

GETTING STARTED: BASICS FOR BEGINNERS



October 23, 2013
9:30 a.m.

Objectives

Discuss Basic Provisions of FECA

- ▣ Registration and Reporting Requirements
- ▣ Contribution Limits and Prohibitions
- ▣ Administration/Enforcement of Law

PART 1: REGISTRATION AND REPORTING REQUIREMENTS

Campaign Finance Laws

- ▣ Federal Election Campaign Act (FECA)
 - ▶ Disclosure
 - ▶ Limitations and Prohibitions
 - ▶ Administration and Enforcement

Campaign Finance Laws

- ▣ Federal Election Campaign Act (FECA)
 - ▼ Disclosure
 - Political committees must register and report receipts and disbursements
 - Political committees must include disclaimers on public communications

Campaign Finance Laws

- ▣ Basic Registration Thresholds
 - ▶ Candidates: Raise/Spend > \$5,000
 - ▶ Parties: Raise/Spend > \$1,000
 - ▶ SSFs: Register Upon Establishment
 - ▶ Other PACs: Raise/Spend > \$1,000

Campaign Finance Laws

- ▣ Basic Registration Thresholds
 - ▼ Candidates: Raise/Spend > \$5,000
 - ▣ Testing the Waters Exemption

Campaign Finance Laws

- ▣ Basic Registration Thresholds
 - ▼ Local Party Organizations
 - ▣ Raises > \$5,000 in Contributions
 - ▣ Spends > \$5,000 on Exempt Activities

Registration: First Steps

- ▣ Call FEC Information Division
1-800-424-9530 (Press 6)
- ▣ Contact IRS to get Tax ID Number
1-800-TAX-FORM (Form SS4)
- ▣ Open a Bank Account

Candidate Registration

**FEC FORM 2
STATEMENT OF CANDIDACY**

1. (a) Name of Candidate (in full)		2. Candidate's FEC Identification Number	
(b) Address (number and street) <input type="checkbox"/> Check if address changed			
(c) City, State, and ZIP Code		3. Is This Statement <input type="checkbox"/> New (N) <input type="checkbox"/> OR <input type="checkbox"/> Amended (A)	
4. Party Affiliation	5. Office Sought	6. State & District of Candidate	

DESIGNATION OF PRINCIPAL CAMPAIGN COMMITTEE

7. I hereby designate the following named political committee as my Principal Campaign Committee for the _____ election(s).
(year of election)

NOTE: This designation should be filed with the appropriate office listed in the instructions.

(a) Name of Committee (in full)	
(b) Address (number and street)	
(c) City, State, and ZIP Code	

DESIGNATION OF OTHER AUTHORIZED COMMITTEES
(including Joint Fundraising Representatives)

8. I hereby authorize the following named committee, which is NOT my principal campaign committee, to receive and expend funds on behalf of my candidacy.

NOTE: This designation should be filed with the principal campaign committee.

 Information Division
2013-14 Election Cycle

Basics for Beginners
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I. Committee Registration

- A. **Candidate and Campaign Committee Registration (11 CFR 101.1, 102.1(d) and 102.2)**
 1. **FEC Form 2**

Candidate files Statement of Candidacy (FEC Form 2) within 15 days of triggering candidacy (i.e., raise/spend over \$5,000).
 2. **FEC Form 1**

Principal campaign committee files Statement of Organization (FEC Form 1) within 10 days of designation by candidate.

Committee Registration

- ▶ Name of Committee
- ▶ Treasurer & Assistant Treasurer
- ▶ Committee Depository
- ▶ Amendments

- B. Committee Registration (11 CFR 102.1(d) and 102.2)**
- 1. FEC Form 1**
File Statement of Organization (FEC Form 1) within 10 days of triggering registration.
 - 2. Requirements**
Committees that file electronically must include their email address. Others are encouraged to do so.
 - 3. Amendments**
Amend Statement of Organization (and other filings) when necessary within 10 days of change.

Committee Registration

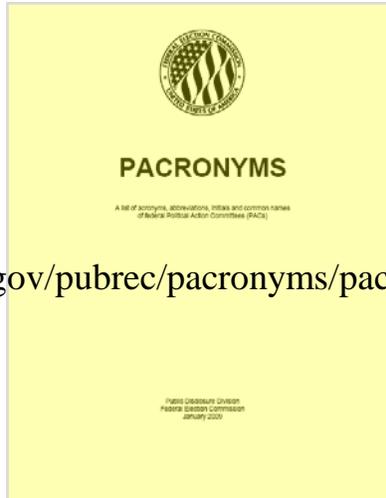
▼ Name of Committee

- PCC must include candidate's name
- Unauthorized committees cannot use candidate's name
- SSF must include connected organization's name

C. Name and Address of Committee

- 1. Principal Campaign Committee and Authorized Committees**
Name must include name of the candidate.
- 2. Corporate/Labor/Member/Trade SSF:**
Official name must include name of connected organization.
- 3. Use Committee's Official Name on:**
 - a) FEC reports and statements.
 - b) Disclaimer notices for public advertising.

Committee Registration



www.fec.gov/pubrec/pacronyms/pacronyms.shtml

Committee Registration

▼ E-Mail Address:

- Required for E-Filers
- Necessary to receive report notices and other courtesy mailings from the FEC

4. Street Address, Email, Website

- a) E-Mail required for electronic filers; necessary to receive FEC report notices and other courtesy materials.
- b) URL required if committee has web page.

Committee Registration

FEC FORM 1	STATEMENT OF ORGANIZATION
1. NAME OF COMMITTEE (in full) <input type="checkbox"/> 12FB4M5	
ADDRESS (number and street) _____	
<input type="checkbox"/> (Check if address is changed)	
CITY	STATE
COMMITTEE'S E-MAIL ADDRESS (Please provide only one e-mail address)	
<input type="checkbox"/> (Check if address is changed)	
COMMITTEE'S WEB PAGE ADDRESS (URL)	
<input type="checkbox"/> (Check if address is changed)	

Committee Registration

FEC Form 1 (Revised 02/2009)	Page 2
5. TYPE OF COMMITTEE	
Candidate Committee:	
(a) <input checked="" type="checkbox"/> This committee is a principal campaign committee. (Complete the candidate information below.)	
(b) <input type="checkbox"/> This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)	
Name of Candidate _____	
Candidate Party Affiliation <input type="checkbox"/>	Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President <input type="checkbox"/> State <input type="checkbox"/>
District <input type="checkbox"/>	
(c) <input type="checkbox"/> This committee supports/opposes only one candidate, and is NOT an authorized committee.	
Name of Candidate _____	
Party Committee:	
(d) <input checked="" type="checkbox"/> This committee is a <input type="checkbox"/> (National, State or subordinate) committee of the <input type="checkbox"/> (Democratic, Republican, etc.) Party	
Political Action Committee (PAC):	
(e) <input checked="" type="checkbox"/> This committee is a separate segregated fund. (Identify connected organization on line 6.) Its connected organization is a:	
<input type="checkbox"/> Corporation	<input type="checkbox"/> Corporation w/o Capital Stock
<input type="checkbox"/> Labor Organization	<input type="checkbox"/> Cooperative
<input type="checkbox"/> Membership Organization	<input checked="" type="checkbox"/> Trade Association
<input type="checkbox"/> In addition, this committee is a Lobbyist/Registrant PAC.	

Committee Registration

SSFs List Connected Organization

6. Name of Any Connected Organization, Affiliated Committee, Joint Fundraising Representative, or Leadership PAC Sponsor

XYZ Organization

Mailing Address: 123 Membership Drive

Washington DC 00000-0000

CITY STATE ZIP CODE

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

Committee Registration

List Affiliated Committees

6. Name of Any Connected Organization, Affiliated Committee, Joint Fundraising Representative, or Leadership PAC Sponsor

XYZ State Organization PAC

Mailing Address: 123 Subsidiary Circle

Washington DC 00000-0000

CITY STATE ZIP CODE

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

Affiliated Committees

Committees established, financed, maintained or controlled by same entity:

- Principal Campaign Committee and Other Authorized Committees
- State Party and Registered Local Party Committees in that State
- Corporate Parent and Subsidiaries
- National Membership Organization and its State and Local Units

D. **Affiliated Committees (11 CFR 100.5(e) and 110.3(a)(3))**

1. **How to Determine:**

- a) Principle: committees established, financed, maintained, or controlled by same entity or group of persons.
- b) Others may also be affiliated depending on various factors, such as similar patterns of contributions, common officers, etc. See 11 CFR 100.5(g) & 110.3(a).

2. **Examples:**

- a) Candidate – principal campaign committee and all authorized committees; limits on contributing to candidate apply on per election basis.
- b) Party – state party committees normally affiliated with local party committees in same state; national party and state party have separate limits, but may transfer between each other.
- c) Corporation – PACs set up by parent, subsidiary, branch, division or other affiliate.

- (1) Example for Corporations: In AO 2007-16, the Commission ruled that a corporation spun off from another corporation were no longer affiliated as of the date of the spin-off. Although the two companies had a large common shareholder base, factors indicating disaffiliation were stronger, including lack of ownership by one company in the other, the minimal personnel overlap between the companies (including the companies' subsidiaries), the lack of any plan for

personnel of one of the companies or its subsidiaries to serve in the future in either of the other companies or its subsidiaries (other than the two currently overlapping individuals), and the fact that a majority of the two companies' respective board members did not serve on the board of, and were not officers of, any pre-spin-off corporate entities.

- d) **Union**
 - (1) National and its locals.
 - (2) International and its local, state and central bodies.
 - (3) If union belongs to AFL-CIO, the PACs of that union are affiliated with each other, but are not affiliated with the PACs established by national and state AFL-CIOs.
- e) **Membership** – PACs established by national membership organization and its state and local affiliates.
- f) **Trade Association** – PACs established by federation and its regional, state and local associations, but PACs of member corporations not affiliated with trade association's PACs.

Affiliated Committees

Generally treated as one committee for purposes of the federal campaign finance laws:

- Share limits on contributions made and received

- 3. **Why Important:**
 - a) Same contribution limit applies to contributions received and made by affiliated committees.
 - b) If one committee qualifies as multicandidate, all its affiliated committees qualify.
 - c) No limit on transfers between affiliated committees.

Committee Registration

▣ List Joint Fundraising Representative

6. Name of Any Connected Organization, Affiliated Committee, Joint Fundraising Representative, or Leadership PAC Sponsor

Committee that collects receipts, pays bills and distributes proceeds for joint fundraising effort

Mailing Address

CITY STATE ZIP CODE

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

Committee Registration

Joint Fundraising Representative can be a participating committee or new committee

Joint Fundraising Representative:

(g) 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.

(h) 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.	Cattonic State Party Committee	FEC ID number	C 00000000
2.	Local Yokel Party Committee	FEC ID number	C 00000001
3.		FEC ID number	C
4.		FEC ID number	C

Committee Registration

☐ List Leadership PAC Sponsor

6. Name of Any Connected Organization, Affiliated Committee, Joint Fundraising Representative, or Leadership PAC Sponsor

Jane Doe

Mailing Address 123 Main Street

City STATE ZIP CODE

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

NOT AFFILIATED

E. Leadership PAC – 11 CFR 100.5(e)(6) and (g)(5)

1. Definition of Leadership PAC

- a) Political committee directly or indirectly established, financed, maintained or controlled by federal candidate/officeholder but is:
 - (1) Not an authorized committee;
 - (2) Not affiliated with an authorized committee; and
 - (3) Not a political party committee.
- b) Treated as nonconnected PAC.

Committee Registration

▼ Treasurer & Assistant Treasurer

- Deposits receipts
- Authorizes all expenditures
- Monitors contributions
- Keeps all required records
- Signs reports
- Files accurate reports on time

F. Treasurer & Assistant Treasurer (11 CFR 102.7, 102.9 and 104.14)

1. Treasurer Required – Asst. Treasurer Recommended

- a) Identify on Form 1.

2. Duties:

- a) Depositing receipts.
- b) Authorizing all expenditures.
- c) Monitoring contributions.
- d) Keeping all required records.
- e) Signing reports.
- f) Filing accurate reports on time.

Treasurer Required

Committee cannot raise or spend funds
when office of treasurer is vacant.

- 11 CFR 102.7(b)



Treasurer's Liability

- ▶ Treasurer generally named as enforcement respondent in official capacity
- ▶ Personal liability possible if:
 - Knowingly & willfully violated the Act;
 - Recklessly failed to fulfill duties; or
 - Intentionally ignored information that led to the violation

3. Treasurer Responsible for Compliance.

- a) Usually named in enforcement actions.

- b) Policy statement on when treasurer may be found personally liable (online at <http://www.fec.gov/law/policy/2004/notice2004-20.pdf>)
- c) Embezzlement policy (online at <http://www.fec.gov/law/policy/embezzlepolicy.pdf>)

Recordkeeping

Contributions over \$50, record:

- Amount
- Date received
- Donor's name and address
- Full-size photocopy or digital image of check



Contributions aggregate over \$200, record:

- Above information plus occupation and employer for individual donors

G. Recordkeeping and Best Efforts (11 CFR 102.8 and 102.9)

1. Recordkeeping

a) For Receipts

- (1) For any amount, need date received and amount.
- (2) Over \$50, name and address of contributor/payor.
- (3) Over \$200, above plus occupation and employer.

b) For Disbursements

- (1) For any amount, need name of payee, address, purpose, date made.
- (2) For contributions made, also need name of candidate, state, district, and election designation.

Recordkeeping

Retain records for three years from the date of the report to which the records relate



- c) **Record Retention**
Retain each record for three years from the date of the report on which it was last disclosed.

Recordkeeping

Any time after
January 31, 2017



Making Best Efforts

- ✓ Request contributor info when soliciting contribution
- ✓ If info missing, make follow-up request within 30 days
- ✓ Amend report to disclose missing information once received

2. **Best Efforts (11 CFR 104.7)**

- a) Required to make “best efforts” to obtain, maintain and report required information.
- b) To show “best efforts,” committee must:
 - (1) Request information in solicitation materials, along with applicable disclaimer informing contributors that information is required under federal law;
 - (2) Make follow-up request within 30 days of receipt of contributions lacking required information, keep written documentation of follow-up request (with no additional solicitation made); and
 - (3) Amend reports to disclose information received but not previously disclosed (or include information in memo reports on the next report filed).

Follow-up Request



Thank you for your generous contribution to the Committee for Good Government. With help from supporters like you, good government is guaranteed!

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.

Thank you again for your support!

Information Division
2013-14 Election Cycle

Basics for Beginners
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Committee Registration

▼ Committee Depository

- Must have at least one (federal) checking account
- May also invest funds
- All disbursements must come from checking account

Information Division
2013-14 Election Cycle

Basics for Beginners

H. Campaign Depository (11 CFR 103.2 and 103.3)

1. Disclose on Form 1.

2. **Required Accounts**
 - a) Must have at least one (federal) checking account.
 - b) All contributions deposited into and expenditures made from depository.
3. **Timing**

Deposit contributions within 10 days of treasurer's receipt.

Committee Registration

▼ Amendments

- File within 10 days after change in information
- E-filers submit replacement file
- Paper filers only complete portions requiring changes

- I. **Amendments to Form 1 (11 CFR 102.2(a)(2))**
 1. Required within 10 days after change in information.
 2. Paper filers may amend by letter or Form 1; E-filers must amend electronically by submitting a replacement Form 1.

II. Where to File FEC Financial Reports (11 CFR 108.4)

Where to File

Federal Election Commission
999 E Street, NW
Washington, DC 20463



 Information Division
2013-14 Election Cycle Basics for Beginners

- **House Campaigns; PACs and Parties = FEC**

Where to File - Senate

<p>By Mail: Secretary of the Senate Office of Public Records P.O. Box 77578 Washington, DC 20013</p>	<p>Hand Delivery: Secretary of the Senate Office of Public Records 232 Hart Senate Building Washington, DC 20510</p>
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 Information Division
2013-14 Election Cycle Basics for Beginners

- **Senate = Secretary of the Senate**
- **State Filing:** Required only in Guam, Puerto Rico and Mariana Islands.

Welcome Email

- ▣ FEC Identification Number
- ▣ Committee's RAD Analyst
- ▣ Link to Campaign Guide
- ▣ Link to Filing Information

III. Filing Dates (11 CFR 104.5(c))

2013 Filing Requirements

- Candidates file FEC Form 3
 - Quarterly Schedule
- PAC and Parties file FEC Form 3X
 - Quarterly (Semi-annually); or
 - Monthly Schedule

Candidate Quarterly Filing 2013

Report Type	Coverage and Due Dates
April Quarterly	Covers 1/1 - 3/31; Due 4/15/13
July Quarterly	Covers 4/1 - 6/30; Due 7/15/13
October Quarterly	Covers 7/1 - 9/30; Due 10/15/13
Year-End	Covers 10/1 - 12/31; Due 1/31/14

- A. During Non-election Year (odd-numbered year)**
- 1. Congressional Candidates File Quarterly**
Quarterly reports due April 15, July 15 and October 15 and January 31
 - 2. Presidential Candidates File Quarterly or Monthly**

PAC/Party ~~Quarterly~~ Filing 2013

Report Type	Coverage Dates	Due Date
Mid-Year	1/1/13 - 6/30/13	7/31/13
Year-End	7/1/13 - 12/31/13	1/31/14

Semi-annual Reports

PAC/Party Monthly Filing 2013

Reporting Period	Due Date
January 1-31	February 20
February 1-28	March 20
March 1-31	April 20
April 1-30	May 20
May 1-31	June 20
June 1-30	July 20
July 1-31	August 20
August 1-31	September 20
September 1-30	October 20
October 1-31	November 20
November 1-30	December 20
December 1-31 (Year-End)	January 31, 2014

3. **PACs and Party Committees File Semi-Annually or Monthly**
 - a) Semi-annual filers must file reports due July 31 and January 31.
 - b) Monthly filers must file report on 20th of each month.

Special Elections 2013

- ▣ May trigger additional reports for quarterly filers that participate
- ▣ Visit FEC.gov for details
http://www.fec.gov/info/report_dates.shtml



2014 Filing Requirements

- ☐ Candidates file FEC Form 3
 - Quarterly + Pre- and Post-Election

- ☐ PACs/Parties file FEC Form 3X
 - Quarterly + Pre- and Post-Election; or
 - Monthly Schedule

Quarterly Filers - 2014

Report Type	Coverage and Due Dates
April Quarterly	Covers 1/1 - 3/31; Due 4/15/14
July Quarterly	Covers 4/1 - 6/30; Due 7/15/14
October Quarterly	Covers 7/1 - 9/30; Due 10/15/14
Pre-Election	Covers 1st day of current period to 20 days before election; Due 12 days before election (12G covers 10/1 - 10/15; Due 10/23/14)
Post-General	Covers from 1 st day of period to 11/24; Due 12/4/14
Year-End	Covers 11/25 - 12/31/14; Due 1/31/15

Quarterly Filers - 2014

Pre-Primary Reports

- ▣ Due 12 days before any primary in which the committee makes previously undisclosed contributions or expenditures
- ▣ Required for campaign committees in connection with candidate's primary

Monthly Filers - 2014

Reporting Period	Due Date
January 1-31	February 20
February 1-28	March 20
March 1-31	April 20
April 1-30	May 20
May 1-31	June 20
June 1-30	July 20
July 1-31	August 20
August 1-31	September 20
September 1-30	October 20
October 1-15 (Pre-General)	October 23
October 16-November 24 (Post-General)	December 4
November 25-December 31 (Year-End)	January 31, 2015

B. During Election Year (even-numbered year)

1. Congressional Candidates File Quarterly, plus Pre- and Post-Election Reports

Quarterly reports due April 15, July 15 and October 15 and January 31; Pre-Primary, Pre-General, Post-General.

2. Most Presidential Candidates File Monthly

3. PACs and Party Committees File Quarterly or Monthly

a) Quarterly reports due April 15, July 15 and October 15 and January 31; Pre-Primary, Pre-General, Post-General.

b) Monthly filers must file report on 20th of each month, except Pre-General and Post-General in lieu of November and December monthly reports.

Choosing a Filing Schedule

Committees active in a number of different states may benefit from filing monthly.

Changing Filing Frequency

- ▶ Request on or before next report
 - Electronic filers must submit request electronically
- ▶ No more than once per year

C. Changing Filing Schedule

1. Timing

- a) PACs and parties may change their filing schedule from quarterly to monthly or from monthly to quarterly only after notifying the Commission in writing (or electronically if an e-filer), of its intention at the time it files a required report under its current filing schedule or in a separate miscellaneous text submission (Form 99) filed at any time.
- b) Such political committee will then be required to file the next required report under its new filing schedule and will receive a letter which lists the subsequent filing requirements.

2. **May only change filing schedule once per calendar year.**

3. **A semi-annual filing PAC in 2013 automatically files quarterly in 2014. No need to notify FEC (unless switching to monthly).**

Filing Date Resources

January FEC Record

www.fec.gov

1-800-424-9530

E-Mail Notices

How to File FEC Reports

On Paper

Electronically*



* Senate filers may voluntarily submit an unofficial electronic copy of their reports to the FEC, but their official filings must be filed on paper with the Secretary of the Senate.

IV. Other Filing Issues

A. Filing Amendments Required For:

1. Errors

Committee discovers that an earlier report contained erroneous information or mathematical errors.

2. Disclosure of Late Information

Committee obtains required reporting information concerning a particular transaction after the transaction has been reported.

3. Response to Request for Additional Information (RFAI)

FEC sends letter (e-mail) and requests amendment. Response due date appears in upper right corner of RFAI.

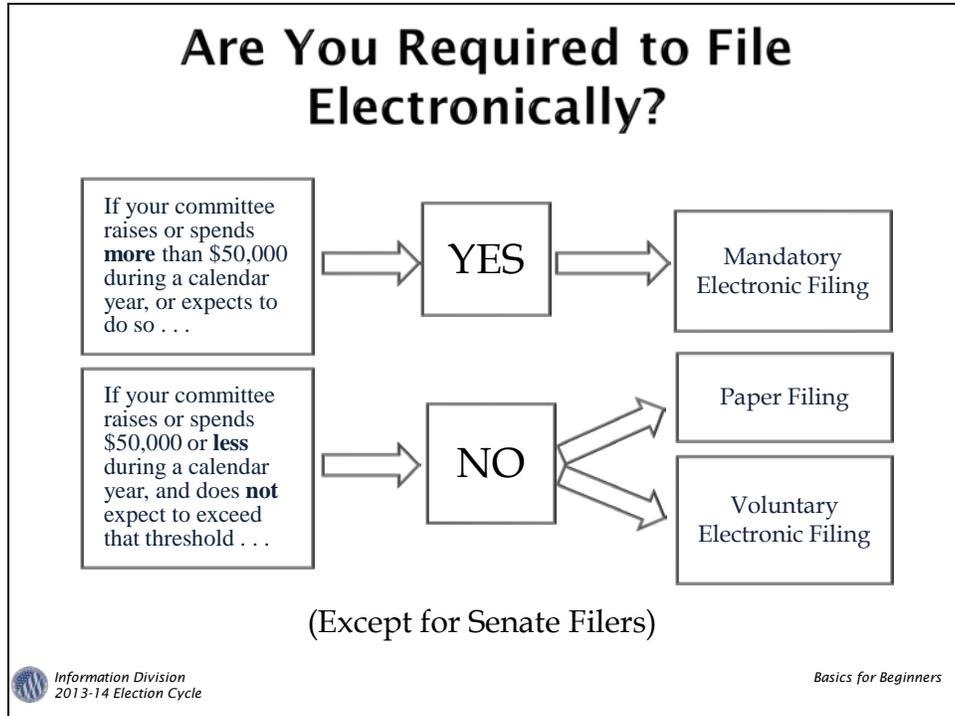
4. Procedures for Filing Amendments:

a) Paper Filers

- (1) It is not necessary to resubmit the entire report.
- (2) Complete the signature page of the Summary Page, checking box indicating that it is an amended report.
- (3) Attach corrected schedules, if necessary.
- (4) Attach cover letter explaining change (recommended).

b) Electronic Filers

- (1) Must submit amendments in electronic format (if original was filed electronically).
- (2) Amendment must include complete report (as opposed to just the portion requiring an amendment).



B. Electronic Filing (11 CFR 104.18)

1. Mandatory for:

Presidential and House Campaigns, PACs and Party Committees that raise or spend more than \$50,000 in calendar year or have reason to expect to do so.



C. Voluntary for All Other Filers

1. Senate Campaigns

Must file paper copy of report with Secretary of Senate (statutory requirement).

2. Passwords

a) Required

Before you can electronically file your report, you will have to obtain a password. You cannot file without one.

b) Who Can Get a Password?

For registered committees, only the official treasurer can obtain an electronic filing password. It is important that the committee has provided a valid e-mail address on its Statement of Organization, as a validation e-mail will be sent to the Committee.

c) How Do You Get a Password?

(1) Most committees may obtain or change their password on-line at

<http://www.fec.gov/electfil/passwords.shtml>

(2) Existing committees that have not previously used the on-line system should contact the Electronic Filing Office for assistance at 202-694-1307.

3. Use Updated Software

a) Software revised when forms changed – always use the latest version. Auto update feature makes it simple.

- b) Latest version of FECFile 8 – build 8.0.1.10 available for download at <http://www.fec.gov/electfil/updatelist.html>.
- 4. **Paper Filing by E-Filer**
Committees that submit a report on paper that should have been filing electronically will be treated as non-filers and may be subject to enforcement actions (including Administrative Fines).
- 5. **For more information:** <http://www.fec.gov/electfil/electron.shtml>.

Other Filing Considerations

- ☐ No Extensions
 - Filing dates not extended for weekends or holidays.
 - Must be received on business day preceding filing date.
- ☐ Registered/Certified vs. Overnight Mail
 - If filing using USPS registered/certified mail, keep receipt.
 - “Overnight Mail” means next-day express or priority mail with delivery confirmation or overnight service with online tracking system. Same terms as registered/certified mail. (Keep receipt/tracking number.)

D. Other Reporting Considerations for Paper Filers

1. **Statute Prohibits Extensions** (Applicable to Paper and Electronic Filers).
2. **Weekends and Holidays**
Filing dates not extended for weekends or holidays. Must be received on business day preceding filing date.
3. **Registered vs. Overnight Mail**
 - a) If filing using USPS registered mail, keep receipt.
 - b) “Overnight Mail” means express or priority mail with a delivery confirmation or an overnight service with an on-line tracking system. File using same terms as certified/registered mail. (Keep receipt.)

Reporting Forms

- ▣ Summary and Detailed Summary Pages
 - Disclose totals by category
- ▣ Common Itemization Schedules
 - A = Receipts
 - B = Disbursements
 - C = Loans (C-1 for bank loans)
 - D = Debts
- ▣ Additional Schedules for Other Categories, such as Independent Expenditures (Sched. E)

Campaign Finance Laws

- ▣ Federal Election Campaign Act (FECA)
 - ▼ Disclosure
 - Political committees must register and report receipts and disbursements
 - Political committees must include disclaimers on public communications

Disclaimers

- ▣ Identify who paid for a communication
- ▣ Clarify whether a campaign authorized it
- ▣ Appear on all “public communications,” widely distributed emails, public websites

I. **Disclaimer Notices on Communications (11 CFR 110.11)**

- Identifies who paid for a public communication
- Clarifies whether a campaign authorized it
- Required on all “public communications,” widely distributed emails and public websites

Public Communication

- ▣ Cable, satellite or broadcast communication;
- ▣ Newspaper or magazine;
- ▣ Mass mailing (> 500 pieces);
- ▣ Outdoor advertising facility;
- ▣ Phone bank (> 500 calls w/same info);
- ▣ Communications placed for a fee on another person's website (but not any other Internet or email activity); or
- ▣ Any other form of general public political advertising

A. **Public Communication Defined (11 CFR 100.26)**

Includes communications made using the following media:

- Broadcast, cable or satellite;
- Newspaper or magazine;
- Outdoor advertising facility;
- Mass mailing (>500 substantially similar mailings w/in 30 days);
- Phone bank (>500 substantially similar calls w/in 30 days);
- Communications placed for a fee on another person's web page.

B. **Disclaimer Also Required On:**

- Electronic mail (> 500 substantially similar communications sent by a campaign committee); and
- Websites of political committees.

Clear and Conspicuous

▼ Printed Materials

Disclaimer must be contained
within a printed box set apart
from content of communication

C. **Special Rules for Printed Communications**

1. Disclaimer must be contained within a printed box set apart from content of communication.
2. Print must be of sufficient type size to be “clearly readable” and must have a reasonable degree of color contrast between the background and the printed statement.
3. Safe Harbor: 12 point type in newspapers; magazines; flyers; signs; and other printed communications no larger than 24” x 36.”

Clear and Conspicuous Radio and Television

- Audio approval statement voiced by candidate/sponsor
- TV: Full screen view or photo of candidate or sponsor and 4 x 4 written disclaimer



- D. Special Rules for TV and Radio Ads Not Authorized by a Candidate's Committee (11 CFR 110.11(c)(4))**
Identify the committee responsible for the communication (e.g., "*The Pendant Publishing PAC is responsible for the content of this ad.*")

Disclaimer Exceptions

- ▣ Not required on small items or when impractical



- E. Disclaimer is Not Required When:**
1. It cannot be conveniently printed (e.g., pens, bumper stickers, campaign pins and buttons);
 2. Its display is not practical (e.g., wearing apparel, skywriting, water towers); or
 3. Item is of minimal value, does not contain a political message and is used for administrative purposes (e.g., committee checks and receipts).
- F. Wording of Disclaimer (11 CFR 110.11(b))**
1. **Authorized but Not Financed by Campaign**
“Paid for by Pendant Publishing PAC and authorized by the Cosmo Kramer for Congress Committee.”
 2. **Not Authorized by Campaign (i.e., Independent Expenditures, Electioneering Communications)**
“Paid for by Play Now PAC (www.playnowpac.org) and not authorized by any candidate or candidate committee.”
 3. **Clear and Conspicuous Placement of Disclaimer Notice**
Disclaimer notices must be clearly and conspicuously displayed. Can not be difficult to read or placed where it is easily overlooked.

PART 2: BASIC OPERATIONS/CONTRIBUTION LIMITS AND PROHIBITIONS

Campaign Finance Laws

- ▣ Federal Election Campaign Act (FECA)
 - ▶ Disclosure
 - ▶ Limitations and Prohibitions
 - ▶ Administration and Enforcement

II. Contributions (11 CFR 100.52)

A. Broad Definition

Anything of value given or loaned to influence a federal election.

B. Types

1. Money
2. In-Kind (goods and services)
3. Loans of money or advances of goods and services
4. Bank loan endorsements and guarantees
5. Advances of personal funds by staff and volunteers
6. Proceeds from sales of fundraising items
7. Extension of credit to committee outside ordinary course of business

Contribution Limits

<i>For 2013-14 Elections</i>	<i>Candidate per election</i>	<i>National Party per year</i>	<i>State, District & Local Party per year</i>	<i>Any PAC per year</i>	<i>Special Limits</i>
<i>Individual</i>	<i>\$2,600</i>	<i>\$32,400</i>	<i>\$10,000 (combined)</i>	<i>\$5,000</i>	<i>\$123,200 biennial limit</i>
<i>National Party</i>	<i>\$5,000</i>	<i>No Limit</i>	<i>No Limit</i>	<i>\$5,000</i>	<i>\$45,400 per Senate campaign</i>
<i>State, District & Local Party</i>	<i>\$5,000 (combined)</i>	<i>No Limit</i>	<i>No Limit</i>	<i>\$5,000 (combined)</i>	<i>None</i>
<i>PAC: multicandidate</i>	<i>\$5,000</i>	<i>\$15,000</i>	<i>\$5,000 (combined)</i>	<i>\$5,000</i>	<i>None</i>
<i>PAC: not multicandidate</i>	<i>\$2,600</i>	<i>\$32,400</i>	<i>\$10,000 (combined)</i>	<i>\$5,000</i>	<i>None</i>

 Information Division
2013-14 Election Cycle

Basics for Beginners

C. Contribution Limits (11 CFR 110.1 and 110.2)

1. Certain Limits Increased and Indexed for Inflation

- a) Candidate and party limits increased and indexed; multicandidate PAC limits unchanged.
- b) Indexing began in 2005 – odd-numbered years.

2. How Applied

- a) Limits apply to contributions received and contributions made by committee.
- b) If made by an individual, counts against the limit of the person signing the check or accompanying note.

3. **Presidential**
 - a) Primaries – One limit for all.
 - b) General – No contributions if candidate accepts public funds. (See AO 2007-03, Obama)
 - c) General Election Legal and Compliance (GELAC) Fund – OK if donations comply with limits.
4. **Cash Contributions – \$100**
5. **Anonymous Contributions – \$50**

Multicandidate Status

- ▣ Registered with FEC 6 months
- ▣ Received contributions >50 donors
- ▣ Made contributions to ≥ 5 candidates
- ▣ Alternative: affiliated with one/more multicandidate committees

D. **Multicandidate Committee Status (11 CFR 100.5(e))**

1. **Why Important:**

Determines whether PAC or party committee can give up to \$5,000 to candidate, per election (and whether candidate can accept it).
2. **Criteria**
 - a) Registered with FEC 6 months.
 - b) Received contributions from more than 50 contributors.
 - c) Has made contributions to at least 5 federal candidates (not needed for state party committee).
 - d) Alternative: be affiliated with multicandidate committee.

Multicandidate Status

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

1. "COMMITTEE" OR "COMMITTEE NAME":

2. Number and Street Address: _____

3. City, State and ZIP Code: _____

4. FEC IDENTIFICATION NUMBER: _____

5. TYPE OF COMMITTEE (check one):
 STATE PARTY
 OTHER

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 _____ and subsequently qualified as a multicandidate committee through its affiliation with: _____
 Committee Name: _____
 FEC Identification Number: _____

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 prepared this Statement and its contents to the best of my knowledge and belief that it is true, correct and complete.

DATE: _____

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §1970g and 49 USC § 3042 (a)(2)(B) and (C) (relating to the penalties for providing false information to the FEC).

FOR FURTHER INFORMATION CONTACT:
 Federal Election Commission
 1100 L Street, NE
 Washington, DC 20002
 (202) 693-6630
 www.fec.gov

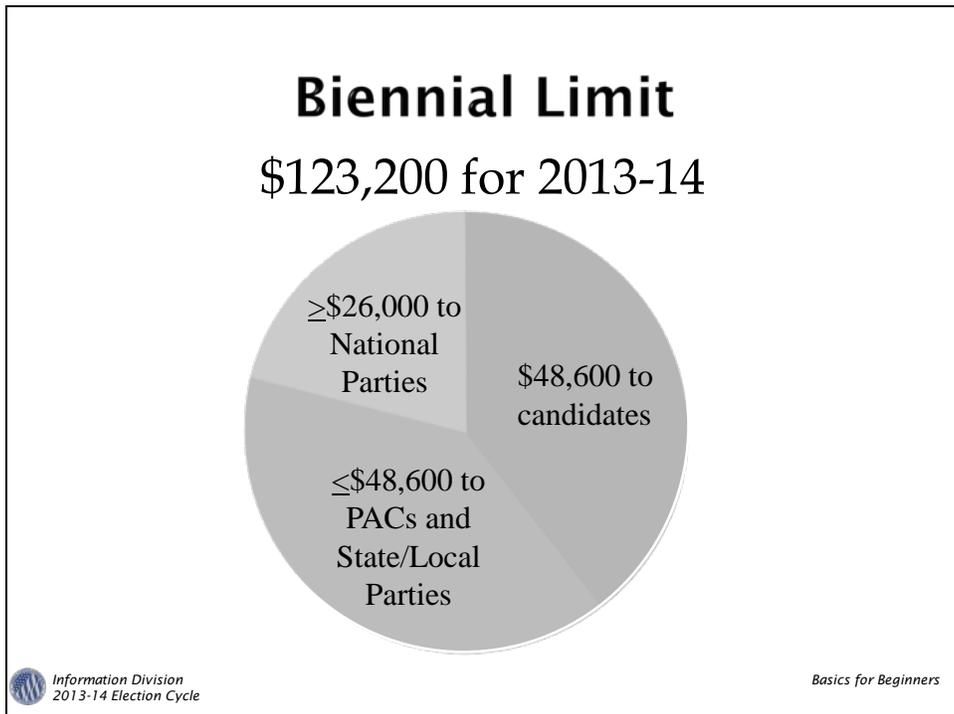
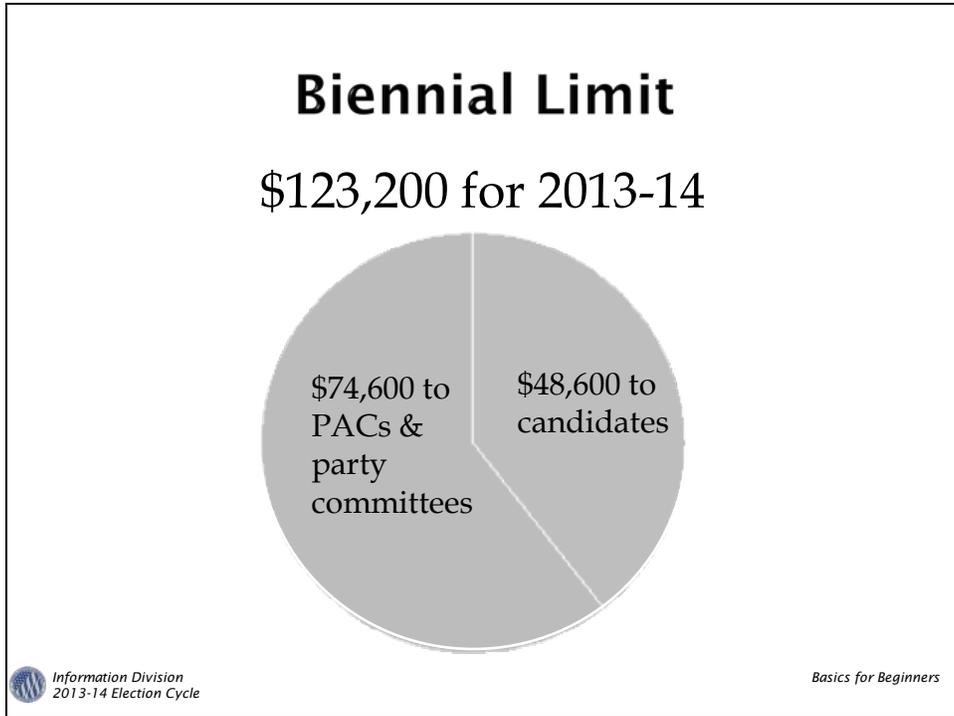
FEC FORM 1M
(Revised 10/2011)

- File FEC Form 1M
- Listed in FEC database as Qualified Committee
- Notify contribution recipients of status

3. **Responsibility for Informing FEC**
 - a) PAC or Party committee must file Form 1M within 10 days of qualifying as multicandidate committee.
 - b) Check box at end of page 2, Form 3X.
4. **Responsibility for Informing Campaigns**
 - a) Multicandidate committee must inform recipients that it has qualified as multicandidate committee.
 - b) Call FEC's Public Records Office to verify status as *qualified* multicandidate committee.

E. From Other Federal Campaigns

1. **Limit: Still \$2,000/election.** 11 CFR 102.12(c)(2).
2. NOT subject to inflation indexing.



Contribution Limits

- ▣ Cash contribution cannot exceed \$100



- ▣ Maximum anonymous contribution \$50

Campaign Finance Laws

- ▣ Federal Election Campaign Act (FECA)
 - ▼ Prohibitions
 - Corporations and Unions
 - Federal Government Contractors
 - Foreign Nationals
 - Contributions in Name of Another

III. Contribution Prohibitions

- A. **Corporations (including incorporated membership, trade and cooperative organizations or associations), labor organizations and**

national banks are prohibited from making contributions in connection with federal elections. **11 CFR 114.2**. Therefore, they may not:

1. **Act as conduit for earmarked contribution.**
2. **Give discount to campaign or committee that is not in normal business practice.**
3. **Allow use of facilities or resources without reimbursement, and, in some cases, advance payment.**

B. Federal Government Contractors (11 CFR Part 115)

C. Foreign Nationals (11 CFR 110.20)

1. **American subsidiary of foreign corporation may establish SSF only if:**
 - a) Foreign nationals do not control or participate in decisions of SSF; and
 - b) SSF is not administered or otherwise funded with foreign revenues.
2. **Ban does not apply to permanent resident aliens (green card holders).**
3. **Individuals who are foreign nationals may:**
 - a) Volunteer for Congressional campaign and participate in decision-making, (Note: because volunteer is engaged to candidate.) AO 2004-26.
 - b) Attend campaign fundraising events (Note: because attendee is engaged to candidate). AO 2004-26.
 - c) They may not, however, participate in decision-making regarding election activities for a corporation or a political committee. AO 2004-32.

D. Contributions in Name of Another (11 CFR 110.4(b))

1. Cannot reimburse or be reimbursed for contributions.
2. Parents cannot give in names of children.
3. BCRA increased penalties for violations of this ban.

Citizens United v. FEC

- ▣ Enables corporations and unions to spend treasury funds on independent expenditures and electioneering communications
- ▣ Ban on corporate/labor contributions not affected by the decision



Campaign Finance Laws

- ▣ Federal Election Campaign Act (FECA)

Prohibited in All U.S. Elections

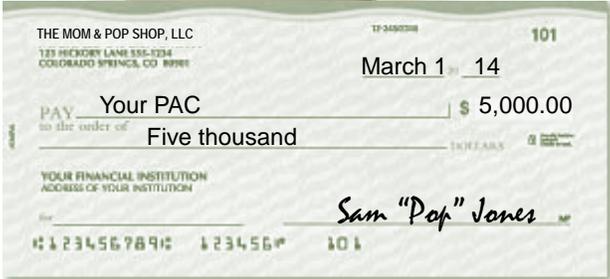
- Foreign Nationals
- National Banks
- Federally Chartered Corporations

E. Certain Prohibitions Apply to All Elections (11 CFR 114.2(a))

1. Foreign nationals
2. National banks
3. Federally chartered corporations

IV. Handling Questionable Contributions to Federal Account (11 CFR 103.3)

Questionable Contributions



THE MOM & POP SHOP, LLC
123 PECKORY LANE 556-789
COLORADO SPRINGS, CO 80901

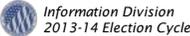
101
March 1 14

PAY Your PAC \$ 5,000.00
to the order of Five thousand

YOUR FINANCIAL INSTITUTION
ADDRESS OF YOUR INSTITUTION

for Sam "Pop" Jones

⑆ 123456789⑆ 123456* 101

 Information Division
2013-14 Election Cycle

Basics for Beginners

Questionable Contributions



MICHAEL OR LISA SMITH
123 PECKORY LANE 556-789
MONTREAL, CANADA

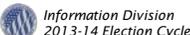
101
March 1 14

PAY Your PAC \$ 5,000.00
to the order of Five thousand

YOUR FINANCIAL INSTITUTION
ADDRESS OF YOUR INSTITUTION

for Lisa Smith

⑆ 123456789⑆ 123456* 101

 Information Division
2013-14 Election Cycle

Basics for Beginners

Questionable Contributions

- ▣ Deposit or return ≤ 10 days of receipt
- ▣ Determine legality ≤ 30 days
- ▣ Seek oral or written evidence for files
- ▣ Retain or refund, as appropriate

- A. Deposit While Checking**
If unsure whether contribution is from a permissible source, party may deposit it while confirming permissibility.
- B. Refund After 30 Days If Unable to Verify Legality**
Within 30 days of receipt, must refund if unable to determine if contribution is permissible.

PART 3: ADMINISTRATION/ENFORCEMENT OF LAW

Administration

Among other things . . .

- ▣ OCG drafts regulations and responds to advisory opinion requests (AORs)
- ▣ Communications offices respond to inquiries about the law and conduct outreach programs
- ▣ RAD analysts review all reports and send Requests for Additional Information (RFAI) when clarification is required

Enforcement

- ▼ Action initiated by:
 - FEC Audit and Review
 - Sworn and Notarized Complaint
 - Referral from Another Agency

I. FEC Role

A. Enforcing the Law

1. Compliance Cases (OGC)

- a) OGC reviews, investigates and prepares briefs and recommendations for Commission.
- b) Cases originate through either internal referrals or external complaints.
- c) Four Commission votes needed to take action.
- d) Civil penalty arrived through conciliation agreement.

2. Office of Administrative Review (OAR)

Administers automatic fines for late or non-filed reports.

3. Office of Alternative Dispute Resolution (ADR)

- a) Administers alternative dispute resolution program of FEC.
- b) Alternative way of resolving enforcement matters through mediation.

Enforcement

▼ Agency Actions:

- Administrative Fines
- Alternative Dispute Resolution
- Matters Under Review (MURs)

B. Compliance Help

The screenshot shows the 'Compliance Help' page on the Federal Election Commission's website. The page features a navigation menu with links for 'ABOUT THE FEC', 'PRESS OFFICE', 'QUICK ANSWERS', 'CONTACT US', and 'SITE MAP'. A search bar is located in the top right corner. The main content area is titled 'Help with Reporting and Compliance' and includes sections for 'Compliance Map', 'Filing Information', 'Publications', and 'Educational Outreach'. A sidebar on the left contains links to 'Campaign Finance Disclosure Portal', 'Meetings and Hearings', 'Enforcement Matters', 'Help with Reporting and Compliance', 'Law, Regulations and Procedures', and 'Commission Calendar'. The footer includes the 'Information Division 2013-14 Election Cycle' logo and the text 'Basics for Beginners'.

- <http://www.fec.gov/info/compliance.shtml>

The screenshot shows the 'Publications' page on the Federal Election Commission's website. The page features a navigation menu with links for 'ABOUT THE FEC', 'PRESS OFFICE', 'QUICK ANSWERS', 'CONTACT US', and 'SITE MAP'. A search bar is located in the top right corner. The main content area is titled 'Publications' and includes a list of publications, a sign-up link for e-mail updates, and a section for 'Related Items'. A sidebar on the left contains links to 'Campaign Finance Disclosure Portal', 'Meetings and Hearings', 'Enforcement Matters', 'Help with Reporting and Compliance', 'Law, Regulations and Procedures', and 'Commission Calendar'. The footer includes the 'Information Division 2013-14 Election Cycle' logo and the text 'Basics for Beginners'.

- <http://www.fec.gov/info/publications.shtml>

Compliance Help



Information Division
2013-14 Election Cycle

Basics for Beginners

- <http://www.fec.gov/info/publications.shtml#guides>

Compliance Help

FEDERAL ELECTION COMMISSION

HOME / HELP WITH REPORTING AND COMPLIANCE / PUBLICATIONS / FEC RECORD / RECORD ARCHIVE / RECORD INDEX 2012

2012 FEC Record Index

Sign-up to receive an e-mail notification when a new monthly issue of the Record is posted.

A	B	C	D	E	F	G	H	I	J	K	L	M
N	O	P	Q	R	S	T	U	V	W	X	Y	Z

A

ActRight

[AO 2012-03](#)

Administrative Complaints

[Herron for Congress v. FEC](#)
[La Botz v. FEC](#)
[Vogel for Congress v. FEC](#)
[Vroom v. FEC](#)

Advisory Opinions

[Alternative disposition](#)

Information Division
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Basics for Beginners

- <http://www.fec.gov/pages/fecrecord/2012/recordindex2012.shtml>

Compliance Help

The screenshot shows the Federal Election Commission's website with the title "Compliance Help". The page is titled "Educational Outreach" and includes sections for "E-Learning" and "Conferences and Seminars". The "E-Learning" section states: "As a supplement to our conferences, workshops and other educational outreach programs, the Federal Election Commission now offers instructional content on-line, including video workshops and interactive presentations. Peruse the educational videos and test your knowledge of the campaign finance law on our [E-Learning Resources page](#)." The "Conferences and Seminars" section states: "Each year, the Federal Election Commission sponsors conferences/seminars where Commissioners and staff conduct a variety of technical workshops on the law. Discussion topics include fundraising, reporting and communications. Workshops are designed for those seeking an introduction to the basic provisions of the law as well as for those more experienced in campaign finance law. For questions about the conference/seminar program, call the FEC's Information Division at 1-800/424-9530 (or locally, 202/694-1100) or send an email to Conferences@fec.gov (include your name, contact information and track of interest (candidate, party, nonconnected or corporate/labor/trade PAC)). Please direct questions about regional conference registration to Sylvester Management Corporation at 1-800/246-7277. [Click here to sign up to receive e-mail updates regarding FEC conferences and workshops.](#)"

Information Division
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- <http://www.fec.gov/info/outreach.shtml>

Compliance Help

The screenshot shows the Federal Election Commission's website with the title "Compliance Help". The page features a large graphic for "FEC Tube" with the FEC logo. The graphic includes the text "part of its effort to... materials, ... supplement... of these... 800-424-9530 or... become" and "port volunteer".

Information Division
2013-14 Election Cycle

Basics for Beginners

- <http://www.youtube.com/fectube>

Compliance Help

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Basics for Beginners

- <http://www.fec.gov/ans/answers.shtml>

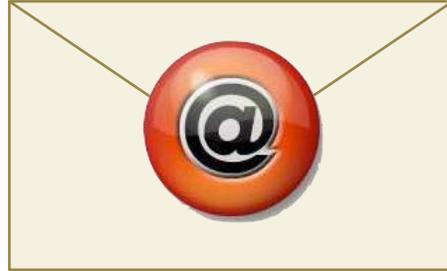
Compliance Help

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- <http://www.fec.gov/info/fecmail.shtml>

Compliance Help



1-800-424-9530

info@fec.gov

 Information Division
2013-14 Election Cycle

Basics for Beginners

Latest FEC Updates



Live Commission Meeting Audio
and Recorded Podcasts

FECUpdates on Twitter



Record FEC Record

Press Releases and Weekly Digest



 Information Division
2013-14 Election Cycle

Basics for Beginners

- <http://twitter.com/#!/fecupdates>

Workshop Evaluation

Help Us Help You!

Please complete an evaluation
of this workshop.

Committee Operations

11:15 a.m. – 12:45 p.m.