

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025

A Bill

HOUSE BILL 1837

4
5 By: Representative McAlindon
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For An Act To Be Entitled

8
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

16
17 TO AMEND THE LAW CONCERNING DISCLOSURE
18 FOR MATTERS REFERRED TO VOTERS; AND TO
19 BAN FOREIGN FUNDING FOR BALLOT MEASURES;
20 TO AMEND PORTIONS OF THE ARKANSAS CODE
21 THAT RESULTED FROM INITIATED ACT 1 OF
22 1996.
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25

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

27 The General Assembly finds that:

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

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

32 (3) It is the intent of the General Assembly to prevent foreign
33 contributions from influencing the outcome of Arkansas elections.
34

35 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.

4
 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 funds 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 the donor
13 associated with each contribution is not a foreign national and has not
14 knowingly or willfully received, solicited, or accepted, whether directly or
15 indirectly, contributions or expenditures from one (1) or more prohibited
16 sources in excess of ten thousand dollars (\$10,000) in the aggregate within
17 the four-year period immediately preceding the date of the contribution;
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19 SECTION 6. Arkansas Code Title 7, Chapter 9, Subchapter 4, is amended
20 to add additional sections to read as follows:

21 7-9-416. Prohibited sources of funding.

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

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

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

36

1 7-9-417. Donor certification of no affiliation with prohibited
2 sources.

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

9 (1) Is not a foreign national; and

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

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

23 (c) A determination that an individual, committee, or entity filing
24 one (1) or more certifications under this section and § 7-6-220 has accepted
25 funds from one (1) or more prohibited sources in excess of ten thousand
26 dollars (\$10,000) in the aggregate within the applicable four-year period
27 immediately preceding the contribution or independent expenditure at issue
28 shall create a presumption that the individual, committee, or entity has
29 violated this section.

30
31 7-9-418. Prohibited influence by a foreign national.

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

1 legislative question.

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

5 (c) Nothing in this subchapter shall create or eliminate any existing
6 donor disclosure rights or duties beyond those specifically stated in §§ 7-9-
7 416 – 7-9-420.

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

11 (a)(1) The Attorney General may bring a civil action to enforce §§ 7-
12 9-416 – 7-9-420.

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

17 (b) If the Attorney General prevails in an action brought under § 7-9-
18 419(a), the court shall award:

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

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

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

28
29 7-9-420. Restrictions on collection and release of donor information.

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

32 (2) An investigation of an alleged violation of any provision
33 under §§ 7-9-416 – 7-9-420 or a lawful court order in an action brought under
34 § 7-9-419(a) shall occur in a manner that shields the identity of lawful
35 donors to the extent possible.

36 (3) A governmental body shall not collect or require the

1 submission of information on the identity of any donor to a tax-exempt
2 organization other than those directly related to an alleged violation of §§
3 7-9-416 – 7-9-420.

4 (4) Any collection or required submission of information by any
5 governmental body regarding the identity of any donor to a tax-exempt
6 organization beyond that permitted by any provision under §§ 7-9-416 – 7-9-
7 420 shall be deemed a violation of the Personal Information Protection Act, §
8 4-110-101 et seq.

9 (b)(1) A governmental body shall not disclose to the public or another
10 government official not directly involved in the investigation, information
11 revealing the identity of any donor to a tax-exempt organization, unless the
12 information is regarding the identity of a donor that engaged in conduct
13 prohibited by any provision under §§ 7-9-416 – 7-9-420 after a final
14 determination has been made that the donor violated any provision under §§ 7-
15 9-416 – 7-9-420.

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

18 (3) Any public disclosure of information revealing the identity
19 of any donor to a tax-exempt organization by a governmental body incident to
20 this section is a violation of the Personal Information Protection Act, § 4-
21 110-101 et seq., unless the information is regarding the identity of a donor
22 that engaged in conduct prohibited by any provision under §§ 7-9-416 – 7-9-
23 420 after a final determination has been made that the donor violated any
24 provision under §§ 7-9-416 – 7-9-420.

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