

SENATE No. 454

The Commonwealth of Massachusetts

PRESENTED BY:

Joanne M. Comerford

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 limiting political spending by foreign-influenced corporations.

PETITION OF:

NAME:

Joanne M. Comerford

DISTRICT/ADDRESS:

Hampshire, Franklin and Worcester

SENATE No. 454

By Ms. Comerford, a petition (accompanied by bill, Senate, No. 454) of Joanne M. Comerford for legislation to limit political spending by foreign-influenced corporations. Election Laws.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 393 OF 2019-2020.]

The Commonwealth of Massachusetts

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

An Act limiting 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 of the General Laws is hereby amended by inserting
2 after the definition of “Contribution” the following 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 second
28 paragraph the following paragraphs:--

29 No foreign-influenced corporation shall make an independent expenditure, an
30 electioneering communication expenditure, a contribution to an independent expenditure PAC as
31 defined in section 18A, a contribution to a ballot question committee, or an expenditure for the

32 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, an electioneering
35 communication expenditure, a contribution to an independent expenditure PAC as defined in
36 section 18A, a contribution to a ballot question committee, or an expenditure for the purpose of
37 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. The second paragraph of section 18G of said chapter 55 is hereby amended
43 by inserting after the second sentence the following sentences:- Unless the individual,
44 corporation, group, association, labor union or other entity making the independent expenditure
45 or electioneering communication has received a statement of certification from each person or
46 entity required to be listed in the top contributors, avowing under penalty of perjury that none of
47 the funds used to make each such person or entity's contribution were derived from foreign-
48 influenced corporations, the advertisement or communication shall also include the statement:
49 "Some of the funds used to pay for this message may have been provided by foreign-influenced
50 corporations." The individual, corporation, group, association, labor union or other entity making
51 the independent expenditure or electioneering communication shall be entitled to rely on such a
52 statement of certification provided by the contributor, unless the individual, corporation, group,
53 association, labor union or other entity has actual knowledge that such certification is false.