

NEWSLETTER

FEC Amends Regulations to Catch Up with Citizens United

November 2014

Just months shy of the five-year anniversary of *Citizens United v. FEC*, the Federal Election Commission has amended its regulations to reflect the decision's sea change in campaign finance law.

On October 21, 2014, the Commission issued a series of amendments to the rules governing speech by corporations and labor organizations. (The rules went into effect on November 20.) In large part, the amendments serve two purposes.

First, the Commission has deleted those parts of its regulations that prohibited corporations and unions from making independent expenditures and electioneering communications. Likewise, it modified many regulatory provisions that had distinguished between legal and illegal independent corporate political activity, reasoning that all such activity was permissible post-Citizens United. The Commission also formalized independent expenditure only political action committees (Super PACs) in a regulatory note that "corporations and labor organizations may make contributions to nonconnected political committees that make only independent expenditures, or to separate accounts maintained by non-connected political committees for making only independent expenditures."

Second, the Commission sought to clarify the requirements that attach to now-permissible corporate and union political activity. Because most corporate and union political spending was illegal before *Citizens United*, the regulations contained no provisions addressing how such political spending should be reported. As amended, the rules now make clear that "all corporations and labor organizations that make independent expenditures or electioneering communications above threshold amounts must file reports according

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to . . . applicable regulations." 79 Fed. Reg. 62,811-62,812 (Oct. 21, 2014).

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