

FEC Proposes Bundling Rules

November 2007

Per a command in the Honest Leadership and Open Government Act of 2007 (HLOGA), the Federal Election Commission (FEC) has opened a rulemaking into the bundling reporting provisions of HLOGA. Comments in this rulemaking are due on November 30, 2007.

HLOGA requires that candidate committees, leadership PACs, and party committees report certain contributions bundled by lobbyists, lobbyist employers and the PACs controlled by them. In the rulemaking, the FEC is considering several proposed rules to flesh out the substance of these reporting requirements.

The FEC has raised in its rulemaking several important questions about the reporting process. One of the most important questions raised is whether the reporting will be limited solely to contributions bundled by lobbyists and lobbyist employers and their PACs or whether reporting also should include contributions bundled by nonlobbyist employees of lobbyist employers. The Notice of Proposed Rulemaking (NPRM) also raises the issue of how PACs controlled by lobbyists and lobbyist employers will so identify themselves so that the recipient committees can prepare the proper reports.

Finally, the NPRM discusses, among other things, the level of contributions from a fund-raiser that should be attributed to each lobbyist or PAC that is listed on an invitation to that fundraiser (the "multiple host" issue). One option is allocating all of the money raised at the fund-raiser to each person listed on the invitation. Another option is an even division among fund-raiser hosts.

Another issue addressed is whether reporting should be done quarterly or even monthly by committees that already file on a more frequent basis.

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The text of the NPRM can be found at http://www.fec.gov/pdf/nprm/bundling_hloga/notice_2007-23.pdf.

Wiley Rein LLP is available to draft comments to the rules.