



FEDERAL ELECTION COMMISSION
Washington, DC 20463

COMMISSIONER STATEMENT IN ADVISORY OPINION 1996-6

of

COMMISSIONER JOHN WARREN McGARRY

Adhering to my view that under 2 U.S.C. 441e, a foreign national parent corporation and its wholly owned domestic subsidiary should not be treated as one integrated entity, but rather as separate and distinct entities, for purposes of applying the foreign national ban, I concur with the Office of the General Counsel's draft in Advisory Opinion Request 1996-06.

The Federal Election Campaign Act of 1971, as amended ("the Act") bans foreign nationals (which includes a foreign corporation) from making contributions either directly or indirectly through any person in connection with an election to any political office. 2 U.S.C. 441e. A majority of the Commission has relied upon the presence or absence of certain requirements in making the determination of whether a wholly-owned domestic subsidiary of a foreign national parent corporation may establish a Separate Segregated Fund ("SSF") and solicit contributions to its SSF for the purpose of making contributions to candidates for political office. See Advisory Opinions 1989-20, 1989-29, 1992-16, and 1995-15 at 2 Fed. Elec. Camp. Fin. Guide, (CCH) at 5970, 5976, 6059, and 6152 respectively.

In my view, the Goldstrike Advisory Opinion applied the requirements properly to the facts in this request and in so doing reached the appropriate result. Further, in reliance upon the facts provided by Goldstrike, including all its representations in exacting detail, I believe that draft Advisory Opinion 1996-6 conforms to the Act and the Commission regulations with regard to establishing an SSF and soliciting contributions for its SSF. 2 U.S.C. 441e and 11 C.F.R. 110.4. Accordingly, in light of the resulting application of the stringent requirements, I voted approval of draft Advisory Opinion 1996-6 as proposed.

4/9/96