



THE AMERICAN ANTI-CORRUPTION ACT

FULL PROVISIONS

1. CONFLICTS OF INTEREST

PROVISION 1: PROHIBIT MEMBERS OF CONGRESS FROM RAISING FUNDS FROM THE INTERESTS THEY REGULATE AND FROM TAKING ACTIONS TO BENEFIT INTERESTS THAT SPEND HEAVILY TO INFLUENCE THEIR ELECTIONS

1. Prohibit Members of Congress from fundraising from the interests they most directly regulate

- ▮ Members of Congress may not solicit contributions, directly or indirectly, in connection with an election for Federal office, including funds for any Federal election activity, from a lobbyist, lobbyist client, a parent or subsidiary of a lobbyist client, or any individual who engages in or directly supervises one or more individuals who engage in lobbying activities on behalf of such lobbyist, lobbyist client, or parent or subsidiary of a lobbyist client, that the Member knows has made a lobbying contact, as that term is defined by the Lobbying Disclosure Act of 1995, as amended, 2. U.S.C. § 1602(8),¹ with the Member or his or her congressional office; with another Member or their congressional office with whom the Member serves on a Committee or Subcommittee or any other of division of the House or Senate if such lobbying contact concerns matters pending before such Committee, Subcommittee, or division of the House or Senate; or with any official or employee of any such congressional

¹ Under 2. U.S.C.A. § 1602(8), the term “lobbying contact” means any oral or written communication (including an electronic communication) to a covered executive branch official or a covered legislative branch official that is made on behalf of a client with regard to-- (i) the formulation, modification, or adoption of Federal legislation (including legislative proposals); (ii) the formulation, modification, or adoption of a Federal rule, regulation, Executive order, or any other program, policy, or position of the United States Government; (iii) the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license); or (iv) the nomination or confirmation of a person for a position subject to confirmation by the Senate.”

Committee, Subcommittee, or other division of the House or Senate, during the previous two years. Members may, however, solicit contributions from such lobbyists, lobbyist clients, and covered associates if the Member soliciting such contributions recuses himself from taking any action, including markups of legislation, or engaging in casework, or constituent service of any kind, of particular benefit to the lobbyist, lobbyist client, or covered associate for a period of two years from the date of the solicitation. If a Member of Congress that solicited such funds during the preceding two years, but not including any date before the enactment of this provision, then the Member must either (1) disgorge such contribution(s) by refunding them to the donors or donating them to charity or (2) recuse himself from taking any action, including participating in markups of legislation or engaging in casework or constituent service of any kind, of particular benefit to the lobbyist, lobbyist client, or covered associate for a period of two years from the date of such solicitation.

2. Prohibit Members of Congress from taking actions to benefit special interests that provide them with contributions or spend heavily to influence their elections

- ⌈ **Lobbyists and entities that lobby Congress:** A Member of Congress may not take any action in any Committee, Subcommittee, or other division of the House or Senate, including markups of legislation or casework or constituent service of any kind, of particular benefit to a lobbyist client, as that term is defined in 2 U.S.C. § 1602(2), or the parent or subsidiary of a lobbyist client if such lobbyist, lobbyist client, parent or subsidiary of a lobbyist client, or any individual who engages in or directly supervises one or more individuals who engage in lobbying activities on behalf of such lobbyist, lobbyist client, or parent or subsidiary of a lobbyist client have, in the aggregate, directly or indirectly contributed or pledged or promised to contribute \$50,000 or more in the aggregate to the Member's campaign committee or leadership PAC in the previous year, or who have, in the aggregate, indirectly or directly spent in the previous year or have pledged or promised to spend, \$100,000 or more on electioneering communications or independent expenditures in support of the Member's campaign or in opposition to a Member's opponent or in contributions to organizations, including political committees, that engage in or pledge or promise to engage in electioneering communications or independent expenditures in support of the Member's campaign or in opposition to a Member's opponent.

PROVISION 2: LIMIT CAMPAIGN CONTRIBUTIONS AND PROHIBIT CERTAIN FUNDRAISING ACTIVITIES BY LOBBYISTS, LOBBYIST CLIENTS, AND INDIVIDUALS INVOLVED IN LOBBYING EFFORTS

- ⌈ Limit to \$500 per calendar year the amount that a lobbyist, lobbyist client, and any individual who engages in or directly supervises one or more individuals who engage in lobbying activities on behalf of a lobbyist or lobbyist client may contribute to any single federally registered political committee, including candidates committees. This limit shall continue to apply for one year after an individual is no longer a lobbyist, lobbyist client, or an individual who engages in or directly supervises one or more individuals who engage in lobbying activities on behalf of a lobbyist or lobbyist client.
- ⌈ Prohibit lobbyists, lobbyist clients, and individuals who engage in or directly supervise one or more individuals who engage in lobbying activities on behalf of a lobbyist or lobbyist client from soliciting or coordinating funds in connection with an election for Federal office, including funds for any Federal election activity, and also including the contribution of Tax Rebate funds, except that such individuals may solicit and coordinate contributions from their

immediate family members.² This prohibition shall continue to apply for one year after an individual is no longer a lobbyist, lobbyist client, or an individual who engages in or directly supervises one or more individuals who engage in lobbying activities on behalf of a lobbyist or lobbyist client.

PROVISION 3: CLOSE THE REVOLVING DOOR

- ⌈ Extend the existing revolving door limitations applicable to Members of Congress and congressional staff to 7 years for former Members, and 5 years for former congressional staffers who are either (1) paid at a rate of 75% or more of a Member's salary, or (2) whose duties are not primarily secretarial in nature.

PROVISION 4: PROHIBIT CAMPAIGN CONTRIBUTIONS FROM THE PACS, LOBBYISTS, AND COVERED ASSOCIATES OF FEDERAL GOVERNMENT CONTRACTORS

- Amend 2 U.S.C.A. § 441c(a) to state the following (inserted text underlined):

§ 441c. Contributions by government contractors

(a) *Prohibition.* It shall be unlawful for any person—

(1) Who enters into any contract with the United States or any department or agency thereof, or a lobbyist or an individual who engages in or directly supervises one or more individuals who engage in lobbying activities on behalf of such person, either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for the later of two years following (A) the completion of performance under; or (B) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land, or buildings, directly or indirectly to make any contribution of money or other things of value, or to promise expressly or impliedly to make any such contribution to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

(2) knowingly to solicit any such contribution from any such person for any such purpose during any such period.

2. CAMPAIGN FINANCE

PROVISION 5: APPLY THE EXISTING CONTRIBUTION LIMITS THAT APPLY TO PACS TO SUPER PACS

- Amend Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. § 441(a)) by adding at the end the following new paragraph: “(9) For purposes of the limitations imposed by paragraphs (1)(C), (2)(C), and (3)(B) on the amount of contributions which may be made by any person to a political committee, a contribution made to a political committee which accepts donations or contributions that do not comply with the contribution or source prohibitions under this Act (or made to any account of a political committee which is established for the purpose of accepting such donations or contributions) shall be treated in the same manner as a contribution made to any other political committee to which such paragraphs apply.”

² The term “immediate family member” means, a spouse, partner, father, mother, son, daughter, brother, half-brother, sister, half-sister, father-in-law, mother-in-law, grandparent, and the spouses of such persons.

PROVISION 6: EACH REGISTERED VOTER SHALL RECEIVE, ON AN BIENNIAL BASIS, A \$100 TAX REBATE THAT THEY MAY USE TO MAKE CONTRIBUTIONS TO QUALIFYING FEDERAL CANDIDATES, POLITICAL PARTIES, AND POLITICAL COMMITTEES

SEC 1. TAX REBATES.

(a) REBATES PROVIDED TO REGISTERED VOTERS TO MAKE CONTRIBUTIONS TO QUALIFYING FEDERAL CANDIDATES, POLITICAL PARTY COMMITTEES, AND POLITICAL COMMITTEES.—

(1) Each individual certified to be a registered voter by the chief state election official of a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States that is a complying state shall receive a Tax Rebate on an biennial basis. Such rebates shall be in such form as the Department of the Treasury may prescribe and shall be issued and furnished by the Department of the Treasury after January 1 and before February 15 of each odd-numbered calendar year.

(2) An individual who becomes a registered voter after January 1 of an odd-numbered calendar year may provide the Department of the Treasury with proof of such registration and such other information as deemed appropriate by Department of the Treasury and shall be issued a Tax Rebate within 30 days of providing adequate proof of registration. Individuals shall be given the ability, if they so choose, to receive their Tax Rebate in electronic form.

(3) The total amount of Tax Rebate funds that may be redeemed in any given two-year election cycle shall not exceed \$7.5 billion.

(4) For purpose of paragraph (1)—

(A) The term “Tax Rebate” means a certificate redeemable through a qualified internet based platform or at a United States Post Office valued initially at \$100.

(B) The term “complying state” means a state, district, commonwealth, territory, or possession of the United States that is determined by the Federal Election Commission and certified by the Federal Election Commission to the Department of the Treasury to be in compliance with the requirements of Section 1973gg-6 of the National Voter Registration Act, and such other requirements deemed appropriate by the Federal Election Commission.

(C) The term “chief state election official” shall be the officer or employee designated under Section 1973gg-8 of the National Voter Registration Act to be responsible for coordination of responsibilities under such Act.

(b) CONTRIBUTION OF TAX REBATES.—

(1) Each individual who has been furnished a Tax Rebate may redeem such rebate through an Internet based platform established by the Department of the Treasury, at a United States Post Office, via mail, or through a qualified Internet based platform that will enable individuals furnished with rebates to make one or more contributions to qualified federal candidates, political party committees, and political committees, or towards grants provided for in subsection (d)(2).

(2) For purposes of paragraph (1)—

(A) The term “Internet based platform” and “qualified Internet based platform” shall mean an Internet-based website, application, or similar Internet-based portal certified by the Department of the Treasury to—

(i) have adequate safeguards to prevent fraud and to not allow more than one redemption of a single Tax Rebate; and

(ii) to enable Tax Rebates to be contributed anonymously to qualified federal candidates, political party committees, and political committees, but where a contribution is made anonymously, the donor may be asked whether he or she is willing to be contacted by the recipient qualified federal candidate, political party committee, or political committee; and

(iii) allow an individual who makes a contribution of Tax Rebate funds to revoke such contribution within 48 hours.

(B) The term “qualified federal candidates, political party committees, and political committees” shall mean a federal candidate, political party committee, or political committee, as those terms are defined by the Federal Election Campaign Act, as amended that—

(i) is registered with the Federal Election Commission; and

(ii) limits the contributions it receives after the date of enactment of this legislation to exclusively any one or combination thereof of—

(I) Tax Rebates;

(II) Contributions from individuals not prohibited from making contributions under the Federal Election Campaign Act, as amended, of no more than \$500 per election; and

(III) Political party committees and political committees that are funded exclusively by Tax Rebates and contributions from individuals not prohibited from making contributions under the Federal Election Campaign Act, as amended, of no more than \$500 per election; and

(iii) makes no expenditures after the date of enactment of this legislation during the election cycle of the candidate, or during the two-year biennial election cycle in the case of political party committees and political committees, from any amounts other than from funds identified in subsection (ii).

(c) DISQUALIFICATION AND REPAYMENT OF TAX REBATES.—

(1) If a qualified federal candidate, political party committee, or political committee becomes disqualified from receiving Tax Rebate funds by virtue of knowingly accepting and failing to promptly return amounts contributed in excess of \$500, such federal candidate, political party committee, or political committee shall return such Tax Rebate funds, or provide the equivalent monetary value of such funds, to the Department of the Treasury.

(2) The Department of the Treasury will notify individuals whose Tax Rebate contributions were returned to the Department of the Treasury of such return, and provide such individuals with the ability to contribute such returned Tax Rebate to other qualified federal candidates, political party committees, and political committees.

(3) Returned Tax Rebate funds that are not able to be returned to an individual shall be allocated in the same manner as expired Tax Rebate funds.

(4) For purposes of this subsection, a contribution shall be considered to have been promptly returned if the political committee's treasurer uses best efforts to discover that the contribution is in excess of \$500, and the contribution is refunded within thirty days after the treasurer discovers that the contribution is in excess of the \$500 threshold. If the political committee does not have sufficient funds to refund the amount of the contribution that is in excess of \$500 within 30 days of when the contribution is discovered to be in excess of \$500, the political committee shall make the refund from the next funds it receives.

(d) EXPIRATION OF TAX REBATES AND ALLOCATION OF UNUSED TAX REBATES.—

(1) Each Tax Rebate shall expire on December 31 of the even numbered year immediately following the year in which Tax Rebate funds were first made available for that two-year election cycle.

(2) Expired Tax Rebate funds shall be used by the Department of Treasury to provide grants for the purposes stated in 42 U.S.C.A. § 15301(b).³ Such grants shall be made in accordance with procedures established by the Department of Treasury in cooperation with the United States Election Assistance Commission.

(e) REPEAL OF PARTY COORDINATED EXPENDITURE LIMITS FOR QUALIFIED POLITICAL PARTY COMMITTEES.—

Section 441a(d) of The Federal Election Campaign Act, as amended, is amended by inserting after section 441a(d)(4) the following new section:

(5) The limitations contained in paragraphs (2), (3), and (4) of this subsection shall not apply to a national committee of a political party and a State committee of a political party, including any subordinate committee of a State committee, that is qualified to receive Tax Rebate funds.

(f) INCREASE IN TAX REBATE BASED ON INCREASES IN PRICE INDEX.—

(1)

(A) At the beginning of each odd-numbered calendar year (commencing in 2015), as there become necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Department of the Treasury and publish in the Federal Register the percent difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period.

³ "(A) Complying with the requirements under subchapter III of this chapter; (B) Improving the administration of elections for Federal office; (C) Educating voters concerning voting procedures, voting rights, and voting technology; (D) Training election officials, poll workers, and election volunteers; (E) Developing the State plan for requirements payments to be submitted under subpart 1 of part D of subchapter II of this chapter; (F) Improving, acquiring, leasing, modifying, or replacing voting systems and technology and methods for casting and counting votes; (G) Improving the accessibility and quantity of polling places, including providing physical access for individuals with disabilities, providing nonvisual access for individuals with visual impairments, and providing assistance to Native Americans, Alaska Native citizens, and to individuals with limited proficiency in the English language; (H) Establishing toll-free telephone hotlines that voters may use to report possible voting fraud and voting rights violations, to obtain general election information, and to access detailed automated information on their own voter registration status, specific polling place locations, and other relevant information. (2) Limitation. A State may not use the funds provided under a payment made under this section-(A) to pay costs associated with any litigation, except to the extent that such costs otherwise constitute permitted uses of a payment under this section; or (B) for the payment of any judgment."

(B) The Tax Rebate and the amounts identified in paragraphs (a)(3) and (b)(2)(B)(ii) shall be increased by the percent difference determined under subparagraph (A);

(C) such amount so increased shall remain in effect for the calendar year and the following calendar year; and

(D) if the amount after adjustment under clause (B) is not a multiple of \$1, such amount shall be rounded to the nearest \$1.

(2) For the purposes of paragraph (1)—

(A) the term “price index” means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

(B) the term “base period” means the calendar year of enactment of this provision.

(g) INCOME TAX LIABILITY.—

Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 139D the following new section:

“SEC. 139E. TAX REBATES.

(a) Gross income does not include the value of a Tax Rebate provided to a taxpayer by the Department of the Treasury.”

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

(i) CRIMINAL PENALTIES.—

(1) It shall be unlawful for any person—

(i) to knowingly sell or offer to sell, or to purchase or to offer to purchase, any Tax Rebate;

(ii) to knowingly falsify or duplicate or attempt to falsify or duplicate a Tax Rebate;

(iii) to knowingly redeem or attempt to redeem a Tax Rebate that has already been redeemed or that has expired;

(iv) to knowingly interfere with or coerce any individual in the redemption and contribution of Tax Rebate funds.

(2) It shall be unlawful for any federal lobbyist to solicit or coordinate the contribution of Tax Rebate funds.

PROVISION 7: REVISE THE FEC’S COORDINATION REGULATIONS

The FEC’s current coordination regulations, located at 11 C.F.R. § 109.21, permit extensive collaboration between candidates and supposedly “independent” Super PACs.

☐ Amend the Federal Election Campaign Act, by adding at § 431(17)(C), the following: In order for an expenditure to be considered an independent expenditure, the organization paying for the expenditure must act totally independently of any candidate or political party. This includes, but is not limited to, requirements that the person making the expenditure may not

employ or retain any individual or accept any assistance, including the solicitation of funds, from any individual who is the candidate benefited by such expenditure, or who has, with respect to the candidate benefited by such expenditure, within the last 5 years (1) raised funds for the candidate; (2) been employed or retained by the candidate or candidate's campaign(s) or the congressional office or committee staff of a Member of Congress or the Executive office of the President; (3) been employed or retained by a national political party committee of the political party of the candidate; (4) been employed or retained by a vendor employed or retained by the candidate, candidate's campaign(s), or candidate's party committee of that candidate to act in a fundraising, polling, media consultant, or campaign management capacity; or is (5) a spouse, partner, or relative of the candidate (father, mother, sister, brother, child, first cousin, aunt, uncle) (6) a current or former business partner or colleague of the candidate or of an employee of the candidate's campaign. Additionally, if a candidate publicly or privately endorses or approves of an organization's expenditure benefiting that candidate or any of the organization's activities, then the expenditures of such organization shall be deemed coordinated with such candidate.

3. TRANSPARENCY

PROVISION 8: PROHIBIT MEMBERS OF CONGRESS FROM FUNDRAISING DURING CONGRESSIONAL WORKING HOURS, AND REQUIRE MEMBERS OF CONGRESS TO DISCLOSE FUNDRAISING ACTIVITIES THEY ENGAGE IN WHILE CONGRESS IS IN SESSION

- Amend the House and Senate rules to:
 - ⌋ Prohibit Members of Congress from engaging in political fundraising and soliciting between 9:00 a.m. and 6:00 p.m. on any day in which their House of Congress is in session and is not adjourned or in recess for that entire day, and during any other hours in which the Member's House of Congress or any committee or subcommittee thereof of which they are a member is conducting business.
 - ⌋ Require Members of Congress to disclose to the Clerk of the House and to the Secretary of the Senate, respectively, on a monthly basis, the Member's fundraising activities and solicitations that take place during any period of time in which the prohibition on fundraising described immediately above is not in effect and the Member's House of Congress is in session, meaning that the Member's House of Congress is not in recess pursuant to concurrent resolution.⁴ Such disclosures shall include the total time engaged in political fundraising as well as the date, time, location, and a description of each separate fundraising event or solicitation including the total amount raised at such event or from such effort.

PROVISION 9: AMEND THE LOBBYING DISCLOSURE ACT (LDA) TO EFFECTIVELY BRING EVERYONE WHO LOBBIES OR WHO ORGANIZES, LEADS, OR ADVISES LOBBYING EFFORTS WITHIN THE LDA DISCLOSURE PROVISIONS; ENHANCE LDA DISCLOSURE; AND STRENGTHEN ENFORCEMENT

Summary of Changes

1. Triggering Lobbyist and Lobbying Firm Status

- ⌋ **Triggering lobbyist status**

⁴ Pursuant to U.S. Const. art. 1, § 5, cl. 4, a concurrent resolution must be passed by each House of Congress before either House may adjourn for more than three days.

- ⌌ **Current law:** Two requirements to trigger lobbyist status: (1) Two lobbying contacts, and (2) 20% of time for client spent engaging in lobbying activities.
- ⌌ **AACA:** Two requirements: (1) Two lobbying contacts or providing strategic advice to lobbying efforts or directing or supervising the provision of strategic advice to lobbying efforts, and (2) 12 hours or more spent engaging in lobbying activities.
- ⌌ **Triggering lobbying form status**
 - ⌌ **Current law:** Employs a lobbyist.
 - ⌌ **AACA:** (1) Employees, in the aggregate, make two or more lobbying contacts on behalf of a client.

2. Registration Thresholds/Who Must Register and File Reports

- **Lobbying firm**
 - ⌌ **Current law:** \$3,000 in lobbying income in calendar quarter.
 - ⌌ **AACA:** \$10,000 in lobbying income in calendar quarter.
- **Client of Lobbying Firm**
 - ⌌ **Current law:** \$3,000 in lobbying expenses in calendar quarter.
 - ⌌ **AACA:** \$10,000 in lobbying expenses in calendar quarter.
- **Self-Lobbying Organization**
 - ⌌ **Current law:** \$10,000 in lobbying expenses in calendar quarter.
 - ⌌ **AACA:** \$30,000 in lobbying expenses in calendar quarter.

3. Contents of Registration Statement

- ⌌ **Affiliate of registrant must be disclosed**
 - ⌌ **Current law:** Contribute \$5,000 to registrant in quarter and actively participate in lobbying (high threshold).
 - ⌌ **AACA:** Contribute \$10,000 to registrant in quarter and actively participate in lobbying or funds contributed for the purpose of furthering lobbying goals. Also, the AACA would require the listing of affiliates to be included on the registration (i.e., do away with option of listing a website that in turn lists affiliates).

4. Contents of Quarterly Disclosure Reports

- ⌌ An updated list of affiliates to be included in each quarterly report.
- ⌌ Disclosure of the specific officials, offices, committees, or subcommittees contacted.
- ⌌ Disclosure of all entities (contractors and subcontractors) employed or retained to engage in lobbying activities, along with description of such lobbying activities.
- ⌌ Disclosure of the identity of each former covered official employed or retained by the registrant who engaged in lobbying activities on behalf of the client, along with description of such lobbying activities.
- ⌌ Do away with Internal Revenue Code reporting option for lobbying expenses.

5. Enforcement

- ⌌ Require the Comptroller General to annually publish a list of noncompliant registrants and lobbyists. Also require the Comptroller General to annually publish a list of registrants and lobbyists that remained noncompliant for a period of one year or more after being identified by the Comptroller General as noncompliant, as well as the action taken against and the current status of each registrant and lobbyist identified in such list. Any person or entity failing to come into full compliance with the requirements of this Act within one year after being identified by the Comptroller General as noncompliant shall be prohibited from engaging in any activities that

would require the person or entity to be a registrant or a lobbyist for a period of 2 years.

PROVISION 10: ENHANCE TRANSPARENCY OF FUNDRAISING AND ELECTION SPENDING

1. Require disclosure of bundlers of contributions

- ⌈ Require incumbent federal officials and candidates for federal office to disclose the identity of any individual who is authorized by or known to the official or candidate to collect and transmit contributions to their campaign committee or leadership PAC, regardless of whether or not the individual is a lobbyist.

2. DISCLOSE Act of 2012.

- ⌈ Enact the most recent version of the Democracy is Strengthened by Casting Light on Spending in Elections Act of 2012, S. 3369, 112th Cong. (2012).

4. ENFORCEMENT

PROVISION 11: MAKE THE FEDERAL ELECTION COMMISSION A MORE FUNCTIONAL AND INDEPENDENT BODY; STRENGTHEN THE HOUSE AND SENATE ETHICS COMMITTEES AND THE OFFICE OF CONGRESSIONAL ETHICS' INVESTIGATIVE POWERS; AND PROVIDE PROSECUTORS WITH THE TOOLS NECESSARY TO EFFECTIVELY INVESTIGATE AND PROSECUTE PUBLIC CORRUPTION

- ⌈ **Task Force on Federal Elections and Ethics Enforcement:** Establish a Bicameral, Bipartisan Task Force on Federal Elections and Ethics Enforcement comprised of 12 Members of Congress, with three members appointed by each of the following: Speaker of the House, House Minority Leader, Senate Majority Leader, and Senate Minority Leader. Within one year, the Task Force shall complete an investigation and issue a report and legislative recommendations addressing:

- The policies, processes and procedures of the Federal Election Commission, including Commission deadlock on enforcement actions; the failure of the Commission to complete a post-*Citizens United* rulemaking; options for replacing the six-Member Commission with a different governing structure, including a single administrator; requiring random audits of political committees; and strengthening Commission enforcement powers.
- The establishment of a independent and bipartisan office of congressional ethics in the Senate similar to the Office of Congressional Ethics currently operating in the House, as well as expanding the investigative powers of the Office of Congressional Ethics to include, *inter alia*, subpoena authority and an expanded timeframe for conducting investigations.
- The Internal Revenue Service's enforcement of the "primary purpose" tests for 501(c) organizations.
- Until the recommendations of the Task Force are enacted, the following intermediate steps will be taken:

- ⌈ A seventh Commissioner of the Federal Election Commission will be appointed by the President, by and with the advice and consent of the U.S. Senate. Such commissioner shall not, in the previous five years, have been a federally registered lobbyist, a member of a political party, or a former employee or contractor of a federally registered political committee, including any candidate or political party committee.

- ⌈ Except for final action of going to court or entering into an agreement, a tie vote on investigations shall be broken by the Office of General Counsel.
- ⌈ Random audits of political committees by the Federal Election Commission shall be required.

- ⌈ **Public Corruption Prosecution Improvements Act of 2012⁵**: Enact the Public Corruption Prosecution Improvements Act of 2012. Sponsored by Senator Leahy (D-VT) and Senator Cornyn (R-TX), the Public Corruption Prosecution Improvements Act of 2012 was included in the Senate-passed version of the STOCK Act, and was based on an identical bill passed by the Senate Judiciary Committee. Highlights:
 - Broadens the definition of “official act” and reaffirms that public officials may not accept anything worth more than \$1,000, other than as specifically allowed by other rules and regulations, given to them because of their official position.⁶
 - Increases the maximum penalties for public corruption related offenses.
 - Expands the ability of wiretaps to be used in public corruption related investigations.
 - Expands the honest services fraud statute to include undisclosed self-dealing by public officials.⁷

⁵ The Public Corruption Prosecution Improvements Act of 2012 can be found on pages 41-58 of S. 2038, 112th Cong. (2012) available here: <http://www.gpo.gov/fdsys/pkg/BILLS-112s2038es/pdf/BILLS-112s2038es.pdf>.

⁶ This provision is meant to address the D.C. Circuit’s ruling in *Valdes v. United States*, 475 F.3d 1319, 1329 (D.C. Cir. 2007) (en banc), and the Supreme Court’s ruling in *United States v. Sun-Diamond Growers*, 526 U.S. 398 (1999).

⁷ This provision is meant to address the Supreme Court’s ruling in *Skilling v. United States*, 130 S. Ct. 2896 (2010).