

HB363 INTRODUCED



1 HB363
2 V7N5MLV-1
3 By Representatives Lomax, Woods
4 RFD: Ethics and Campaign Finance
5 First Read: 27-Feb-25



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SYNOPSIS:

This bill would prohibit foreign nationals from contributing to campaigns, ballot measures, political parties, or political action committees.

This bill would also impose penalties for violations.

A BILL
TO BE ENTITLED
AN ACT

Relating to the Fair Campaign Practices Act; to amend Sections 17-5-2 and 17-5-15.1, Code of Alabama 1975; to define foreign national and prohibit foreign national contributions and donations to fund Alabama campaigns and ballot measures.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 17-5-2 and 17-5-15.1, Code of Alabama 1975, are amended to read as follows:

"§17-5-2

(a) For purposes of this chapter, the following terms ~~shall~~ have the following meanings:

(1) CANDIDATE. An individual who has done any of the following:

a. Taken the action necessary under the laws of the



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29 state to qualify himself or herself for nomination or for
30 election to any state office or local office or in the case of
31 an independent seeking ballot access, on the date when he or
32 she files a petition with the judge of probate in the case of
33 county offices, with the appropriate qualifying municipal
34 official in the case of municipal offices, or the Secretary of
35 State in all other cases.

36 b. Received contributions or made expenditures in
37 excess of one thousand dollars (\$1,000), or given his or her
38 consent for any other person or persons to receive
39 contributions or make expenditures in excess of one thousand
40 dollars (\$1,000), with a view to bringing about his or her
41 nomination or election to any state office or local office.

42 (2) COMMISSION. The State Ethics Commission created
43 pursuant to Section 36-25-3.

44 (3) CONTRIBUTION.

45 a. Any of the following shall be considered a
46 contribution:

47 1. A gift, subscription, loan, advance, deposit of
48 money or anything of value, a payment, a forgiveness of a
49 loan, or payment of a third party, made for the purpose of
50 influencing the result of an election.

51 2. A contract or agreement to make a gift,
52 subscription, loan, advance, or deposit of money or anything
53 of value for the purpose of influencing the result of an
54 election.

55 3. Any transfer of anything of value received by a
56 political committee from another political committee,



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57 political party, or other source.

58 4. The payment of compensation by any person for the
59 personal services or expenses of any other person if the
60 services are rendered or expenses incurred on behalf of a
61 candidate, political committee, or political party without
62 payment of full and adequate compensation by the candidate,
63 political committee, or political party; ~~Provided~~ provided,
64 however, that the payment of compensation by a corporation for
65 the purpose of establishing, administering, or soliciting
66 voluntary contributions to a separate, segregated fund as
67 permitted in this chapter, shall not constitute a
68 contribution.

69 b. The term "contribution" does not include:

70 1. The value of services provided without compensation
71 by individuals who volunteer a portion or all of their time on
72 behalf of a candidate or political committee.

73 2. The use of real or personal property and the cost of
74 invitations, food, or beverages, voluntarily provided by an
75 individual to a candidate or political committee in rendering
76 voluntary personal services on the individual's residential or
77 business premises for election-related activities.

78 3. The sale of any food or beverage by a vendor for use
79 in an election campaign at a charge to a candidate or
80 political committee less than the normal comparable charge, if
81 the charge to the political committee for use in an election
82 campaign is at least equal to the cost of the food or beverage
83 to the vendor.

84 4. Any unreimbursed payment for travel expenses made by



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85 an individual who, on his or her own behalf, volunteers
86 personal services to a candidate or political committee.

87 5. The payment by a state or local committee of a
88 political party of the cost of preparation, display, or
89 mailing or other distribution incurred by the committee with
90 respect to a printed slate card or sample ballot, or other
91 printed listing of two or more candidates for any public
92 office for which an election is held in the state, except that
93 this subparagraph shall not apply in the case of costs
94 incurred by the committee with respect to a display of the
95 listing made on broadcasting stations, or in newspapers,
96 magazines, or other similar types of general public political
97 advertising.

98 6. The value or cost of polling data and voter
99 preference data and information if provided to a candidate or
100 political committee, unless the information was compiled with
101 the advance knowledge of and approval of the candidate or the
102 political committee.

103 c. For purposes of reporting contributions as required
104 by this chapter, the date of receipt of a contribution shall
105 be the first date the recipient of the contribution is able to
106 make use of the contribution. In the case of a contribution in
107 the form of a check, the date of receipt is the earlier of
108 either of the following:

109 1. Ten days from the date that the check came within
110 the recipient's control.

111 2. The date that the check was deposited into the
112 recipient's account.



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113 (4) DESIGNATED FILING AGENT. An individual appointed
114 and authorized as attorney in fact to electronically submit
115 any report or other filing required by this chapter on behalf
116 of a candidate, his or her principal campaign committee, or a
117 political action committee.

118 (5) ELECTION. Unless otherwise specified, any general,
119 special, primary, or runoff election, or any convention or
120 caucus of a political party held to nominate a candidate, or
121 any election at which a constitutional amendment or other
122 proposition is submitted to the popular vote.

123 (6) ELECTIONEERING COMMUNICATION. Any communication
124 disseminated through any federally regulated broadcast media,
125 any mailing, or other distribution, electronic communication,
126 phone bank, or publication which (i) contains the name or
127 image of a candidate; (ii) is made within 120 days of an
128 election in which the candidate will appear on the ballot;
129 (iii) the only reasonable conclusion to be drawn from the
130 presentation and content of the communication is that it is
131 intended to influence the outcome of an election; and (iv)
132 entails an expenditure in excess of one thousand dollars
133 (\$1,000).

134 (7) EXPENDITURE.

135 a. The following shall be considered expenditures:

136 1. A purchase, payment, distribution, loan, advance,
137 deposit, or gift of money or anything of value made for the
138 purpose of influencing the result of an election.

139 2. A contract or agreement to make any purchase,
140 payment, distribution, loan, advance, deposit, or gift of



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141 money or anything of value, for the purpose of influencing the
142 result of an election.

143 3. The transfer, gift, or contribution of funds of a
144 political committee to another political committee.

145 4. The payment of any qualifying fee or other cost
146 associated with qualifying to run for office.

147 b. The term "expenditure" does not include:

148 1. Any news story, commentary, or editorial prepared by
149 and distributed through the facilities of any broadcasting
150 station, newspaper, magazine, or other periodical publication,
151 unless the facilities are owned or controlled by any political
152 party or political committee.

153 2. Nonpartisan activity designed to encourage
154 individuals to register to vote, or to vote.

155 3. Any communication by any membership organization to
156 its members or by a corporation to its stockholders and
157 employees if the membership organization or corporation is not
158 organized primarily for the purpose of influencing the result
159 of an election.

160 4. The use of real or personal property and the cost of
161 invitations, food, or beverages, voluntarily provided by an
162 individual in rendering voluntary personal services on the
163 individual's residential or business premises for
164 election-related activities.

165 5. Any unreimbursed payment for travel expenses made by
166 an individual who, on his or her own behalf, volunteers
167 personal services to a candidate or political committee.

168 6. Any communication by any person which is not made



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169 for the purposes of influencing the result of an election.

170 7. The payment by a state or local committee of a
171 political party of the cost of preparation, display, or
172 mailing or other distribution incurred by the committee with
173 respect to a printed slate card or sample ballot, or other
174 printed listing of two or more candidates for any public
175 office for which an election is held in the state, except that
176 this subparagraph shall not apply in the case of costs
177 incurred by the committee with respect to a display of the
178 listing made on broadcasting stations, or in newspapers,
179 magazines, or other similar types of general public political
180 advertising.

181 c. For purposes of reporting expenditures as required
182 by this chapter, the date an expenditure is made is the date
183 the instrument authorizes the expenditure. In the case of an
184 expenditure made by check or electronic payment, the date of
185 expenditure is the date of the check or electronic payment.

186 (8) FOREIGN NATIONAL. Any of the following:

187 a. An individual who is not a citizen or lawful
188 permanent resident of the United States.

189 b. A government or subdivision of a foreign country or
190 municipality thereof.

191 c. A foreign political party.

192 d. Any entity, such as a partnership, association,
193 corporation, organization, or other combination of persons,
194 that is organized under the laws of, or has its principal
195 place of business in a foreign country.

196 e. Any U.S. entity, such as a partnership, association,



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197 corporation, or organization, which is wholly or majority
198 owned by any foreign national, unless: (i) any contribution or
199 expenditure the entity makes derives entirely from funds
200 generated by the entity's U.S. operations; and (ii) all
201 decisions concerning the contributions or expenditures are
202 made by individuals who are U.S. citizens or permanent
203 residents, except decisions setting overall budget amounts.

204 ~~(8)~~ (9) IDENTIFICATION. The full name and complete
205 address.

206 ~~(9)~~ (10) LOAN. A transfer of money, property, or
207 anything of value in consideration of a promise or obligation,
208 conditional or not, to repay in whole or part.

209 ~~(10)~~ (11) LOCAL OFFICE. Any office under the
210 constitution and laws of the state, except circuit, district,
211 or legislative offices, filled by election of the registered
212 voters of a single county or municipality, or by the voters of
213 a division contained within a county or municipality.

214 (12) NON-CANDIDATE ELECTION. A question or proposition
215 to be placed before the voter in a state or local election,
216 other than the nomination or election of a candidate for
217 public office, such as a constitutional amendment or
218 referendum.

219 ~~(11)~~ (13) PERSON. An individual, partnership, committee,
220 association, corporation, labor organization, or any other
221 organization or group of persons.

222 ~~(12)~~ (14) PERSONAL AND LEGISLATIVE LIVING EXPENSES.
223 Household supplies, personal clothing, tuition payments,
224 mortgage, rent, or utility payments for a personal residence;



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225 admission to an entertainment event or fees for a country club
226 or social club, unless tied to a specific campaign event or
227 functions involving constituents; and any other expense,
228 excluding food and beverages, that would exist irrespective of
229 the candidate's campaign or duties as a legislator. Personal
230 and legislative living expenses shall not include expenses for
231 food, beverages, travel, or communications incurred by the
232 legislator in the performance of the office held.

233 ~~(13)~~ (15) POLITICAL ACTION COMMITTEE. Any committee,
234 club, association, political party, or other group of one or
235 more persons, whether in-state or out-of-state, which receives
236 or anticipates receiving contributions and makes or
237 anticipates making expenditures to or on behalf of any Alabama
238 state or local elected official, proposition, candidate,
239 principal campaign committee or other political action
240 committee. For the purposes of this chapter, a person who
241 makes a political contribution shall not be considered a
242 political action committee by virtue of making such
243 contribution.

244 ~~(14)~~ (16) POLITICAL PARTY. A political party as defined
245 in Section 17-13-40.

246 ~~(15)~~ (17) PRINCIPAL CAMPAIGN COMMITTEE. The principal
247 campaign committee designated by a candidate under Section
248 17-5-4. A political action committee established primarily to
249 benefit an individual candidate or an individual elected
250 official shall be considered a principal campaign committee
251 for purposes of this chapter.

252 ~~(16)~~ (18) PROPOSITION. Any proposal for submission to



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253 the general public for its approval or rejection, including
254 proposed as well as qualified ballot questions.

255 ~~(17)~~ (19) PUBLIC OFFICIAL. Any person elected to public
256 office, whether or not that person has taken office, by the
257 vote of the people at the state, county, or municipal level of
258 government or their instrumentalities, including governmental
259 corporations, and any person appointed to a position at the
260 state, county, or municipal level of government or their
261 instrumentalities, including governmental corporations. For
262 purposes of this chapter, a public official includes the
263 chairs and vice chairs or the equivalent offices of each state
264 political party as defined in Section 17-13-40.

265 ~~(18)~~ (20) STATE. The State of Alabama.

266 ~~(19)~~ (21) STATE OFFICE. All offices under the
267 constitution and laws of the state filled by election of the
268 registered voters of the state or of any circuit or district
269 and shall include legislative offices.

270 (b) The words and terms used in this chapter shall have
271 the same meanings respectively ascribed to them in Section
272 36-25-1."

273 "§17-5-15.1

274 (a) A principal campaign committee of a state or local
275 candidate and any person authorized to make an expenditure on
276 its behalf ~~may~~ shall not receive or spend, in a campaign for
277 state or local office, campaign funds in excess of one
278 thousand dollars (\$1,000) that were raised by a principal
279 campaign committee of a federal candidate.

280 (b) A foreign national shall not make, directly or



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281 indirectly:

282 (1) A contribution or donation of money or other thing
283 of value or make an express or implied promise to make a
284 contribution or donation in connection with a state or local
285 election of a candidate to public office or a non-candidate
286 election;

287 (2) A contribution or donation to a committee of a
288 state or local political party; or

289 (3) An expenditure, independent expenditure, or
290 disbursement for an electioneering communication.

291 (c) A person, political party, political action
292 committee, or principal campaign committee shall not solicit,
293 accept, or receive a contribution, donation, expenditure,
294 independent expenditure, or disbursement described in
295 subdivisions (b) (1), (b) (2), or (b) (3) from a foreign
296 national.

297 (d) For purposes of this section, "directly or
298 indirectly" means acting either alone or jointly with,
299 through, or on behalf of any other non-candidate election
300 committee, political party, political action committee, or
301 principal campaign committee, organization, person, or other
302 entity.

303 (e) Any person who intentionally ~~receives or expends~~
304 ~~campaign funds in violation of~~ violates subsection (a), (b), or
305 (c) shall be guilty, upon conviction, of a Class C felony."

306 Section 2. This act shall become effective on October
307 1, 2025.