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9 July 1973

MEMORANDUM FOR THE RECORD

SUBJECT: Church Bill re Financing of Foreign Elections

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1. During the day, [redacted] OGC, on behalf of the National Security Council, and [redacted] OPPB, on behalf of the International Division of OMB, called concerning a draft bill by Senator Church which would (a) make it a crime for a person to give money to a Federal agency to be used in interfering in a foreign election and (b) prohibit a Federal agency from receiving such funds for such purpose.

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2. I advised both [redacted] that this office had not been contacted by State, OMB, or any other Executive or congressional agency for our views on the draft legislation which apparently was prepared in the aftermath of the Church Multinational Corporations Subcommittee hearings and report on ITT and Chile.

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3. At the close of business, [redacted] called again to say that the International Division indeed wanted a reaction to State's position on the draft bill, which was in essence "no objection." I told [redacted] that this was consistent with the Agency's position that it only expended appropriated funds and did not and had not accepted funds from private sources for this purpose. I also told him that although we had not seen either the draft bill or State's report, we quite likely would point out:

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(a) the questionable wisdom of a law which at the minimum implies authority to violate international law by interfering in foreign elections with "appropriated funds" and otherwise implies that previously if private financing was available, it was permissible for Federal agencies to interfere in foreign elections;

(b) the inadvisability at this perilous legislation state for Radio Free Europe and Radio Liberty to publicly suggest that their activities may be construed as possibly interfering, <sup>with foreign elections</sup> and thus violating the proposed draft bill.

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[redacted] said he would possibly call the International Division and point out these reservations.

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[redacted]

Associate Legislative Counsel