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# Appendix F.

## Lobbyist Bundled Contributions

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The *Honest Leadership and Open Government Act* (HLOGA) of 2007,<sup>1</sup> requires candidate committees to disclose information about lobbyists, registrants and lobbyist/registrator PACs that provide two or more bundled contributions that exceed the reporting threshold within a covered period. 104.22(b)(1).<sup>2</sup>

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### I. What is a Bundled Contribution?

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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 candidate committee by a lobbyist/registrator or lobbyist/registrator PAC. 104.22(a)(6)(i). The contribution may be delivered or transmitted by physical or electronic means to the candidate committee by the lobbyist/registrator or lobbyist/registrator PAC, or by any person that the candidate committee knows to be forwarding such a contribution on behalf of a lobbyist/registrator or lobbyist/registrator

PAC. 104.22(a)(6)(i). Contributions forwarded electronically include contributions received by a lobbyist/registrator or lobbyist/registrator PAC in the form of checks that are deposited into the lobbyist/registrator or lobbyist/registrator PAC’s account and then transmitted electronically to the candidate committee. A lobbyist/registrator or lobbyist/registrator 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 candidate committee.<sup>3</sup>

Note that a contribution delivered by a lobbyist/registrator’s or lobbyist/registrator PAC’s employee, colleague, friend or courier service falls under this provision if the candidate committee knows that the contribution is being forwarded on behalf of the lobbyist/registrator or lobbyist/registrator PAC.

#### **Type 2: Contributions Credited to the Lobbyist/Registrant or Lobbyist/Registrant PAC**

The second type of bundled contribution covers contributions received by the candidate committee from a contributor, but credited to the lobbyist/registrator or lobbyist/registrator PAC through records, designations or other means of recognizing that a certain amount of money has been raised by the lobbyist/registrator or lobbyist/registrator PAC. 104.22(a)(6)(ii). In this case, the contribution must be 1) received by the candidate committee and 2) credited to a lobbyist/registrator or lobbyist/registrator PAC to satisfy the definition of bundled contribution.

#### **Crediting Contributions**

Crediting recognizes that a certain amount of money has been raised by the lobbyist/registrator or lobbyist/registrator PAC. 104.22(a)(6)(ii). Examples of crediting include:

- Maintaining records or using any method to retain written evidence pertaining to the committee’s crediting. Records include paper,

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1 *Honest Leadership and Open Government Act of 2007*, Pub. L. No. 110-81, 121 Stat. 735.

2 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 candidate committees that receive lobbyist bundled contributions. For more information on party committees and Leadership PACs that receive lobbyist bundled contributions, consult the FEC website at <http://www.fec.gov/info/guidance/hlogabundling.shtml>.

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3 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 [http://www.fec.gov/law/cfr/ej\\_compilation/2009/notice\\_2009-03.pdf#page=14](http://www.fec.gov/law/cfr/ej_compilation/2009/notice_2009-03.pdf#page=14).

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 [http://www.fec.gov/law/cfr/ej\\_compilation/2009/notice\\_2009-03.pdf#page=9](http://www.fec.gov/law/cfr/ej_compilation/2009/notice_2009-03.pdf#page=9).

- Providing designations and other benefits to the lobbyist/registrant or lobbyist/registrant PAC, including giving honorary titles, tracking identifiers, access or invitations to events for people who raised a certain amount of money, mementos such as photographs with the candidate and autographed copies of books authored by the 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). Candidate committees may give credit to a lobbyist/registrant who is a prohibited source, however candidate 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 or received, 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 obtain definitive guidance from the Senate or House regarding 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
- A lobbyist/registrant had a primary role in the establishment of the committee or directs the governance or operations of the 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, a candidate committee must search the list of lobbyist/registrants

<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.

and lobbyist/registrant PACs on each of the following websites:

- Clerk of the House of Representatives (<http://lobbyingdisclosure.house.gov>);
- Secretary of the Senate ([http://senate.gov/legislative/Public\\_Disclosure/LDA\\_reports.htm](http://senate.gov/legislative/Public_Disclosure/LDA_reports.htm)); and
- The Federal Election Commission (<http://www.fec.gov/finance/disclosure/lobbyist.shtml>)—for lobbyist/registrant PACs.

If the candidate 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 candidate 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 candidate committee may provide evidence that it has consulted the websites and not found the name of the person sought.

Additionally, a candidate 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

Candidate 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 particular lobbyist/registrant or lobbyist/registrant PAC, that aggregate in excess of the reporting threshold within a covered period. The threshold is indexed for inflation annually. The reporting threshold for 2011 is \$16,200. 104.22(b)(1) and (g) and 110.17(e).

## REPORTING BUNDLED CONTRIBUTIONS

<p><b>5. TYPE OF REPORT</b> (Choose One)</p> <p>(a) Quarterly Reports:</p> <p><input type="checkbox"/> April 15 Quarterly Report (Q1)</p> <p><input checked="" type="checkbox"/> July 15 Quarterly Report (Q2) and/or Semi-annual Report</p> <p><input type="checkbox"/> October 15 Quarterly Report (Q3)</p> <p><input type="checkbox"/> January 31 Year-End Report (YE) and/or Semi-annual Report</p> <p><input type="checkbox"/> July 31 Mid-Year Report (Non-election Year - PAC/Party) (MY) and/or Semi-annual Report</p>	<p>(b) Monthly Report Due On:</p> <p><input type="checkbox"/> Feb 20 (M2)    <input type="checkbox"/> May 20 (M5)    <input type="checkbox"/> Aug 20 (M8)    <input type="checkbox"/> Nov 20 (M11) (Non-Election Year Only)</p> <p><input type="checkbox"/> Mar 20 (M3)    <input type="checkbox"/> Jun 20 (M6)    <input type="checkbox"/> Sep 20 (M9)    <input type="checkbox"/> Dec 20 (M12) (Non-Election Year Only)</p> <p><input type="checkbox"/> Apr 20 (M4)    <input type="checkbox"/> Jul 20 (M7) and/or Semi-annual Report    <input type="checkbox"/> Oct 20 (M10)    <input type="checkbox"/> Jan 31 (YE) and/or Semi-annual Report</p> <p>(c) 12-Day PRE-Election Report for the:</p> <p><input type="checkbox"/> Primary (12P)    <input type="checkbox"/> General (12G)    <input type="checkbox"/> Runoff (12R)</p> <p><input type="checkbox"/> Special (12S)    <input type="checkbox"/> Convention (12C)</p> <p>Election on: [MM] / [DD] / [YYYY] in the State of [ ]</p> <p>(d) 30-Day POST-Election Report for the:</p> <p><input type="checkbox"/> General (30G)    <input type="checkbox"/> Runoff (30R)    <input type="checkbox"/> Special (30S)</p> <p>Election on: [MM] / [DD] / [YYYY] in the State of [ ]</p>
<p><b>6. Covered Period(s)</b></p> <p>This report covers [MM] / [DD] / [YYYY] through [MM] / [DD] / [YYYY] and/or [ ] January 1 - June 30 [ ] July 1 - December 31</p>	<p>(a) Quarterly/Monthly/Pre-/Post-Election Covered Period</p> <p>(b) Semi-annual Covered Period</p>

#### 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 candidate committee’s quarterly campaign finance reporting schedule under 104.5. 104.22(a)(5). See chart later in this appendix.

#### Quarterly Filing Schedule

- Semi-annual periods of January 1 through June 30, and July 1 through December 31;
- Quarters beginning on January 1, April 1, July 1, October 1;
- Any applicable pre/post-election reporting periods (see below);
- Any applicable special election reporting periods (see below); and
- A year-end report.

#### Pre/Post-Election Reports

A candidate committee must file Form 3L for the pre and post-election reports if it receives bundled contributions in excess of the reporting threshold during those periods. 104.22(a)(5)(ii).

#### Special/Run-Off Election Reports

Candidate committees that receive two or more bundled contributions from a lobbyist/registrant or lobbyist/registrant PAC in connection with a special or run-off election that aggregate more than the

reporting threshold must file FEC Form 3L at the same time that the candidate committee files its report for the special or run-off election. The covered period for reporting bundled contributions in connection with a special or run-off election is the same as the reporting periods for special and runoff elections under 104.5(h). 104.22(a)(5)(v).

## Reporting by Certain Presidential Committees

Most candidate committees file on a quarterly schedule in all years. However, Presidential campaign committees that have received or anticipate receiving \$100,000 or more in contributions or have made or anticipate making \$100,000 or more in expenditures as of January 1 of the election year file FEC reports on a monthly basis. 104.5(b)(1). For these committees, the covered periods are:

### During an election year:

- Semi-annual periods of January 1 through June 30, and July 1 through December 31;
- Monthly reporting periods (report due on the 20th of each month);
- Pre/post-election reporting periods (in lieu of November and December reporting periods);
- Any applicable special election reporting periods; and
- A year-end report.

### During a non-election year:

- Semi-annual periods of January 1 through June 30, and July 1 through December 31;
- Monthly reporting periods (report due on the 20th of each month) or quarterly reporting periods, based on the regular filing schedule under 104.5(b)(2);
- Any applicable special election reporting periods; and
- A year-end report.

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). See Chapter 12.

## Form 3L

Each candidate committee must file Form 3L if it has received two or more bundled contributions (as described in Section I, above), forwarded by or credited to a particular 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 (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).

Candidate committees must file Form 3L with the first campaign finance report that they file following the end of each covered period. 104.22(e).

REPORTING BUNDLED CONTRIBUTIONS (SCHEDULE A)	
<p><b>SCHEDULE A (FEC Form 3L)</b>  <b>REPORTABLE BUNDLED CONTRIBUTIONS FORWARDED BY OR CREDITED TO</b>  <b>LOBBYISTS/REGISTRANTS AND LOBBYIST/REGISTRANT PACs</b></p> <p><small>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.</small></p>	
<p>NAME OF COMMITTEE (In Full)  <b>Doe for Congress Committee</b></p>	
<p>A. Full Name of Lobbyist/Registrant (Last, First, Middle Initial) or Lobbyist/Registrant PAC  <b>Lenny Kosnowski</b></p>	<p>Reportable Bundled Contributions during:</p>
<p>Mailing Address  <b>100 Knapp Street, Apartment #1A</b></p>	<p>Quarterly / Monthly / Pre-Election or Post-Election Covered Period  <b>19,200.00</b></p>
<p>City: <b>Milwaukee</b> State: <b>WI</b> Zip Code: <b>00000</b></p>	<p>Semi-annual Covered Period  <b>19,200.00</b></p>
<p>FEC ID number of Lobbyist/Registrant PAC, if applicable. <b>C</b></p>	
<p>Name of Employer <b>Schotz Brewing Company</b></p>	

### Example

Lenny Kosnowski, a registered lobbyist for the Schotz Brewing Company, forwards four checks for \$5,000 each (none are from Kosnowski or his spouse) to a candidate committee on July 1, 2012. The committee, a quarterly filer, must file Form 3L because the candidate committee received two or more bundled contributions from a registered lobbyist during the covered period aggregating in excess of the \$16,200 disclosure threshold. Note that the committee reports bundled contributions received during the October quarterly period (July 1-September 30) as well as during the second semi-annual covered period (July 1-December 31). The

second semi-annual covered period information is reported with the committee's Year-End report.

## Returned Contributions

If a bundled contribution is not deposited and is returned, then it does not aggregate toward the reporting threshold for disclosure of bundled contributions and it is not reported on Form 3L.<sup>6</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>7</sup>

## Where to File

House and Presidential candidate committees file reports and statements with the Federal Election Commission, 999 E Street, NW, Washington, DC 20463.

However, Senate candidate committees must file reports and statements with the Secretary of the Senate, Office of Public Records, P.O. Box 2517, Alexandria, VA 22301-0517. When filing a docu-

ment with the Secretary of the Senate, it is not necessary to send a copy to the FEC. 104.22(d).

## Recordkeeping

Candidate 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).

## Co-hosted Fundraisers

Co-hosted fundraising events will be treated like any other fundraising activity: Candidate committees must disclose the actual amounts of all

## Form 3L Covered Periods and Filing Deadlines

	COVERED PERIOD	FILING DEADLINE
<b>Quarterly Filer</b>		
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 report if necessary		

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

6 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 [http://www.fec.gov/law/cfr/ej\\_compilation/2009/notice\\_2009-03.pdf#page=14](http://www.fec.gov/law/cfr/ej_compilation/2009/notice_2009-03.pdf#page=14).

7 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 [http://www.fec.gov/law/cfr/ej\\_compilation/2009/notice\\_2009-03.pdf#page=14](http://www.fec.gov/law/cfr/ej_compilation/2009/notice_2009-03.pdf#page=14).

the lobbyist/registrant or lobbyist/registrant PAC is a co-host of the fundraiser or an attendee.<sup>8</sup>

### Examples

Note: In each of these examples, the candidate 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>9</sup> If the candidate 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 bundled contributions on FEC Form 3L twice, once on the report for the monthly or quarterly covered period, as applicable and a second time on the report covering the semi-annual covered period.

- A fundraising event is co-hosted by registered Lobbyists A, B and C. The event generates \$20,000 in contributions, none of which are forwarded contributions. The candidate committee believes that Lobbyist A raised the entire \$20,000 and thus credits Lobbyist A with the entire \$20,000 raised at the event, and does not credit Lobbyists B or C. The candidate committee must disclose the \$20,000 that has been credited to Lobbyist A. The candidate committee need not disclose any information regarding Lobbyist B and C, because neither Lobbyist B nor C 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 \$20,000 in contributions, none of which are forwarded contributions. The candidate committee gives each host credit for raising \$20,000. The candidate com-

mittee must disclose the \$20,000 of bundled contributions that has been credited to Lobbyist A and also report the \$20,000 of bundled contributions that has been credited to Lobbyist B because the candidate committee has credited the full amount to each lobbyist. The candidate 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 \$20,000 was raised at the event, that full \$20,000 was credited to each of the 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 \$20,000 in contributions from other individuals. Because these are contributions that have been “forwarded” by Lobbyist B, the candidate committee must disclose the \$20,000 of bundled contributions that were forwarded by Lobbyist B irrespective of any amount of credit given to Lobbyist B. If the candidate committee also credits Lobbyist A, a co-host of the fundraiser, \$20,000 for having raised the contributions forwarded by Lobbyist B (because the contributions were received during the fundraising event), the candidate committee must then also disclose that \$20,000 of bundled contributions has been credited to Lobbyist A. Even though the candidate committee must disclose the entire \$20,000 as having been forwarded by Lobbyist B, the candidate committee must also report that same \$20,000 of bundled contributions has been credited to Lobbyist A.

For additional examples, please see 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 [http://www.fec.gov/law/cfr/ej\\_compilation/2009/notice\\_2009-03.pdf#page=13](http://www.fec.gov/law/cfr/ej_compilation/2009/notice_2009-03.pdf#page=13).

## Lobbyist Bundled Contributions v. Earmarked Contributions

Note that the Lobbyist Bundling regulations do not change a candidate committee’s reporting obligations under the rules for earmarked contributions. Candidate committees that receive

8 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 [http://www.fec.gov/law/cfr/ej\\_compilation/2009/notice\\_2009-03.pdf#page=11](http://www.fec.gov/law/cfr/ej_compilation/2009/notice_2009-03.pdf#page=11).

9 Lobbyist/registrants are listed with the Clerk of the House and the Secretary of the Senate. If contributions are forwarded by a PAC, the candidate committee must check the FEC website to determine whether the committee is a lobbyist registrant PAC. See Section 2, above, for details.

earmarked contributions through a conduit are still required to report such conduit activity on their regularly scheduled FEC report. 110.6(c)(1)(ii) and (c)(2). For more information on earmarked contributions, see Appendix A.

In addition to filing regularly scheduled FEC reports, a candidate 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 covered periods.