



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
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) MUR 7122
Right to Rise USA, American Pacific)
International Capital Inc., *et al.*)
)

**STATEMENT OF REASONS OF
CHAIR ELLEN L. WEINTRAUB**

Foreign interference in our elections is a direct attack on our democracy. I am deadly serious when it comes to tracking down and punishing foreign spending in our elections.

This matter involves large donations illegally given by foreign nationals in 2016 to Right to Rise USA, a super PAC supporting Jeb Bush for President. The two donations, totaling \$1.3 million, drew an FEC complaint from the Campaign Legal Center and resulted in an all-too-rare investigation and probable-cause finding, leading to:

- a \$390,000 fine against Right to Rise USA and the super PAC’s attorney, and
- a \$550,000 fine against American citizen Wilson Chen, foreign nationals Huaidan Chen and Gordon Tang, and the American subsidiary of their foreign corporation, American Pacific International Capital, Inc.

The resolution of this matter should make it clear to the political community – and the campaign-finance bar – that the law means what it says. The FEC *will* hold committees to account. A letter from your lawyer will *not* get you off the hook. It should also make clear that the FEC’s professional public servants can and will pursue and uncover wrongdoing when the Commission allows them to do so. And that while this Commission is frequently obstructed by those who do not favor enforcing campaign-finance law, we are still capable of assessing significant penalties.

Many players did a terrific job here. First up: The FEC's excellent website, <http://www.fec.gov/>, provides the raw materials that allow journalists, nonprofits, researchers, and the public to follow the money. In this case, data from Right to Rise's filings was scooped up by the indispensable OpenSecrets.org, otherwise known as The Center for Responsive Politics, which slices and dices FEC data and adds tremendous value.

A *New York Times* op-ed I wrote in March 2016 about *Citizens United*¹ caught the eye of Jon Schwarz of *The Intercept*, who wrote it up and then got curious about how he might track down foreign dollars flowing into U.S. elections.

Schwarz and investigative-reporting colleague Lee Fang searched OpenSecrets.org's data and found suspicious contributions to Right to Rise. After months of shoe-leather reporting, they published a [remarkable 4-part series](#) in August 2016 that uncovered how "a corporation owned by a Chinese couple made a major donation to Jeb Bush's Super PAC Right to Rise USA."²

The Intercept's story was, in turn, picked up by the Campaign Legal Center, which filed an FEC complaint a week later.³ At this point, the FEC's Office of General Counsel took over. They built the case, secured the critical go-ahead votes from the Commission, and negotiated the largest penalties in one matter in the post-*Citizens United* era.

At every step along the way, the system worked. The FEC did its disclosure job, the press did its reporting job, and the campaign-finance community did its watchdog job, enabling the hardworking professionals in FEC's Office of General Counsel to bring the case home. A job well done.



April 12, 2019

Ellen L. Weintraub
Chair

¹ Ellen L. Weintraub, "Taking On Citizens United," *The New York Times* (March 30, 2016), <http://nyti.ms/230BOgq>.

² Lee Fang and John Schwarz, *The Intercept* (Aug. 3, 2016): "The *Citizens United* Playbook: How a Top GOP Lawyer Guided a Chinese-Owned Company Into U.S. Presidential Politics," (found at <https://theintercept.com/2016/08/03/gop-lawyer-chinese-owned-company-us-presidential-politics/>); "Power Couple: Meet the Chinese Husband-and-Wife Team Whose Company Spent \$1.3 Million Trying to Make Jeb Bush President," found at <https://theintercept.com/2016/08/03/chinese-couple-million-dollar-donation-jeb-bush-super-pac/>; "Cracks in the Dam: Three Paths *Citizens United* Created for Foreign Money to Pour Into U.S. Elections," found at <https://theintercept.com/2016/08/03/citizens-united-foreign-money-us-elections/>; "A 'Desperate' Seller: Gary Locke, While Obama's Ambassador to China, Got a Chinese Tycoon to Buy His House," found at <https://theintercept.com/2016/08/03/gary-locke-ambassador-to-china-house-sale-chinese-tycoon/>.

³ Complaint, Campaign Legal Center (Aug. 10, 2016), found at http://www.campaignlegalcenter.org/sites/default/files/APIC%20Right%20to%20Rise%20complaint%208_10_16.pdf.