

RAVI MEHTA
CHAIRMAN



FAIR POLITICAL PRACTICES COMMISSION

April 25, 1996

Christopher Leo
Alvarado, Smith, Villa & Sanchez
Post Office Box 8677
Newport Beach, California 92658

Re: Your Request for Advice
Our File No. A-96-107

Dear Mr. Leo:

This is in response to your request for advice regarding the campaign provisions of the Political Reform Act (the "Act").¹

QUESTION

May a wholly-owned California corporation, which is a subsidiary of a foreign corporation, contribute to a state or local campaign?

CONCLUSION

Questions regarding contributions from foreign nationals are not within the jurisdiction of the Political Reform Act. Please contact the Federal Election Commission for advice.

FACTS

Your client is a wholly-owned California corporation, which is a subsidiary of a foreign corporation. Your client seeks advice as to whether it may make contributions to a California Assembly candidate or to a city council candidate.

ANALYSIS

Your question is not within the jurisdiction of the Political Reform Act. The law dealing with contributions from foreign

¹ Government Code Sections 81000-91015. Commission regulations appear at Title 2, Sections 18000-18995 of the California Code of Regulations.

nationals is under the jurisdiction of the Federal Election Campaign Act and the Federal Election Commission ("FEC").

Contributions from foreign nationals are prohibited pursuant to 2 U.S.C. 441(e) as follows:

(a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

(b) As used in this section, the term "foreign national" means--


(1) a foreign principal, as such term is defined by section 611(b) of title 22, except that the term "foreign national" shall not include any individual who is a citizen of the United States; or

(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 1101(a)(20) of title 8.

The FEC opinions set forth a test regarding subsidiaries of foreign corporations and whether they may make contributions.² Please contact the Federal Election Commission at 800-424-9530 for further advice regarding your question.

Sincerely,

Steven G. Churchwell
General Counsel

By: 
Jill Stecher
Counsel, Legal Division

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Enclosure

² I have enclosed a copy of the FEC brochure on "Foreign Nationals."