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GOVERNMENT AFFAIRS ALERT

U.S.-Organized Political Action Committees Required to Register with and Report to Puerto Rico's Electoral Comptroller

On November 18, 2011, Governor Luis Fortuño signed Act No. 222-2011, also known as the Puerto Rico Political Campaign Financing Oversight Act (the "Act"). Among its provisions, the Act provides various registration and reporting requirements for political action committees, or PACs, organized in the U.S. that receive contributions or make expenditures in connection with the Puerto Rico electoral process. On July 3, 2012, the Governor signed Act No. 135-2012, which amends the Act to, among other things, facilitate the involvement of those PACs in Puerto Rico elections. These amended Act provisions were the subject of <u>Circular Letter OCE 2012-10</u> issued by the Puerto Rico Electoral Comptroller on August 10, 2012. The Circular Letter mainly provides:

- A PAC organized under U.S. federal or state law that makes contributions or incurs in expenses related to the Puerto Rico electoral process must file with the Puerto Rico Election Comptroller ("PREC"), within ten (10) business days after having made its first contribution or expenditure, a copy of the documents attesting its creation and provide some basic information about the PAC, such as the name of the committee, mailing and street address, website address, email address, telephone and fax number, organization date, and its treasurer's personal and contact information. To the extent that information appears in the document attesting its creation, the copies thereof will suffice.
- The PAC is required to file reports detailing contributions made by Puerto Rico residents and expenditures incurred to support or oppose any candidate in Puerto Rico's electoral process. This requirement may be fulfilled by either filing a date-stamped copy of the ful report required in its jurisdiction of organization, so long as it contains the aforementioned information, or by filing a separate report only containing that information using the same reporting format required in that jurisdiction.
- The reports must be filed on or before the filing deadline and with the same frequency as that
 required in its jurisdiction of organization. The reports may be filed via regular mail if date
 stamped on or before their due date. There is no reporting obligation with the PREC for
 periods in which the PAC does not receive contributions or makes expenditures in connection
 with Puerto Rico's electoral process.

For further information on this matter, you may contact any of the attorneys listed below, all members of our Government Affairs Practice Team:

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