



PORTLAND CEMENT ASSOCIATION

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September 13, 2002

Ms. Mai T. Dinh
Acting Assistant General Counsel
Federal Election Commission
999 E Street NW
Washington, DC 20463

RE: Contribution Limitations and Prohibitions, Proposed Rule

Dear Ms. Dinh:

The Portland Cement Association (PCA) is pleased to provide comments on the proposed rule, "Contribution Limitations and Prohibitions," published in the *Federal Register* on August 22, 2002 (67 Fed. Reg. 54366). PCA and the cement industry urge the Federal Election Commission (FEC) not to make changes to the regulations (the Federal Election Campaign Act of 1971) as it relates to U.S. subsidiaries of foreign corporations for the reasons outlined below.

PCA is a trade association representing virtually all domestic manufacturers of portland cement. Our 42 member companies operate 104 manufacturing plants in 33 states and distribution centers in all 50 states. Portland cement is an essential construction material and a basic component of our nation's infrastructure. Approximately 80 percent of the domestic portland cement production is manufactured by U.S. subsidiaries of foreign corporations.

PCA believes that the current regulations regarding how employees from U.S. subsidiaries of foreign corporations participate in the political process are both specific and have generally proven effective. U.S. subsidiaries of foreign corporations should be allowed to sponsor political action committees and pay for the solicitation and administrative cost of those PACs just as other domestic corporations. We do not believe that the wording change contained in the Bipartisan Campaign Reform Act (BCRA) from "through any other person" to "indirectly" should be construed to have a broader meaning. There is neither discussion nor mention of any broader meaning in the legislative history of BCRA.

Our industry is also concerned that excluding U.S. subsidiaries of foreign corporations from sponsoring political action committees and the political donation process endangers the rights of millions of American workers who happen to work for U.S. subsidiaries of foreign corporations, including thousands of cement industry workers.

Thank you for considering the cement industry's perspectives on this proposed rule. I can be reached at (202) 408-9494 to address any questions concerning these comments.

Sincerely,

Richard C. Creighton
President, Government Affairs