

House Bill 2693

Sponsored by Representative RAYFIELD (Pre-session filed.)

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 that is foreign national from making contribution or expenditure to candidate, political committee or petition committee to influence certain political actions or paying 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 certain political actions or paying 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 2023 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.**

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

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

3 (5) As used in this section:

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

6 (b)(A) “Foreign national” means:

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

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

10 (iii) A foreign political party;

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

13 (v) 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, the United States,
 15 that is foreign owned or controlled; or

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

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

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

24 (ii) Who resides in the United States; and

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

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

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

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

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

44 (d) “Foreign owner” means a person for which a foreign national holds, owns or controls,
 45 directly or indirectly, beneficial ownership of equity or voting shares in an amount equal to

1 or greater than 50 percent of total equity or outstanding voting shares, but not including any
 2 ownership or equity interest owned through a United States widely held, diversified fund.

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

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

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

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

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

16 **SECTION 3.** (1) The operator of a media outlet or Internet platform that provides or sells
 17 advertising space or time shall establish policies, procedures and controls to identify and
 18 prevent the distribution of a communication made by a foreign national in violation of sec-
 19 tion 2 of this 2023 Act.

20 (2) If the operator of an Internet platform discovers a communication has been made on
 21 the operator’s Internet platform by a foreign national in violation of section 2 of this 2023
 22 Act, the operator shall immediately remove the communication from the operator’s Internet
 23 platform and report the communication as a violation in the manner provided in ORS 260.345.

24 (3) As used in this section:

25 (a) “Foreign national” has the meaning given that term in section 2 of this 2023 Act.

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

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

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

38 “Sponsored by _____, a foreign _____”

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

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

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

44 (3) As used in this section, “foreign national” has the meaning given that term in
 45 section 2 of this 2023 Act.

