registration activity must be disclosed in the first report. 104.3(a) and (b).

Note that a delegate committee that has triggered status as a federal political committee must include the word “delegate” or “delegates” in its name. It may also include the name of the Presidential candidate it supports. 102.14(b)(1).

#### By individual delegates and unregistered delegate committees

Individual delegates and delegate committees that have not qualified as political committees under federal law are not required to register or file regular reports. But, if they make independent expenditures exceeding \$250 with respect to a given election in a calendar year, they must disclose the expenditures on FEC Form 5. 109.10(b). (Independent expenditures are discussed later in this appendix.)

<sup>1</sup> Unlike the rest of the Guide, in this appendix the term “committee” refers to unregistered organizations as well as “political committees” registered with the FEC.

## 2. Funds Raised and Spent for Delegate Activity

With certain exceptions, funds raised and spent for delegate selection are considered “contributions” and “expenditures” made for the purpose of influencing a federal election<sup>2</sup> and are therefore subject to the federal law’s prohibitions and limits.<sup>3</sup> 110.14(c).

For example, a delegate must use funds permissible under federal law to pay for travel to attend the national convention and related food and lodging expenses. 110.14(h); AO 1980-64 (NEA). See also AO 2000-38 (Democratic Party of Puerto Rico). The next two sections discuss contributions and expenditures in detail.

## 3. Contribution Prohibitions and Limits

Please note that the prohibitions and limits apply to contributions of goods and services (in-kind contributions) as well as monetary contributions. 100.52(a-d).

### Prohibitions

Individual delegates and delegate committees may not accept any contributions from prohibited sources. 110.14(c)(2).

The following entities are prohibited from making contributions:

- Any corporations (including nonprofit corporations);
- Labor organizations;
- National banks;
- Foreign nationals, that is, those who are not U.S. citizens, or U.S. nationals, or lawfully admitted to the U.S. for permanent residence (“green card” holders); and
- Federal government contractors (such as individuals, partnerships and sole proprietors with federal contracts). 110.20; 114.2(a) and (b); 115.2; 115.4; 115.5.

### Limits on contributions to delegates

- Contributions to a delegate committee are subject to an aggregate limit of \$5,000 per calendar year. 110.1(d) and (m)(2); 110.14(g)(1).
- Contributions to an individual delegate are not subject to any per delegate limit. 110.1(m)(1); 110.14(d)(1). Note that contributions to a delegate from the committee of a Presidential candidate receiving public funds count against the candidate’s expenditure limits.<sup>4</sup> 110.14(d)(2).

### Limits on contributions made by delegates to candidates

When a delegate or delegate committee makes an expenditure that benefits a Presidential or other federal candidate,<sup>5</sup> the expenditure may result in an in-kind contribution to that candidate (as explained under “Dual-Purpose Expenditures for Communications,” below). Such contributions (including anything of value given to the candidate) count against the applicable contribution limits. 100.52(a), (d).

<sup>2</sup> A national nominating convention is considered a federal election. 100.2(e).

<sup>3</sup> Ballot access fees paid by an individual delegate to a state or subordinate political party are not considered contributions or expenditures; nor are administrative payments made by a state or subordinate party committee (including an unregistered organization) for sponsoring a convention or caucus to select delegates. Nevertheless, the funds used to pay these expenses are subject to the law’s prohibitions. 110.14(c).

<sup>4</sup> Presidential primary candidates receiving public funding must comply with an overall spending limit and a spending limit in each state. 9035.1.

<sup>5</sup> A federal candidate is a candidate seeking nomination for election, or election, to the Presidency, the Vice Presidency, the U.S. Senate or the U.S. House of Representatives. 100.3, 100.4.

A delegate or delegate committee may contribute a maximum of \$3,300 (indexed for inflation in odd-numbered years) to a federal candidate, per election. 110.1(b)(1). The primary and general are considered separate elections but, in the case of Presidential candidates, the entire primary season is considered only one election. 110.1(j)(1).<sup>6</sup>

Note that a contribution to a candidate must be reported by the candidate's committee. For this reason, when making an in-kind contribution, a delegate or delegate committee should notify the candidate's committee of the monetary value. Note also that in-kind contributions generally count against a publicly funded Presidential candidate's expenditure limits.

## 4. Expenditures

### Expenditures for delegate selection only

Expenditures made by delegates and delegate committees solely to further their selection are not considered contributions to any candidate and are not chargeable to a publicly funded candidate's spending limits. This type of expenditure might include, for example:

- A communication which advocates the selection of delegates only;
- Travel and subsistence expenses related to the delegate selection process and the national nominating convention. 110.14(e)(1) and (h)(1).

### Dual-purpose expenditures for communications

An individual delegate or a delegate committee may pay for communications that both:

- Advocate the selection of an individual delegate or the delegates promoted by the delegate committee; and
- Refer to, provide information on, or expressly advocate the election or defeat of a Presidential candidate (or candidate for any public office). 110.14(f) and (i).

As explained in more detail below, a portion of a dual-purpose expenditure may have to be allocated as an in-kind contribution or an independent expenditure on behalf of any federal candidate mentioned in the ad.

Moreover, the communication may have to include a disclaimer notice (also explained below).

### Materials distributed by volunteers

Dual-purpose expenditures for campaign materials such as pins, bumper stickers, handbills, brochures, posters and yard signs are not considered in-kind contributions on behalf of the federal candidate mentioned in the materials as long as the materials are used in connection with volunteer activities (i.e., are distributed by volunteers) and are not conveyed through public political advertising.<sup>7</sup> 110.14(f)(1) and (i)(1).

### Public ads: in-kind contributions

A portion of a dual-purpose expenditure is considered an in-kind contribution to the referenced candidate if the communication:

<sup>6</sup> No contribution may be made to a publicly funded major party candidate in the general election except to that candidate's GELAC fund. 9003.2(a); 9003.3.

<sup>7</sup> For purposes of the delegate selection regulations, public political advertising means political advertising conveyed through broadcasting, newspapers, magazines, billboards, direct mail or similar types of general public communication. 110.14(f)(2) and (i)(2). Direct mail means mailings by commercial vendors or mailings made from lists not developed by the individual delegate or delegate committee. 110.14(f)(4) and (i)(4).

- Is conveyed through public political advertising (or is not distributed by volunteers); and
- Is made in cooperation or consultation with, or at the request or suggestion of (i.e., is coordinated with), the Presidential candidate (or other federal candidate) or the candidate's campaign. 109.21.

The contribution counts against a publicly funded Presidential candidate's expenditure limits. 110.14(f)(2)(i); 110.14(i)(2)(i).

### **Public ads: independent expenditures**

A portion of a dual-purpose expenditure for a communication that is conveyed through public political advertising is considered an independent expenditure (rather than an in-kind contribution) on behalf of the candidate if the communication:

- Expressly advocates the election (or defeat) of a clearly identified candidate; and
- Is not coordinated with the candidate or the candidate's campaign. 109.21.

Independent expenditures are not subject to the contribution limits and are not chargeable to a publicly funded Presidential candidate's expenditure limits. 110.14(f)(2)(ii) and (i)(2)(ii). Note that independent expenditures must carry a disclaimer notice (see below). Note also the reporting requirements for individual delegates and unregistered delegate committees at the beginning of this appendix.

For more information on independent expenditures, consult 11 CFR § 109.

### **Allocation of dual-purpose expenditures**

The amount of a dual-purpose expenditure allocated as an in-kind contribution or independent expenditure on behalf of a candidate must be in proportion to the benefit the candidate receives, based on factors such as the amount of space or time devoted to the candidate compared with total space or time. 106.1(a)(1).

### **Expenditures to reproduce candidate materials**

Expenditures by a delegate or delegate committee to reproduce (in whole or in part) or to disseminate materials prepared by a Presidential candidate's committee (or other federal candidate's committee) are considered in-kind contributions to the candidate. Although subject to contribution limits, this type of contribution is not chargeable to a publicly funded Presidential candidate's spending limits as long as the expenditure was not coordinated with the candidate or the candidate's campaign. 110.14(f)(3) and (i)(3). If the materials are conveyed through public political advertising, they may have to include a disclaimer notice.

### **Disclaimer notices**

Any public communication made by a political committee – including communications that do not expressly advocate the election or defeat of a clearly identified federal candidate or solicit a contribution – must display a disclaimer. 110.11(a)(1). In addition, any public communication by any person that expressly advocates the election or defeat of a clearly identified federal candidate must carry a disclaimer. 110.11(a)(2).

Printed materials must contain a printed box that is set apart from the contents in the communication. The disclaimer print in this box must be of sufficient type size to be “clearly readable” by the recipient of the communication, and the print must have a reasonable degree of color contrast between the background and the printed statement. 110.11(c)(2)(i) - (iii).

A disclaimer is not required when it cannot be conveniently printed (e.g., pens, bumper stickers, campaign pins, campaign buttons and similar small items). 110.11(f).



**Authorized by candidate**

If the communication, including any solicitation, is paid for by a delegate or delegate committee and authorized by the candidate's campaign, it must display the following notice:

"Paid for by [full name of delegate or delegate committee] and authorized by [name of candidate's committee]." 110.11(b)(2).

**Not authorized by candidate**

If the communication, including any solicitation, is not authorized by the candidate's campaign (as in the case of independent expenditures), it must display the following notice:

"Paid for by [full name of delegate or delegate committee] and not authorized by any candidate or candidate's committee." 110.11(b)(3).

Communications not authorized by a candidate or his/her campaign committee, including any solicitation, must disclose the permanent street address, telephone number or web site address of the person who paid for the communication. 110.11(b)(3).

**5. Affiliation**

Delegate committees—including unregistered committees—need to determine whether they are affiliated with another delegate committee or a candidate's committee because affiliated committees are considered one political committee for purposes of the contribution limits—they share the same limits on contributions received and made. 110.3(a)(1). There is, however, no limit on funds transferred between affiliated committees. 102.6(a)(1)(i).

**Between delegate and Presidential committees****Factors indicating affiliation**

In determining whether a delegate committee and a Presidential committee are affiliated, the Commission may consider, among other factors, whether:

- The Presidential campaign<sup>8</sup> played a significant role in forming the delegate committee;
  - Any delegate associated with a delegate committee has been or is on the staff of the Presidential committee;
  - The committees have overlapping officers or employees;
  - The Presidential committee provides funds or goods to the delegate committee in a significant amount or on an ongoing basis (not including a transfer of joint fundraising proceeds);
  - The Presidential campaign suggests or arranges for contributions to be made to the delegate committee;
  - The committees show similar patterns of contributions received;
  - One committee provides a mailing list to the other committee;
  - The Presidential campaign provides ongoing administrative support to the delegate committee;
  - The Presidential campaign directs or organizes the campaign activities of the delegate committee; and
  - The Presidential campaign files statements or reports on behalf of the delegate committee. 110.14(j).
- See also, for example, AO 1988-01 (Hoch); AO 1988-10 (Taylor).

<sup>8</sup> "Campaign" refers to the candidate, the authorized committee and other persons associated with the committee.

**Effect on expenditure limits**

If a delegate committee is affiliated with the committee of a Presidential candidate receiving public funds, all of the delegate committee's expenditures count against the Presidential candidate's expenditure limits.

**Between delegate committees**

Delegate committees established, financed, maintained or controlled by the same person or group are affiliated. Factors that indicate affiliation between delegate committees are found at 100.5(g)(4) of FEC regulations. 110.14(k).

## Appendix F

# Federal And Nonfederal Campaign Laws

Political parties generally support candidates for federal office and for state and local offices. The laws governing campaign financing in federal elections may differ from state and local laws. For example, the *Federal Election Campaign Act* (the Act) generally prohibits corporations and labor organizations from making contributions to influence federal elections, while many states permit corporate and labor donations to candidates.

Occasionally the federal and nonfederal laws overlap. This appendix explains when federal law takes precedence in those situations, and when it does not.

### 1. When Federal Campaign Finance Law Takes Precedence

Where federal and state campaign finance laws overlap, the Act and Commission regulations take precedence with respect to:

- Prohibitions on election-financing activities by foreign nationals. 11 CFR 110.20(b);
- Prohibitions on election-financing activities by national banks and federally chartered corporations. 114.2(a); and
- Laws that pertain to the financing of federal elections. 108.7(a).

#### Foreign nationals

The Act prohibits foreign nationals from making contributions or expenditures in connection with any United States election (federal, state or local), either directly or through another person. 110.20(b). Foreign nationals are discussed in further detail in Chapter 2.

#### National banks and federally chartered corporations

The Act prohibits national banks and corporations organized by authority of any law of Congress (for example, federal savings banks) from making contributions or expenditures in connection with any election—federal, state or local. 114.2(a). They may, however, set up separate segregated funds (also called PACs) for this purpose. 114.1(a)(2)(iii) and (b), 114.2(a)(1) and (2); AO 1987-14 (First National Bank of Shreveport).

(Consult state laws as to the permissibility of election-related activity conducted by state-chartered banks.)

#### Federal campaign financing

Federal law specifically supersedes state and local law in the following areas:

- The organization and registration of political committees supporting federal candidates;
- The disclosure of receipts and expenditures by federal candidates and political committees; and
- The limits on contributions and expenditures regarding federal candidates and political committees. 108.7(a) and (b).

## 2. When Federal Campaign Finance Law Does Not Take Precedence

The Act and FEC regulations do not supersede state and local law governing the following areas:

- Methods of qualifying candidates and political party organizations for the ballot;
- Dates and places of elections;
- Voter registration;<sup>1</sup>
- Prohibitions on false registration, voting fraud, theft of ballots and similar offenses;
- Candidates' disclosure of their personal finances;<sup>2</sup> and
- Funds for the purchase or construction of a state or local party office building to the extent described in 300.35. 108.7(c).

## 3. Levin Funds

All donations of Levin funds must be lawful under the laws of the state in which the committee is organized. Levin funds may include donations from sources ordinarily prohibited by federal law but permitted by state law. 300.31(b) and (c).

A state, district or local committee may not solicit or accept Levin funds which aggregate to more than \$10,000 per source in a calendar year. If the state in which the committee is organized limits donations to that committee to less than \$10,000, then the state limit applies. However, if the state permits higher amounts, the \$10,000 limit still applies. 300.31(d)(1)-(2). Similarly, federal law does not prohibit corporate or union donations of Levin funds, but if state law does, then that ban would apply.

For further information of Levin funds and federal election activity, see Chapters 8 and 14.

---

<sup>1</sup> The *National Voter Registration Act*, a federal law adopted in 1993 and known as the "Motor-Voter" Act, requires states to implement specific voter registration procedures, including registration of individuals applying for driver's licenses, registration by mail, and registration at certain government agencies.

<sup>2</sup> The *Ethics Reform Act of 1989* requires personal financial disclosure reports from federal candidates.

## Appendix G

# Lobbyist Bundled Contributions

The *Honest Leadership and Open Government Act* (HLOGA) of 2007<sup>1</sup> requires political party committees to disclose information about lobbyists, registrants and lobbyist/registrant PACs that provide two or more bundled contributions that exceed the reporting threshold within a covered period. 11 CFR 104.22(b)(1).<sup>2</sup>

### 1. What is a Bundled Contribution?

A “bundled contribution” is a term of art for a certain type of contribution triggering special reporting requirements. 104.22(a)(6). There are two types of bundled contributions:

#### **Type 1: contributions forwarded by the lobbyist/registrant or lobbyist/registrant PAC**

The first type of bundled contribution is a contribution forwarded from the contributor(s) to the party committee by a lobbyist/registrant or lobbyist/registrant PAC. 104.22(a)(6)(i). The contribution may be delivered or transmitted by physical or electronic means to the party committee by the lobbyist/registrant or lobbyist/registrant PAC, or by any person that the party committee knows to be forwarding such contribution on behalf of a lobbyist/registrant or lobbyist/registrant PAC. 104.22(a)(6)(i). Contributions forwarded electronically include contributions received by a lobbyist/registrant or lobbyist/registrant PAC in the form of checks that are deposited into the lobbyist/registrant’s or lobbyist/registrant PAC’s account and then transmitted electronically to the party committee. A lobbyist/registrant or lobbyist/registrant PAC may also receive contributions via credit card, debit card or electronic check, and then transmit the contributions in the form of a check or via credit card to the party committee.<sup>3</sup>

Note that a bundled contribution forwarded by a lobbyist/registrant or lobbyist/registrant PAC through an intermediary, such as an employee, colleague, friend or courier service, falls under this provision if the recipient party committee knows that the contribution was forwarded on behalf of the lobbyist/registrant or lobbyist/registrant PAC.

#### **Type 2: contributions credited to the lobbyist/registrant or lobbyist/registrant PAC**

The second type of bundled contribution covers contributions received by the party committee from a contributor but credited to the lobbyist/registrant or lobbyist/registrant PAC through records, designations or other means of recognizing that a certain amount of money has been raised by the lobbyist/registrant or lobbyist/registrant PAC. 104.22(a)(6)(ii). In this case, the contribution must be 1) received by the party committee and 2) credited to a lobbyist/registrant or lobbyist/registrant PAC to satisfy the definition of bundled contribution.

<sup>1</sup> *Honest Leadership and Open Government Act of 2007*, Pub. L. No. 110-81, 121 Stat. 735.

<sup>2</sup> Although HLOGA requires all authorized candidate committees, Leadership PACs and party committees (reporting committees) to disclose information about certain lobbyist bundled contributions, this Guide will only address party committees that receive lobbyist bundled contributions. For more information on authorized candidate committees and Leadership PACs that receive lobbyist bundled contributions, consult the FEC website at <https://www.fec.gov/help-candidates-and-committees/lobbyist-bundling-disclosure/>.

<sup>3</sup> See Reporting Contributions Bundled by Lobbyists, Registrants and the PACs of Lobbyists and Registrants, 74 Fed. Reg. 7285, 7292 (Feb. 17, 2009), available online at <https://sers.fec.gov/fosers/showpdf.htm?docid=11860#page=8>.

### **Crediting contributions**

Crediting recognizes that a certain amount of money has been raised by the lobbyist/registrant or lobbyist/registrant PAC. 104.22(a)(6)(ii). Examples of crediting include:

- Maintaining records or using any method to retain written evidence attributing the contributions to a lobbyist/registrant or lobbyist/registrant PAC. Records include paper, electronic, digital, audio, and video records, and records in any other format, including informal items such as hand-written notations on a business card. 104.22(a)(6)(ii)(A). See Reporting Contributions Bundled by Lobbyists, Registrants and the PACs of Lobbyists and Registrants, 74 Fed. Reg. 7285, 7293 (Feb. 17, 2009), available online at <https://sers.fec.gov/fosers/showpdf.htm?docid=11860>.
- Providing designations or other benefits to the lobbyist/registrant or lobbyist/registrant PAC, including giving honorary titles based on fundraising, tracking identifiers, access or invitations to events for people based on their fundraising levels, mementos such as photographs with a candidate or autographed copies of books authored by a candidate. 104.22(a)(6)(ii)(A).

### **Crediting a prohibited source**

Under the *Lobbyist Disclosure Act (LDA) of 1995*,<sup>4</sup> lobbyist/registrants may include lobbying organizations that would be prohibited sources of contributions under FECA (e.g., corporations, labor organizations, federal government contractors). Party committees may give credit to a lobbyist/registrant who is a prohibited source; however, party committees may not accept contributions from, or that have been forwarded by, a prohibited source. 110.6(b)(2)(ii), 110.20, 114.2, 115.2.

## **Contributions from a lobbyist/registrant or lobbyist/registrant PAC**

Note that the definition of “bundled contribution” does not include contributions made by a lobbyist/registrant PAC or from the personal funds of the lobbyist/registrant who forwards or is credited with raising the contributions or from the personal funds of that lobbyist/registrant’s spouse. 104.22(a)(6)(iii).

## **2. Who are Lobbyist/Registrants and Lobbyist/Registrant PACs?**

A lobbyist/registrant is a person who, at the time a contribution is forwarded to, or received by, a party committee, is a current registrant under Section 4(a) of the LDA; or an individual who is named on a current registration or report filed under Section 4(b)(6) or 5(b)(2)(C) of the LDA.<sup>5</sup> 104.22(a)(2).

A lobbyist/registrant PAC is any political committee that a lobbyist/registrant established or controls. 100.5(e)(7) and 104.22(a)(3). For the purposes of these rules, a lobbyist/registrant “established or controls” a political committee if he or she is required to make a disclosure to that effect to the Secretary of the Senate or Clerk of the House of Representatives under the LDA. 104.22(a)(4)(i). If a political committee is not able to determine, after receiving guidance from the Senate or House, whether it is established or controlled by a lobbyist or registrant under the LDA, then it must consult additional criteria in FEC regulations at 104.22(a)(4)(ii). Under these criteria, a political committee is a lobbyist/registrant PAC if:

- It is a separate segregated fund whose connected organization is a current registrant under the LDA (104.22(a)(4)(ii)(A)); or

<sup>4</sup> *Lobbyist Disclosure Act (LDA) of 1995*, Pub. L. No. 104-65, 109 Stat. 691.

<sup>5</sup> For more information on the LDA or for registration and filing requirements under the LDA, contact the Secretary of the Senate or the Clerk of the House of Representatives.

- A lobbyist/registrant had a primary role in the establishment of the political committee or directs the governance or operations of the political committee. Note that the mere provision of legal compliance services or advice by a lobbyist/registrant would not by itself meet these criteria. 104.22(a)(4)(ii)(B)(1) and (2).

### Identifying lobbyists/registrants or lobbyist/registrant PACs

In order to determine whether a person is reasonably known to be a lobbyist/registrant or lobbyist/registrant PAC at the time a bundled contribution is forwarded or received and credited by a party committee, the party committee must search the lists of lobbyist/registrants and lobbyist/registrant PACs on the following websites:

- Clerk of the House of Representatives (<https://disclosures-clerk.house.gov/PublicDisclosure/>);
- Secretary of the Senate (<https://lda.senate.gov/system/public/>); and
- The Federal Election Commission (<https://www.fec.gov/data/browse-data/?tab=committees>)—for lobbyist/registrant PACs.

If the party committee does not find the name of the person for whom it is searching, it may retain a computer printout or screen capture from each website indicating that the name of the person or PAC sought was not listed in the results of the search. This will constitute conclusive evidence that the party committee consulted the websites and did not find the name sought. 104.22(b)(2)(ii). Note that these are not the exclusive means by which the party committee may provide evidence that it consulted the websites and did not find the name of the person sought.

Additionally, a party committee is subject to the reporting requirements if it has actual knowledge that, at the time a contribution was forwarded or received, the person whose name is sought was required to be listed on any registration or report under the LDA. 104.22(b)(2)(iii).

## 3. Filing Reports

### Reporting threshold

Party committees must file Form 3L if they have received two or more bundled contributions (as defined in Section 1, above), forwarded by or credited to a person reasonably known by the party committee to be a lobbyist/registrant or lobbyist/registrant PAC, that, in aggregate, exceed the reporting threshold within a covered period. The threshold is indexed for inflation annually. The reporting threshold for 2024 is \$22,700 104.22(b)(1) and (g) and 110.17(e)(2)<sup>6</sup>.

### Covered periods

The covered periods for disclosing lobbyist bundling activity include the semi-annual periods of January 1 through June 30, and July 1 through December 31, plus the periods that coincide with a party committee's quarterly or monthly campaign finance reporting schedule under 104.5. 104.22(a)(5).

<sup>6</sup> The threshold is indexed annually and may be found at <https://www.fec.gov/help-candidates-and-committees/lobbyist-bundling-disclosure/>.

## Quarterly filing schedule

Party committees that file FEC reports on a quarterly basis must file lobbyist bundling disclosure reports for the following covered periods:

During an election year (i.e., even-numbered year):

1. Semi-annual periods of January 1 through June 30, and July 1 through December 31;
2. Quarters beginning on January 1, April 1, July 1, October 1;
3. Any applicable pre/post-election reporting periods (see below); and
4. Any applicable special election reporting periods (see below).

During a non-election year (i.e., odd-numbered year):

1. Semi-annual periods of January 1 through June 30, and July 1 through December 31; and
2. Any applicable special election reporting periods.

## Monthly filing schedule

For party committees that file FEC reports on a monthly basis, the covered periods are:

During an election year (i.e., even-numbered year):

1. Semi-annual periods of January 1 through June 30, and July 1 through December 31;
2. Monthly reporting periods (report due on the 20th of each month);
3. Pre/post-election reporting periods (in lieu of November and December reporting periods); and
4. Any applicable special election reporting periods.

During a non-election year (i.e., odd-numbered year):

1. Semi-annual periods of January 1 through June 30, and July 1 through December 31;
2. Monthly reporting periods (report due on the 20th of each month); and
3. Any applicable special election reporting periods.

Monthly filers may elect to file form 3L on a quarterly basis by notifying the Commission in writing but may only change their filing schedule once per year. 104.22(a)(5)(iv).

## Pre/Post-election reports

A party committee must file Form 3L for the pre- and post-election reporting periods if it received two or more bundled contributions forwarded by or credited to a person reasonably known to be a lobbyist/registrant or lobbyist/registrant PAC that exceed the reporting threshold during those periods.

## Special/run-off election reports

A party committee that receives two or more bundled contributions forwarded by or credited to a person reasonably known to be a lobbyist/registrant or lobbyist/registrant PAC that aggregate more than the reporting threshold during the reporting periods for special and run-off elections under 104.5(h) must file FEC Form 3L at the same time that the party committee files its campaign finance report for the special or run-off election. 104.22(a)(5)(v). For more information on filing special election reports, see Chapter 11, Section 5.



G-1: Form 3L

**FEC FORM 3L**  
**REPORT OF CONTRIBUTIONS BUNDLED BY LOBBYISTS/REGISTRANTS AND LOBBYIST/REGISTRANT PACs**

1. NAME OF COMMITTEE (in full) TYPE OR PRINT Example: If typing, type over the lines. 12FE4M5  
 Freedom Party State Committee

ADDRESS (number and street) 123 Washington Street  
 City STATE ZIP CODE  
 Check if different than previously reported. (ACG)

2. FEC IDENTIFICATION NUMBER C

3. IS THIS REPORT NEW (N) OR AMENDED (A)

4. STATE DISTRICT For Candidates Only

5. TYPE OF REPORT (Choose One)  
 (a) Quarterly Reports:  
 April 15 Quarterly Report (Q1)  
 July 15 Quarterly Report (Q2) and/or Semi-annual Report  
 October 15 Quarterly Report (Q3)  
 January 31 Year-End Report (YE) and/or Semi-annual Report  
 July 31 Mid-Year Report (Non-election Year - PAC/Party) (MY) and/or Semi-annual Report  
 (b) Monthly Report Due On:  
 Feb 20 (M2)  May 20 (M5)  Aug 20 (M8)  Nov 20 (M11) (Non-Election Year Only)  
 Mar 20 (M3)  Jun 20 (M6)  Sep 20 (M9)  Dec 20 (M12) (Non-Election Year Only)  
 Apr 20 (M4)  Jul 20 (M7) and/or Semi-annual Report  Oct 20 (M10)  Jan 31 (YE) and/or Semi-annual Report  
 (c) 12-Day PRE-Election Report for the:  
 Primary (12P)  General (12G)  Runoff (12R) This report also covers the semi-annual period  
 Special (12S)  Convention (12C)  
 Election on / / in the State of See Line 6(b)  
 (d) 30-Day POST-Election Report for the:  
 General (30G)  Runoff (30R)  Special (30S) This report also covers the semi-annual period  
 Election on / / in the State of See Line 6(b)

6. Covered Period(s)  
 (a) Quarterly/Monthly/Pre-Post-Election Covered Period This report covers 04 01 2024 through 06 30 2024  
 (b) Semi-annual Covered Period and/or  January 1 - June 30  
 July 1 - December 31

7. Total Reportable Bundled Contributions by Lobbyists/Registrants or Lobbyist/Registrant PACs

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer John Responsible  
 Signature of Treasurer John Responsible Date 07 14 2024

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 52 U.S.C. §30109.

Office Use Only

FEC FORM 3L 02/2009

Form 3L

Each party committee must file Form 3L if it has received two or more bundled contributions (as described in Section 1, above), forwarded by or credited to a person reasonably known to be a lobbyist/registrant or lobbyist/registrant PAC, aggregating in excess of the reporting threshold during any covered period. 104.22(b)(1). The report must include:

- The name and address of the lobbyist/registrant or lobbyist/registrant PAC;
- The employer of each lobbyist/registrant (if an individual); and
- The aggregate amount of bundled contributions forwarded by or received and credited to each lobbyist/registrant or lobbyist/registrant PAC during the covered period. (See below).

Party committees must file Form 3L with the first campaign finance report that they file following the end of each covered period. 104.22(e).

Example

Lenny Kosnowski, a registered lobbyist for the Schotz Brewing Company, forwards two checks for \$15,000 each (neither of which is from Kosnowski or his spouse) to the ABC Party Committee on June 1, 2024. The committee, a monthly filer, must file Form 3L because it received two or more bundled contributions from someone it knows to be a registered lobbyist during the covered period aggregating in excess of the \$22,700 disclosure threshold. Note that the committee reports bundled contributions received during the June covered period (June 1-June 30) as well as during the semi-annual covered period (January 1-June 30). The information for both covered periods is reported on the monthly report filed in July.

G-2: Form 3L, Schedule A

**SCHEDULE A (FEC Form 3L)**  
**REPORTABLE BUNDLED CONTRIBUTIONS FORWARDED BY OR CREDITED TO LOBBYISTS/REGISTRANTS AND LOBBYIST/REGISTRANT PACs**

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full) Freedom Party Committee

A. Full Name of Lobbyist/Registrant (Last, First, Middle Initial) or Lobbyist/Registrant PAC Kosnowski, Lenny

Mailing Address 100 Knapp Street, Apartment #1A  
 City State Zip Code  
 Milwaukee WI 00000

FEC ID number of Lobbyist/Registrant PAC, if applicable. C

Name of Employer Schotz Brewing Company

Reportable Bundled Contributions during:  
 Quarterly / Monthly / Pre-Election or Post-Election Covered Period 30,000.00  
 Semi-annual Covered Period 30,000.00

## Returned contributions

If a bundled contribution is not deposited by the party committee and is returned to the contributor, then it does not aggregate toward the reporting threshold for disclosure of bundled contributions and it is not reported on Form 3L.<sup>7</sup>

## Refunded contributions

If the bundled contribution is received, deposited and later refunded, then the bundled contribution aggregates toward the reporting threshold for the covered period in which it was received, and must be reported on Form 3L if the reporting threshold is exceeded for that covered period. If the receipt of the bundled contribution is reported on Form 3L, then the refund of the bundled contribution should also be reported on Form 3L for the covered period in which the refund occurred.<sup>8</sup>

## Recordkeeping

Party committees must maintain records of any bundled contributions forwarded by or received and credited to a lobbyist/registrant or lobbyist/registrant PAC that aggregate in excess of the reporting threshold for any covered period for three years after filing. 104.22(f).

## Fundraisers

Co-hosted fundraising events will be treated like any other fundraising activity: Party committees must disclose the actual amounts of all bundled contributions credited to, or forwarded by, a lobbyist/registrant or lobbyist/registrant PAC, that aggregate in excess of the reporting threshold within the relevant covered period. Note that contributions forwarded by a lobbyist/registrant or lobbyist/registrant PAC at a co-hosted fundraiser count as contributions bundled by the lobbyist/registrant or lobbyist/registrant PAC that forwarded the contributions, regardless of whether the lobbyist/registrant or lobbyist/registrant PAC is a co-host of the fundraiser or an attendee.<sup>9</sup>

## Examples

Note: In each of these examples, the party committee must check the appropriate websites to determine whether the individuals who have forwarded or are credited with raising the funds are lobbyist/registrants.<sup>10</sup> If the party committee knows that the person forwarding contributions is doing so on behalf of a lobbyist/registrant or a lobbyist/registrant PAC, disclosure will be triggered where the contributions exceed the threshold in a covered period. Also, where disclosure is triggered in each example, the committee must disclose the lobbyist bundling on FEC Form 3L twice, once on the report covering the time frame and a second time on the committee's semi-annual bundling report.

- A fundraising event is co-hosted by registered Lobbyists A, B and C. The event generates \$25,000 in contributions. The party committee believes that Lobbyist A raised the entire \$25,000 and thus credits Lobbyist A with the entire \$25,000 raised at the event, and does not credit Lobbyists B or

<sup>7</sup> See Reporting Contributions Bundled by Lobbyists, Registrants and the PACs of Lobbyists and Registrants, 74 Fed. Reg. 7285, 7298 (Feb. 17, 2009), available online at <https://sers.fec.gov/fosers/showpdf.htm?docid=11860#page=14>.

<sup>8</sup> See Reporting Contributions Bundled by Lobbyists, Registrants and the PACs of Lobbyists and Registrants, 74 Fed. Reg. 7285, 7298 (Feb. 17, 2009), available online at <https://sers.fec.gov/fosers/showpdf.htm?docid=11860#page=14>.

<sup>9</sup> See Reporting Contributions Bundled by Lobbyists, Registrants and the PACs of Lobbyists and Registrants, 74 Fed. Reg. 7285, 7295 (Feb. 17, 2009) available online at <https://sers.fec.gov/fosers/showpdf.htm?docid=11860#page=11>.

<sup>10</sup> Lobbyist/registrants are listed with the Clerk of the House and the Secretary of the Senate. If contributions are forwarded by a PAC, the party committee must check the FEC website to determine whether the committee is a lobbyist registrant PAC. See section 2, above, for details.

- C. The party committee must disclose the \$25,000 that has been credited to Lobbyist A. The party committee need not disclose any information regarding Lobbyist B and C, because neither Lobbyist B nor C forwarded or has been credited with any bundled contributions.
- A fundraising event is co-hosted by registered Lobbyists A and B, as well as three non-lobbyist hosts. The event generates \$25,000 in contributions. The party committee gives each host credit for raising \$25,000. The party committee must disclose the \$25,000 of bundled contributions that has been credited to Lobbyist A and also report the \$25,000 of bundled contributions that has been credited to Lobbyist B because the party committee has credited the full amount to each lobbyist. The party committee may, if it chooses, include a memo entry in the space provided on FEC Form 3L to indicate that, although only a total of \$25,000 was raised at the event, that full \$25,000 was credited to each of the lobbyist co-hosts.
  - A fundraiser is co-hosted by registered Lobbyist A and several non-lobbyist hosts. Registered Lobbyist B (who is not a co-host of the fundraiser) approaches the candidate for whom funds are being raised and hands the candidate \$25,000 in contributions from other individuals. Because these are contributions that have been “forwarded” by Lobbyist B, the party committee must disclose the \$25,000 of bundled contributions that were forwarded by Lobbyist B irrespective of any amount of credit given to Lobbyist B. If the party committee also credits Lobbyist A, a co-host of the fundraiser, \$25,000 for having raised the contributions forwarded by Lobbyist B (because the contributions were received during the fundraising event), the party committee must then also disclose that \$25,000 of bundled contributions has been credited to Lobbyist A. Even though the party committee must disclose the entire \$25,000 as having been forwarded by Lobbyist B, the party committee must also report the same \$25,000 of bundled contributions that has been credited to Lobbyist A.
  - Additional examples may be found in “Reporting Contributions Bundled by Lobbyists, Registrants and the PACs of Lobbyists and Registrants,” 74 Fed. Reg. 7285, 7296-7 (Feb. 17, 2009), available online at <https://sers.fec.gov/fosers/showpdf.htm?docid=11860#page=12>.

### **Lobbyist bundled contributions vs. earmarked contributions**

Note that the Lobbyist Bundling regulations do not change a party committee’s reporting obligations under the rules for earmarked contributions. Party committees that receive earmarked contributions through a conduit, or that receive and forward earmarked contributions to a candidate’s authorized committee, are still required to report such earmarked contributions on their regularly scheduled FEC report. 110.6(c)(1) and (c)(2). For more information on earmarked contributions, see Chapter 6.

In addition to filing regularly scheduled FEC reports, a party committee must file Form 3L if it received two or more bundled contributions from a lobbyist/registrant or lobbyist/registrant PAC aggregating in excess of the reporting threshold during the following covered periods:

## Appendix G

■ Table 3: Form 3L covered periods and filing deadlines

Monthly Filer	Covered Period	Filing deadline
February	January 1-31	February 20
March	February 1-28	March 20
April	March 1-31	April 20
May	April 1-30	May 20
June	May 1-31	June 20
July	June 1-30	July 20
First semi-annual	January 1-June 30	July 20
August	July 1-31	August 20
September	August 1-31	September 20
October	September 1-30	October 20
November	October 1-31	November 20
December	November 1-30	December 20
Year End	December 1-31	January 31
Second Semi-annual	July 1-December 31	January 31
Pre/post-election reports if necessary		

Quarterly Filer	Covered Period	Filing deadline
April Quarterly	January 1-March 31	April 15
July Quarterly	April 1-June 30	July 15
First semi-annual	January 1-June 30	July 15
October Quarterly	July 1-September 30	October 15
Year End	October 1-December 31	January 31
Second Semi-annual	July 1-December 31	January 31
Pre/post-election reports if necessary		

## Appendix H

### Compliance with Other Laws

In addition to complying with the *Federal Election Campaign Act*, party committees must observe laws and rules outside the Commission's jurisdiction.

#### 1. Ballot Access Laws

The process by which candidates and political parties appear on the ballot is subject to state law. For more information, contact the state's election authority. For a list of state disclosure and election offices, consult the Combined Federal/State Disclosure and Election Directory at <https://www.fec.gov/introduction-campaign-finance/how-to-research-public-records/combined-federalstate-disclosure-and-election-directory/>.

#### 2. Tax Laws

Party committees and organizations must comply with federal and state laws on income tax. For information on federal tax laws, see the Internal Revenue Service website at <https://www.irs.gov/charities-non-profits/political-organizations>. Questions may be directed to the IRS by telephone (toll-free) at 1-877-829-5500.

Political committees may obtain an "Employer Identification Number" [online](#) or by completing [IRS Form SS-4](#). For questions about obtaining a taxpayer identification number, call the Internal Revenue Service, 1-800-829-3676. Party committees should also consult the appropriate state agency for information on state income tax laws.

Note that, under the Internal Revenue Code, a committee may have to include a special solicitation notice. See "IRS notice," page 26.

#### 3. Communications Act

For information on rules concerning rates for purchasing broadcast time, equal access to broadcast media, and procedures for filing complaints in this area, contact the Federal Communications Commission, Mass Media Bureau, Political Programming Staff, 45 L Street NE, Washington, DC 20554 (phone: 888/225- 5322 or 202/418-1440).

#### 4. Hatch Act

For information on the *Hatch Act*, which regulates political activity by federal employees, contact the Office of Special Counsel, U.S. Merit Systems Protection Board, 1730 M Street, NW, Suite 218, Washington, DC 20036-4505 (phone: 800/854-2824 or 202/804-7002).



## Appendix I

### Definitions

**Act**—The *Federal Election Campaign Act of 1971*, as amended, 52 U.S.C. § 30101 et. seq. 11 CFR 100.18.

**Administrative Expenses**—Rent, utilities, office equipment, office supplies, routine building maintenance and other operating costs not attributable to a specific candidate. In addition, salaries and wages for state party employees who spend 25 percent or less of their compensated time in a given month on federal elections may be allocated as administrative expenses. 106.7(c)(1), 106.7(c)(2), (d)(1)(i), and 300.33(d)(1).

**Advisory Opinion (AO)**—A formal Commission response regarding the legality of a specific activity proposed in an advisory opinion request (AOR). 11 CFR § 112. For information on requesting an AO, see page iii.

**Affiliated Committees**—Committees and organizations that are considered one committee for purposes of the contribution limits. 100.5(g); 110.3(a)(1).

- A state party committee and local party committees and organizations within that state are presumed to be affiliated unless the party committees can demonstrate otherwise. 110.3(b)(3); see also AO 2005-02 (Corzine II).
- All committees authorized by the same candidate for the same election. 100.5(g)(1); 110.3(a)(1)(i).
- Committees or organizations established, financed, maintained or controlled by the same corporation, labor organization, person or group. 100.5(g)(2); 110.3(a)(1)(ii).

**Allocation Account**—A separate federal account into which funds from either a committee's federal and nonfederal accounts, or from its federal and Levin accounts, are deposited solely to pay expenses that must be allocated. (A committee must have separate allocation accounts for its federal/nonfederal allocation and for its federal/Levin allocation.) 106.7(f); 300.30(b).

**Agent (of a party)**— An agent is any person who has actual authority, either expressed or implied, to engage in certain activities on behalf of the committee.

- In the case of state, district and local party committees, these activities are: 1) expending or disbursing any funds for federal election activity; 2) transferring or accepting transfers of funds for federal election activity; 3) engaging in joint fundraising activity if any part of the funds are to be used for federal election activity; or 4) soliciting any funds for, or making or directing any donations to, any tax-exempt 501(c) organization or 527 organization that is not also a political committee, a party committee or an authorized campaign committee. 300.2(b)(2).
- In the case of the national party committees, these activities are: 1) soliciting, directing or receiving a contribution, donation or transfer of funds; or, 2) soliciting any funds for, or making or directing donations to, any tax-exempt 501(c) organization or 527 organization that is not also a political committee, a party committee or an authorized campaign committee. 300.2(b)(1).
- In the case of communications, for all party committees, the activities include: 1) requesting or suggesting that a communication be created, produced or distributed; 2) creating, producing or distributing any communication at the request of a candidate; or 3) being materially involved in the content or distribution of a communication. 109.3(a).

**Agent (of a candidate)**— An agent is any person that on behalf of a campaign has actual authority, either expressed or implied, to:

- Solicit, receive, direct, transfer or spend funds in connection with any election. 300.2(b)(3) (See definitions of solicit and direct); or
- Request or suggest that a communication be created, produced or distributed; to create, produce or distribute any communication at the request of a candidate; or to be materially involved in the content or distribution of a communication. 109.3(b). (Note: For additional activities agents may perform, consult 109.3.)

**Authorized Committee**—Any political committee, including the principal campaign committee, authorized in writing by a federal candidate to receive contributions and make expenditures on his or her behalf. 100.5(f)(1). Authorized committees are often called “candidate committees” or “campaign committees.”

**Bank**—A state bank, a federally chartered depository institution (including a national bank) or a depository institution insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration. 100.142(a); 100.82(a) and 103.2.

**Bundled Contribution**—A contribution forwarded to a reporting committee by a lobbyist/registrant or lobbyist/registrant PAC, or received by a reporting committee and credited to a lobbyist/registrant or lobbyist/registrant PAC. See 104.22(a)(6). Discussed further in Appendix G.

**Candidate**—An individual seeking nomination for election, or election, to federal office becomes a candidate when he or she (or agents acting on his or her behalf) raise contributions that exceed \$5,000 or make expenditures that exceed \$5,000. 100.3.

**Candidate Committee**—See Authorized Committee.

**Clear and Conspicuous**—A disclaimer is clear and conspicuous if it gives the reader, observer, or listener adequate notice of the identity of the person or committee that paid for or authorized the communication, the content of the disclaimer is not difficult to read or hear, and the placement cannot be easily overlooked. 110.11(c).

**Clearly Identified Candidate**—A candidate is clearly identified when his or her name, nickname, photograph or drawing appears, or when his or her identity is otherwise apparent through an unambiguous reference such as “the President,” “your Congressman,” or “the incumbent,” or through an unambiguous reference to his or her status as a candidate such as “the Democratic presidential nominee” or “the Republican candidate for Senate in the State of Georgia.” 100.17.

**Commercial Vendor**—Any person providing goods or services to a candidate or political committee whose usual and normal business involves the sale, rental, lease or provision of those goods or services. 116.1(c).

**Contribution**—A gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing a federal election. 100.52(a). This term also includes the payment by any person of compensation for the personal services of another person if those services are rendered without charge to a political committee for any purpose. 100.54.

**Coordinated**—Made in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate’s authorized committee or their agents, or a political party committee or its agents. 109.20(a).



**Coordinated Communication**—A communication that satisfies a three-prong test:

- The communication must be paid for by a person other than a federal candidate, authorized committee or a political party committee, or any agents of the aforementioned entities with whom the communication is coordinated;
- One or more of the five content standards set forth in 109.21(c) must be satisfied; and
- One or more of the five conduct standards set forth in 109.21(d) must be satisfied.

A payment for a communication satisfying all three prongs is an in-kind contribution to the candidate or political party committee with which it was coordinated. 109.21. See Chapter 9. See also Party Coordinated Communication, below.

**Coordinated Party Expenditures**—A special type of expenditure that can only be made by a national or state political party committee in connection with the general election of a candidate. These expenditures are subject to a separate set of limits and do not count against the party's normal contribution limits with respect to each candidate. 109.30 and 109.32–34.

**Corporation**—Any separately incorporated entity (other than a political committee that has incorporated for liability purposes only). 100.134(l) and 114.12(a). The term covers both for-profit and nonprofit incorporated organizations and includes nonstock corporations, incorporated membership organizations, incorporated cooperatives, incorporated trade associations, and professional corporations.

**Covered Period**—For the purposes of 104.22, the covered period for disclosing lobbyist bundling activity generally includes the semiannual periods of January 1 through June 30, and July 1 through December 31, plus the periods that coincide with a reporting committee's regular quarterly or monthly reporting schedule. Note that the covered period may also include the reporting periods for any special or runoff elections. Reporting committees that file campaign finance reports on a monthly basis can choose to file reports pursuant to the quarterly covered period by notifying the commission in writing. 104.22(a)(5). For more information, see Appendix G, AO 2009-22 (DSCC).

**Date Contribution Is Made**—The date the contributor relinquishes control over a contribution. A contribution that is mailed is considered made on the date of the postmark. In the case of an in-kind contribution, a contribution is made on the date the goods or services are provided by the contributor. 110.1(b)(6).

**Date Contribution Is Received**—The date the political committee (or its agent, intermediary or conduit) takes possession of the contribution. This date is used for FEC reporting. 102.8.

**Delegate**—An individual who is or seeks to become a delegate to a national nominating convention or to a state, district or local convention, caucus or primary held to select delegates to a national nominating convention. 110.14(b)(1).

**Delegate Committee**—A group organized for the purpose of influencing the selection of one or more delegates. The term includes a group of delegates, a group of individuals seeking to become delegates and a group of individuals supporting delegates. 110.14(b)(2).

**Direct**—For the purposes of 11CFR § 300, to direct means to guide, directly or indirectly, a person who has expressed an intent to make a contribution, donation, transfer of funds, or otherwise provide anything of value, by identifying a candidate, political committee or organization for the receipt of such funds, or things of value. The contribution, donation, transfer or thing of value may be provided directly or through an intermediary. Direction does not include merely providing information or guidance as to the applicability of a particular law or regulation. 300.2(n).

**Disbursement**—Any purchase or payment made by a political committee or any other person that is subject to the Act. 300.2(d).

**District Party Committee**—See Local or District Party Committee.

**Earmarked Contribution**—A contribution that the contributor directs (either orally or in writing) to a clearly identified candidate or authorized committee through an intermediary or conduit. Earmarking may take the form of a designation, instruction or encumbrance, and it may be direct or indirect, express or implied. 110.6. See Chapter 6.

**Election**—Any one of several processes by which an individual seeks nomination for election, or election, to federal office. They include: a primary election, a caucus or convention that has authority to select a nominee; a general election; a runoff election; and a special election held to fill a vacant seat. 100.2.

**Election Cycle** — The period beginning the day after the previous general election for a given federal office and ending on the date of the general election for that office. The number of years in an election cycle differs according to the federal office sought. The election cycle spans:

- Two years for House candidates;
- Four years for Presidential candidates; and
- Six years for Senate candidates.

See 100.3(b).

**Election Year**—A year in which there are regularly scheduled elections for federal office (i.e., even-numbered years).

**Electioneering Communication**—Any broadcast, cable or satellite communication that: 1) refers to a clearly identified federal candidate; 2) is publicly distributed within certain time periods before an election; and 3) is targeted to the relevant electorate. 100.29(a). Discussed in detail in Chapter 9.

**Exempt Party Activities**—Certain candidate-support activities that state and local party groups may undertake without making a contribution or expenditure, provided specific rules are followed. 100.80; 100.87; 100.89; 100.140; 100.147; 100.149.

**Expenditure**—A purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value made for the purpose of influencing a federal election. A written agreement to make an expenditure is considered an expenditure. 100.111(a); 100.112; 114.1(a).

**Express Advocacy**—Unambiguously advocating the election or defeat of a clearly identified federal candidate. There are two ways that a communication can be defined as express advocacy: by use of certain “explicit words of advocacy of election or defeat” and by the “reasonable person” test. See 100.22.

- “Explicit words of advocacy of election or defeat” such as:
- “Vote for the President,” “re-elect your Congressman,” “support the Democratic nominee,” “cast your ballot for the Republican challenger for the U.S. Senate in Georgia,” “Smith for Congress,” “Bill McKay in ’16”;
- Words urging action with respect to candidates associated with a particular issue, e.g., “vote Pro-life”/“vote Pro-Choice,” when accompanied by names or photographs of candidates identified as either supporting or opposing the issue;
- “Defeat” accompanied by the name or photograph of the opposed candidate or “reject the incumbent”;
- and

- Campaign slogan(s) or word(s), e.g., on posters, bumper stickers and advertisements, that in context can have no other reasonable meaning than to support or oppose a clearly identified candidate, for example, “Nixon’s the One,” “Carter ‘76,” “Reagan/Bush.” 100.22(a).

“Only reasonable interpretation” test: In the absence of such “explicit words of advocacy of election or defeat,” express advocacy is found in a communication that, when taken as a whole and with limited reference to external events, can only be interpreted by a “reasonable person” as advocating the election or defeat of one or more clearly identified candidate(s). 100.22(b).

**FECA**—The *Federal Election Campaign Act of 1971*, as amended (52 U.S.C. §§ 30101-30145). 100.18. Sometimes referred to as “the Act.”

**FEC Identification Number**—Number assigned to a political committee upon registration with the FEC. Used for identification purposes with the FEC only. This number is not a taxpayer identification number.

**Federal Election Activity (FEA)**—Activity by entities, including state, district and local party committees, which may be paid for with federal or – in the case of the first two types – a combination of federal and Levin funds. 300.32, 300.33. The four types of federal election activity are as follows: 1) Voter registration activity during the period 120 days before a primary or general election and ending on election day itself; 2) Voter identification, get-out-the-vote and generic campaign activity conducted in connection with an election in which a federal candidate appears on the ballot; 3) A public communication that refers to a clearly identified candidate for federal office and that promotes, attacks, supports or opposes any candidate for federal office. The communication does not need to expressly advocate the election or defeat of the federal candidate to qualify as federal election activity; and 4) Services provided during a month by an employee of a state, district or local party committee who spends more than 25 percent of his or her compensated time during that month on activities in connection with a federal election including FEA. 100.24(b).

**Federal Funds**—Funds that comply with the limitations, prohibitions and reporting requirements of the *Federal Election Campaign Act (FECA)*. 300.2(g). See also § 30122 prohibiting contributions in the name of another. Permissible sources of funds for contributions to federal political committees include individuals and entities that are not otherwise prohibited.

**Federal Office**—Includes President, Vice President, Senator, and the following members of the House of Representatives: Representative, Delegate (the District of Columbia, American Samoa, Guam, Northern Mariana Islands, Virgin Islands) and Resident Commissioner (Puerto Rico). 100.4, 2 U.S.C. § 25a, 48 U.S.C. §§ 891, 1711, and 1731, 1751.

**Foreign National**— (1) an individual who is not a citizen of the United States or a national of the United States and has not been lawfully admitted to the U.S. for permanent residence, as defined in 8 U.S.C. § 1101(a)(20); or (2) a foreign principal, as defined in 22 U.S.C. § 611(b). 110.20(a)(3).

**Generic Campaign Activity**—A type of federal election activity, generic campaign activity is a public communication that promotes or opposes a political party and does not promote or oppose a clearly identified federal or nonfederal candidate. 100.25.

**Get-out-the-vote (GOTV) activity**—In regard to federal election activity, GOTV activity encompasses all means of assisting, encouraging or urging potential voters to vote. This activity includes, but is not limited to:

- encouraging or urging potential voters to vote, whether by mail (including direct mail), email, in person, by telephone (including pre-recorded telephone calls, phone banks and messaging such as SMS and MMS), or by any other means;

- informing potential voters, whether by mail (including direct mail), email, in person, by telephone (including pre-recorded telephone calls, phone banks and messaging such as SMS and MMS), or by any other means, about the hours or location of polling places, or about early voting or voting by absentee ballot;
- offering or arranging to transport, or actually transporting potential voters to the polls; or
- any other activity that assists potential voters in voting. 100.24(a)(3). For more information, see Chapter 8.

**HLOGA**—*The Honest Leadership and Open Government Act of 2007*, Pub. L. No. 110-81, 121 Stat. 735, which amended parts of the FECA.

**Hybrid PAC**—A committee that, in addition to making contributions, establishes a separate bank account to deposit and withdraw funds raised in unlimited amounts from individuals, corporations, labor organizations and/or other political committees, consistent with the stipulated judgment in *Carey v. FEC*. The funds maintained in this separate account will not be used to make contributions, whether direct, in-kind or via coordinated communications, or coordinated expenditures, to federal candidates or committees.

**Identification**—For purposes of recordkeeping and reporting, a person's full name and address and, in the case of an individual, his or her occupation (principal job title or position) and employer (organization or person by whom an individual is employed). 100.12, 100.20 and 100.21.

**Independent Expenditure**—An expenditure for a communication which expressly advocates the election or defeat of a clearly identified candidate and which is not made in cooperation, consultation, or concert with, or at the request or suggestion of any candidate, or his or her authorized committees or agents, or a political party committee or its agents. 100.16. See Chapter 9.

**Independent expenditure-only political committee (also known as an IEOPC, or colloquially as a Super PAC)**—A political committee that makes only independent expenditures and does not make contributions to political parties or candidates. These committees may solicit and accept unlimited contributions from individuals, corporations, labor organizations and other political committees. They may not accept contributions from foreign nationals, federal government contractors, national banks or federally chartered corporations. Such committees must register with the FEC and comply with all applicable reporting requirements under the Act. See AO 2010-11 (Commonsense Ten).

**In-Kind Contribution**—A contribution of goods, services or property offered free or at less than the usual and normal charge. The term also includes payments made on behalf of, but not directly to, candidates and political committees (except for independent expenditures or other non-coordinated communications). 100.52(d). See, e.g., AO 1988-10 (Taylor).

**Joint Contribution**—A contribution made by more than one person on a single check or other written instrument. 110.1(k)(1).

**Joint Fundraising**—Fundraising conducted jointly by a political committee and one or more other committees, unregistered committees, or organizations. See Appendix C.

**Labor Organization**—Any organization, or any agency or employee representative committee or plan, in which employees participate and which deals with employers on grievances, labor disputes, wages, hours of employment or working conditions. 114.1(d).

**Levin Funds**—A category of funds raised by state, district and local party committees that may be spent for certain federal election activities. Levin funds are donations from sources ordinarily prohibited by federal law but permitted by state law. 300.2(i), 300.31 and 300.32. See Chapters 1 and 8.

**Lobbyist/Registrant**—A person who is:

- a current registrant under *Lobbying Disclosure Act*, or
- an individual who is named on a current registration or report filed under the *Lobbying Disclosure Act*. See 104.22(a)(2). See also Appendix G.

**Lobbyist/Registrant PAC**—Any political committee that a lobbyist/registrant “established or controls” as defined in 104.22. See Appendix G.

**Local or District Party Committee**—A political committee that, by virtue of the bylaws of a political party or the operation of state law, is responsible for the day-to-day operation of a political party at a level lower than the state level (e.g., city, county, ward). 100.14(b).

**Local Party Organization**—A local party organization is an organization that is responsible for a political party’s activities below the state level, (such as city, county or district level) but is not registered with the Federal Election Commission as a district or local party committee.

**Major Party**—A political party whose candidate in the preceding Presidential election received, as the candidate of such party, 25 percent or more of the popular vote. 9002.6; 9008.2(c).

**Matter Under Review (MUR)**—An FEC enforcement action, initiated by a sworn complaint or by an internal administrative action.

**Memo Entry**—Supplemental or explanatory information on a reporting schedule. The dollar amount of a memo entry is not included in the total figure for the schedule or the summary and detailed summary page line totals. A memo entry is often used to disclose additional information about an itemized transaction that is included in the total receipts or disbursements for the current report or a previous report.

**Minor Party**—A political party whose candidate in the preceding Presidential election received, as the candidate of such party, 5 percent or more, but less than 25 percent, of the popular vote. 9002.7; 9008.2(d).

**Multicandidate Committee**—A political committee that has been registered at least 6 months, has more than 50 contributors and, with the exception of state party committees, has made contributions to at least 5 candidates for federal office. 100.5(e)(3).

**National Committee**—An organization that, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of the political party at the national level, as determined by the Commission. 100.13.

**National Party Committee**—A political committee established and maintained by a national political party. A party’s national committee, House campaign committee and Senate campaign committee are considered national party committees, as determined by the Commission through the advisory opinion process. 110.1(c)(2); 110.2(c)(2).

**Negative Entry**—A negative amount on a reporting schedule. The amount is subtracted from the total for that schedule.

**Net Debts Outstanding**—The total of a campaign’s unpaid debts incurred with respect to an election plus estimated costs to liquidate the debts plus costs of terminating political activity (if appropriate) minus cash on hand and receivables. 110.1(b)(3)(ii); 110.2(b)(3)(ii).

**New Party**—A political party that is neither a major party nor a minor party. 9002.8; 9008.2(f).

**Nonconnected Committee**—Any committee that conducts activities in connection with an election, but that is not a party committee, an authorized committee of any candidate for federal election, or a separate segregated fund. 106.6(a).

**Nonelection Year**—A year in which there is no regularly scheduled federal election (i.e., an odd-numbered year).

**Nonfederal Account**—An account established solely for activity in connection with nonfederal (state and local) elections. 300.2(j), see also, 102.5(a)(1)(i).

**Nonfederal Election**—An election for state or local office.

**Nonmajor Party**—A political party that is either a minor party or a new party.

**Ongoing Committee**—A political committee that has not terminated and does not qualify as a terminating committee. 116.1(b).

**Operating Expenditures**—A committee’s day-to-day expenditures for items such as rent, overhead, administration, personnel, equipment, travel, advertising and fundraising. 106.1(c).

**Organization**—Generally used in this guide to mean a group that is not a political committee.

**PAC**—Acronym for political action committee.

**Party Committee**—A political committee that represents a political party and is part of the official party structure at the national, state or local level. 100.5(e)(4).

**Party Coordinated Communication**— A communication that satisfies a similar three-prong test as for a “coordinated communication” (see above), except that the first prong requires that the communication be paid for by a political party committee or its agents. A payment for a communication satisfying all three prongs is either an in-kind contribution to, or a “coordinated party expenditure” on behalf of, the candidate with whom it was coordinated. 109.37.

**Party Organization**—Same as Party Committee except that a party organization is not a political committee.

**Permissible Funds**—Funds that do not violate the Act’s limits or prohibitions. See Federal Funds.

**Person**—An individual, partnership or any group of persons (such as a political committee, corporation or labor organization), not including the federal government. 100.10.

**Political Action Committee (PAC)**—Popular term for a political committee that is neither a party committee nor an authorized committee of a candidate. PACs directly or indirectly established, administered, or financially supported by a corporation or labor organization are called separate segregated funds (SSFs). Other PACs are called non-connected committees.

**Political Committee**—An entity that meets one of the following conditions:

- A state party committee or nonparty committee (e.g., a nonconnected committee), club, association or other group of persons that receives contributions or makes expenditures, either of which aggregate over \$1,000 during a calendar year;
- A local unit of a political party that: (1) receives contributions aggregating over \$5,000 during a calendar year; (2) makes contributions or expenditures that aggregate over \$1,000 during a calendar year; or (3) makes payments aggregating over \$5,000 during a calendar year for exempt party activities;

- An authorized committee of a candidate (see definition of “candidate” and “candidate committee”);
- Any separate segregated fund upon its establishment. 100.5(a)–(d);
- A Super PAC (See “Independent Expenditure-Only Political Committee” above); or
- A Hybrid PAC.

**Political Party**—An association, committee, or organization that nominates or selects a candidate for election to federal office whose name appears on the election ballot as the candidate of the association, committee, or organization. 100.15.

**Principal Campaign Committee**—An authorized committee designated by a candidate as the principal committee to raise contributions and make expenditures for his or her campaign for federal office. 100.5(e)(1). See Authorized Committee.

**Prohibited Sources**—Those entities that are prohibited from making contributions or expenditures in connection with, or for the purpose of influencing, a federal election. 110.4, 110.20, 114.2 and 115.2. See Chapter 2.

**Public Communication**—A communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing (500 pieces of mail of substantially similar nature within any 30-day period) or telephone bank (500 calls of a substantially similar nature within any 30-day period) to the general public, communications placed for a fee on another person’s website, digital device, application or advertising platform, or any other form of general public political advertising. The term general public political advertising does not include communications made over the internet, except for those noted previously. 100.26, 100.27 and 100.28.

**Reattributed Contribution**—The portion of an excessive contribution that has been attributed in writing to another contributor and signed by both contributors. 110.1(k)(3)(ii). See Chapter 3.

**Receipt**—Anything of value (money, goods, services or property) received by a political committee.

**Redesignated Contribution**—With regard to contributions made to candidates, the portion of a contribution that has been designated by the contributor, in writing, to an election other than the one for which the funds were originally given. 110.1(b)(5). See Chapter 5.

**Refunded Contribution**—A contribution is refunded when the recipient committee deposits the contribution and sends the contributor a check for the amount (or a portion) of the contribution. 103.3(b). Compare with Returned Contribution.

**Reporting Committee**—For the purposes of 11 CFR 104.22, a reporting committee is an authorized committee of a federal candidate; a Leadership PAC, or a party committee. 104.22. See Appendix G.

**Restricted Class**—The executive and administrative personnel, members and stockholders (and the families of each) of a corporation or labor organization. 114.1(j).

**Returned Contribution**—A contribution is returned when the recipient committee sends the original check (or other negotiable instrument) back to the contributor, without depositing it. 103.3(a). Compare with Refunded Contribution.

**Runoff Election**—An election held after a primary or a general election when no candidate wins the previous election. 100.2(d).



**Separate Segregated Fund (SSF)**—A political committee established, administered or financially supported by a corporation or labor organization, popularly called a corporate or labor political action committee or PAC. 114.1(a)(2)(iii).

**Solicit**—With regard to 11 CFR, § 300, to solicit means to ask, request or recommend, explicitly or implicitly, that another person make a contribution, donation, transfer of funds or otherwise provide anything of value. A solicitation is an oral or written communication that, construed as reasonably understood in the context in which it is made, contains a clear message asking, requesting or recommending that a person make a contribution, donation, transfer of funds or otherwise provide anything of value. A solicitation may be made directly or indirectly. The context includes the conduct of persons involved in the communication. A solicitation does not include mere statements of political support or mere guidance as to the applicability of a particular law or regulation. 300.2(m).

**Special Election**—A primary, general or runoff election which is not a regularly scheduled election and which is held to fill a vacancy in the U.S. House of Representatives or the U.S. Senate. 100.2(f).

**State Party Committee**—An organization that by virtue of the bylaws of a political party or the operation of state law is part of the official party structure and is responsible for the day-to-day operation of the political party at the state level, including an entity that is directly or indirectly established, financed, maintained or controlled by that organization, as determined by the Commission. 100.14(a). See Appendix A for information on qualifying as a state party committee.

**Subordinate Party Committee**—Any organization that is at the level of city, county, neighborhood, ward, district, precinct or any subdivision of a state, or any organization under the direction or control of the state committee, and is directly or indirectly established, financed, maintained or controlled by the state, district or local committee. 100.14(c).

**Super PAC**—See “Independent Expenditure Only Committee” above.

**Telephone Bank**—More than 500 telephone calls of an identical or substantially similar nature within any 30-day period. This does not include email or other Internet communications transmitted over telephone lines. 100.28. See Public Communication.

**Terminating Committee**—A political committee that is winding down its activities in preparation for filing a termination report. A terminating committee has ceased to make or receive contributions (other than to receive contributions for debt retirement purposes) or make expenditures other than for payment of debts and winding-down costs. 116.1(a).

**Transfer**—A payment by one party committee to an affiliated committee or to another party committee or party organization. 102.6(a)(i) – (ii) and 110.3(c)(1).

**Unauthorized Committee**—A political committee which has not been authorized in writing by any candidate to solicit or receive contributions or to make expenditures on behalf of a candidate, or which has not been disavowed under 100.3(a)(3). 100.5(f)(2).

**Unauthorized Single-Candidate Committee**—A political committee not authorized by any candidate, which makes contributions or expenditures on behalf of only one candidate. 100.5(e)(2) and (f)(2).

**Usual and Normal Charge**—With regard to goods, the price of the goods in the market from which they ordinarily would have been purchased at the time they were provided. With regard to services, other than those provided by an unpaid volunteer, the hourly or piecework charge for the services at the commercially reasonable rate prevailing at the time the services were rendered. 100.52(d)(2).



**Voter Drive Activity**—Voter identification, voter registration and get-out-the-vote-drives, or any other activities that urge the general public to register or vote, or that promote or oppose a political party, without promoting any federal or nonfederal candidate, that do not qualify as FEA. This is a category of allocable activity for mixed federal/nonfederal party activity sometimes also referred to as a “generic voter drive.” 106.7(c)(5).

**Voter Identification**—With regard to federal election activity, this means acquiring information about potential voters, including, but not limited to, obtaining voter lists and creating or enhancing voter lists by verifying or adding information about the voters’ likelihood of voting in an upcoming election or voting for specific candidates. 100.24(a)(4).

**Voter Registration Activity**—In regard to federal election activity, voter registration activity encompasses all means of contacting potential voters to assist, encourage or urge them to register to vote. This activity includes, but is not limited to:

- Encouraging or urging potential voters to register to vote, whether by mail (including direct mail), email, in person, by telephone (including pre-recorded telephone calls, phone banks and messaging such as SMS and MMS), or by any other means;
- Preparing and distributing information about registration and voting;
- Distributing voter registration forms or instructions to potential voters;
- Answering questions about how to complete or file a voter registration form, or assisting potential voters in completing or filing such forms;
- Submitting or delivering a completed voter registration form on behalf of a potential voter;
- Offering or arranging to transport, or actually transporting potential voters to a board of elections or county clerk’s office for them to fill out voter registration forms; or
- Any other activity that assists potential voters to register to vote. 100.24(a)(2). For more information, see Chapter 8.

