

111TH CONGRESS
2D SESSION

S. 2959

To amend the Federal Election Campaign Act of 1971 to protect Federal, State, and local elections from the influence of foreign nationals.

IN THE SENATE OF THE UNITED STATES

JANUARY 27, 2010

Mr. FRANKEN introduced the following bill; which was read twice and referred to the Committee on Rules and Administration

A BILL

To amend the Federal Election Campaign Act of 1971 to protect Federal, State, and local elections from the influence of foreign nationals.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “American Elections
5 Act of 2010”.

1 **SEC. 2. FOREIGN NATIONALS PROHIBITED FROM MAKING**
 2 **CONTRIBUTIONS, DONATIONS, OR EXPENDI-**
 3 **TURES IN CONNECTION WITH A FEDERAL,**
 4 **STATE, OR LOCAL ELECTION.**

5 Section 319 of the Federal Election Campaign Act
 6 of 1971 (2 U.S.C. 441e) is amended—

7 (1) in subsection (b)—

8 (A) in paragraph (1), by striking “or” at
 9 the end;

10 (B) in paragraph (2), by striking the pe-
 11 riod at the end and inserting “; or”; and

12 (C) by adding at the end the following new
 13 paragraph:

14 “(3) any corporation (other than a foreign prin-
 15 cipal described in paragraph (1)) under foreign con-
 16 trol or substantial foreign influence, including a cor-
 17 poration in which—

18 “(A) a foreign principal or an individual
 19 described in paragraph (2)—

20 “(i) provided the corporation a major-
 21 ity of its gross receipts for the immediately
 22 preceding fiscal year, or the current pro-
 23 rated fiscal year if the corporation was es-
 24 tablished during the current fiscal year;

25 “(ii) controls 20 percent or more of
 26 the voting shares of the corporation;

1 “(iii) controls a majority of the Board
2 of Directors of the corporation; or

3 “(iv) has the power to direct, dictate,
4 control, or directly or indirectly participate
5 in the decisionmaking process of the cor-
6 poration with respect to activities in con-
7 nection with a Federal, State, or local elec-
8 tion, such as a decision concerning—

9 “(I) the making of a contribu-
10 tion, donation, expenditure, or dis-
11 bursement in connection with such an
12 election; or

13 “(II) the administration of a po-
14 litical committee; or

15 “(B) 2 or more foreign principals or indi-
16 viduals described in paragraph (2), in the ag-
17 gregate—

18 “(i) provided the corporation a major-
19 ity of its gross receipts for the immediately
20 preceding fiscal year, or the current pro-
21 rated fiscal year if the corporation was es-
22 tablished during the current fiscal year;

23 “(ii) control 25 percent or more of the
24 voting shares of the corporation; or

1 “(iii) control a majority of the Board
2 of Directors of the corporation.”; and

3 (2) by adding at the end the following new sub-
4 section:

5 “(c) CERTIFICATION OF COMPLIANCE.—A corpora-
6 tion shall, prior to carrying out any activity described in
7 subsection (a), certify (in a form and manner specified by
8 the Commission) that the corporation is in compliance
9 with this section.”.

10 **SEC. 3. DISCLOSURE OF INFLUENCE OF FOREIGN NATION-**
11 **ALS IN CONNECTION WITH A FEDERAL,**
12 **STATE, OR LOCAL ELECTION.**

13 Section 318 of the Federal Election Campaign Act
14 of 1971 (2 U.S.C. 441d) is amended—

15 (1) in subsection (a)(3)—

16 (A) by striking “shall clearly state the
17 name” and inserting “shall clearly state—

18 “(A) the name”;

19 (B) in subparagraph (A), as added by sub-
20 paragraph (A), by striking the period at the
21 end and inserting “; and”; and

22 (C) by adding at the end the following new
23 subparagraph:

24 “(B) if the person who paid for the com-
25 munication is a corporation, the percentage of

voting shares of the corporation that are controlled by a foreign national (as defined in section 319(b)) or, if no such shares exist, the percentage of gross receipts that the corporation received from a foreign national (as so defined) in the immediately preceding fiscal year, or the current pro-rated fiscal year if the corporation was established during the current fiscal year.”; and

(2) in subsection (d)(2)—

(A) by striking “OTHERS.—Any communication” and inserting “OTHERS.—

“(A) IN GENERAL.—Any communication”; and

(B) by adding at the end the following new subparagraph:

“(B) SUPPLEMENTAL AUDIO STATEMENTS BY CORPORATIONS.—

“(i) CORPORATIONS WITH VOTING STOCK.—If the person who paid for a communication described in paragraph (3) of subsection (a) is a corporation that has voting stock, such communication shall include, in addition to the requirements of that paragraph and the audio statement

1 required under subparagraph (A), in a
2 clearly spoken manner, the following audio
3 statement: “ _____ of our cor-
4 poration is controlled by foreign nation-
5 als.” (With the blank to be filled in with
6 the percentage of voting shares of the cor-
7 poration that is owned by foreign nation-
8 als, as defined in section 319(b)).

9 “(ii) CORPORATIONS WITHOUT VOT-
10 ING STOCK.—If the person who paid for a
11 communication described in paragraph (3)
12 of subsection (a) is a corporation that does
13 not have voting stock, such communication
14 shall include, in addition to the require-
15 ments of that paragraph and the audio
16 statement required under subparagraph
17 (A), in a clearly spoken manner, the fol-
18 lowing audio statement: “ _____
19 of our organization’s funds come from for-
20 eign nationals.” (With the blank to be
21 filled in with the percentage of gross re-
22 ceipts for the immediately preceding fiscal
23 year, or the current pro-rated fiscal year if
24 the corporation was established the current
25 fiscal year, that the corporation received

1 from a foreign national, as defined in sec-
2 tion 319(b)).

3 “(iii) TRANSMISSION THROUGH TELE-
4 VISION.—The second sentence of subpara-
5 graph (A) shall apply to a supplemental
6 audio statement under this paragraph in
7 the same manner as such sentence applies
8 to an audio statement under such subpara-
9 graph.”.

10 **SEC. 4. SEVERABILITY.**

11 If any provision of this Act or amendment made by
12 this Act, or the application of a provision or amendment
13 to any person or circumstance, is held to be unconstitu-
14 tional, the remainder of this Act and amendments made
15 by this Act, and the application of the provisions and
16 amendment to any person or circumstance, shall not be
17 affected by the holding.

18 **SEC. 5. EFFECTIVE DATE.**

19 The provisions of and amendments made by this Act
20 shall apply with respect to contributions and expenditures
21 made on or after the date that is 45 days after the date
22 of enactment of this Act.

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