



ARIZONA HOUSE OF REPRESENTATIVES

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House: GOV DPA 8-0-1-0

HB 2506: foreign agents; registration; attorney general

Sponsor: Representative Gress, LD 4

House Engrossed

Overview

Prescribes requirements for registration with the Attorney General (AG) as an agent of a foreign principal from a country of concern.

History

The AG serves as the chief legal officer of Arizona. The AG is mandated by the Arizona Constitution and elected to serve a four-year term. The AG may: 1) issue subpoenas to any person; 2) administer an oath or affirmation to any person; 3) conduct hearings in aid of any investigation or inquiry; and 4) prescribe and promulgate forms, procedural rules and regulations that may be necessary to enforce the law ([A.R.S. § 44-1526](#)).

Provisions

1. Prohibits a person from acting as an agent of a foreign principal from a country of concern unless the person has filed a registration statement with the office of the AG and paid the prescribed fee. (Sec. 1)
2. Directs a person, within 10 days of becoming an agent of a foreign principal from a country of concern, to file the prescribed registration statement, under oath, on a form prescribed by the AG's Office. (Sec. 1)
3. Specifies that the registration statement must include:
 - a) the registrant's name;
 - b) the registrant's address;
 - c) the foreign principal's business address and other associated business addresses in the United States or outside of the United States;
 - d) the status of the registrant and any associated information based on the outlined factors;
 - e) a comprehensive statement of the nature of the registrant's business;
 - f) a complete list of the registrant's employees and the nature of their work;
 - g) the names and addresses of each foreign principal from a country of concern on whose behalf the registrant is acting;
 - h) the extent to which the foreign principal from a country of concern is controlled, directed, financed, owned, supervised or subsidized by any government of a foreign country, foreign political party or other foreign principal from a country of concern;
 - i) copies of each written agreement including terms and conditions of each oral agreement and if no agreements exist, a comprehensive statement of all circumstances in which the registrant is an agent of a foreign principal from a country of concern;

- j) a comprehensive statement of the nature and method of performance of any agreement and existing and proposed activities engaged in by the registrant, including political activities;
 - k) the amount of any monies that the registrant has received as compensation or disbursement from the foreign principal from a country of concern, the form and time of each payment and from whom the registrant received the payment; and
 - l) a comprehensive statement of every activity the registrant is performing or has agreed to perform for any other person and that requires the registrant's registration, including a detailed statement of any political activity. (Sec. 1)
4. Stipulates that the registration statement and supplemental information must be executed by the individual registrant unless:
 - a) the registrant is in a partnership, in which case it must be executed by the majority of the members; or
 - b) there is no involvement from an individual or partnership, in which case it must be executed by a majority of the officers or by a majority of the board of directors. (Sec. 1)
 5. Instructs the AG's Office to notify the registrant in writing of any deficiencies and the registrant to cure all deficiencies within 10 days of receiving a notice of deficiencies. (Sec. 1)
 6. States that the registrant must update the registration statement with any required additional information within 10 days after receiving the information. (Sec. 1)
 7. Requires the AG's Office to retain a copy of all registration statements and post each registration statement on the AG's website. (Sec. 1)
 8. Allows the AG to establish a fee in rule for providing copies of the registration statements that are open for public inspection. (Sec. 1)
 9. Exempts the following from the registration statement requirements:
 - a) an accredited diplomatic or consular officer of a foreign government recognized by the United States Department of State;
 - b) any official of a recognized foreign government who is not a public relations counsel, publicity agent or information service employee; and
 - c) any person qualified to practice law in this state who engages in legal representation of a foreign principal based on prescribed requirements. (Sec. 1)
 10. Prohibits a person that is an agent of a foreign principal from a country of concern from:
 - a) transmitting through United States mail or alternate means informational materials in the interests of a foreign principal from a country of concern without including a conspicuous statement that the materials are being distributed on behalf of a foreign principal;
 - b) transmitting or conveying to any agency or public official in this state political propaganda in support of a country of concern unless accompanied by an accurate statement that the person is registered as an agent of a foreign principal; or
 - c) requesting advice or information regarding the political or public interests, policies or relations of a country of concern. (Sec. 1)
 11. States that an agent of a foreign principal from a country of concern who appears to testify in the Legislature in the interest of the foreign principal must present the committee with a copy of the prescribed registration statement filed with the AG's Office. (Sec. 1)

12. Stipulates that it is unlawful for an agent of a foreign principal from a country of concern to be a party to any contract where the amount of compensation is contingent on the success of any political activities carried out by the agent and prescribes a class 6 felony and a fine of \$50,000 per violation. (Sec. 1)
13. Stipulates that state employees must annually submit a signed affidavit to their employer stating they are not an agent of a foreign principal. (Sec. 1)
14. Provides a class 4 felony and fine of \$100,000 per violation of a person who knowingly or wilfully violates the registration requirements or wilfully makes a false statement of material fact when filing a registration statement. (Sec. 1)
15. Declares that any student, faculty member, researcher or adjunct professor or individual otherwise employed by or associated with a university in this state must be expelled or dismissed and further prohibited from the campus and from their role if the person wilfully violates the registration requirements. (Sec. 1)
16. Directs each institution of higher education in Arizona to adopt a policy for the expulsion or dismissal of an individual who has violated the registration requirements. (Sec. 1)
17. Specifies that institutions of higher education must develop a reporting mechanism for students who are former citizens or dissidents of a country of concern who are being harassed by an agent of a foreign principal to file a report describing the harassment. (Sec. 1)
18. Establishes that any alien who violates the prescribed registration requirements or is found to be in conspiracy of a violation is subject to referral to the United States Department of Justice. (Sec. 1)
19. Authorizes the AG to adopt rules necessary to implement the provisions of this Act. (Sec. 1)
20. Defines:
 - a) *agent of a foreign principal*;
 - b) *conspicuous*;
 - c) *country of concern*;
 - d) *foreign political party*;
 - e) *foreign principal*;
 - f) *government of a foreign country*;
 - g) *information service employee*;
 - h) *person*;
 - i) *publicity agent*; and
 - j) *public relations counsel*. (Sec. 1)
21. Appropriates \$100,000 and one FTE position from the Consumer Protection-Consumer Fraud Revolving Fund in Fiscal Year 2025 to the AG's Office to implement the registration requirements for an agent of a foreign principal from a country of concern. (Sec. 2)

<input type="checkbox"/> Prop 105 (45 votes) <input type="checkbox"/> Prop 108 (40 votes) <input type="checkbox"/> Emergency (40 votes) <input type="checkbox"/> Fiscal Note
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