

House Bill 3235

Sponsored by Representative RAYFIELD

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits person who is foreign national from making contribution or expenditure to candidate, political committee or petition committee to influence nomination for or election to public office, election on measure or initiative, referendum or recall petition or to pay for communication in support of or in opposition to candidate or measure. Defines "foreign national."

Prohibits candidate, political committee or petition committee from soliciting, accepting or receiving contribution or expenditure from foreign nationals.

Prohibits person from soliciting, accepting or receiving contribution or expenditure from foreign nationals made to influence nomination for or election to public office, election on measure or initiative, referendum or recall petition or to pay for communication in support of or in opposition to candidate or measure. Prohibits person from knowingly or recklessly assisting another in violating Act.

Requires operator of media outlet or Internet platform to establish policies, procedures and controls to prevent distribution of communication by foreign national made in violation of Act. Requires Internet platform to remove communications made in violation of Act and report violation.

Requires communication from foreign national made to influence state or local policy or that references interest of government of foreign country or foreign political party to identify foreign national in communication.

A BILL FOR AN ACT

1
2 Relating to foreign nationals.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Sections 2 and 3 of this 2021 Act are added to and made a part of ORS**
5 **chapter 260.**

6 **SECTION 2. (1) A foreign national may not make, directly or indirectly, or offer to make:**

7 **(a) A contribution or expenditure for a candidate, political committee or petition com-**
8 **mittee.**

9 **(b) A contribution or expenditure for the purpose of influencing the outcome of:**

10 **(A) A nomination for or election to a state or local public office;**

11 **(B) An election on a measure; or**

12 **(C) An initiative, referendum or recall petition.**

13 **(c) A contribution or expenditure for the purpose of paying for all or part of a commu-**
14 **nication in support of or in opposition to a clearly identified candidate or measure.**

15 **(2) A candidate, political committee or petition committee may not solicit, accept or re-**
16 **ceive, directly or indirectly, a contribution or expenditure from a foreign national.**

17 **(3) A person may not solicit, accept or receive, directly or indirectly, a contribution or**
18 **expenditure from a foreign national that is made for the purpose of:**

19 **(a) Influencing the outcome of:**

20 **(A) A nomination for or election to a state or local public office;**

21 **(B) An election on a measure; or**

22 **(C) An initiative, referendum or recall petition.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **(b) Paying for all or part of a communication in support of or in opposition to a clearly**
 2 **identified candidate or measure.**

3 **(4) A person may not knowingly or recklessly provide substantial assistance to a person**
 4 **in violating subsections (1) to (3) of this section.**

5 **(5) As used in this section:**

6 **(a) “Communication in support of or in opposition to a clearly identified candidate or**
 7 **measure” has the meaning given that term in ORS 260.005 (10)(c).**

8 **(b)(A) “Foreign national” means:**

9 **(i) An individual who is not a citizen of the United States and who is not lawfully ad-**
 10 **mitted for permanent residence in the United States;**

11 **(ii) A government, or subdivision, of a foreign country;**

12 **(iii) A foreign political party;**

13 **(iv) A partnership, association, corporation, organization or other combination of persons**
 14 **organized under the laws of or that has its principal place of business in a foreign country;**

15 **(v) A partnership, association, corporation, organization or other combination of persons**
 16 **organized under the laws of or that has its principal place of business in the United States,**
 17 **that is foreign owned or controlled; or**

18 **(vi) An organization exempt from taxation under section 501(c) of the Internal Revenue**
 19 **Code for which the amount of aggregate contributions received by the organization from**
 20 **foreign nationals is equal to 20 percent or more of the organization’s gross receipts received**
 21 **in the most recent taxable year or 20 percent or more of the organization’s aggregate gross**
 22 **receipts received within the last five years.**

23 **(B) “Foreign national” does not include an individual:**

24 **(i) Who is not a citizen of the United States and who is not lawfully admitted for per-**
 25 **manent residence in the United States;**

26 **(ii) Who resides in the United States; and**

27 **(iii) Who makes contributions or expenditures totaling in the aggregate less than \$200 in**
 28 **a calendar year for the purposes of influencing the outcome of an election on a measure or**
 29 **initiative or referendum petition.**

30 **(c) “Foreign owned or controlled” means a partnership, association, corporation, organ-**
 31 **ization or other combination of persons for which:**

32 **(A) One or more foreign nationals or foreign owners hold, own or control, directly or**
 33 **indirectly, beneficial ownership of equity or voting shares in an aggregate amount equal to**
 34 **or greater than 20 percent of total equity or voting shares, but not including any ownership**
 35 **or equity interest owned through a United States widely held, diversified fund;**

36 **(B) If it is an organization exempt from taxation under section 501(c) of the Internal**
 37 **Revenue Code, the amount of aggregate contributions received by the organization from**
 38 **foreign nationals is equal to 20 percent or more of the organization’s gross receipts received**
 39 **in the most recent taxable year or 20 percent or more of the organization’s aggregate gross**
 40 **receipts received within the last five years; or**

41 **(C) A foreign national participates in any manner in the decision-making process of the**
 42 **partnership, association, corporation, organization or other combination of persons regarding**
 43 **any contribution or expenditure by the partnership, association, corporation, organization**
 44 **or other combination of persons that a foreign national is prohibited from making under**
 45 **subsection (1) of this section.**

1 (d) “Foreign owner” means a person for which a foreign national holds, owns or control,
 2 directly or indirectly, beneficial ownership of equity or voting shares in an amount equal to
 3 or greater than 50 percent of total equity or outstanding voting shares, but not including any
 4 ownership or equity interest owned through a United States widely held, diversified fund.

5 (e) “Widely held, diversified fund” means an investment fund, including but not limited
 6 to a mutual fund, common trust fund of a financial institution, pension or deferred com-
 7 pensation plan or pooled investment fund of a limited partnership, that:

8 (A) Has at least 100 persons as direct or indirect investors;

9 (B) Holds no more than 5 percent of the value of its portfolio in the securities of an
 10 issuer, except the obligations of the United States government, including those of its agen-
 11 cies and instrumentalities, or bonds of a single state, including its subdivisions, within the
 12 United States;

13 (C) Holds no more than 20 percent of its portfolio in any particular economic or ge-
 14 ographic sector; and

15 (D) Is independently managed in a manner where no investor or investor’s immediate
 16 family member has an ability to exercise control over the financial interests held by the in-
 17 vestment fund.

18 **SECTION 3.** (1) The operator of a media outlet or Internet platform who provides or sells
 19 advertising space or time shall establish policies, procedures and controls to identify and
 20 prevent the distribution of a communication made by a foreign national in violation of sec-
 21 tion 2 of this 2021 Act.

22 (2) If the operator of an Internet platform discovers a communication has been made on
 23 the operator’s Internet platform by a foreign national in violation of section 2 of this 2021
 24 Act, the operator shall immediately remove the communication from the operator’s Internet
 25 platform and report the communication as a violation in the manner provided in ORS 260.345.

26 (3) As used in this section:

27 (a) “Foreign national” has the meaning given that term in section 2 of this 2021 Act.

28 (b) “Internet platform” means a digital service that facilitates interactions between two
 29 or more distinct but interdependent sets of users who interact through the service via the
 30 Internet.

31 (c) “Media outlet” means a radio or television station that distributes programming by
 32 broadcast, cable, satellite or other means.

33 **SECTION 4.** (1) If a foreign national makes a disbursement for the purpose of financing
 34 a communication to influence the formulation, adoption or changing of a policy of this state
 35 or any of the political subdivisions of this state or a communication that references the
 36 political or policy interests or relations of a government, or subdivision, of a foreign country
 37 or a foreign political party, the communication shall include, in addition to any requirements
 38 of state law, the following statement with blanks filled in, in a clear and conspicuous manner,
 39 identifying the foreign national financing the communication:

40 “Sponsored by _____, a foreign _____”

41 (2) In using the statement in subsection (1) of this section:

42 (a) The first blank is to be filled with the name of the foreign national financing the
 43 communication.

44 (b) The second blank is to be filled in so as to identify the foreign national as an “indi-
 45 vidual,” “official,” “government,” “corporation” or other organization as applicable.

1 **(3) As used in this section, “foreign national” has the meaning given that term in section**
2 **2 of this 2021 Act.**

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