

HOUSE No. 839

The Commonwealth of Massachusetts

PRESENTED BY:

Erika Uytterhoeven

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to limit political spending by foreign-influenced corporations.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Erika Uytterhoeven</i>	<i>27th Middlesex</i>	<i>2/1/2021</i>
<i>Vanna Howard</i>	<i>17th Middlesex</i>	<i>2/2/2021</i>
<i>Elizabeth A. Malia</i>	<i>11th Suffolk</i>	<i>2/24/2021</i>
<i>David Allen Robertson</i>	<i>19th Middlesex</i>	<i>2/25/2021</i>

HOUSE No. 839

By Ms. Uyterhoeven of Somerville, a petition (accompanied by bill, House, No. 839) of Erika Uyterhoeven and others relative to limiting political spending by foreign-influenced corporations. Election Laws.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act to limit political spending by foreign-influenced corporations.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 1 of Chapter 55 is hereby amended by inserting the following
2 definitions:--

3 “Chief executive officer”, the highest-ranking officer or decision-making individual with
4 authority over the corporation’s affairs.

5 “Corporation”, a corporation, company, limited liability company, limited partnership,
6 business trust, business association, or other similar entity.

7 “Foreign-influenced corporation”, a corporation for which at least one of the following
8 conditions is met: (1) a single foreign owner holds, owns, controls, or otherwise has direct or
9 indirect beneficial ownership of one percent or more of the total equity, outstanding voting
10 shares, membership units, or other applicable ownership interests of the corporation; (2) two or
11 more foreign owners, in aggregate, hold, own, control, or otherwise have direct or indirect
12 beneficial ownership of five percent or more of the total equity, outstanding voting shares,

13 membership units, or other applicable ownership interests of the corporation; or (3) a foreign
14 owner participates directly or indirectly in the corporation’s decision-making process with
15 respect to the corporation’s political activities in the United States.

16 “Foreign investor”, a person or entity that (1) holds, owns, controls, or otherwise has
17 direct or indirect beneficial ownership of equity, outstanding voting shares, membership units, or
18 other applicable ownership interests of a corporation, and (2) is a government of a foreign
19 country, or a foreign political party, or a partnership, association, corporation, organization, or
20 other combination of persons organized under the laws of or having its principal place of
21 business in a foreign country, or an individual who is not a citizen of the United States or a
22 national of the United States and who is not lawfully admitted for permanent residence.

23 “Foreign owner”, (1) a foreign investor or (2) a corporation wherein a foreign investor
24 holds, owns, controls, or otherwise has directly or indirectly acquired a beneficial ownership of
25 equity or voting shares in an amount that is equal to or greater than 50 percent of the total equity
26 or outstanding voting shares.

27 SECTION 2. Section 8 of said Chapter 55 is hereby amended by inserting after the
28 second paragraph the following new paragraphs:--

29 No foreign-influenced corporation shall make an independent expenditure, or an
30 electioneering communication expenditure, or a contribution to an independent expenditure PAC
31 as defined in Section 18A, or a contribution to a ballot question committee, or an expenditure for
32 the purpose of promoting or opposing a charter change, referendum question, constitutional
33 amendment, or other question submitted to the voters.

34 Any corporation that makes an independent expenditure, or an electioneering
35 communication expenditure, or a contribution to an independent expenditure PAC as defined in
36 section 18A, or a contribution to a ballot question committee, or an expenditure for the purpose
37 of promoting or opposing a charter change, referendum question, constitutional amendment, or
38 other question submitted to the voters shall, within 7 business days after making such
39 expenditure or contribution, file with the director, a statement of certification, signed by the chief
40 executive officer under penalty of perjury, avowing that, after due inquiry, the corporation was
41 not a foreign-influenced corporation on the date such expenditure or contribution was made.

42 SECTION 3. Section 18G of Chapter 55 is further amended by inserting after the second
43 sentence of paragraph two the following:--

44 Unless the individual, corporation, group, association, labor union or other entity making
45 the independent expenditure or electioneering communication has received a statement of
46 certification from each person or entity required to be listed in the top contributors, avowing
47 under penalty of perjury that none of the funds used to make each such person or entity's
48 contribution were derived from foreign-influenced corporations, the advertisement or
49 communication shall also include the statement: "Some of the funds used to pay for this message
50 may have been provided by foreign-influenced corporations." The individual, corporation, group,
51 association, labor union or other entity making the independent expenditure or electioneering
52 communication shall be entitled to rely on such a statement of certification provided by the
53 contributor, unless the individual, corporation, group, association, labor union or other entity has
54 actual knowledge that such certification is false.