

FEDERAL ELECTION COMMISSION



Press Office
999 E Street, N.W., Washington, D.C. 20463
Phone: Local 202-219-4155 Toll Free 800-424-9530

FOR IMMEDIATE RELEASE
OCTOBER 6, 1995

CONTACT: IAN STIRTON
RON HARRIS
SHARON SNYDER
KELLY HUFF

FEC ISSUES NEW RULES ON EXPRESS ADVOCACY AND INDEPENDENT EXPENDITURES BY NON-PROFIT CORPORATIONS

WASHINGTON -- The Federal Election Commission's new rules on "express advocacy" and independent expenditures by non-profit corporations became effective October 5.

Text of the rules was published in the Federal Register (FR Vol. 60, No. 129, pps. 35292 - 35306) on July 6. The rules were precipitated by the Supreme Court's decision in *FEC v. Massachusetts Citizens for Life, Inc.* (MCFL; December, 1986). In that case, the Court ruled that the prohibition on corporations making independent expenditures in federal elections applies only to messages expressly advocating the election or defeat of federal candidates.

The Court also ruled that certain non-profit corporations are exempt from the corporate ban on making independent expenditures in federal elections. Under the new FEC rules, a non-profit corporation permitted to make independent expenditures must meet certain criteria. Those criteria include, for example, the stipulation that a non-profit corporation must be organized for the promotion of political ideas, not business activities.

Corporate contributions to federal candidates remain prohibited.

An independent expenditure is defined as payment for a communication -- such as a newspaper, television, or direct mail advertisement -- which expressly advocates the election or defeat of a clearly identified candidate and the expenditure is made independently of any candidate's campaign. The rules clarify what is meant by express advocacy and define the type of non-profit corporation permitted to make independent expenditures. Included in the new rules is a list of phrases which constitute express advocacy.

#

4
0
1
2
3
4
5
6
7
8
9
/