

## **Title 21. Public Officers and Employees**

### **Chapter II. Secretary of State**

#### **Subchapter A. Generally**

#### **Part 21. The Combating Hostile Foreign Influence Rule**

##### **Subpart 1. Generally**

###### **21 CAR § 21-101. Title.**

This part shall be known as the Combating Hostile Foreign Influence Rule.

###### **21 CAR § 21-102. Purpose.**

The purpose of this part is to provide a procedure to implement Act 998 of the State of Arkansas's 95th General Assembly Regular Session of 2025 (hereinafter, "the Act").

###### **21 CAR § 21-103. Definitions.**

As used in this part:

(1) "Foreign-supported political organization" means any combination of persons, including a political party, partnership, association, corporation, or organization::

(A) That has, within the past five (5) calendar years, received support from a hostile foreign principal or a representative of a hostile foreign principal through:

(i) The donation of money of any currency; or

(ii) The donation of any other item of value; and

(B) Who engages in political activity within Arkansas;

(2) "Political activity" means an activity that is performed to influence an agency or public official of this state, a local government entity within this state, or the public within this state, with reference to:

(A) Formulating, adopting, or changing the policies or laws of this state; or

(B) Electing or opposing a candidate for local or state public office, not including campaign donations;

(3) "Respondent" or "respondents" means any individual or individuals or organization named in a complaint as the party alleged to have violated this part or Arkansas Code § 21-8-1101 et. seq.;

(4) "Representative of a hostile foreign principal" means a person:

(A) Who acts as an agent, employee, representative, or servant, or otherwise acts at the order, request, or under the direction or control of a hostile foreign principal;

(B) Whose actions are financed in whole or in part by a hostile foreign principal; and

(C) Who engages in political activity; and

(5) "Servant" means an individual who acts under the exact direction of another individual or organization regarding time, manner, mode, place, and purpose of the action commanded.

## **Subpart 2. Filing Requirements**

### **21 CAR § 21-201. Filing requirements.**

(a) All representatives of foreign principals must:

(1) File a registration statement, under oath, within ten (10) days of that individual or organization becoming a representative of a hostile foreign principal.

Arkansas Code § 21-8-1103 (a)(1) and (2);

(2) The registration statement shall be filed no less than once quarterly per regular calendar year;

(3) All representatives of a hostile foreign principal shall file an updated registration statement quarterly;

(4) The registration statement shall contain:

(A) The representative's name;

(B) The representative's principal business address;

(C) The representative's other business addresses in the United States or elsewhere;

(D) The representative's residence addresses, if any; and

(E) A comprehensive statement of the nature of the registrant's business.

(b) All foreign-supported political organizations must file a registration statement online with the following information no later than January 31, 2026, and no less than annually for the following years:

(1) The name of the foreign-supported political organization;

(2) The organization's business address;

(3) Other business addresses in the United States where the organization has its residence, if any;

(4) A comprehensive statement of business activities;

(5) The names, titles, and addresses of all officers and directors;

(6) If the foreign-supported organization is affiliated with or a chapter of a national organization, the name of the organization and names and addresses of officers and directors;

(7) A detailed statement of all money or other things of value received by the foreign-supported political organization from a hostile foreign principal or a representative of a hostile foreign principal during the prior calendar year; and

(8) A detailed statement of any expenditures of money or other things of value made by the foreign-supported political organization, within the prior calendar year, to influence the following groups with reference to formulating, adopting, or changing the policies or laws of this state or electing a candidate to local or state public office:

(A) An agency or public official of this state;

(B) A local government entity within this state; or

(C) The public.

### **Subpart 3. Complaints, Investigation, and Enforcement**

## **21 CAR § 21-301. Complaints — Citizen complaints.**

(a) The Secretary of State shall prescribe a form in order to allow a complainant to submit a complaint in the most practicable manner.

(b) Upon receipt of a complaint, Secretary of State staff shall assign a case number in a format to be approved by the Secretary of State.

(c) A complaint shall contain:

- (1) The name of complainant;
- (2) The name of respondent;
- (3) The alleged violation or violations of Arkansas Code § 21-8-1101 et.

seq.;

- (4) The signature of the complainant;
- (5) A sworn statement by the complainant;
- (6) Any additional evidence known to the complainant to support the

complaint; and

(7) The names of witnesses known to the complainant to support the complaint at the time of filing the complaint.

(d) Complaints may be amended by the complainant at any time prior to the Secretary of State's assessment of penalties.

(e) **Notice.** The Secretary of State's office shall notify the named respondent or respondents that a complaint has been filed against the named respondent or respondents.

(f) The respondent shall have the right to file a response within sixty (60) days of receiving notice in the following manner:

(1) The Secretary of State shall create a form in order to allow a response to a complaint to submit a response in the most practicable manner;

(2) The response shall contain:

- (A) An admission or denial of the potential violation;

(B) A statement in response to the complainant's allegations in the complaint;

(C) Any evidence that would support the respondent's denial; and

(D) A list of any witnesses that can confirm the respondent's response and the contact information of the named witnesses.

## **21 CAR § 21-302. Investigations.**

(a) Upon the reception of a complaint, the Secretary of State's office shall assign a case number to the complaint and establish a file wherein all evidence, complaints, responses to complaints, and any other relevant information to the complaint shall be stored.

(b) If, during the course of the investigation, the Secretary of State's office has reason to believe that any person who filed or caused to be filed a complaint against another which he or she knows or should know contains a false material allegation, the Secretary of State's office may forward all documents and other evidence of same to the appropriate law enforcement authority with such recommendations as it deems appropriate.

(c)(1) The staff investigating the complaint shall, upon conclusion of the investigation or upon a time of the Secretary of State's request, submit a report of the investigation and provide a suggested determination to the Secretary of State.

(2) Such determinations may include, but are not limited to:

(A) Sufficient evidence exists for a final determination that a violation has occurred;

(B) Sufficient evidence exists for a final determination that a violation has not occurred

(C) Further investigation by staff is needed; or

(D) That there is evidence that a potential criminal, civil, or regulatory violation has occurred and that the matter shall be referred to the federal, state, or local law enforcement or other governing body with the proper jurisdiction over the potential violation.

(d) The Secretary of State shall notify the complainant and the respondent that his or her determination has been made.

**21 CAR § 21-303. Enforcement.**

(a) The Secretary of State of the State of Arkansas may assess and impose penalties for violations of Arkansas Code § 21-8-1101 et. seq.

(b)(1) The Secretary of State may offer to the respondent a consent agreement in lieu of a hearing.

(2) The respondent shall have until the date specified to accept the consent agreement.

(3) Upon the execution of the consent agreement by both the Secretary of State and the respondent, the consent agreement shall be considered a final adjudication on the matter.

(4) Upon rejection of the consent agreement or the termination of the specified due date for acceptance, the Secretary of State shall issue a notice of hearing to the respondent as soon as practicable.

(c) Penalties for any violation of Arkansas Code § 21-8-1101 et. seq. shall be:

(1) Up to five hundred dollars (\$500) for any single violation;

(2) Up to two thousand dollars (\$2,000) for willful or repeated violations of this part or the authorizing act.

**21 CAR § 21-304. Hearing procedure and judicial review.**

(a) Respondents, within sixty (60) days of receiving proper notice of a penalty assessed and imposed on them by the Secretary of State, shall:

(1) Notify the Secretary of State that he or she accepts and will pay the imposed penalty; or

(2) Submit a request for a hearing pursuant to the Arkansas Administrative Procedure Act, Arkansas Code § 25-15-201 et seq., to the Secretary of State.

(b)(1) In the event the respondent does not request a hearing within sixty (60) days of receiving proper notice, the respondent's right to a hearing has been waived.

(2) The waiver of administrative hearing rights shall be included within the notice of hearing.

(c)(1) The Secretary of State or his or her designee shall hear the matter and may appoint a hearing officer to preside at the hearing pursuant to Arkansas Code § 25-15-213; and

(2) Obtain counsel from the Attorney General to present the case file for the Secretary of State's review.

(d) **Hearings.**

(1) The Secretary of State or his or her designee shall preside as the adjudicator over the hearing.

(2) Upon the closure of the evidentiary record, the Secretary of State shall make a final adjudication on the matter.

(e) **Judicial review.** Upon the rendering of a final decision by the Secretary of State, the respondent may request judicial review under Arkansas Code § 25-15-212.