

Statement Regarding the Effect of the Permanent Injunction in General Majority PAC v. Carol Aichele, et al., on Pennsylvania Law

On August 13, 2014, the United States District Court for the Middle District of Pennsylvania issued an order in *General Majority PAC v. Carol Aichele, et al.*, permanently enjoining the defendants, including the Secretary of the Commonwealth and several of her subordinate employees in the Bureau of Commissions, Elections and Legislation, from enforcing the general prohibition in section 1633(a) of the Pennsylvania Election Code, 25 P.S. § 3253(a), against political committees that make only independent expenditures. The permanent injunction follows a similar preliminary injunction that was entered on March 10, 2014. This statement represents the Pennsylvania Department of State's view of the permanent injunction's impact on Pennsylvania law.

The permanent injunction order allows a political committee that is properly registered with the Department of State (as required by the Pennsylvania Election Code) to accept contributions from corporations, unincorporated associations and/or labor unions, so long as that registered political committee does not make contributions to, or coordinate expenditures on behalf of, candidates and their authorized committees or political committees controlled by political parties.

The only alteration to Pennsylvania law that the permanent injunction makes is that a political committee that commits itself to limiting contributions and expenditures as outlined in the order would be allowed to accept contributions from corporations, unincorporated associations and/or labor unions *notwithstanding the general prohibition under section 1633(a) of the Pennsylvania Election Code, 25 P.S. § 3253(a)*. Concomitantly, corporations, unincorporated associations and labor unions will be permitted to make contributions to any political committee that limits its activities as described in the order.

A political committee operating under the permanent injunction order still must comply with the Pennsylvania Election Code by registering with the Department of State as a political committee, and by filing reports with the Department of State as any political committee is required to do.

In addition, a political committee operating under the permanent injunction order cannot make contributions or expend its resources in a manner that would cause its resources (a) to be donated to a candidate, a candidate's authorized committee, a political party committee, or a general purpose political action committee; or (b) to be expended in a way that is coordinated with a candidate, a candidate's authorized committee, a political party committee, or a general purpose political action committee.

In response to the preliminary injunction, and consistent with the permanent injunction, the Department of State established a procedure under which a political committee desiring to accept contributions from corporations, unincorporated associations and/or labor unions under the terms of the permanent injunction order must file a statement with the Department of State declaring its commitment not to directly or indirectly make contributions to, or to coordinate expenditures on behalf of, any candidate and their authorized committee or political committee controlled by a

political party. This type of political committee will be referred to as an *Independent Expenditure Committee*.

A political committee wishing to register as an Independent Expenditure Committee must file a Political Committee Registration Statement (Form DSEB-500) and a Statement of Organization – Independent Expenditure Committee (Form DSEB-506).

Questions may be directed to the Department of State's Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure by telephone at 717-787-5280 or via email at ra-stcampaignfinance@pa.gov.