



THE FEDERAL ELECTION COMMISSION
Washington, DC 20463

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AGENDA ITEM

For Meeting of: 05-13-04

MEMORANDUM FOR THE COMMISSION SECRETARY

SUBMITTED LATE

FROM: DAVID M. MASON
COMMISSIONER 

SUBJECT: POLITICAL COMMITTEE RULEMAKING

DATE: MAY 13, 2003

I am submitting this amendment to Agenda Document 04-44 for consideration in today's meeting.

1 **On page 3, between lines 9 and 10, add:**

2

3 (3) A committee, club, association or group of persons shall not be a political
4 committee if it is organized under Section 501(c) of the Internal Revenue
5 Code, 26 U.S.C. 501(c), and it does not:

6 (i) Make contributions, including expenditures or
7 communications that are coordinated under 11 CFR part 109;
8 or

9 (ii) Engage in express advocacy, as defined in 11 CFR 100.22
10 (defining “expressly advocating”).

11
12 (4) For purposes of paragraph (a)(3) of this section, when an entity organized
13 under Section 527 of the Internal Revenue Code, 26 U.S.C. 527, engages in
14 an activity described in paragraph (a)(3)(i) or (a)(3)(ii) of this section, such
15 activity shall not be considered to be an activity of any sponsoring,
16 connected, or affiliated organization provided that the organization is
17 organized under Section 501(c) of the Internal Revenue Code, 26 U.S.C.
18 501(c).

19

20 **On page 4, line 3:**

21 Insert (a) before “Except ...”

22

1 **On page 4, lines 7 and 9:**

2 Change (a) and (b), to (1) and (2), respectively.

3

4 **On page 4, between lines 9 and 10, add:**

5

6 (b) A payment, distribution, loan, advance, or deposit of money or anything of value
7 made for a public communication, as defined in 11 CFR 100.26, and made by, or on
8 behalf of, a committee, club, association or group of persons shall not be an expenditure
9 if the committee, club, association or group of persons is organized under Section 501(c)
10 of the Internal Revenue Code, 26 U.S.C. 501(c), and it does not:

11 (1) Make contributions, including expenditures or communications that are
12 coordinated under 11 CFR part 109; or

13 (2) Engage in express advocacy, as defined in 11 CFR 100.22 (defining
14 “expressly advocating”).

15

16 (c) For purposes of paragraph (b) of this section, when an entity organized under
17 Section 527 of the Internal Revenue Code, 26 U.S.C. 527, engages in an activity
18 described in paragraph (b)(1) or (b)(2) of this section, such activity shall not be
19 considered to be an activity of any sponsoring, connected, or affiliated organization
20 provided that the organization is organized under Section 501(c) of the Internal Revenue
21 Code, 26 U.S.C. 501(c) .