

Subtitle D—Addressing Electioneering by Corporations

SEC. 241. LIMITATION ON CORPORATE POWER TO ELECTIONEER.

(a) Findings.—Congress finds that—

(1) Corporations are artificial legal entities created by government charter to serve the public good and possess only those powers expressly granted to them by the sovereign authority that authorizes their existence.

(2) Corporate powers are not inherent, personal, or Constitutional in nature; they are delegated privileges that may be defined, limited, conditioned, or withheld in accordance with the public interest.

(3) Under Article I of the Constitution, Congress is the policy setting branch of the United States with principal responsibility to enact rules governing Federal elections and to safeguard democratic self-government.

(4) The Supreme Court's 2010 decision in *Citizens United v. FEC* held that restrictions on corporate election spending burdened free speech rights but assumed, without deciding, that corporations had been granted lawful power to engage in such spending under State or Federal charter law.

(5) *Citizens United* did not grant corporations an inherent Constitutional right to influence elections; rather, it presupposed the existence of such corporate power, which Congress retains full authority to define, regulate, or withhold in connection with Federal elections.

(6) Nothing in the Constitution requires Congress to grant corporations the power to influence Federal elections, and withholding such power does not restrict the ability of natural persons to participate in political debate, civic associations, and election activity using their own resources.

(7) Special government granted privileges such as limited liability and perpetual existence facilitate wealth accumulation by corporations, which can be used to influence electoral outcomes.

(8) Outside spending and dark money channels have expanded dramatically in recent decades, undermining public trust, reducing transparency, and weakening accountability in Federal elections.

(9) Decisions to use corporate funds for political contributions and expenditures are often made by corporate boards and executives, rather than by shareholders, who historically have lacked practical mechanisms to know of, approve, or meaningfully influence such political activity.

(10) Congress has authority under the Elections Clause, the Commerce Clause, the Necessary and Proper Clause, and its responsibility to preserve a republican form of government to structure and limit the activities of corporations operating in interstate commerce when necessary to safeguard the integrity of Federal elections.

(11) While corporations may petition and lobby elected officials regarding public policy relevant to their business purposes, allowing corporations to engage in electioneering directed at voters is inconsistent with the public good, threatens political equality, and undermines democratic self-government.

(12) Clarifying that corporations do not possess the power to engage in electioneering in connection with Federal elections, except as expressly authorized by Congress, is necessary to protect the integrity of Federal elections.

(b) Definitions.—In this section:

(1) Corporation.—The term "corporation" means any entity organized under the laws of a State or the laws of the United States, including any subsidiary, affiliate, or other entity that is substantially controlled by such entity.

(2) Disbursement for a political purpose.—The term "disbursement for a political purpose" has the meaning given such term in section 10F of the Securities Exchange Act of 1934 (as inserted by this Act).

(3) Electioneering communication.—The term "electioneering communication" means any publicly distributed communication that is intended to influence the outcome of a Federal election, but does not include—

(A) any bona fide news story, fact-check, interview, candidate debate or forum, investigative report, or other form of journalistic reporting distributed by a press entity acting in the normal course of its press function;

(B) any commentary, opinion, or endorsement expressed by an identifiable individual using such individual's own resources; or

(C) any communication exempted by regulations promulgated under subsection (j).

(4) Expenditure for political activities.—The term "expenditure for political activities" has the meaning given the term in section 13(t) of the Securities Exchange Act of 1934 (as inserted by this Act).

(5) Federal electioneering authorization.—The term "Federal electioneering authorization" means an Act of Congress that expressly and specifically extends to a corporation the privilege of engaging in an electioneering communication or political expenditure.

(6) Press entity.—The term "press entity" means a publisher, broadcaster, or other entity that disseminates news or information to the public and that is acting in the normal course of a bona fide journalistic function.

(7) Publicly distributed communication.—The term "publicly distributed communication" means any communication disseminated, or intended to be disseminated, to the general public or to any segment thereof, including through broadcast media, cable networks, satellite transmission, the internet, digital platforms, social media, search engines, streaming services, mobile applications, algorithmic targeting systems, print media, or mass distribution channels.

(8) Responsible person.—The term "responsible person" means any organizer, incorporator, director, officer, controlling shareholder, beneficial owner, or other individual who directly or indirectly exercises substantial control over a corporation or its activities.

(c) Corporate electioneering power withheld.—Notwithstanding any other provision of Federal or State law, no corporation shall possess any legal power, privilege, capacity, or authority to make, finance, authorize, direct, facilitate, or otherwise support an expenditure for political activities or an electioneering communication in connection with a Federal election unless pursuant to a Federal electioneering authorization that satisfies subsection (e).

(d) Voidness.—Any corporate action prohibited under subsection (c) is void and unenforceable as a matter of Federal law.

(e) Federal authorization enumerated.—A Federal electioneering authorization may be granted only within the framework of—

(1) [chapter 301 of title 52](#), United States Code;

(2) [section 527 of title 26](#), United States Code; and

(3) until December 31, 2029:

(A) [section 501\(c\)\(4\) of title 26](#), United States Code; and

(B) the Securities Exchange Act of 1934 ([15 U.S.C. 78a et seq.](#)).

(f) Federal preemption.—No State, the District of Columbia, or any territory or possession of the United States may grant any corporate charter, or confer any corporate power, privilege, or authority, that permits a corporation to engage in an electioneering communication or expenditure for political activities in connection with a Federal election.

(g) Rule of construction.—Nothing in this section shall be construed to limit or restrict the ability of natural persons to engage in political speech or make expenditures for political activities using their own resources.

(h) Enforcement.—

(1) Federal enforcement.—The Attorney General may bring a civil action to enforce this section.

(2) State civil enforcement.—The attorney general of any State in which an electioneering communication was disseminated, published, or received may bring a civil action to enforce this section.

(i) Personal liability of responsible persons.—Any responsible person who knowingly authorizes, directs, finances, or participates in an activity prohibited under this section shall be personally liable, jointly and severally, for an amount equal to 3 times the value of the prohibited expenditure for political activities.

(j) Implementation.—

(1) Interim final rules.—Not later than April 30, 2027, the Federal Election Commission, in consultation with the Secretary of the Treasury and the Attorney General, shall issue interim final rules to implement this section—

(A) as needed to clarify coordination, aggregation, anti-avoidance, and reporting; and

(B) to establish procedures for exempting electioneering communications under subsection (b)(3) whose inclusion would be de minimis or duplicative of other provisions of law, provided that no such exceptions may narrow the exclusions in subparagraphs (A) and (B).

(2) Procedure.—The Commission shall issue the interim final rules without regard to [section 553 of title 5, United States Code](#). The interim final rules shall have the force and effect of law immediately upon publication. The Commission shall provide a period of not less than 60 days for public comment after publication of the interim final rules.

(3) Final rules.—Not later than October 1, 2027, the Commission shall issue final rules to implement this section.

SEC. 242. UNAUTHORIZING CORPORATE PACS.

(a) Limitation.—

(1) In general.—Section 316(b)(2)(C) of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30118\(b\)\(2\)\(C\)](#)) is amended by striking "a corporation" and inserting "a nonprofit corporation".

(2) Definition.—Section 316(b) of such Act ([52 U.S.C. 30118\(b\)](#)) is amended by adding at the end the following new paragraph:

"(8) For purposes of this section, the term 'nonprofit corporation' means a corporation described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code, other than a corporation which is ineligible to be exempt from taxation under section 501(a) of such Code if it establishes a separate segregated fund under this subsection."

(b) Permitting solicitation of contributions only from executive and administrative personnel.—Section 316(b) of such Act ([52 U.S.C. 30118\(b\)](#)) is amended—

(1) in paragraph (4)(A)(i), by striking "its stockholders and their families and";

(2) in paragraph (4)(B)—

(A) by striking "a corporation" the first place it appears and inserting "a nonprofit corporation";

(B) by striking "any stockholder, executive or administrative personnel," and inserting "any executive or administrative personnel"; and

(C) by striking "stockholders, executive or administrative personnel," and inserting "executive or administrative personnel"; and

(3) in paragraph (4)(D)—

(A) by striking "stockholders and";

(B) by striking "such stockholders or personnel" and inserting "such personnel"; and

(C) by striking "such stockholders and personnel" and inserting "such personnel"; and

(4) in paragraph (5), by striking "stockholders and".

(c) Treatment of Government contractors.—Section 317(b) of such Act ([52 U.S.C. 30119\(b\)](#)) is amended—

(1) by striking "any corporation" and inserting "any nonprofit corporation"; and

(2) by striking "a corporation" and inserting "a nonprofit corporation".

(d) Transition for existing funds and committees.—In the case of a separate segregated fund established and operating under section 316(b)(2)(C) of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30118\(b\)\(2\)\(C\)](#)) as of the date of the enactment of this Act which is not a fund of a nonprofit corporation as defined in section 316(b)(8) of such Act (as added by subsection (a)(2)), the fund shall terminate and disburse its entire balance not later than June 30, 2027.

SEC. 243. POLITICAL TRANSPARENCY REPORTING REQUIREMENTS.

(a) Section 13 of the Securities Exchange Act of 1934 ([15 U.S.C. 78m](#)) is amended by adding at the end the following:

"(t) Reporting requirements relating to certain political expenditures.—

"(1) Definitions.—In this subsection:

"(A) Covered affiliate.—The term 'covered affiliate' means, with respect to an issuer, any entity that is a consolidated subsidiary of the issuer for financial reporting purposes, and any other entity that is controlled by the issuer, directly or indirectly, within the meaning of the rules of the Commission under this title, whether or not such entity is a consolidated subsidiary of the issuer.

"(B) Covered 501(c)(4) organization.—The term 'covered 501(c)(4) organization' means an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 that engaged in political intervention during the current 2-year election cycle or the immediately preceding 2-year election cycle.

"(C) Expenditure for political activities.—The term 'expenditure for political activities'—

"(i) means—

"(I) an independent expenditure (as defined in section 301(17) of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30101\(17\)](#)));

"(II) an electioneering communication (as defined in section 304(f)(3) of that Act ([52 U.S.C. 30104\(f\)\(3\)](#))) and any other public communication (as defined in section

301(22) of that Act ([52 U.S.C. 30101\(22\)](#))) that would be an electioneering communication if it were a broadcast, cable, or satellite communication;

"(III) a transfer of funds or anything of value to a covered 501(c)(4) organization, unless—

"(aa) the transferor prohibited, in writing, the use of the transfer for political intervention, independent expenditures, electioneering communications, or other disbursements for a political purpose; and

"(bb) the transferor reasonably relied on written representations of the covered 501(c)(4) organization that the transfer would be deposited and maintained in an account segregated from any account used by the covered 501(c)(4) organization to engage in political intervention; or

"(IV) dues or other payments to trade associations or organizations described in section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of that Code that are, or could reasonably be anticipated to be, used or transferred to another association or organization for the purposes described in subclause (I) or (II); and

"(ii) does not include—

"(I) direct lobbying efforts through registered lobbyists employed or hired by the issuer;

"(II) communications by an issuer to its shareholders and executive or administrative personnel and their families; or

"(III) the establishment and administration of contributions to a separate segregated fund to be utilized for political purposes by a corporation.

"(D) Issuer.—The term 'issuer' does not include an investment company registered under section 8 of the Investment Company Act of 1940 ([15 U.S.C. 80a–8](#)).

"(E) Political intervention.—The term 'political intervention' has the meaning given such term in section 4956 of the Internal Revenue Code of 1986.

"(F) 2-year election cycle.—The term '2-year election cycle' means the period beginning on the day after the most recent general election for Federal office and ending on the date of the next general election for Federal office.

"(2) Quarterly reports.—

"(A) Reports required.—Not later than June 30, 2027, the Commission shall amend the reporting rules under this section to require each issuer with a class of equity securities registered under section 12 of this title ([15 U.S.C. 78l](#)) to submit to the Commission and the shareholders of the issuer a quarterly report containing—

"(i) a description of any expenditure for political activities made during the preceding quarter by the issuer or any covered affiliate;

"(ii) the date of each expenditure for political activities;

"(iii) the amount of each expenditure for political activities;

"(iv) if the expenditure for political activities was made in support of or in opposition to a candidate, the name of the candidate and the office sought by, and the political party affiliation of, the candidate; and

"(v) the name or identity of trade associations or organizations described in section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code which receive dues or other payments as described in paragraph (1)(C).

"(B) Public availability.—The Commission shall ensure that the quarterly reports required under this paragraph are publicly available through the Internet website of the Commission and through the EDGAR system in a manner that is searchable, sortable, and downloadable, consistent with the requirements under section 24.

"(3) Annual reports.—Not later than June 30, 2027, the Commission shall, by rule, require each issuer to include in the annual report of the issuer to shareholders—

"(A) a summary of each expenditure for political activities made during the preceding year in excess of \$10,000, and each expenditure for political activities for a particular election if the total amount of such expenditures for that election is in excess of \$10,000;

"(B) the results of the shareholder assessment required by section 10F of the Securities Exchange Act of 1934, including—

"(i) the total amount of expenditures for political activities for the fiscal year authorized by holders of a majority of outstanding equity securities;

"(ii) a description of the specific nature of any expenditure for political activities the issuer intends to make for the forthcoming fiscal year, to the extent the specific nature is known to the issuer; and

"(iii) the results of the required assessments under subsection (b) of such section.

"(4) Reports to Congress.—

"(A) Assessment and report.—The Commission shall—

"(i) conduct an annual assessment of the compliance of issuers with this subsection; and

"(ii) submit to Congress an annual report containing the results of such assessment.

"(B) Government Accountability Office.—The Comptroller General of the United States shall periodically evaluate and report to Congress on the effectiveness of the oversight by the Commission of the reporting and disclosure requirements under this subsection."

SEC. 244. CORPORATE POLITICAL SPENDING RESTRICTIONS AND CONSEQUENCES.

(a) Assessment required.—The Securities Exchange Act of 1934 ([15 U.S.C. 78a et seq.](#)) is amended by inserting after [section 10E](#) the following new sections:

"Sec. 10F. Assessment of shareholder preferences for disbursements for political purposes.

"(a) Definitions.—In this section—

"(1) In general.—

"(A) Each of the terms 'candidate', 'election', 'political committee', and 'political party' has the meaning given such term under section 301 of the Federal Election Campaign Act of 1971 (52 U.S.C. 30101).

"(B) Each of the terms 'covered affiliate' and 'issuer' has the meaning given such term in section 13(t) of this Act.

"(2) Disbursement for a political purpose.—The term 'disbursement for a political purpose'—

"(A) means any of the following:

"(i) A disbursement for an independent expenditure, as defined in section 301(17) of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30101\(17\)](#)).

"(ii) A disbursement for an electioneering communication, as defined in section 304(f) of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30104\(f\)](#)).

"(iii) A disbursement for any public communication, as defined in section 301(22) of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30101\(22\)](#))—

"(I) which expressly advocates the election or defeat of a clearly identified candidate for election for Federal office, or is the functional equivalent of express advocacy because, when taken as a whole, it can be interpreted by a reasonable person only as advocating the election or defeat of a candidate for election for Federal office; or

"(II) which refers to a clearly identified candidate for election for Federal office and which promotes or supports a candidate for that office, or attacks or opposes a candidate for that office, without regard to whether the communication expressly advocates a vote for or against a candidate for that office.

"(iv) Any other disbursement which is made for the purpose of influencing the outcome of an election for a public office.

"(v) Any transfer of funds to another person which is made with the intent that such person will use the funds to make a disbursement described in clauses (i) through (iv), or with the knowledge that the person will use the funds to make such a disbursement.

"(B) does not include any of the following:

"(i) Any disbursement made from a separate segregated fund of the corporation under section 316 of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30118](#)).

"(ii) Any transfer of funds to another person which is made in a commercial transaction in the ordinary course of any trade or business conducted by the corporation or in the form of investments made by the corporation.

"(iii) Any transfer of funds to another person which is subject to a written prohibition against the use of the funds for a disbursement for a political purpose.

"(b) Assessment and authorization required before making a disbursement for a political purpose.—An issuer with a class of equity securities registered under section 12 of this title ([15 U.S.C. 78l](#)) may not, directly or indirectly, make or cause to be made (including through any covered affiliate), a disbursement for a political purpose unless the issuer—

"(1) has in place procedures to assess the preferences of the shareholders of the issuer with respect to making such disbursements for that fiscal year;

"(2) has completed an assessment for such fiscal year, no earlier than the first day of the third fiscal quarter of the fiscal year immediately preceding the fiscal year in which the disbursement is made;

"(3) has obtained, through the assessment, the authorization of a majority of the number of the outstanding equity securities of the issuer for an aggregate dollar amount of disbursements for a political purpose for the fiscal year in which the disbursement is made, provided—

"(A) any outstanding equity security with respect to which a preference is not expressed in the assessment shall be treated as in opposition to authorizing any disbursement for a political purpose and a preference for an authorized amount of \$0; and

"(B) any outstanding equity security held by a person who is prohibited from expressing partisan or political preferences by law, contract, or the requirement to meet a fiduciary duty shall be treated as in opposition to authorizing any disbursement for a political purpose and a preference for an authorized amount of \$0; and

"(4) the disbursement, in the aggregate for the fiscal year, would not exceed such authorized amount.

"(c) Assessment requirements.—The assessment described under subsection (b) shall assess shareholder preferences for—

"(1) the aggregate amount of disbursements for a political purpose the shareholder authorizes for the forthcoming fiscal year, which may be \$0, provided that the issuer may propose an amount to the respondent;

"(2) which types of disbursements for a political purpose the issuer should make;

"(3) whether such disbursements should be made in support of, or in opposition to, Republican, Democratic, Independent, or other political party candidates and political committees;

"(4) whether such disbursements should be made with respect to elections for Federal, State, or local office; and

"(5) such other information as the Commission may specify, by rule.

"Sec. 10G. Treatment of certain transfers to section 501(c)(4) organizations.

"(a) Definitions.—In this section:

"(1) In general.—Each of the terms 'covered affiliate' and 'issuer' has the meaning given such term in section 13(t) of this Act.

"(2) 2-year election cycle.—The term '2-year election cycle' means the period beginning on the day after the most recent general election for Federal office and ending on the date of the next general election for Federal office.

"(3) Covered 501(c)(4) organization.—The term 'covered 501(c)(4) organization' means an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 that engaged in political intervention during the current 2-year election cycle or the immediately preceding 2-year election cycle.

"(4) Covered transfer.—The term 'covered transfer' means any transfer of funds or anything of value, whether directly or indirectly, by an issuer or any covered affiliate to a covered 501(c)(4) organization.

"(5) Political intervention.—The term 'political intervention' has the meaning given such term in section 4956 of the Internal Revenue Code of 1986.

"(b) Rebuttable presumption.—It shall be a rebuttable presumption that any covered transfer is—

"(1) an expenditure for political activities for purposes of section 13(t); and

"(2) for purposes of section 10F of this Act and section 316(d) of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30118\(d\)](#)), a disbursement for a political purpose.

"(c) Affirmative defense.—The presumption under subsection (b) may be rebutted if—

"(1) the transferor prohibited, in writing, the use of the covered transfer for political intervention, independent expenditures, electioneering communications, or other disbursements for a political purpose; and

"(2) the transferor reasonably relied on written representations of the covered 501(c)(4) organization that the covered transfer would be deposited and maintained in an account segregated from any account used by the covered 501(c)(4) organization to engage in political intervention.

"Sec. 10H. Civil action by shareholders for unlawful disbursements.

"(a) Definition.—In this section the term 'covered violation' means any violation of section 10F of the Securities Exchange Act of 1934, section 13(t) of such Act, or section 316(d) of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30118\(d\)](#)).

"(b) Cause of action.—Any shareholder of an issuer who held an equity security of the issuer at the time a covered violation occurred may bring a civil action against the issuer for such covered violation.

"(c) Strict liability.—In an action brought under this section—

"(1) the issuer shall be liable without any showing of knowledge or intent; and

"(2) the court shall award to the shareholder bringing the action—

"(A) damages in the amount of \$25,000; and

"(B) reasonable attorneys' fees and costs.

"(d) Jurisdiction and venue.—The district courts of the United States shall have jurisdiction over actions brought under this section. An action under this section may be brought in the United States district court for the district in which the issuer is incorporated, has its principal place of business, or is found or transacts business.

"(e) Nonwaiver.—Any provision of any contract, charter, bylaw, or other governing instrument that purports to waive, limit, or restrict the remedies of a shareholder under this section shall be void as against public policy.

"(f) Other remedies preserved.—Nothing in this section shall be construed to limit any authority of the Commission, the Attorney General, or a State attorney general, or any other remedy available under Federal or State law.

"Sec. 10I. Political transparency for controlling private funds.

"(a) Definitions.—In this section:

"(1) Affiliate.—The term 'affiliate' has the meaning given the term in section 212 of the POPULIST Act.

"(2) Commission.—The term 'Commission' means the Securities and Exchange Commission.

"(3) Controlling private fund.—The term 'controlling private fund' has the meaning given the term in section 212 of the POPULIST Act.

"(4) Covered 501(c)(4) organization.—The term 'covered 501(c)(4) organization' means an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 that engaged in political intervention during the current 2-year election cycle or the immediately preceding 2-year election cycle.

"(5) Expenditure for political activities.—The term 'expenditure for political activities'—

"(A) means—

"(i) an independent expenditure, as that term is defined in section 301(17) of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30101\(17\)](#));

"(ii) an electioneering communication, as that term is defined in section 304(f)(3) of that Act ([52 U.S.C. 30104\(f\)\(3\)](#)), and any other public communication, as defined in section 301(22) of that Act ([52 U.S.C. 30101\(22\)](#)), that would be an electioneering communication if it were a broadcast, cable, or satellite communication; or

"(iii) dues or other payments to a trade association or to an organization described in section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of that Code that are, or could reasonably be anticipated to be, used or transferred to another association or organization for the purposes described in clause (i) or (ii); and

"(B) does not include—

"(i) direct lobbying efforts through registered lobbyists employed or hired by a controlling private fund; or

"(ii) communications by a controlling private fund to its investors, executive or administrative personnel, and their families.

"(6) Political intervention.—The term 'political intervention' has the meaning given that term in section 4956 of the Internal Revenue Code of 1986.

"(7) 2-year election cycle.—The term '2-year election cycle' means the period beginning on the day after the most recent general election for Federal office and ending on the date of the next general election for Federal office.

"(b) Treatment of certain transfers to covered 501(c)(4) organizations.—For purposes of this section, any transfer of funds or anything of value by a controlling private fund or any affiliate to a covered 501(c)(4) organization shall be treated as an expenditure for political activities unless—

"(1) the transferor prohibited, in writing, the use of the transfer for political intervention, independent expenditures, electioneering communications, or other disbursements for a political purpose; and

"(2) the transferor reasonably relied on written representations of the covered 501(c)(4) organization that the transfer would be deposited and maintained in an account segregated from any account used by the covered 501(c)(4) organization to engage in political intervention.

"(c) Annual reports.—Not later than January 1, 2028, the Commission shall issue final rules requiring each controlling private fund to submit to the Commission, provide to its investors, and make publicly available an annual report containing—

"(1) with respect to each expenditure for political activities made during the preceding year by the controlling private fund or any affiliate—

"(A) a description of the expenditure;

"(B) the date of the expenditure;

"(C) the amount of the expenditure;

"(D) if the expenditure was made in support of or in opposition to a candidate, the name of the candidate, the office sought by the candidate, and the political party affiliation of the candidate; and

"(E) if the expenditure consisted of dues or other payments described in subsection (a)(5)(A)(iii), the name or identity of the trade association or organization receiving such dues or payments;

"(2) a summary of expenditures for political activities with respect to each election for which the aggregate amount of expenditures for political activities by the controlling private fund or any affiliate during the preceding year was not less than \$10,000;

"(3) a description of the specific nature of any expenditure for political activities that the controlling private fund intends to make for the year in which the report is submitted, to the extent that the specific nature is known to the controlling private fund; and

"(4) the total amount of expenditures for political activities that the controlling private fund intends to make for the year in which the report is submitted.

"(d) Public availability.—The Commission shall make the reports required under subsection (c) publicly available through the internet website of the Commission in a manner that is searchable, sortable, and downloadable.

"(e) Rule of construction.—Nothing in this section shall be construed to authorize any expenditure for political activities otherwise prohibited by Federal law, including section 241 of the POPULIST Act."

(b) Conforming amendment to Federal Election Campaign Act of 1971 to prohibit disbursements by corporations failing to assess preferences.—Section 316 of the Federal Election Campaign Act of 1971 ([52 U.S.C. 30118](#)) is amended by adding at the end the following new subsection:

"(d) Prohibiting disbursements by corporations failing to assess shareholder preferences.—

"(1) Prohibition.—It shall be unlawful for a corporation to make, directly or indirectly (including through any covered affiliate, as defined in section 13(t) of the Securities Exchange Act of 1934), a disbursement for a political purpose unless the corporation—

"(A) has in place procedures to assess the preferences of its shareholders with respect to making such disbursements, as provided in section 10F of such Act;

"(B) is authorized to make such disbursement under section 10F(b) of such Act; and

"(C) does not make a disbursement that causes the corporation to exceed any aggregate authorized amount established under such section for the fiscal year in which the disbursement is made.

"(2) Definition.—In this section, the term 'disbursement for a political purpose' has the meaning given such term in section 10F of the Securities Exchange Act of 1934."

(c) Conforming amendment.—The table of contents of the Securities Exchange Act of 1934 is amended by inserting after the item relating to section 10E the following:

"10F. Assessment of shareholder preferences for disbursements for political purposes.

"10G. Treatment of certain transfers to section 501(c)(4) organizations.

"10H. Civil action by shareholders for unlawful disbursements.

"10I. Political transparency for controlling private funds.".

(d) Effective date.—The amendments made by this section shall apply with respect to disbursements for a fiscal year beginning on or after July 1, 2027.

SEC. 245. DEBARMENT FOR UNLAWFUL CORPORATE POLITICAL SPENDING.

(a) Definitions.—In this section:

(1) Covered entity.—The term "covered entity" means—

(A) an issuer, including any covered affiliate (as such term is defined in section 13(t)(1) of the Securities Exchange Act of 1934); and

(B) a controlling private fund, including any affiliate of such fund.

(2) Covered violation.—The term 'covered violation' means—

(A) any covered violation, as defined in section 10H of the Securities Exchange Act of 1934; or

(B) any violation of section 10I of such Act.

(3) Final determination.—The term "final determination" means a final judgment, decree, or order of a court of competent jurisdiction, or a final order of the Securities and Exchange Commission, that determines that a covered entity committed a covered violation, including a consent judgment or consent order.

(4) Federal award.—The term "Federal award" means any contract, subcontract, grant, cooperative agreement, loan, loan guarantee, insurance, license, permit, concession, or other agreement or assistance that is awarded, approved, renewed, extended, or modified, in whole or in part, with Federal funds, and includes any award by any executive agency.

(5) Executive agency.—The term "executive agency" has the meaning given such term in [section 105 of title 5](#), United States Code.

(b) Ineligibility.—Notwithstanding any other provision of law, a covered entity with respect to which a final determination has been made shall be ineligible to receive a Federal award during the ineligibility period described in subsection (c), except as provided in subsection (g).

(c) Ineligibility period.—The ineligibility period under this subsection shall begin on the date on which the final determination is made and shall end on the date that is 3 years after such date, except that if a final determination is made with respect to a subsequent covered violation during an ineligibility period, a new 3-year ineligibility period shall begin on the date of such subsequent final determination. A subsequent final determination relating to the same covered violation shall not begin a new ineligibility period.

(d) Certification requirement.—

(1) In general.—As a condition of receiving a Federal award, a covered entity shall certify, in a form and manner prescribed by the head of the executive agency making the award, that—

(A) the covered entity is not subject to an ineligibility period under subsection (c); or

(B) the covered entity is subject to an ineligibility period under subsection (c) and the head of the executive agency has granted a waiver under subsection (g) with respect to the Federal award.

(2) Duty to update.—A covered entity that has submitted a certification under paragraph (1) shall have a continuing obligation to update such certification if the covered entity becomes subject to an ineligibility period under subsection (c) or if a waiver granted under subsection (g) expires, is withdrawn, or is modified.

(e) Effect of false certification.—

(1) False claims.—A certification submitted under subsection (d) that is false, fictitious, or fraudulent, and any request for payment, reimbursement, disbursement, or other benefit made under a Federal award while a covered entity is subject to an ineligibility period under subsection (c) and no waiver under subsection (g) applies to such Federal award, shall be treated as a false or fraudulent claim for purposes of [subchapter III of chapter 37 of title 31](#), United States Code.

(2) Other remedies preserved.—Nothing in this section shall be construed to limit any other remedy or authority available under Federal law, including suspension and debarment authorities, termination for default, recoupment, disgorgement, or the recovery of damages.

(f) Administration and enforcement.—

(1) Agency action.—Each executive agency shall include in its award documents such terms as are necessary to carry out this section, including certification, termination, and repayment terms.

(2) Government-wide listing.—The Administrator of General Services shall maintain a publicly available government-wide list of covered entities subject to an ineligibility period under subsection (c), and each executive agency shall consult such list before making a Federal award.

(3) Notice and updating.—

(A) Judicial determinations.—Not later than 10 days after a judgment, decree, or order of a court becomes a final determination under subsection (a)(3), the clerk of the court shall transmit a copy of the final determination to the Administrator of General Services.

(B) Commission determinations.—Not later than 10 days after an order of the Securities and Exchange Commission becomes a final determination under subsection (a)(3), the Commission shall transmit a copy of the final determination to the Administrator of General Services.

(C) Government-wide list.—Not later than 10 days after receiving a final determination under subparagraph (A) or (B), the Administrator shall add the covered entity to the list maintained under paragraph (2). Not later than 10 days after the applicable ineligibility period ends, the Administrator shall remove the covered entity from the list unless another ineligibility period remains in effect.

(4) Referral.—The head of an executive agency that has credible information that a covered entity has committed a covered violation or has made a false certification under subsection (d) shall refer such information to the Attorney General.

(g) Waiver.—

(1) In general.—The head of an executive agency may waive the application of subsection (b) with respect to a specific Federal award for a period of 6 months if the head of the executive agency—

(A) determines, in writing, that—

(i) the waiver is necessary to avoid—

(I) an imminent threat to public health or safety;

(II) an articulable threat to national security; or

(III) an imminent threat to the continuity of essential government operations; and

(ii) no practicable alternative source is reasonably available; and

(B) submits to the Committees on Oversight and Accountability and Judiciary of the House of Representatives and the Committees on Homeland Security and Governmental Affairs and Judiciary of the Senate a report describing the waiver and the reasons for the waiver.

(2) Renewal.—A waiver under this subsection may be renewed for additional 6-month periods if the requirements of paragraph (1) are satisfied with respect to each renewal.

Subtitle E—Financial Market Integrity and Corporate Accountability

SEC. 251. PROHIBITION ON STOCK BUYBACKS.

(a) Definitions.—In this section—

(1) Equity security.—The term "equity security" has the meaning given such term in section 3 of the Securities Exchange Act of 1934 ([15 U.S.C. 78c](#)).

(2) Exchange.—The term "exchange" has the meaning given such term in section 3 of the Securities Exchange Act of 1934 ([15 U.S.C. 78c](#)).

(3) Issuer.—The term "issuer" has the meaning given such term in section 3 of the Securities Exchange Act of 1934 ([15 U.S.C. 78c](#)).

(4) National securities exchange.—The term "national securities exchange" means an exchange registered under section 6 of the Securities Exchange Act of 1934 ([15 U.S.C. 78f](#)).