

1 State of Arkansas As Engrossed: H4/3/25 S4/9/25

2 95th General Assembly

A Bill

3 Regular Session, 2025

HOUSE BILL 1837

4

5 By: Representative McAlindon

6 By: Senator K. Hammer

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For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING DISCLOSURE FOR
10 MATTERS REFERRED TO VOTERS; TO BAN FOREIGN FUNDING
11 FOR BALLOT MEASURES; TO AMEND PORTIONS OF THE
12 ARKANSAS CODE THAT RESULTED FROM INITIATED ACT 1 OF
13 1996; AND FOR OTHER PURPOSES.

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Subtitle

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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SECTION 1. DO NOT CODIFY. Legislative findings and intent.

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The General Assembly finds that:

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(1) It is vital to the operation of an effective democracy for
29 the people to have full and complete confidence in their elections;

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(2) It is crucial that those elections be free of unwanted
31 foreign influence; and

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(3) It is the intent of the General Assembly to prevent foreign
33 contributions from influencing the outcome of Arkansas elections.

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SECTION 2. Arkansas Code § 7-6-201, concerning definitions for
36 campaign financing, resulting from Initiated Act 1 of 1996, is amended to add



1 an additional subdivision to read as follows:

2 (19) "Prohibited sources" means the same as defined in § 7-9-
3 402.

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5 SECTION 3. Arkansas Code § 7-6-220(b), concerning contents of the
6 report for independent expenditures in campaign financing and resulting from
7 Initiated Act 1 of 1996, is amended to add an additional subdivision to read
8 as follows:

9 (5) An affirmation by the individual, committee, or entity
10 making the independent expenditure that the individual, committee, or entity
11 has not knowingly or willfully accepted donations in excess of ten thousand
12 dollars (\$10,000) in the aggregate from one (1) or more prohibited sources
13 within the four-year period immediately preceding the date the independent
14 expenditure was made.

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16 SECTION 4. Arkansas Code § 7-9-402, concerning definitions for
17 disclosure matters referred to voters, is amended to add additional
18 subdivisions to read as follows:

19 (13) "Directly or indirectly" means acting either alone or 10
20 jointly with, through, or on behalf of any other:

21 (A) Ballot question committee;

22 (B) Legislative question committee;

23 (C) Political action committee;

24 (D) Organization;

25 (E) Person; or

26 (F) Other entity;

27 (14) "Foreign national" means:

28 (A) An individual who is not a citizen or lawful permanent
29 resident of the United States;

30 (B) A government or subdivision of a foreign country; or

31 (C) A foreign political party;

32 (D) An entity, including without limitation a partnership,
33 association, corporation, organization, or other combination of persons, that
34 is organized under the laws of, or has its principal place of business in, a
35 foreign country; or

36 (E) A partnership, association, corporation, or

1 organization, which is wholly or majority owned by a foreign national,
2 unless:

3 (i) A contribution or expenditure the entity makes
4 derives entirely from funds generated by the entity's operations; and

5 (ii) All decisions concerning the contribution or
6 expenditure are made by individuals who are United States citizens or
7 permanent residents, except for setting overall budget amounts;

8 (15) "Independent expenditure" means the same as defined in § 7-
9 6-201;

10 (16) "Preliminary activity" includes:

11 (A) Conducting a poll;

12 (B) Drafting ballot question language;

13 (C) Drafting legislative question language;

14 (D) Conducting a focus group;

15 (E) Conducting telephone calls; or

16 (F) Traveling in connection with a ballot question or
17 legislative question activity;

18 (17) "Prohibited sources" includes:

19 (A) A prohibited political action committee as defined in
20 § 7-6-201;

21 (B) A political action committee that accepts one (1) or
22 more contributions from a foreign national;

23 (C) An organization that is funded by a political action
24 committee that accepts one (1) or more contributions from a foreign national;

25 (D) Contributions from or expenditures by a foreign
26 national; and

27 (E) Contributions or expenditures that violate state or
28 federal law; and

29 (18)(A) "Tax-exempt organization" means an organization that
30 qualifies as exempt from federal income tax under § 501(c) of the Internal
31 Revenue Code of 1986, as it existed on January 1, 2025.

32 (B) This subchapter shall not be construed to treat a
33 political organization under § 527 of the Internal Revenue Code of 1986, as
34 it existed on January 1, 2025, as a tax-exempt organization for purposes of
35 this subchapter.

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1 SECTION 5. Arkansas Code § 7-9-407(2), concerning the information
2 contained in financial reports submitted by a ballot question committee or a
3 legislative question committee, is amended to add an additional subdivision
4 to read as follows:

5 (E) For a ballot question committee as defined under § 7-
6 9-402(2) or a legislative question committee as defined in § 7-9-402(10):

7 (i) An affirmation that the ballot question
8 committee or legislative question committee has not knowingly or willfully
9 received, solicited, or accepted contributions or expenditures from a
10 prohibited source; and

11 (ii) An affirmation by the treasurer of the ballot
12 question committee or legislative question committee that to the best of the
13 treasurer's knowledge the donor associated with each contribution is not a
14 foreign national and has not knowingly or willfully received, solicited, or
15 accepted, whether directly or indirectly, contributions or expenditures from
16 one (1) or more prohibited sources in excess of ten thousand dollars
17 (\$10,000) in the aggregate within the four-year period immediately preceding
18 the date of the contribution;

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20 SECTION 6. Arkansas Code Title 7, Chapter 9, Subchapter 4, is amended
21 to add additional sections to read as follows:

22 7-9-416. Prohibited sources of funding.

23 (a) Upon registering as a ballot question committee or legislative
24 question committee, the treasurer of the committee shall file an accompanying
25 certification that no preliminary activity was directly funded by prohibited
26 sources, whether directly or indirectly.

27 (b) After the ballot question committee or legislative question
28 committee has been registered, the committee shall not knowingly or willfully
29 receive, solicit, or accept contributions or expenditures from a prohibited
30 source, whether directly or indirectly.

31 (c) A person who makes an independent expenditure in support of or in
32 opposition to a ballot question committee or legislative question committee
33 in excess of ten thousand dollars (\$10,000) in the aggregate shall keep
34 records of any contribution or expenditure and retain such records as
35 prescribed under § 7-9-410 from the date of receipt of the contribution or
36 expenditure.

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2 7-9-417. Donor certification of no affiliation with prohibited
3 sources.

4 (a) Upon receipt of a contribution in excess of ten thousand dollars
5 (\$10,000) to a ballot question committee or legislative question committee,
6 the treasurer of the ballot question committee or legislative question
7 committee shall obtain from the donor associated with a contribution in
8 excess of ten thousand dollars (\$10,000) in the aggregate an affirmation that
9 the donor:

10 (1) Is not a foreign national; and

11 (2) Has not knowingly or willfully accepted donations in excess
12 of ten thousand dollars (\$10,000) in the aggregate from one (1) or more
13 prohibited sources within the four-year period immediately preceding the date
14 the contribution is made.

15 (b) An individual, committee, or entity making one (1) or more
16 independent expenditures in excess of ten thousand dollars (\$10,000)
17 supporting or opposing a ballot question or legislative question shall
18 certify to the Attorney General that the individual, committee, or entity has
19 not knowingly or willfully accepted donations in excess of ten thousand
20 dollars (\$10,000) in the aggregate from one (1) or more prohibited sources
21 within the four-year period immediately preceding the date the independent
22 expenditure is made and that it will not do so through the remainder of the
23 calendar year in which the ballot question or legislative question will
24 appear on the ballot.

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26 7-9-418. Prohibited influence by a foreign national.

27 (a) A foreign national shall not direct, dictate, control, or directly
28 or indirectly participate in the decision-making process of any person with
29 regard to that person's activities to influence a ballot question or
30 legislative question, including without limitation decisions concerning the
31 making of contributions or expenditures to influence a ballot question or
32 legislative question.

33 (b) A foreign national shall not solicit, directly or indirectly, the
34 making of a donation, contribution, or expenditure by another person to
35 influence a ballot question or legislative question.

36 (c) Nothing in this subchapter shall create or eliminate any existing

1 donor disclosure rights or duties beyond those specifically stated in §§ 7-9-
2 416 – 7-9-420.

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4 7-9-419. Enforcement for violations of ban on foreign funding for
5 ballot questions and legislative questions.

6 (a)(1) The Attorney General may bring a civil action to enforce §§ 7-
7 9-416 – 7-9-420.

8 (2) An individual, committee, or entity alleged to have violated
9 any provision under §§ 7-9-416 – 7-9-420 shall be provided a full opportunity
10 of notice, discovery, and an opportunity to be heard before being found
11 liable for a violation of any provision under §§ 7-9-416 – 7-9-420.

12 (b) If the Attorney General prevails in an action brought under § 7-9-
13 419(a), the court shall award:

14 (1) Injunctive relief sufficient to prevent the defendant from
15 violating this subchapter or engaging in acts that aid or abet violations of
16 any provision under §§ 7-9-416 – 7-9-420; and

17 (2) Statutory damages up to twice the amount of the prohibited
18 contribution or expenditure.

19 (c) In addition to the penalties in this section and any other
20 remedies provided by law, if the court finds the defendant knowingly or
21 willfully violated any provision under §§ 7-9-416 – 7-9-420, the court may
22 assess a penalty of up to three (3) times the statutory damages.

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24 7-9-420. Restrictions on collection and release of donor information.

25 (a)(1) A lawful donor to a tax-exempt organization possesses a right
26 of privacy in the lawful donor's donations.

27 (2) An investigation of an alleged violation of any provision
28 under §§ 7-9-416 – 7-9-420 or a lawful court order in an action brought under
29 § 7-9-419(a) shall occur in a manner that shields the identity of lawful
30 donors to the extent possible.

31 (3) A governmental body shall not collect or require the
32 submission of information on the identity of any donor to a tax-exempt
33 organization other than those directly related to an alleged violation of §§
34 7-9-416 – 7-9-420.

35 (4) Any collection or required submission of information by any
36 governmental body regarding the identity of any donor to a tax-exempt

1 organization beyond that permitted by any provision under §§ 7-9-416 – 7-9-
2 420 shall be deemed a violation of the Personal Information Protection Act, §
3 4-110-101 et seq.

4 (b)(1) A governmental body shall not disclose to the public or another
5 government official not directly involved in the investigation, information
6 revealing the identity of any donor to a tax-exempt organization, unless the
7 information is regarding the identity of a donor that engaged in conduct
8 prohibited by any provision under §§ 7-9-416 – 7-9-420 after a final
9 determination has been made that the donor violated any provision under §§ 7-
10 9-416 – 7-9-420 or if the tax-exempt organization has triggered registration
11 and reporting as a ballot question committee or a legislative question
12 committee under this subchapter.

13 (2) Knowing or willful violations of this subsection shall be
14 punishable under the Personal Information Protection Act, § 4-110-101 et seq.

15 (3) Any public disclosure of information revealing the identity
16 of any donor to a tax-exempt organization by a governmental body incident to
17 this section is a violation of the Personal Information Protection Act, § 4-
18 110-101 et seq., unless the information is regarding the identity of a donor
19 that engaged in conduct prohibited by any provision under §§ 7-9-416 – 7-9-
20 420 after a final determination has been made that the donor violated any
21 provision under §§ 7-9-416 – 7-9-420.

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23 /s/McAlindon
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