

**AMENDMENT TO H.R. 5175, AS REPORTED
OFFERED BY MS. KAPTUR OF OHIO**

Insert after title III the following new title:

1 **TITLE IV—ETHICS IN FOREIGN**
2 **LOBBYING**

3 **SEC. 401. PROHIBITION OF CONTRIBUTIONS AND EXPENDI-**
4 **TURES BY MULTICANDIDATE POLITICAL**
5 **COMMITTEES OR SEPARATE SEGREGATED**
6 **FUNDS SPONSORED BY FOREIGN-CON-**
7 **TROLLED CORPORATIONS AND ASSOCIA-**
8 **TIONS.**

9 Title III of the Federal Election Campaign Act of
10 1971 (2 U.S.C. 441 et seq.), as amended by section 301,
11 is further amended by adding at the end the following new
12 section:

13 **“PROHIBITION OF CONTRIBUTIONS AND EXPENDITURES**
14 **BY MULTICANDIDATE POLITICAL COMMITTEES SPON-**
15 **SORED BY FOREIGN-CONTROLLED CORPORATIONS**
16 **AND ASSOCIATIONS**

17 **“SEC. 328. (a) Notwithstanding any other provision**
18 **of law—**

19 **“(1) no multicandidate political committee or**
20 **separate segregated fund of a foreign-controlled cor-**

1 poration may make any contribution or expenditure
2 with respect to an election for Federal office; and

3 “(2) no multicandidate political committee or
4 separate segregated fund of a trade organization,
5 membership organization, cooperative, or corporation
6 without capital stock may make any contribution or
7 expenditure with respect to an election for Federal
8 office if 50 percent or more of the operating fund of
9 the trade organization, membership organization, co-
10 operative, or corporation without capital stock is
11 supplied by foreign-controlled corporations or foreign
12 nationals.

13 “(b) The Commission shall—

14 “(1) require each multicandidate political com-
15 mittee or separate segregated fund of a corporation
16 to include in the statement of organization of the
17 multicandidate political committee or separate seg-
18 regated fund a statement (to be updated annually
19 and at any time when the percentage goes above or
20 below 50 percent) of the percentage of ownership in-
21 terest in the corporation that is controlled by per-
22 sons other than citizens or nationals of the United
23 States;

24 “(2) require each trade association, membership
25 organization, cooperative, or corporation without

1 capital stock to include in its statement of organiza-
2 tion of the multicandidate political committee or sep-
3 arate segregated fund (and update annually) the
4 percentage of its operating fund that is derived from
5 foreign-owned corporations and foreign nationals;
6 and

7 “(3) take such action as may be necessary to
8 enforce subsection (a).

9 “(c) The Commission shall maintain a list of the
10 identity of the multicandidate political committees or sepa-
11 rate segregated funds that file reports under subsection
12 (b), including a statement of the amounts and percentage
13 reported by such multicandidate political committees or
14 separate segregated funds.

15 “(d) As used in this section—

16 “(1) the term ‘foreign-owned corporation’
17 means a corporation at least 20 percent of the own-
18 ership interest of which is controlled by persons
19 other than citizens or nationals of the United States;

20 “(2) the term ‘multicandidate political com-
21 mittee’ has the meaning given that term in section
22 315(a)(4);

23 “(3) the term ‘separate segregated fund’ means
24 a separate segregated fund referred to in section
25 316(b)(2)(C); and

1 “(4) the term ‘foreign national’ has the mean-
2 ing given that term in section 319.”.

3 **SEC. 402. PROHIBITION OF CERTAIN ELECTION-RELATED**
4 **ACTIVITIES OF FOREIGN NATIONALS.**

5 Section 319 of the Federal Election Campaign Act
6 of 1971 (2 U.S.C. 441e), as amended by section 102(d),
7 is further amended by adding at the end the following new
8 subsection:

9 “(f) A foreign national shall not direct, dictate, con-
10 trol, or directly or indirectly participate in the decision-
11 making process of any person, such as a corporation, labor
12 organization, or political committee, with regard to such
13 person’s Federal or non-Federal election-related activities,
14 such as decisions concerning the making of contributions
15 or expenditures in connection with elections for any local,
16 State, or Federal office or decisions concerning the admin-
17 istration of a political committee.”.

18 **SEC. 403. ESTABLISHMENT OF A CLEARINGHOUSE OF PO-**
19 **LITICAL ACTIVITIES INFORMATION WITHIN**
20 **THE FEDERAL ELECTION COMMISSION.**

21 (a) ESTABLISHMENT.—There shall be established
22 within the Federal Election Commission a clearinghouse
23 of public information regarding the political activities of
24 foreign principals and agents of foreign principals. The in-

1 formation comprising this clearinghouse shall include only
2 the following:

3 (1) All registrations and reports filed pursuant
4 to the Lobbying Disclosure Act of 1995 (2 U.S.C.
5 1601 et seq.) during the preceding 5-year period.

6 (2) All registrations and reports filed pursuant
7 to the Foreign Agents Registration Act, as amended
8 (22 U.S.C. 611 et seq.), during the preceding 5-year
9 period.

10 (3) The listings of public hearings, hearing wit-
11 nesses, and witness affiliations printed in the Con-
12 gressional Record during the preceding 5-year pe-
13 riod.

14 (4) Public information disclosed pursuant to the
15 rules of the Senate or the House of Representatives
16 regarding honoraria, the receipt of gifts, travel, and
17 earned and unearned income.

18 (5) All reports filed pursuant to title I of the
19 Ethics in Government Act of 1978 (5 U.S.C. App.)
20 during the preceding 5-year period.

21 (6) All public information filed with the Federal
22 Election Commission pursuant to the Federal Elec-
23 tion Campaign Act of 1971 (2 U.S.C. 431 et seq.)
24 during the preceding 5-year period.

1 (b) DISCLOSURE OF OTHER INFORMATION PROHIB-
2 ITED.—The disclosure by the clearinghouse, or any officer
3 or employee thereof, of any information other than that
4 set forth in subsection (a) is prohibited, except as other-
5 wise provided by law.

6 (c) DIRECTOR OF CLEARINGHOUSE.—(1) The clear-
7 inghouse shall have a Director, who shall administer and
8 manage the responsibilities and all activities of the clear-
9 inghouse.

10 (2) The Director shall be appointed by the Federal
11 Election Commission.

12 (3) The period of the Director's term of service shall
13 be determined by the Commission, but may not exceed 5
14 years.

15 (4) No individual appointed to serve a term as the
16 Director may serve for an additional term.

17 (d) ENSURING SUFFICIENT STAFF AND OTHER RE-
18 SOURCES.—The Commission shall ensure that the Direc-
19 tor has sufficient resources, including staff, to carry out
20 the Director's duties and responsibilities under this Act.

21 (e) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated such sums as may be
23 necessary to conduct the activities of the clearinghouse.

1 **SEC. 404. DUTIES AND RESPONSIBILITIES OF THE DIREC-**
2 **TOR OF THE CLEARINGHOUSE.**

3 (a) **IN GENERAL.**—It shall be the duty of the Direc-
4 tor of the clearinghouse established under section 403—

5 (1) to develop a filing, coding, and cross-index-
6 ing system to carry out the purposes of this Act
7 (which shall include an index of all persons identi-
8 fied in the reports, registrations, and other informa-
9 tion comprising the clearinghouse);

10 (2) notwithstanding any other provision of law,
11 to make copies of registrations, reports, and other
12 information comprising the clearinghouse available
13 for public inspection and copying, beginning not
14 later than 30 days after the information is first
15 available to the public, and to permit copying of any
16 such registration, report, or other information by
17 hand or by copying machine or, at the request of
18 any person, to furnish a copy of any such registra-
19 tion, report, or other information upon payment of
20 the cost of making and furnishing such copy, except
21 that no information contained in such registration or
22 report and no such other information shall be sold
23 or used by any person for the purpose of soliciting
24 contributions or for any profit-making purpose;

25 (3) to compile and summarize, for each cal-
26 endar quarter, the information contained in such

1 registrations, reports, and other information com-
2 prising the clearinghouse in a manner which facili-
3 tates the disclosure of political activities, including,
4 but not limited to, information on—

5 (A) political activities pertaining to issues
6 before the Congress and issues before the execu-
7 tive branch; and

8 (B) the political activities of individuals,
9 organizations, foreign principals, and agents of
10 foreign principals who share an economic, busi-
11 ness, or other common interest;

12 (4) to make the information compiled and sum-
13 marized under paragraph (3) available to the public
14 within 30 days after the close of each calendar quar-
15 ter, and to publish such information in the Federal
16 Register at the earliest practicable opportunity;

17 (5) not later than 150 days after the date of
18 the enactment of this Act and at any time there-
19 after, to prescribe, in consultation with the Comp-
20 troller General, such rules, regulations, and forms,
21 in conformity with the provisions of chapter 5 of
22 title 5, United States Code, as are necessary to
23 carry out the provisions of section 403 and this sec-
24 tion in the most effective and efficient manner; and

1 (6) at the request of any Member of the Senate
2 or Member of the House of Representatives, to pre-
3 pare and submit to such Member a study or report
4 relating to the political activities of any person and
5 consisting only of the information in the registra-
6 tions, reports, and other information comprising the
7 clearinghouse.

8 (b) DEFINITIONS.—As used in this section—

9 (1) the terms “foreign principal” and “agent of
10 a foreign principal” have the meanings given those
11 terms in section 1 of the Foreign Agents Registra-
12 tion Act of 1938 (22 U.S.C. 611);

13 (2) the term “issue before the Congress” means
14 the total of all matters, both substantive and proce-
15 dural, relating to—

16 (A) any pending or proposed bill, resolu-
17 tion, report, nomination, treaty, hearing, inves-
18 tigation, or other similar matter in either the
19 Senate or the House of Representatives or any
20 committee or office of the Congress; or

21 (B) any pending action by a Member, offi-
22 cer, or employee of the Congress to affect, or
23 attempt to affect, any action or proposed action
24 by any officer or employee of the executive
25 branch;

1 (3) the term “issue before the executive
2 branch” means the total of all matters, both sub-
3 stantive and procedural, relating to any pending ac-
4 tion by any executive agency, or by any officer or
5 employee of the executive branch, concerning—

6 (A) any pending or proposed rule, rule of
7 practice, adjudication, regulation, determina-
8 tion, hearing, investigation, contract, grant, li-
9 cense, negotiation, or the appointment of offi-
10 cers and employees, other than appointments in
11 the competitive service; or

12 (B) any issue before the Congress; and

13 (4) the term “Member of the House of Rep-
14 resentatives” includes a Delegate or Resident Com-
15 missioner to the Congress.

16 **SEC. 405. PENALTIES FOR DISCLOSURE.**

17 Any person who discloses information in violation of
18 section 403(b), and any person who sells or uses informa-
19 tion for the purpose of soliciting contributions or for any
20 profit-making purpose in violation of section 404(a)(2),
21 shall be imprisoned for a period of not more than 1 year,
22 or fined under title 18, United States Code, or both.

1 **SEC. 406. AMENDMENTS TO THE FOREIGN AGENTS REG-**
2 **ISTRATION ACT OF 1938.**

3 (a) **QUARTERLY REPORTS.**—Section 2(b) of the For-
4 eign Agents Registration Act of 1938 (22 U.S.C. 612(b)),
5 is amended in the first sentence by striking “, within thir-
6 ty days” and all that follows through “preceding six
7 months’ period” and inserting the following: “on January
8 31, April 30, July 31, and October 31 of each year, file
9 with the Attorney General a supplement thereto on a form
10 prescribed by the Attorney General, which shall set forth
11 regarding the three-month periods ending the previous De-
12 cember 31, March 31, June 30, and September 30, respec-
13 tively, or if a lesser period, the period since the initial fil-
14 ing.”.

15 (b) **EXEMPTION FOR LEGAL REPRESENTATION.**—
16 Section 3(g) of the Foreign Agents Registration Act of
17 1938 (22 U.S.C. 613(g)) is amended by adding at the end
18 the following: “A person may be exempt under this sub-
19 section only upon filing with the Attorney General a re-
20 quest for such exemption.”.

21 (c) **CIVIL PENALTIES.**—Section 8 of the Foreign
22 Agents Registration Act of 1938 (22 U.S.C. 618) is
23 amended by adding at the end the following:

24 “(i)(1) Any person who is determined, after notice
25 and opportunity for an administrative hearing—

1 “(A) to have failed to file a registration state-
2 ment under section 2(a) or a supplement thereto
3 under section 2(b),

4 “(B) to have omitted a material fact required to
5 be stated therein, or

6 “(C) to have made a false statement with re-
7 spect to such a material fact,

8 shall be required to pay a civil penalty in an amount not
9 less than \$2,000 or more than \$5,000 for each violation
10 committed. In determining the amount of the penalty, the
11 Attorney General shall give due consideration to the na-
12 ture and duration of the violation.

13 “(2)(A) In conducting investigations and hearings
14 under paragraph (1), administrative law judges may, if
15 necessary, compel by subpoena the attendance of witnesses
16 and the production of evidence at any designated place
17 or hearing.

18 “(B) In the case of contumacy or refusal to obey a
19 subpoena lawfully issued under this paragraph and, upon
20 application by the Attorney General, an appropriate dis-
21 trict court of the United States may issue an order requir-
22 ing compliance with such subpoena and any failure to obey
23 such order may be punished by such court as contempt
24 thereof.”

