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(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R.

To amend the Federal Election Campaign Act of 1971 to apply the ban on contributions and expenditures by foreign nationals under such Act to foreign-controlled, foreign-influenced, and foreign-owned domestic business entities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. RASKIN introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Federal Election Campaign Act of 1971 to apply the ban on contributions and expenditures by foreign nationals under such Act to foreign-controlled, foreign-influenced, and foreign-owned domestic business entities, and for other purposes.

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 “Get Foreign Money
5 Out of U.S. Elections Act”.

1 **SEC. 2. APPLICATION OF BAN ON CONTRIBUTIONS AND EX-**
2 **PENDITURES BY FOREIGN NATIONALS TO DO-**
3 **MESTIC BUSINESS ENTITIES THAT ARE FOR-**
4 **EIGN-CONTROLLED, FOREIGN-INFLUENCED,**
5 **AND FOREIGN-OWNED.**

6 (a) APPLICATION OF BAN.—Section 319(b) of the
7 Federal Election Campaign Act of 1971 (52 U.S.C.
8 30121(b)) is amended—

9 (1) by striking “or” at the end of paragraph
10 (1);

11 (2) by striking the period at the end of para-
12 graph (2) and inserting a semicolon; and

13 (3) by adding at the end the following new
14 paragraphs:

15 “(3) any business entity in which a foreign na-
16 tional described in paragraphs (1) or (2) directly or
17 indirectly owns or controls or otherwise holds direct
18 or indirect beneficial ownership of 50 percent or
19 more of the voting shares, total equity, membership
20 units, or other applicable ownership interests of the
21 entity; or

22 “(4) any business entity which is not a foreign
23 national described in paragraph (1), and—

24 “(A) in which a foreign national described
25 in paragraph (1), (2), or (3) directly or indi-
26 rectly owns or controls or otherwise holds direct

1 or indirect beneficial ownership of 1 percent or
2 more of the voting shares, total equity, member-
3 ship units, or other applicable ownership units
4 of the entity;

5 “(B) in which two or more foreign nation-
6 als described in paragraph (1), (2), or (3), in
7 the aggregate, directly or indirectly own or con-
8 trol or otherwise hold direct or indirect bene-
9 ficial ownership of 5 percent or more of the vot-
10 ing shares, total equity, membership units, or
11 other applicable ownership interests of the enti-
12 ty;

13 “(C) over which one or more foreign na-
14 tionals described in paragraph (1), (2), or (3)
15 has the power to direct, dictate, or control the
16 decisionmaking process of the entity with re-
17 spect to its interests in the United States; or

18 “(D) over which one or more foreign na-
19 tionals described in paragraph (1), (2), or (3)
20 has the power to direct, dictate, or control the
21 decisionmaking process of the entity with re-
22 spect to activities in connection with a Federal,
23 State, or local election, including—

24 “(i) the making of a contribution, do-
25 nation, expenditure, independent expendi-

1 ture, or disbursement for an electioneering
2 communication (within the meaning of sec-
3 tion 304(f)(3)); or

4 “(ii) the administration of a political
5 committee established or maintained by the
6 entity.”.

7 (b) CERTIFICATION OF COMPLIANCE.—Section 319
8 of such Act (52 U.S.C. 30121) is amended by adding at
9 the end the following new subsection:

10 “(c) CERTIFICATION OF COMPLIANCE REQUIRED
11 FOR CARRYING OUT ELECTION ACTIVITY BY BUSINESS
12 ENTITY.—

13 “(1) CERTIFICATION REQUIRED.—Not later
14 than 7 days after a business entity makes any con-
15 tribution, donation, expenditure, independent ex-
16 penditure, disbursement for an electioneering com-
17 munication, or any disbursement in connection with
18 an election for Federal, State, or local office or with
19 any State or local ballot measure, the chief executive
20 officer of the entity (or, if the entity does not have
21 a chief executive officer, the highest ranking official
22 of the entity), shall file a certification with the Com-
23 mission, under penalty of perjury, avowing that after
24 due inquiry, the entity was not a foreign national on
25 the date the entity made the contribution, donation,

1 expenditure, independent expenditure, or disburse-
2 ment.

3 “(2) DETERMINATION OF BENEFICIAL OWNER-
4 SHIP.—A business entity shall determine beneficial
5 ownership for purposes of this section in a manner
6 consistent with applicable State law, except that if
7 the entity is registered pursuant to section 12(g) of
8 the Securities Exchange Act of 1934 (15 U.S.C.
9 78l), the entity shall determine beneficial ownership
10 in accordance with section 13(d) of that Act (15
11 U.S.C. 78m(d)).

12 “(3) PROVISION TO RECIPIENTS.—The business
13 entity shall provide a copy of the certification filed
14 under paragraph (1) to each political committee to
15 which it makes a contribution, and, upon the request
16 of the recipient, to each recipient of a contribution,
17 donation, expenditure, independent expenditure, or
18 disbursement with respect to which the certification
19 under paragraph (1) is filed.”

20 (c) PREVENTION OF CIRCUMVENTION.—Section 319
21 of such Act (52 U.S.C. 30121), as amended by subsection
22 (b), is amended by adding at the end the following new
23 subsection:

24 “(d) PROHIBITING USE OF FUNDS FROM BUSINESS
25 ENTITIES WITHOUT CERTIFICATION.—

1 “(1) PROHIBITION.—Except as provided in
2 paragraph (2), it shall be unlawful for any person
3 that receives from a business entity a contribution,
4 donation, expenditure, independent expenditure, or
5 disbursement with respect to which the business en-
6 tity is required to file a certification of compliance
7 under subsection (c) to use that contribution, dona-
8 tion, expenditure, independent expenditure, or dis-
9 bursement, directly or indirectly, to—

10 “(A) make such a contribution, donation,
11 expenditure, independent expenditure, or dis-
12 bursement; or

13 “(B) contribute, donate, transfer, or other-
14 wise convey such a contribution, donation, ex-
15 penditure, independent expenditure, or dis-
16 bursement to another person for use as such a
17 contribution, donation, expenditure, inde-
18 pendent expenditure, or disbursement.

19 “(2) EXCEPTION FOR FUNDS ACCOMPANIED BY
20 CERTIFICATION.—Paragraph (1) does not apply to a
21 person that receives from a business entity a con-
22 tribution, donation, expenditure, independent ex-
23 penditure, or disbursement described in such para-
24 graph if—

1 “(A) the person receives from the business
2 entity a copy of the certification of compliance
3 under subsection (c) with respect to such con-
4 tribution, donation, expenditure, independent
5 expenditure, or disbursement;

6 “(B) the use by the person of the contribu-
7 tion, donation, expenditure, independent ex-
8 penditure, or disbursement is otherwise lawful;
9 and

10 “(C) the person separately designates,
11 records, and accounts for the contribution, do-
12 nation, expenditure, independent expenditure,
13 or disbursement, and ensures that disburse-
14 ments by the person for a contribution, dona-
15 tion, expenditure, independent expenditure, dis-
16 bursement for an electioneering communication,
17 or any disbursement in connection with an elec-
18 tion for Federal, State, or local office are only
19 made from funds that comply with the require-
20 ments of this section.

21 “(3) GOOD FAITH RELIANCE ON CERTIFICATION
22 OF COMPLIANCE.—For purposes of this subsection,
23 a person may rely in good faith on a certification of
24 compliance provided to the person under subsection
25 (c)(3).”.

1 (d) BUSINESS ENTITY DEFINED.—Section 319 of
2 such Act (52 U.S.C. 30121), as amended by subsection
3 (b) and subsection (c), is amended by adding at the end
4 the following new subsection:

5 “(e) BUSINESS ENTITY DEFINED.—For purposes of
6 this section, the term ‘business entity’ means a for-profit
7 corporation, limited liability corporation, partnership,
8 company, limited partnership, business trust, business as-
9 sociation, or other similar for-profit entity.”.

10 (e) EFFECTIVE DATE.—The amendments made by
11 this section shall take effect upon the expiration of the
12 180-day period which begins on the date of the enactment
13 of this Act, and shall take effect without regard to whether
14 or not the Federal Election Commission has promulgated
15 regulations to carry out such amendments.

16 **SEC. 3. CLARIFICATION OF APPLICATION OF FOREIGN**
17 **MONEY BAN TO CERTAIN DISBURSEMENTS**
18 **AND ACTIVITIES.**

19 (a) APPLICATION TO DISBURSEMENTS IN CONNEC-
20 TION WITH STATE AND LOCAL BALLOT INITIATIVES AND
21 DISBURSEMENTS TO SUPER PACS.—Section
22 319(a)(1)(A) of the Federal Election Campaign Act of
23 1971 (52 U.S.C. 30121(a)(1)(A)) is amended by striking
24 “election;” inserting the following: “election (including a
25 State or local ballot initiative or referendum), including

1 any disbursement to a political committee which accepts
2 donations or contributions that do not comply with the
3 limitations, prohibitions, or reporting requirements of this
4 Act (or any disbursement to or on behalf of any account
5 of a political committee which is established for the pur-
6 pose of accepting such donations or contributions);”.

7 (b) CONDITIONS UNDER WHICH CORPORATE PACS
8 MAY MAKE CONTRIBUTIONS AND EXPENDITURES.—Sec-
9 tion 316(b) of such Act (52 U.S.C. 30118(b)) is amended
10 by adding at the end the following new paragraph:

11 “(8) A separate segregated fund established by a cor-
12 poration may not make a contribution or expenditure dur-
13 ing a year unless the fund has certified to the Commission
14 each of the following during the year:

15 “(A) Each individual who manages the fund,
16 and who is responsible for exercising decisionmaking
17 authority for the fund, is a citizen of the United
18 States or is lawfully admitted for permanent resi-
19 dence in the United States.

20 “(B) No foreign national under section 319
21 participates in any way in the decisionmaking proc-
22 esses of the fund with regard to contributions or ex-
23 penditures under this Act.

24 “(C) The fund does not solicit or accept rec-
25 ommendations from any foreign national under sec-

1 tion 319 with respect to the contributions or expend-
2 itures made by the fund.

3 “(D) Any member of the board of directors of
4 the corporation who is a foreign national under sec-
5 tion 319 abstains from voting on matters concerning
6 the fund or its activities.”.