

# Bundle of Joy: The FEC's New Bundled Contribution Disclosure Rules

March 2009

On February 17, 2009, the FEC published in the *Federal Register* final rules and an accompanying Explanation and Justification (E&J) to implement a provision of the Honest Leadership and Open Government Act of 2007 (HLOGA) requiring that federal candidate committees, leadership PACs and party committees disclose contributions bundled by federal lobbyists, their employers or their PACs.

As explained in the rules and E&J, "bundled" contributions are those that beginning March 19, 2009, are:

- Physically forwarded; or
- Credited through "records, designations or other means of recognizing that a certain amount of money has been raised."

The following activities are specifically described in the new rules as receiving "credit":

- Receiving a title such as "Ranger" or "Pioneer";
- Using a tracking identifier or number;
- Receiving access to events or activities as a result of raising a certain amount of contributions;
- Receiving mementos, such as photographs with the candidate or autographed copies of books authored by the candidate, given by the committee to persons who have raised a certain amount of contributions; and
- Receiving credit in any type of committee records for raising contributions.

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Disclosure will be required when, in a semi-annual period, more than \$16,000 is bundled for the same committee by a lobbyist, a lobbyist employer or the PAC of either. The FEC issued a FAQ on the bundling rules, which is available here: [www.fec.gov/law/lobbybundlingfaq.shtml](http://www.fec.gov/law/lobbybundlingfaq.shtml).

Notably, these disclosure requirements (and decisions about what to report) fall on the federal candidate committees, leadership PACs and party committees that receive bundled contributions from federal lobbyists, their employers, or their PACs. Lobbyists and lobbyist employers are not required to report any bundling activity.

A PAC established or controlled by a lobbyist or an entity that employs a lobbyist must, however, amend its FEC Form 1, Statement of Organization, by March 29, 2009, to note this fact. This requirement will apply to all corporate PACs of companies that are registered with the Secretary of the Senate and Clerk of the House pursuant to the Lobbying Disclosure Act. See the article on page 1 for more details.