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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C.

**AGENDA DOCUMENT NO. 24-23-A**  
**AGENDA ITEM**  
**For meeting of July 25, 2024**

July 18, 2024

**MEMORANDUM**

TO: The Commission

FROM: Lisa J. Stevenson *NFS for LJS*  
Acting General Counsel

Neven F. Stipanovic *NFS*  
Associate General Counsel

Amy Rothstein *ALR*  
Assistant General Counsel

Jennifer Waldman *JGW*  
Attorney

SUBJECT: REG 2024-04 (Form 3-Z) Draft NPRM

Attached is a draft NPRM for REG 2024-04 (Form 3-Z). One or more Commissioners have asked for this draft to be made public and placed on the agenda for the Commission's July 25, 2024, Open Meeting.

Attachment

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2

3 **FEDERAL ELECTION COMMISSION**

4 **11 CFR Part 104**

5 [Notice 2024--**XX**]

6 **Requirement to File FEC Form 3-Z**

7 **AGENCY:** Federal Election Commission.

8 **ACTION:** Notice of proposed rulemaking.

9 **SUMMARY:** The Federal Election Commission proposes to amend its regulations by removing  
10 the requirement that the principal campaign committee of a candidate with multiple authorized  
11 committees must report information on FEC Form 3-Z. The Commission seeks comment on the  
12 proposed rule and has made no final decision on the issues presented in this rulemaking.

13 **DATES:** Comments must be received on or before [INSERT DATE 30 DAYS AFTER DATE  
14 OF PUBLICATION IN THE *FEDERAL REGISTER*]. The Commission may hold a public  
15 hearing on this Notice. Commenters wishing to testify at a hearing must so indicate in their  
16 comments. If a hearing is to be held, the Commission will publish a notice in the *Federal*  
17 *Register* announcing the date and time of the hearing.

18 **ADDRESSES:** All comments must be in writing. Commenters are encouraged to submit  
19 comments electronically via the Commission's website at <http://sers.fec.gov/fosers>, reference  
20 REG 2024-04. Alternatively, comments may be submitted in paper form addressed to the  
21 Federal Election Commission, Attn.: Ms. Amy Rothstein, Assistant General Counsel for Policy,  
22 1050 First Street, NE, Washington, DC 20463 (U.S. mail) or 20002 (all other delivery services).

23 Each commenter must provide, at a minimum, the commenter's first name, last name,  
24 city, and state. All properly submitted comments, including attachments, will become part of the

1 public record, and the Commission will make comments available for public viewing on the  
2 Commission’s website and in the Commission’s Public Records Office. Accordingly,  
3 commenters should not provide any information that they do not wish to make public, such as a  
4 home street address, personal email address, date of birth, phone number, social security number,  
5 or driver’s license number, or any information that is restricted from disclosure, such as trade  
6 secrets or commercial or financial information that is privileged or confidential.

7 **FOR FURTHER INFORMATION CONTACT:** Amy Rothstein, Assistant General Counsel  
8 for Policy, or Jennifer Waldman, Attorney, 1050 First Street NE, Washington, DC, (202) 694-  
9 1650 or (800) 424-9530.

10 **SUPPLEMENTARY INFORMATION:** The Commission proposes to amend its regulations  
11 by removing the requirement that the principal campaign committee of a candidate with multiple  
12 authorized committees must report information on FEC Form 3-Z. The Commission is seeking  
13 comment on the proposed rule change. In particular, the Commission seeks comment on  
14 whether and for what purpose the public obtains information from FEC Form 3-Z or otherwise  
15 uses FEC Form 3-Z.

## 16 **I. Background**

17 The Federal Election Campaign Act (the “Act”)<sup>1</sup> and Commission regulations require  
18 each candidate to register a principal campaign committee within 15 days of becoming a  
19 candidate.<sup>2</sup> A candidate may also authorize other political committees to receive contributions

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<sup>1</sup> 52 U.S.C. 30101-45.

<sup>2</sup> *Id.* 30102(e)(1); 11 CFR 101.1(a); *see also* 52 U.S.C. 30101(5) (“The term ‘principal campaign committee’ means a political committee designated and authorized by a candidate under section 30102(e)(1) of this title.”); 11 CFR 100.5(e)(1).

1 or make expenditures on the candidate’s behalf by designating the committees in writing and  
2 filing the designations with the candidate’s principal campaign committee.<sup>3</sup>

3 The Act requires “each designation, statement or report of receipts or disbursements  
4 made by an authorized committee” to be filed with the candidate’s principal campaign  
5 committee.<sup>4</sup> The Act further requires each principal campaign committee, in turn, to “receive”  
6 these designations, statements and reports and to “compile and file” them pursuant to the Act.<sup>5</sup>

7 In 1980, the Commission promulgated a regulation (11 C.F.R. 104.3(f)) to implement  
8 these requirements: Section 104.3(f) requires each candidate’s principal campaign committee to  
9 file reports submitted to it by the candidate’s other authorized committees, along with its own  
10 report.<sup>6</sup> In addition, section 104.3(f) requires the principal campaign committee to file FEC  
11 Form 3-Z to report specific consolidated information gleaned from the authorized committees’  
12 reports when it submits those reports to the Commission.<sup>7</sup> It is this FEC Form 3-Z that the  
13 Commission now proposes to remove.

14 When the Commission first started requiring FEC Form 3-Z, political committees filed  
15 their reports only in paper form and the Commission made the reports publicly available on  
16 paper and microfiche in the Commission’s Public Records room. By requiring a candidate’s  
17 principal campaign committee to consolidate information about the financial activity of all of the

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<sup>3</sup> 52 U.S.C. 30102(e)(1); 11 CFR 101.1(b); *see also* 52 U.S.C. 30101(6) (“The term ‘authorized committee’ means the principal campaign committee or any other political committee authorized by a candidate under section 30102(e)(1) of this title to receive contributions or make expenditures on behalf of such candidate.”); 11 CFR 100.5(f)(1).

<sup>4</sup> 52 U.S.C. 30102(f)(1).

<sup>5</sup> *Id.* 30102(f)(2).

<sup>6</sup> 11 CFR 104.3(f).

<sup>7</sup> *Id.*

1 candidate’s authorized committees on FEC Form 3-Z, the Commission made it easier for the  
2 public to obtain a comprehensive picture of the candidate’s receipts and disbursements during  
3 the reporting period.

4 Public access to political committees’ reports has expanded dramatically since 1980,  
5 however, due in large part to statutory revisions and technological developments. In 1999,  
6 Congress amended the Act to provide for mandatory and discretionary electronic filing;<sup>8</sup> as a  
7 result, all political committees that have or reasonably expect to have contributions or  
8 expenditures exceeding \$50,000 in a calendar year must electronically file their reports directly  
9 with the Commission, and other persons may do so if they choose.<sup>9</sup> Further, Congress amended  
10 the Act to require the Commission to make all reports filed electronically with the Commission  
11 publicly available on the internet within 24 hours of receipt and within 48 hours of receipt for  
12 reports not filed electronically.<sup>10</sup>

13 Congress also amended the Act in 2002 to require the Commission to maintain a central  
14 website “to make accessible to the public all publicly available election-related reports and

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<sup>8</sup> Treasury and General Government Appropriations Act, 2000, Pub. L. No. 106-58, § 639(a), 113 Stat. 430, 476 (1999) (“2000 Appropriations Act”); 52 U.S.C. 30104(a)(11)(A).

<sup>9</sup> 11 CFR 104.18(a) (requiring electronic filing for certain political committee); 11 CFR 104.18(b) (authorizing other committees to file electronically if they choose to do so); Electronic Filing of Reports by Political Committees, 65 FR 38415 (June 21, 2000), <https://sers.fec.gov/fosers/showpdf.htm?docid=382> (last visited July 1, 2024).

<sup>10</sup> 2000 Appropriations Act (requiring posting within 24 hours); Bipartisan Campaign Reform Act of 2002, Pub. L. No. 107-155, § 501, 116 Stat. 81, 114 (2002) (“BCRA”) (requiring posting within 48 hours); 52 U.S.C. 30104(a)(11)(B), (d)(2).

1 information” required to be filed under the Act.<sup>11</sup> The posted reports and related information can  
2 be searched, sorted, and downloaded.<sup>12</sup>

## 3 **II. Proposed Changes to 11 CFR 104.3**

4 The Commission proposes to amend section 104.3(f) by eliminating the requirement that  
5 principal campaign committees file FEC Form 3-Z. Although FEC Form 3-Z served a useful  
6 purpose when it was introduced more than 40 years ago, the information that it provides  
7 essentially duplicates information that is now filed directly with the Commission and readily  
8 available to the public in a searchable, sortable, and downloadable format. Accordingly, FEC  
9 Form 3-Z appears to have been rendered obsolete.

10 The Commission does not intend or anticipate that its proposal, if adopted, would have a  
11 detrimental effect on disclosure. Indeed, only candidates with more than one authorized  
12 committee must file FEC Form 3-Z, and the number of candidates with more than one authorized  
13 committee who are not also mandatory electronic filers is vanishingly small: Of the nearly 4,000  
14 registered authorized committees that have filed in the 2023-2024 election cycle, not one would  
15 trigger the FEC Form 3-Z requirement without also triggering the electronic filing requirement.<sup>13</sup>

16 The Commission seeks comment on this proposal. In particular, would the elimination of  
17 FEC Form 3-Z negatively affect disclosure of information about the financial activities of  
18 principal campaign committees and their authorized committees? In what manner and for what

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<sup>11</sup> BCRA, § 502, 116 Stat. 115); 52 U.S.C. 30112(a). The Commission had launched its website, FEC.gov, six years earlier. *See* FEC Annual Report 1996 at 1, 5 (1997), <https://www.fec.gov/resources/cms-content/documents/ar96.pdf> (last visited July 1, 2024).

<sup>12</sup> *See, e.g.*, 52 U.S.C. 30104(i)(4) (requiring Commission to ensure, “to the greatest extent practicable,” that certain information is publicly available on its website “in a manner that is searchable, sortable, and downloadable”).

<sup>13</sup> FEC, *Committees*, <https://www.fec.gov/data/browse-data/?tab=committees> (last visited July 1, 2024).

- 1 purpose does the public currently obtain information from FEC Form 3-Z or otherwise use FEC
- 2 Form 3-Z?
- 3

1 **List of Subjects in**

2 *11 CFR Part 104*

3 Reports by Political Committees and Other Persons.

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1 For the reasons set out in the preamble, the Federal Election Commission proposes to  
2 amend 11 CFR part 104 as follows:

3 **Part 104 – CONTENTS OF REPORTS**

4 1. The authority citation for part 104 is revised to read as follows:

5 **Authority:** 52 U.S.C. 30101(1), 30101(8), 30101(9), 30102(f), (g) and (i), 30104,  
6 30111(a)(8) and (b), 30114, 30116, 36 U.S.C. 510.

7 2. Amend § 104.3 by revising paragraph (f) to read as follows:

8 \* \* \* \* \*

9 (f) *Consolidated reports.* Each principal campaign committee shall consolidate in each report  
10 those reports required to be filed with it. Such consolidated reports shall include: (1) Reports  
11 submitted to it by any authorized committees and (2) the principal campaign committee’s own  
12 reports.

13 \* \* \* \* \*

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15 Dated: \_\_\_\_\_

16 On behalf of the Commission,

17 **Sean J. Cooksey,**

18  
19 *Chairman,*

20  
21 *Federal Election Commission.*

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