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**HOUSE BILL NO. 1648**

Offered January 11, 2023

Prefiled January 8, 2023

A *BILL to amend the Code of Virginia by adding in Article 1 of Chapter 9.3 of Title 24.2 a section numbered 24.2-945.3, relating to prohibited contributions from foreign-influenced corporations; required reports.*

Patrons—Anderson, Cherry, Clark, Kory and LaRock

Referred to Committee on Privileges and Elections

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Article 1 of Chapter 9.3 of Title 24.2 a section numbered 24.2-945.3 as follows:**

**§ 24.2-945.3. Prohibited contributions from foreign-influenced corporations; required disclosure.**

A. As used in this section:

"Chief executive officer" means the highest-ranking officer or decision-making individual with authority over a corporation's affairs.

"Corporation" means a corporation, partnership, business, labor organization, membership organization, association, cooperative, or other like entity.

"Foreign-influenced corporation" means a corporation for which at least one of the following conditions is met:

1. A single foreign owner holds, owns, controls, or otherwise has direct or indirect beneficial ownership of one percent or more of the total equity, outstanding voting shares, membership units, or other applicable ownership interests of the corporation;

2. Two or more foreign owners, in aggregate, hold own, control, or otherwise have direct or indirect beneficial ownership of five percent or more of the total equity, outstanding voting shares, membership units, or other applicable ownership interests of the corporation; or

3. A single foreign owner participates directly or indirectly in the corporation's decision-making process with respect to the corporation's political activities in the United States.

"Foreign investor" means a person that (i) holds, owns, controls, or otherwise has direct or indirect beneficial ownership of equity, outstanding voting shares, membership units, or other applicable ownership interests of a corporation and (ii) is a government of a foreign county, or a foreign political party, or a corporation organized under the laws of or having its principal place of business in a foreign county, or an individual who is not a citizen of the United States or a national of the United States and who is not lawfully admitted for permanent residence.

"Foreign owner" means (i) a foreign investor or (ii) a corporation wherein a foreign investor holds, owns, controls, or otherwise has directly or indirectly acquired a beneficial ownership of equity or voting shares in an amount that is equal to or greater than 50 percent of the total equity or outstanding voting shares of the corporation.

B. No foreign-influenced corporation shall make an independent expenditure or make a contribution to a candidate, campaign committee, political committee, or political party committee.

Any such corporation violating this chapter shall be punished by a fine of not more than \$50,000 and any officer, director, or agent of any such corporation violating any provision of this chapter or authorizing such violation of any provision thereof, or any person that violates or in any way knowingly aids or abets the violation thereof, shall be punished by a fine of not more than \$10,000, imprisonment for not more than one year, or both.

C. Any corporation that makes an independent expenditure or makes a contribution to a candidate, campaign committee, political committee, or political party committee shall within seven business days after making such expenditure or contribution file with the Department a statement of certification, signed by the chief executive officer under penalty of perjury, avowing that, after due inquiry, the corporation was not a foreign-influenced corporation on the date such expenditure or contribution was made.

INTRODUCED

HB1648