

111TH CONGRESS
2^D SESSION

H. R. 4517

To amend the Federal Election Campaign Act of 1971 to apply the ban on contributions and expenditures by foreign nationals to domestic corporations which are owned or controlled by foreign principals, to increase the civil penalties applicable to foreign nationals who violate the ban, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 26, 2010

Mr. HALL of New York (for himself, Mr. COHEN, and Ms. MCCOLLUM) introduced the following bill; which was referred to the Committee on House Administration

A BILL

To amend the Federal Election Campaign Act of 1971 to apply the ban on contributions and expenditures by foreign nationals to domestic corporations which are owned or controlled by foreign principals, to increase the civil penalties applicable to foreign nationals who violate the ban, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Freedom From For-
3 eign-Based Manipulation in American Elections Act of
4 2010”.

5 **SEC. 2. APPLICATION OF BAN ON CONTRIBUTIONS AND EX-**
6 **PENDITURES BY FOREIGN NATIONALS TO**
7 **FOREIGN-CONTROLLED DOMESTIC COR-**
8 **PORATIONS.**

9 (a) APPLICATION OF BAN.—Section 319(b) of the
10 Federal Election Campaign Act of 1971 (2 U.S.C.
11 441e(b)) is amended—

12 (1) by striking “or” at the end of paragraph
13 (1);

14 (2) by striking the period at the end of para-
15 graph (2) and inserting “; or”; and

16 (3) by adding at the end the following new
17 paragraph:

18 “(3) a corporation (other than a foreign prin-
19 cipal, as so defined) with respect to which—

20 “(A) the number of shares which are
21 owned directly or indirectly by foreign prin-
22 cipals is equal to or greater than 5 percent of
23 the total number of outstanding shares of the
24 corporation;

25 “(B) one or more foreign principals serves
26 on the board of directors; or

1 “(C) one or more foreign principals is em-
2 ployed in a senior executive position.”.

3 (b) INCREASE IN CIVIL MONEY PENALTIES FOR VIO-
4 LATIONS.—

5 (1) IN GENERAL.—Section 319 of such Act (2
6 U.S.C. 441e) is amended by adding at the end the
7 following new subsection:

8 “(c) CIVIL MONEY PENALTY FOR VIOLATIONS.—

9 “(1) IN GENERAL.—A foreign national who vio-
10 lates subsection (a) shall pay a civil money penalty
11 of \$1,000,000.

12 “(2) ADDITIONAL PENALTY FOR MAKING DIS-
13 BURSEMENTS FOR ELECTIONEERING COMMUNICA-
14 TIONS.—In addition to the penalty under paragraph
15 (1), a foreign national who makes a disbursement
16 for an electioneering communication shall pay a civil
17 money penalty equal to the product of—

18 “(A) \$50,000; and

19 “(B) the number of days on which the
20 communication was aired.

21 “(3) INELIGIBILITY FOR GOVERNMENT CON-
22 TRACT.—A foreign national who violates subsection
23 (a) shall be ineligible to enter into any contract with
24 the United States for the provision of any goods,
25 supplies, or services.

1 “(4) NO EFFECT ON CRIMINAL PENALTIES.—
2 Nothing in this subsection shall be construed to af-
3 fect the application of any criminal penalty to a for-
4 eign national who violates subsection (a).”.

5 (2) CONFORMING AMENDMENTS.—Section
6 309(a) of such Act (2 U.S.C. 437g(a)) is amended—

7 (A) in paragraph (5)(B), by striking “If
8 the Commission” and inserting “Subject to sec-
9 tion 319(c) in the case of a violation of such
10 section, if the Commission”; and

11 (B) in paragraph (6)(C), by striking “In
12 any civil action” and inserting “Subject to sec-
13 tion 319(c) in the case of a violation of such
14 section, in any civil action”.

15 **SEC. 3. EFFECTIVE DATE.**

16 The amendments made by this Act shall apply with
17 respect to contributions, donations, expenditures, inde-
18 pendent expenditures, and disbursements for election-
19 eering communications under the Federal Election Cam-
20 paign Act of 1971 which are made on or after the date
21 of the enactment of this Act.

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