

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1260 Session of 2011

INTRODUCED BY COSTA, FARNESE, FONTANA, KITCHEN, BLAKE, KASUNIC,  
BOSCOLA, SOLOBAY, BRUBAKER, BREWSTER, TARTAGLIONE, BROWNE,  
HUGHES, SCHWANK AND LEACH, SEPTEMBER 28, 2011

REFERRED TO STATE GOVERNMENT, SEPTEMBER 28, 2011

AN ACT

1 Amending the act of June 3, 1937 (P.L.1333, No.320), entitled  
2 "An act concerning elections, including general, municipal,  
3 special and primary elections, the nomination of candidates,  
4 primary and election expenses and election contests; creating  
5 and defining membership of county boards of elections;  
6 imposing duties upon the Secretary of the Commonwealth,  
7 courts, county boards of elections, county commissioners;  
8 imposing penalties for violation of the act, and codifying,  
9 revising and consolidating the laws relating thereto; and  
10 repealing certain acts and parts of acts relating to  
11 elections," in primary and election expenses, further  
12 providing for definitions, for organization of political  
13 committees, for registration and for reporting; in primary  
14 and election expenses, providing for limitations on  
15 contributions; in primary and election expenses, further  
16 providing for late filing fees and certificates of filing,  
17 for contributions or expenditures by national banks,  
18 corporations or unincorporated associations and for reports  
19 by business entities and publication; in primary and election  
20 expenses, providing for independent expenditures; and  
21 providing for corporate political accountability.

22 The General Assembly finds and declares as follows:

23 The Commonwealth has a compelling governmental interest to  
24 protect the integrity of the government from actual corruption  
25 or the appearance of corruption. The General Assembly recognizes  
26 that when people, associations or other entities provide  
27 unlimited monetary support for elected government officials or

1 candidates who are seeking governmental offices, there arises  
2 the appearance of corruption. The appearance of corruption and  
3 actual corruption can be prevented by regulating the  
4 contributions that can be made to elected governmental officials  
5 and candidates who are seeking governmental offices.

6 The General Assembly of the Commonwealth of Pennsylvania  
7 hereby enacts as follows:

8 Section 1. Section 1621(d) of the act of June 3, 1937  
9 (P.L.1333, No.320), known as the Pennsylvania Election Code,  
10 added October 4, 1978 (P.L.893, No.171), is amended and the  
11 section is amended by adding subsections to read:

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

14 \* \* \*

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

16 (1) The payment, distribution, loan or advancement of money  
17 or any valuable thing by a candidate, candidate committee,  
18 political committee, political action committee, political party  
19 committee or other person for the purpose of influencing the  
20 outcome of a nomination or an election[;]: Provided, however,  
21 That such payment, distribution, loan or advancement of money or  
22 any valuable thing shall be made only for expenses directly and  
23 exclusively incurred for the campaign in which the candidate is  
24 running in the contemporaneous election cycle and that no  
25 expenditure of funds from campaign accounts shall be used for  
26 any personal purpose.

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

30 (3) The providing of a service or other valuable thing for

1 the purpose of influencing the outcome of a nomination or  
2 election of any person to any public office to be voted for in  
3 this Commonwealth[; or].

4 (4) The payment or providing of money or other valuable  
5 thing by any person other than a candidate or political  
6 committee, to compensate any person for services rendered to a  
7 candidate or political committee.

8 \* \* \*

9 (n) The words "affiliate" or "affiliated committee" shall  
10 include:

11 (1) Any committee established or authorized by a candidate  
12 as part of his or her campaign for a specific campaign for a  
13 designated office.

14 (2) Any committee established, financed, maintained or  
15 controlled by the same corporation, labor organization,  
16 membership association, not-for-profit organization or trade or  
17 professional association, person or group of persons, including  
18 any parent, subsidiary, branch, division, department or local  
19 unit thereof. Local units may include, in appropriate cases, a  
20 franchisee, licensee or regional association.

21 (o) The words "in-kind contribution" shall mean a  
22 contribution of goods, services, property or any valuable thing  
23 offered free or at less than the fair market value for such  
24 goods, property or services, but shall not include any legal or  
25 accounting services rendered to or on behalf of any political  
26 committee of a political party, an authorized committee of a  
27 candidate or any other political committee, if such services are  
28 solely for the purpose of ensuring compliance with this article.  
29 Such legal or accounting services, however, shall be reported  
30 pursuant to section 1631.

1     (p) The words "personal purpose" mean a purpose that, by its  
2 nature, confers a personal benefit, including expenditures such  
3 as a home mortgage, home rent, utility payment, clothing  
4 purchase, noncampaign automobile expense, country club  
5 membership, vacation or a trip of a noncampaign nature,  
6 household food items, tuition payments, admission to a sporting  
7 event, concert, theater or other form of entertainment and other  
8 such expenditures not specifically and directly necessary for  
9 the conduct of the campaign.

10     (g) The words "clearly identified" are satisfied by:

11     (1) the name of the candidate appears;

12     (2) a photograph, drawing or other image of the candidate  
13 appears; or

14     (3) the identity of the candidate or ballot question is  
15 apparent by unambiguous reference.

16     (r) The word "person" shall include any corporation,  
17 partnership, limited liability company, business trust, other  
18 association, government entity, other than the Commonwealth,  
19 estate, trust, foundation or natural person.

20     Section 1.1. Section 1622 of the act, amended or added  
21 October 4, 1978 (P.L.893, No.171) and July 11, 1980 (P.L.591,  
22 No.127), is amended to read:

23     Section 1622. Organization of Political Committees;  
24 Treasurer and Assistant Treasurer; Records of Candidate and  
25 Committees.--

26     (a) Every political committee shall have a treasurer and a  
27 chairman. No contribution shall be received nor shall any  
28 expenditure be made when there is a vacancy in either one of  
29 these offices. All money received and disbursed by a political  
30 committee must be done through the treasurer of the committee.

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

18       (c) Each candidate and committee shall keep records of the  
19 names and addresses of each person from whom a contribution of  
20 over ten dollars (\$10) has been received and a record of all  
21 other information required to be reported pursuant to this act.  
22 All such records shall be retained by the candidate or treasurer  
23 for a period of three (3) years after such information is  
24 reported as required by this act.

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

29       Section 1.2. Section 1624 of the act, added October 4, 1978  
30 (P.L.893, No.171), is amended to read:

1 Section 1624. Registration.--

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

10 (b) Each registration statement shall contain the following  
11 information:

12 (1) The name, addresses and phone numbers of the political  
13 committee.

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

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

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

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

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

23 (7) The banks, safety deposit boxes or other repositories  
24 and their addresses used by the committee.

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

26 (9) A political committee which is established, financed,  
27 maintained or controlled by a sponsoring organization such as a  
28 corporation, labor organization, membership association, not-  
29 for-profit organization or trade or professional association  
30 shall include in its registered name the full name of its

1 sponsoring organization.

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

5 (d) No political committee which receives an aggregate  
6 amount of contributions of two hundred fifty dollars (\$250) or  
7 more may make a contribution to any candidate or political  
8 committee unless it has registered with the appropriate  
9 supervisor.

10 Section 2. Section 1626(a), (b), (d) and (g) of the act,  
11 amended or added October 4, 1978 (P.L.893, No.171) and July 11,  
12 1980 (P.L.600, No.128), are amended and the section is amended  
13 by adding a subsection to read:

14 Section 1626. Reporting by Candidate and Political  
15 Committees and other Persons.--

16 (a) Each treasurer of a political committee and each  
17 candidate for election to public office shall file with the  
18 appropriate supervisor reports of receipts and expenditures on  
19 forms, designed by the Secretary of the Commonwealth, if the  
20 amount received or expended or liabilities incurred shall exceed  
21 the sum of two hundred fifty dollars (\$250). Should such an  
22 amount not exceed two hundred fifty dollars (\$250), then the  
23 candidate or, in the case of a political committee, the  
24 treasurer of the committee shall file a sworn statement to that  
25 effect with the appropriate supervisor rather than the report  
26 required by this section[.]: Provided, however, That if the  
27 amount received or expended by a candidate does not exceed two  
28 hundred fifty dollars (\$250) he or she may comply with this  
29 section by signing an affidavit to that effect on his/her  
30 political committee's report or statement.

(b) Each report shall include the following information:

(1) The full name, mailing address, specific occupation and specific name of the employer, if any, or the principal place of business, if self-employed, of each person who has made one or more contributions to or for such committee or candidate within the reporting period in an aggregate amount or value in excess of [two hundred fifty dollars (\$250)] one hundred dollars (\$100), together with the amount and date of such contributions.

The accuracy of the information furnished to the candidate or committee shall be the responsibility of the contributor.

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

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

(4) Each and every expenditure, the date made, the full name and address of the person to whom made and the purpose for which such expenditure was made. In the event the creditor is a credit card company or like instrumentality that is an intermediary for collecting payments due, it shall not be sufficient to list the name of the collecting organization. The report shall identify the credit card company and also the specific entities and payments being paid through the credit card company or like entity. In the event the payment is being made by a committee to a creditor for expenses on behalf of one or more candidates, the



1 amounts of payments and purposes of the payments shall be broken  
2 down to identify each candidate's share of the incurred  
3 expenses.

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

7 (6) The account shall include any unexpended balance of  
8 contributions or other receipts appearing from the last account  
9 filed.

10 (7) Identification of political committees:

11 (i) If the contributor is a political committee, the  
12 official registration number of the committee must be included  
13 on the contribution check or in the case of an electronic  
14 transfer within the documentation sent to the candidate  
15 providing notice to the electronic transfer of funds.

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

18 (iii) The official committee registration number shall be  
19 included on each entry for that committee on a candidate's  
20 disclosure report.

21 \* \* \*

22 (d) Pre-election reports by candidates for offices to be  
23 voted for by the electors of the State at large, candidates for  
24 the office of Senator in the General Assembly, candidates for  
25 the office of Representative in the General Assembly and all  
26 political committees, which have expended money for the purpose  
27 of influencing the election of such [candidate] candidates,  
28 shall be filed not later than the sixth Tuesday before and the  
29 second Friday before an election, provided that the initial pre-  
30 election report shall be complete as of fifty (50) days prior to

1 the election and the subsequent pre-election report shall be  
2 complete as of fifteen (15) days prior to the election. Pre-  
3 election reports by all other candidates and political  
4 committees which have received contributions or made  
5 expenditures for the purpose of influencing an election shall be  
6 filed not later than the second Friday before an election,  
7 provided that such report be complete as of fifteen (15) days  
8 prior to the election.

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

16 \* \* \*

17 (g) [Every] Except as provided under section 1644, every  
18 person, other than a political committee or candidate, who makes  
19 independent expenditures expressly advocating the election or  
20 defeat of a clearly identified candidate, or question appearing  
21 on the ballot, other than by contribution to a political  
22 committee or candidate, in an aggregate amount in excess of [one  
23 hundred dollars (\$100)] one thousand dollars (\$1,000) during a  
24 calendar year shall file with the appropriate supervisor, on a  
25 form prepared by the Secretary of the Commonwealth, a report  
26 which shall include the same information required of a candidate  
27 or political committee receiving such a contribution and,  
28 additionally, the name of the candidate or question supported or  
29 opposed. Reports required by this subsection shall be filed on  
30 dates on which reports by political committees making

expenditures are required to report under this section.

\* \* \*

Section 3. The act is amended by adding a section to read:

Section 1627.1. Limitations on Certain Contributions.--

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

(b) Aggregate contributions, including in-kind contributions, from any individual to any candidate for Statewide office, his authorized committee or agent may not exceed two thousand five hundred dollars (\$2,500) for each election. Furthermore, for each election, no candidate, his authorized committee or agent may accept or receive more than two thousand five hundred dollars (\$2,500) in aggregate contributions, including in-kind contributions from any individual for each election.

(c) For each election aggregate contributions, including in-kind contributions, from a single political action committee, its affiliate or agent or candidate's political committee, its affiliate or agent to any candidate for Statewide office, the office of Senator or Representative in the General Assembly, court of common pleas or a county or local office, his authorized committee or agent may not exceed five thousand

dollars (\$5,000). For each election, no candidate for such office, nor the candidate's committee or agent may accept or receive more than the applicable amount or amounts as specified in this subsection in aggregate contributions, including in-kind contributions, from a single political action committee or agent or candidate's political committee. A donor is an individual or a single committee regardless of the number of contributions made by that individual or committee during the election cycle.

(d) Contributions from political party committees to a political action committee, other party committee or other committee may not exceed five thousand dollars (\$5,000) for each election.

(e) A candidate for the office of Senator or Representative in the General Assembly, judge of a court of common pleas or a county or local office, or the candidate's committee or agent may not accept in excess of one hundred thousand dollars (\$100,000) in aggregate contributions, including in-kind contributions from all political party committees, affiliates or agents. Such contributions, in the aggregate, received by a candidate, may not exceed the aggregate contributions made by individuals per election.

(f) Except for a candidate for the office of Governor, a candidate for Statewide office, his authorized committee or agent may not accept in excess of two hundred fifty thousand dollars (\$250,000) in aggregate contributions, including in-kind contributions from all political party committees, affiliates or agents. A candidate for Governor, his authorized committee or agent may not accept in excess of one million dollars (\$1,000,000) in aggregate contributions, including in-kind contributions from all political party committees, affiliates or

1 agents. Furthermore, such contributions in aggregate received by  
2 a candidate may not exceed the aggregate contributions made by  
3 individuals per election.

4 (g) Aggregate contributions, including in-kind  
5 contributions, from any person or a single political action  
6 committee, its affiliate or agent or any single candidate's  
7 political committee, its affiliate or agent to a single  
8 political action committee, its affiliate or agent may not  
9 exceed five thousand dollars (\$5,000) during any calendar year.  
10 Furthermore, for each election, no political action committee,  
11 its affiliate or agent may accept or receive more than five  
12 thousand dollars (\$5,000) in aggregate contributions, including  
13 in-kind contributions, from any individual person or a single  
14 political action committee, its affiliate or agent during any  
15 calendar year.

16 (h) Aggregate contributions from any individual, person or a  
17 single candidate's political committee, its affiliate or agent  
18 or a single political action committee, its affiliate or agent  
19 or any other political committee to a single political party  
20 committee may not exceed ten thousand dollars (\$10,000) in a  
21 calendar year. Furthermore, no single political party committee  
22 may accept or receive more than ten thousand dollars (\$10,000)  
23 in aggregate contributions from any individual, person, single  
24 candidate's political committee or agent or a single political  
25 action committee, its affiliate or agent, any political  
26 committee or other committee in a calendar year.

27 (i) The following shall apply to annual aggregate limits:

28 (1) No individual may make contributions to candidates,  
29 political committees or other committees that have a combined  
30 aggregate amount or value that exceeds twenty-five thousand

dollars (\$25,000) in a calendar year.

(2) No political action committee may make contributions to candidates, political committees and party committees in an aggregate amount or value that exceeds one hundred thousand dollars (\$100,000) in any calendar year.

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

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

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

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

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

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

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

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

(1) No candidate, candidate committee, party committee,

1 political action committee or political committee may accept a  
2 campaign contribution from an out-of-State political action  
3 committee if the political action committee's home state has  
4 less restrictive disclosure laws than this Commonwealth, except  
5 as provided under paragraph (2).

6 (2) A candidate, candidate committee, party committee,  
7 political action committee or political committee may accept a  
8 campaign contribution from an out-of-State political action  
9 committee if that political action committee is registered in  
10 this Commonwealth with the Department of State and, by such  
11 registration, has affirmed that the contributor will comply with  
12 the contribution, expenditure and reporting requirements of this  
13 act, as well as the regulations relating to contributions,  
14 expenditures and reporting promulgated under this act by the  
15 Department of State and the State Ethics Commission.

16 (3) The Secretary of the Commonwealth shall list and certify  
17 those states that have less restrictive disclosure laws than  
18 this Commonwealth. The list shall be compiled and updated  
19 annually and published in the Pennsylvania Bulletin not later  
20 than January 1, 2012, and each January 1 thereafter. The list  
21 should be made available on the Department of State Internet  
22 website and provided in hard copy in campaign committee packets  
23 prepared by the department.

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

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

1 the election is held.

2 (o) For purposes of this section, contribution limits shall  
3 apply to each election separately, whether a primary, special,  
4 municipal or general election, unless an annual limit or other  
5 limit is specified.

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

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

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

21 Section 4. Section 1632(a) of the act, amended July 11, 1980  
22 (P.L.591, No.127), is amended to read:

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

24 (a) A late filing fee for each report or statement of  
25 expenditures and contributions which is not filed within the  
26 prescribed period shall be imposed as follows. Such fee shall be  
27 [ten dollars (\$10)] twenty dollars (\$20) for each day or part of  
28 a day excluding Saturdays, Sundays and holidays that a report is  
29 overdue. An additional fee of ten dollars (\$10) is due for each  
30 of the first six (6) days that a report is overdue. [The maximum



1 fee payable with respect to a single report is two hundred fifty  
2 dollars (\$250).] A supervisor shall receive an overdue report or  
3 statement even if any late filing fee due has not been paid but  
4 the report or statement shall not be considered filed until all  
5 fees have been paid upon the receipt by the supervisor of an  
6 overdue report. No further late filing fees shall be incurred  
7 once the report or statement is filed notwithstanding the fact  
8 that the report or statement is not considered filed. The late  
9 filing fee is the personal liability of the candidate or  
10 treasurer of a political committee and cannot be paid from  
11 contributions to the candidate or committee, nor may such fee be  
12 considered an expenditure. A report or statement of expenditures  
13 and contributions shall be deemed to have been filed within the  
14 prescribed time if the letter transmitting the report or  
15 statement which is received by the supervisor is transmitted by  
16 first class mail and is postmarked by the United States Postal  
17 Service on the day prior to the final day on which the report or  
18 statement is to be received: Provided, That this sentence shall  
19 not be applicable to the reporting requirements contained in  
20 section 1628. All Department of State filing and disclosure  
21 requirements for prior campaign activity must have been met in  
22 order for a candidate to obtain a place on the ballot.

23 \* \* \*

24 Section 5. Section 1633(a) of the act, amended November 26,  
25 1978 (P.L.1313, No.318), is amended to read:

26 Section 1633. Contributions or Expenditures by National  
27 Banks, Corporations or Unincorporated Associations.--(a) It is  
28 unlawful for any National or State bank, partnership or any  
29 corporation, incorporated under the laws of this or any other  
30 state or any foreign country or any unincorporated association,

1 except those corporations formed primarily for political  
2 purposes or as a political committee, to make a contribution or  
3 expenditure in connection with the election of any candidate or  
4 for any political purpose whatever except in connection with any  
5 question to be voted on by the electors of this Commonwealth.  
6 Furthermore, it shall be unlawful for any candidate, political  
7 committee, or other person to knowingly accept or receive any  
8 contribution prohibited by this section, or for any officer or  
9 any director of any corporation, bank, or any unincorporated  
10 association to consent to any contribution or expenditure by the  
11 corporation, bank or unincorporated association, as the case may  
12 be, prohibited by this section. In the event any portion of this  
13 section regarding bans on contributions or expenditures by  
14 national banks, corporations, or unincorporated associations is  
15 nullified by a court decision, then the contribution limits  
16 established for individuals by this act also shall be applied to  
17 the entities currently covered by this section.

18 \* \* \*

19 Section 6. Section 1641(a) of the act, amended July 12, 1980  
20 (P.L.649, No.134), is amended and the section is amended by  
21 adding a subsection to read:

22 Section 1641. Reports by Business Entities; Publication by  
23 Secretary of the Commonwealth.--

24 (a) Any business entity including but not limited to a  
25 corporation, company, association, partnership or sole  
26 proprietorship, which has been awarded [non-bid] contracts or  
27 grants over fifty thousand dollars (\$50,000) from the  
28 Commonwealth or its political subdivisions during the preceding  
29 [calendar year] two-year period, shall report by February 15 of  
30 each year to the Secretary of the Commonwealth a list including

1 the amount of the contract, description of the service provided  
2 and location and an itemized list of all political contributions  
3 known to the business entity by virtue of the knowledge  
4 possessed by every officer, director, associate, partner,  
5 limited partner or individual owner that has been made by:

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

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

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

15 \* \* \*

16 (c) The Department of State, in consultation with the  
17 Department of General Services, shall publish a list of all  
18 business entities, corporations, companies, associations,  
19 partnerships or sole proprietorships receiving grants, contracts  
20 and contracts in excess of fifty thousand dollars (\$50,000) from  
21 the Commonwealth not later than January 31 of each year for the  
22 preceding two-year period. The list shall be updated quarterly.

23 Section 7. The act is amended by adding sections to read:

24 Section 1643. Independent Expenditures.

25 (a) A person may make independent expenditures for the  
26 purposes of advocating the election or defeat of a clearly  
27 identified candidate or ballot question.

28 (b) The following shall apply to expenditures made for a  
29 written, typed or other printed communication or a web-based,  
30 written communication which promotes the success or defeat of a

candidate's campaign for nomination or election or the adoption or defeat of a ballot question or solicits funds to benefit a political committee:

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

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

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

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

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

(ii) For a committee other than a party committee, the name of the committee and its campaign treasurer.

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

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

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

(i) For an individual, group or political committee other than a candidate committee making or incurring an expenditure with the consent of, in coordination with or in consultation

1 with a candidate committee or candidate's agent, the name of the  
2 candidate.

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

4 (c) Expenditures:

5 (1) The following apply:

6 (i) No person shall make or incur an independent expenditure  
7 for a written, typed or other printed communication or a web-  
8 based, written communication which promotes the success or  
9 defeat of a candidate for nomination or election or promotes or  
10 opposes a political party or solicits funds to benefit a  
11 political party or committee, unless the communication bears  
12 upon its face the words "paid for and approved by" and the name  
13 of the person, the name of its chief executive officer or  
14 equivalent and its principal business address and the words  
15 "This message was made independently of a candidate or political  
16 party."

17 (ii) An entity which is a tax-exempt organization under  
18 section 501 of the Internal Revenue Code of 1986 (Public Law  
19 99-514) or an incorporated tax exempt political organization  
20 organized under section 527 of the Internal Revenue Code of 1986  
21 (Public Law 99-514), making or incurring an independent  
22 expenditure under subparagraph (i), shall also bear upon the  
23 face of the communication the words "Top Five Contributors"  
24 followed by a list of the five persons making the largest  
25 contributions to the organization during the 12-month period  
26 before the date of the communication.

27 (2) Disclosure requirements are as follows:

28 (i) In addition to the requirements of paragraph (1), no  
29 person shall make or incur an independent expenditure for  
30 television advertising, radio or Internet video advertising or

Internet radio advertising, that promotes the success or defeat of a candidate for election or promotes or opposes a political party or solicits funds to benefit a political party or committee, unless at the end of the advertisement there appears or includes simultaneously for a period of no less than four seconds a clear identifiable audio, video, photographic or similar image of the person's chief executive officer or equivalent and a personal audio message, in the following form:

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

(ii) A tax exempt organization under section 501 of the Internal Revenue Code of 1986 (Public Law 99-514) or an incorporated tax exempt political organization organized under section 527 of the Internal Revenue Code of 1986 (Public Law 99-514), making or incurring an independent expenditure under subparagraph (i), shall include on the advertisement an easily readable written message in the following form:

"The Top Five Contributors to the organization for this advertisement are" followed by a list of the five persons making the largest contributions to the organization during the 12-month period before the date of the communication."

Section 1644. Independent Expenditure Evaluation.--

(a) When the Bureau of Elections audits and evaluates an expenditure that is included in a report under section ???? to determine whether the expenditure is an interdependent expenditure, there shall be a rebuttable presumption that the following expenditures are not independent expenditures:

(1) An expenditure made by a person in cooperation,

consultation or in concert with, at the request, suggestion or  
direction of or pursuant to a general or particular  
understanding with a candidate or political committee or other  
agent acting on behalf of a candidate or political committee.

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

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

(4) An expenditure made by an individual who, in the same  
election cycle, is serving or has served as the campaign  
chairperson, campaign treasurer or deputy treasurer of a  
political committee benefiting from the expenditure, or another  
executive or policymaking position, including as a member,  
employee, fundraiser, consultant or other agent acting on behalf  
of a candidate or political committee.

(5) An expenditure made by a person whose officer, director,  
member, employee, fundraiser, consultant or other agent who  
serves the person in an executive or policymaking position also  
serves as or has served in the same election cycle as the  
candidate or the campaign chairperson, campaign treasurer or  
deputy treasurer of a candidate or political committee

benefiting from the expenditure, or in another executive or policymaking position of the candidate or political committee.

(6) An expenditure made by a person for:

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

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

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

(8) An expenditure made by a person for a communication that clearly identifies a candidate or political committee during an election campaign if the person making the expenditure, or the person's agent, has informed the candidate who benefits from the expenditure that the candidate or political committee or a consultant or other agent acting on behalf of the benefiting candidate or political committee concerning the communications content, or of the intended audience, timing, location or mode or frequency of the dissemination.

(9) An expenditure made by a person or an entity for consultant or creative services, including services related to communications strategy or design or campaign strategy, to be



1 used to promote or oppose a candidate's election to office if  
2 the provision of these services is also providing consultant or  
3 creative services to the candidate or to an opposing candidate  
4 in the same election.

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

7 (1) an individual or a person paid by a candidate or a  
8 candidate committee; and

9 (2) any consultant, printing firm, media production company,  
10 Internet website director or webmaster, marketing firm,  
11 advertising firm, filed organization firm or other company or  
12 firm retained by a candidate or authorized by a candidate or a  
13 candidate committee to act on the candidate's behalf.

14 Section 8. The act is amended by adding an article to read:

15 ARTICLE XVI-A

16 CORPORATE POLITICAL ACCOUNTABILITY

17 Section 1601-A. Definitions.

18 The following words and phrases when used in this article  
19 shall have the meanings given to them in this section unless the  
20 context clearly indicates otherwise:

21 "Contribution" or "expenditure." Includes any monetary and  
22 nonmonetary political contributions and expenditures not  
23 deductible under section 162(e)(1)(B) of the Internal Revenue  
24 Code of 1986 (Public Law 99-514, 26 U.S.C. § 162(e)(1)(B)),  
25 including, but not limited to, contributions to or expenditures  
26 on behalf of political candidates, political parties, political  
27 committees and other political entities organized and operating  
28 under section 527 of the Internal Revenue Code of 1986 (26  
29 U.S.C. § 527), and any portion of any dues or similar payments  
30 made to any tax-exempt organization that is used for an

expenditure or contribution if made directly by the corporation  
would not be deductible under section 162(e)(1)(B) of the  
Internal Revenue Code of 1986, any contribution or expenditure,  
as those terms are defined in section 302 of the Federal  
Election Campaign Act of 1971 (Public Law 92-225, 2 U.S.C. §  
431), as well as any contribution or expenditure defined under  
this act. The term also includes any direct or indirect payment,  
distribution, loan, advance, deposit or gift of money, or any  
services, or anything of value, except a loan of money by a  
national or State bank made in accordance with the applicable  
banking laws and regulations and in the ordinary course of  
business, to any candidate, campaign committee or political  
party or organization, in connection with any election to any  
office. The term does not include:

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

(2) Nonpartisan registration and get-out-the-vote  
campaigns by a corporation aimed at its stockholders and  
executive or administrative personnel and their families or  
by a labor organization aimed at its members and their  
families.

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

As used in this definition, the term "corporation" includes any  
company, trade or professional union, not-for-profit association

1 and incorporated partnership organized as an incorporated entity  
2 under the laws of any state within the United States.

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

4 "General treasury funds." Those moneys in possession of a  
5 corporation incorporated under the laws of Pennsylvania in the  
6 normal course of business, including funds from sales, accounts  
7 payable, loans, investments, bonds or debt instruments.

8 "Issue advocacy campaign." Contributions or expenditures for  
9 any communication to the general public intended to encourage  
10 the public to contact a government official regarding pending  
11 legislation, public policy or a government rule or regulation.  
12 The term does not include contributions or expenditures for  
13 registered lobbyists or other persons employed by the  
14 corporation to lobby directly Federal or State government  
15 officials.

16 "Known at the time of the authorization vote." At the time  
17 the corporation seeks authorization from shareholders to spend  
18 corporate funds for political activities:

19 (1) the corporation's officers, directors or employees  
20 have identified a specific political activity for the  
21 corporation to support or oppose;

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

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

27 "Majority of shareholders." Fifty percent plus one of all  
28 outstanding voting securities. Shareholders not casting votes  
29 shall not count toward affirmative authorization under this  
30 section.

1 "Political activities." Any contributions or expenditures  
2 made directly or indirectly to, or in support of or opposition  
3 to, any candidate, political party, committee, electioneering  
4 communication, ballot measure campaign or an issue advocacy  
5 campaign. The term does not include activities defined as  
6 lobbying under any Federal, State or local law.

7 "Separate segregated fund." A political action committee  
8 formed by a corporation for the purpose of making contributions  
9 to candidates for office or to political parties. A separate  
10 segregated fund which supports Federal candidates shall have the  
11 same meaning as that found in section 316 of the Federal  
12 Election Campaign Act of 1971 (Public Law 92-225, 2 U.S.C. §  
13 441b).

14 Section 1602-A. Shareholder vote on corporate political  
15 activities.

16 (a) Annual vote.--

17 (1) Any corporation incorporated in this Commonwealth  
18 that spends in the aggregate \$10,000 or more of corporate  
19 treasury funds on all political activities in this  
20 Commonwealth must comply with the requirements of this  
21 section.

22 (2) Any proxy or consent or authorization for an annual  
23 meeting of the shareholders of a corporation incorporated in  
24 this Commonwealth, or a special meeting in lieu of such  
25 meeting, where proxies are solicited in respect of any  
26 security occurring on or after six months following the date  
27 on which final regulations are published under subsection (d)  
28 shall provide for a separate resolution subject to  
29 shareholder vote to approve any spending of \$10,000 or more  
30 by the corporation for any political activity.

1       (3) Notwithstanding the requirement for an annual  
2 shareholder vote to authorize any spending of \$10,000 or more  
3 by the corporation for any political activity, a corporation  
4 may request authorization for spending on political  
5 activities on a more frequent basis. Any authorization  
6 request by the corporation that is not made during an annual  
7 authorization shall be deemed a special authorization.

8       (4) If a corporation spends less than an aggregate of  
9 \$10,000 in a 12-month period for political activities, then  
10 it does not have to seek shareholder authorization for such  
11 spending.

12 (b) Shareholder approval.--

13       (1) When seeking shareholder authorization for  
14 expenditures for political activities, the corporation shall  
15 request the authority to spend a maximum dollar amount in the  
16 next 12 months.

17       (2) If known at the time of the authorization vote, the  
18 company shall articulate whether the corporate treasury funds  
19 so authorized are intended to benefit or defeat specific  
20 candidates, ballot measures or issue advocacy campaigns or  
21 whether it will be paid to specific nonprofits or trade  
22 associations for political activities. The following apply:

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

25           (ii) A vote by the shareholders to approve or  
26 disapprove any spending of \$10,000 or more by a  
27 corporation for a political activity shall be binding on  
28 the corporation.

29           (iii) Notwithstanding the requirement for an annual  
30 shareholder vote to authorize any spending of \$10,000 or

1 more by the corporation for any political activity, a  
2 corporation may request a special authorization for  
3 additional spending on political activities, provided  
4 that:

5 (A) all spending on political activities of  
6 \$10,000 or more must be authorized by a shareholder  
7 majority vote; and

8 (B) for any special authorization, the company  
9 shall articulate whether the corporate treasury funds  
10 so authorized are intended to benefit or defeat  
11 candidates, ballot measures or issue advocacy  
12 campaigns or will be paid to specific nonprofits or  
13 trade associations for political activities at the  
14 time the special authorization is requested.

15 (c) Director liability.--If a corporation makes an  
16 unauthorized contribution or expenditure for a political  
17 activity, then the directors at the time that the unauthorized  
18 contribution or expenditure was incurred are jointly and  
19 severally liable to repay to the corporation the amount of the  
20 unauthorized expenditure, with interest at the rate of 8% per  
21 year.

22 (d) Rulemaking.--No later than six months after the  
23 effective date of this article, the department shall promulgate  
24 final regulations to implement this section.

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

28 Section 1603-A. Notification to shareholders of corporate  
29 political activities.

30 (a) Notification to shareholders.--

1       (1) At least quarterly during each fiscal year, a  
2       corporation incorporated in this Commonwealth that makes  
3       contributions or expenditures for political activities must  
4       notify its shareholders and the department in writing of the  
5       nature of all its political activities, funded by either its  
6       separate segregated fund or through its general corporate  
7       treasury, including contributions or expenditures made  
8       directly or indirectly.

9       (2) A report made pursuant to this section shall include  
10      the following:

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

12           (ii) The amount of the contributions or  
13      expenditures.

14           (iii) The identity of the candidate, political  
15      party, committee, electioneering communication, ballot  
16      measure campaign or issue advocacy campaign.

17           (iv) If the contributions or expenditures were made  
18      for or against a candidate, including an electioneering  
19      communication as defined under Federal law, the office  
20      sought by the candidate and the political party  
21      affiliation of the candidate.

22           (v) If the contributions or expenditures were made  
23      for or against a ballot measure, the purpose of the  
24      measure and whether the contributions or expenditures  
25      were made in support or opposition to the ballot measure.

26           (vi) If the contributions or expenditures were made  
27      for or against an issue advocacy campaign, the nature of  
28      the political issue and whether the contributions were  
29      made in support or opposition to the political issue.

30           (vii) All independent expenditures made by a

1 separate segregated fund affiliated with the corporation.

2 (b) Public disclosure.--

3 (1) The quarterly reports of political activities by a  
4 corporation incorporated in this Commonwealth to shareholders  
5 shall be public records.

6 (2) A copy of the reports filed pursuant to subsection  
7 (a)(1) shall be:

8 (i) submitted to the department; and

9 (ii) posted for at least one year on the  
10 corporation's Internet website, if any.

11 Section 1604-A. Public disclosure of corporate political  
12 activities by the department.

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

16 (b) Electronic form.--A quarterly report required to be  
17 filed under this section shall be filed in electronic form using  
18 filing software approved or developed by the department in  
19 addition to filing in any other form that the department may  
20 require by regulation and shall be published on the department's  
21 Internet website.

22 (c) Format.--The department shall ensure that, to the  
23 greatest extent practicable, the quarterly reports on political  
24 activities are publicly available through the department's  
25 Internet website in a format that can be searched, sorted and  
26 downloaded.

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

28 (a) Audit.--On an annual basis, the Department of the  
29 Auditor General shall audit the extent of compliance or  
30 noncompliance with the requirements of this article by



1 corporations incorporated in this Commonwealth, their management  
2 and shareholders, as well as the effectiveness of the department  
3 in meeting the reporting and disclosure requirements of this  
4 article.

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

9 Section 1606-A. Board approval for all corporate political  
10 expenditures.

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

15 (1) by the vote of the board of directors of the  
16 corporation or of the executive committee of the trade,  
17 business or professional association at a regular or special  
18 meeting thereof;

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

22 (3) for a corporation, by any other person designated by  
23 resolution of the board of directors of a corporation to  
24 authorize contributions or expenditures.

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

29 Section 1607-A. Applicability to foreign corporations.

30 (a) General rule.--A foreign corporation, other than a

foreign association or foreign nonprofit corporation, but  
including a foreign parent corporation even though it does not  
itself transact intrastate business, is subject to the  
requirements of sections 1602-A, 1603-A, 1604-A and 1605-A, if:

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

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

(b) Determination.--The determination of the property,  
payroll and sales factors under subsection (a) with respect to  
any parent corporation shall be made on a consolidated basis,  
including in a unitary computation, after elimination of  
intercompany transactions, the property, payroll and sales of  
the parent and all of its subsidiaries in which it owns directly  
or indirectly more than 50% of the outstanding shares entitled  
to vote for the election of directors, but deducting a  
percentage of the property, payroll and sales of any subsidiary  
equal to the percentage minority ownership, if any, in the  
subsidiary. For the purpose of this section, any securities held  
to the knowledge of the issuer in the names of broker-dealers,  
nominees for broker-dealers, including clearing corporations or  
banks, associations or other entities holding securities in a

nominee name or otherwise on behalf of a beneficial owner,  
collectively "nominee holders," shall not be considered  
outstanding. However, if the foreign corporation requests all  
nominee holders to certify, with respect to all beneficial  
owners for whom securities are held, the number of shares held  
for those beneficial owners having addresses as shown on the  
records of the nominee holder in this Commonwealth and outside  
of this Commonwealth, then all shares so certified shall be  
considered outstanding and held of record by persons having  
addresses either in this Commonwealth or outside of this  
Commonwealth as so certified, provided that the certification so  
provided shall be retained with the record of shareholders and  
made available for inspection and copying. A current list of  
beneficial owners of a foreign corporation's securities provided  
to the corporation by one or more nominee holders or agent  
thereof under the requirements of 17 CFR § 240.14b-1(b) (3)  
(relating to obligation of registered brokers and dealers in  
connection with the prompt forwarding of certain communications  
to beneficial owners) or 240.14b-2(b) (3) (relating to obligation  
of banks, associations and other entities that exercise  
fiduciary powers in connection with the prompt forwarding of  
certain communications to beneficial owners) promulgated under  
the Securities Exchange Act of 1934 (Public Law 48-881, 15  
U.S.C. § 78a et seq.) shall constitute an acceptable  
certification with respect to beneficial owners for the purposes  
of this subsection.

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

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

1       (2) With outstanding securities designated as qualified  
2       for trading on the Nasdaq National Market of the Nasdaq Stock  
3       Market, or any successor thereto.

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

7       (d) Liability.--Any party who obtains a final determination  
8       by a court of competent jurisdiction that the corporation failed  
9       to provide to the party information required to be provided by  
10       this article or provided the party information of the kind  
11       required to be provided by this article that is incorrect, then  
12       the court, in its discretion, shall have the power to include in  
13       its judgment recovery by the party from the corporation of all  
14       court costs and reasonable attorney fees incurred in that legal  
15       proceeding to the extent they relate to obtaining that final  
16       determination.

17       Section 9. The dollar figures contained in section 1627.1 of  
18 the act shall be adjusted biennially at a rate determined by the  
19 Federal Election Commission as authorized under 11 CFR § 110.  
20 The Secretary of the Commonwealth shall certify the calculation  
21 of the rate as determined by the Federal Election Commission and  
22 shall publish the new dollar figures in the Pennsylvania  
23 Bulletin.

24       Section 10. The provisions of this act are severable. If any  
25 provision of this act or its application to any person or  
26 circumstance is held invalid, the invalidity shall not affect  
27 other provisions or applications of this act which can be given  
28 effect without the invalid provision or application.

29       Section 11. A comprehensive, fully searchable and user  
30 friendly computerized database to track full implementation of

1 this act shall be made available to the public by the Department  
2 of State through its Internet website on or before December 31,  
3 2011.

4 Section 12. This act shall take effect January 1, 2012.