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**Remarks in Support of AB1819, by Courtney Hostetler,  
Senior Counsel for Free Speech For People**

*Committee on Elections of the California Assembly*

Good morning. My name is Courtney Hostetler, and I am senior counsel at Free Speech For People. Thank you for allowing me to testify in support of this important bill AB1819 to protect California elections from foreign influence.

Federal and California laws prohibit foreign entities from spending *any* money to influence US elections either directly *or indirectly*.

But currently, these same entities—including governments, corporations, and wealthy foreign principals located outside the United States—can influence elections by investing in U.S. companies that then spend unlimited dollars on elections from enormous corporate treasuries.

AB1819 closes this loophole: it would prohibit for-profit foreign-influenced business entities (FIBEs) from spending money on California elections. These are companies in which a single foreign stakeholder owns at least 1% of the company or its shares, or in which more than one foreign stakeholder owns in aggregate at least 5%. The SEC and other corporate experts look to 1% as an *upper limit* benchmark at which an owner can influence a large corporation.

AB1819 is constitutional because our courts treat election contributions differently based on whether the money is spent by a U.S. citizen or permanent resident, or by a foreign entity.

In *Citizens United*, the Supreme Court determined that corporate election spending is protected speech because U.S. corporations are “associations of citizens.”

Two years later, the Supreme Court affirmed a lower court decision, *Bluman v. FEC*,—authored by now-Justice Kavanaugh—that upheld a federal law prohibiting *any* spending on elections by foreign entities, because the government has a vested interest in protecting our democratic self-governance.

Once a corporation has been financially supported by, and can be influenced by, a foreign entity, it no longer an “association of citizens.” Foreign investment can be an important and useful tool for corporate growth. But it shouldn’t be a way in which foreign resources and influence can enter our elections. Therefore, we respectfully ask that you support AB1819.