

ONE HUNDRED NINTH LEGISLATURE - FIRST SESSION - 2025
COMMITTEE STATEMENT
LB644

Hearing Date: Wednesday February 19, 2025
Committee On: Government, Military and Veterans Affairs
Introducer: Bostar
One Liner: Adopt the Foreign Adversary and Terrorist Agent Registration Act and the Crush Transnational Repression in Nebraska Act, provide requirements under the Nebraska Political Accountability and Disclosure Act for conduct relating to certain foreign entities, change provisions of the Foreign Adversary Contracting Prohibition Act, and regulate storage and remote access of genetic sequencing data

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	6	Senators Sanders, Andersen, Guereca, Lonowski, McKeon, Wordekemper
Nay:	2	Senators Cavanaugh, J., Hunt
Absent:		
Present Not Voting:		

Testimony:

Proponents:

Senator Eliot Bostar
Kenny Zoeller
Richard Evans
Tom Rawlings
Alexander Gray
Benjamin Sando
Jacqueline Deal
Matt Barrall
Kam Simmons
Travis Rozeboom

Rick Nelson
Samuel Vacha
Michael Lucci

Opponents:

Spike Eickholt

Neutral:

Philip Lenczycki

Representing:

Opening Presenter
Governor's Policy Research Office
Self
State Shield
Self
Global Taiwan Institute
Self and State Armor
Nebraska State Fraternal Order of Police
Flock Safety
Police Chiefs Association of Nebraska, Police Officer's Association of Nebraska and Nebraska Sheriff's Association
Self
Washington County Sheriff's Office
State Armor

Representing:

Nebraska Criminal Defense Attorneys Association

Representing:

Daily Caller News Foundation



* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

Sections 1 through 13 contain a new act titled the Foreign Adversary and Terrorist Agent Registration Act.

Section 1 contains the title section.

Section 2 states legislative intent relating to the Act.

Section 3 provides definitions for the Act.

Section 4 would prohibit any person from acting as an agent of a foreign principal from an adversary nation or foreign terrorist organization (hereafter, "covered agents") without first registering with the Nebraska Attorney General and providing certain supporting documents and disclosures with that registration filing. The registration statement and supporting documents would be executed under oath. For such persons already operating in Nebraska, there would be a 180-day grace period after the operative date of the Act to come into compliance with its provisions.

Section 5 provides four exceptions to the requirements of Section 4. It would also prohibit covered agents from subcontracting with others to avoid the registration and other requirements imposed by the Act.

Section 6 would require covered agents to disclose certain communications to the Nebraska Attorney General within forty-eight hours. Such communications would also have to include a disclosure by the covered agent that they are being distributed on behalf of their foreign principal. Copies of communications filed with the Attorney General would be available for public inspection based on rules and regulations to be promulgated at the discretion of the Attorney General. Covered agents would also have to provide their most recent registration statement when appearing before any committee of the Legislature or any local government.

Section 7 would require covered agents to keep and preserve records relating to their activities. Such recordkeeping would be required to comply with related rules and regulations promulgated by the Attorney General. Covered agents would be required to preserve such records for at least three years following the termination of such status.

Section 8 creates duties and provides powers for the Attorney General relating to registration records and future cooperation with state and federal agencies and committees of the Legislature. The Attorney General would be required to file a report with the Legislature every six months relating to the filings of covered agents. The Attorney General would also be required to post monthly reports on a website created for this purpose and further described in section 12.

Section 9 clarifies who must file in compliance with the Act in instances where the agent is not an individual.

Section 10 provides civil penalties for noncompliance with the Act, to include fines and expulsion or dismissal from postsecondary institutions (with a corresponding duty for such institutions to impose those institutional penalties), referral to the United States Department of Justice for removal, and injunctive relief. This section also provides for notice to a covered agent believed to be in violation of the Act. Finally, this section prohibits covered agents from using contingent fees relating to political activities.

Section 11 would require the filing of an affidavit by all state employees stating that they are not covered agents. The



deadline for such affidavits would be January 1 of every other year, except in the case of employees of postsecondary institutions, whose deadline would coincide with the start of each academic year.

Section 12 elaborates on the duties of the Attorney General to disclose information relating to covered agents. It also authorizes the Attorney General to exchange data with other government officials to increase transparency and compliance relating to foreign principals that operate in multiple states.

Section 13 would confer additional powers on the Attorney General to investigate suspected covered agents and to promulgate related rules and regulations.

Sections 14 through 21 contain a new act entitled the Crush Transnational Repression in Nebraska Act.

Section 14 contains the title section.

Section 15 states legislative intent relating to the Act.

Section 16 provides definitions for the Act.

Section 17 lists a number of “covered offenses” and provides relevant citations to their locations in the criminal code. This section also defines “protected conduct” and includes under such definition the free exercise of religion, speech, petitioning for redress of grievances, and peaceable assembly. Finally, this section provides for enhancement of any covered offense if committed on behalf of a foreign principal, to coerce another person to act as an agent of a foreign principal, to coerce another person on behalf of a foreign principal, to coerce another person to leave the United States, to cause another person to forebear from engaging in protected conduct, or to retaliate for protected conduct.

Section 18 creates a new crime punishable as a Class IIA felony for activities relating to the enforcement of foreign laws in the United States with the knowledge and approval of domestic law enforcement.

Section 19 would direct the Nebraska State Patrol to prepare or commission a report on the threat of transnational repression in Nebraska.

Section 20 would direct the Nebraska State Patrol to develop training relating to transnational repression by January 1, 2026. This section includes further details on the content that would be required in such training.

Section 21 would direct the Nebraska State Patrol to develop a website and a public awareness campaign by January 1, 2026 for public reporting of instances of transnational repression and to advise the public on how to recognize transnational repression and misinformation. The State Patrol would be required to report annually to the Legislature concerning complaints received and subsequent investigation of those complaints.

Section 22 proposes changes to the Political Accountability and Disclosure Act relating to lobbyist principals who are Chinese military companies as well as their lobbyists and consultants. This section would require additional disclosures of regulated parties and would impose civil penalties for noncompliance.

Section 23 would grant the Nebraska Accountability and Disclosure Commission permissive authority to pay whistleblowers reporting a violation of Section 22 a sum of fifty thousand dollars.

Section 24 makes a harmonizing change to a section of statute relating to permissible uses of the Nebraska Accountability and Disclosure Commission Cash Fund.



Section 25 would amend the title section of the Foreign Adversary Contracting Prohibition Act.

Section 26 provides limiting language on a reference to the code of federal regulations and eliminates a delegation of state legislative authority to the federal executive branch. It also adds a new definition for “unmanned aircraft.”

Section 27 proposes a harmonizing change to the Foreign Adversary Contracting Prohibition Act related to the provisions of Section 29 below.

Section 28 eliminates exception language from the Foreign Adversary Contracting Prohibition Act.

Section 29 proposes creation of a new section comprised partially of the deleted material from Section 28 and also including new references to unmanned aircraft. There would be a transition period from July 1, 2026 to July 1, 2028 during which such unmanned aircraft could be used. After that, public entities would be prohibited from using such unmanned aircraft.

Section 30 provides definitions of “company,” “foreign adversary,” “foreign adversarial company,” and “government of a foreign adversary.” This section further provides that a foreign adversarial company is prohibited from receiving benefits under nine different economic incentive programs currently in Nebraska law as well as any other such program created by either the legislative or executive branches to recruit and retain businesses in Nebraska.

Section 31 provides a number of definitions for use in sections 31 to 34.

Section 32 would prohibit medical or research facilities from using gene sequencers or operational or research software for genetic sequencing if produced in or by any foreign adversary or state-owned enterprise or business domiciled in such foreign adversary, as well as subsidiaries or affiliates of the same.

Section 33 would require medical or research facilities to permanently disable genetic sequencers or operation and research software described in section 32 or to remove the same from any of their facilities.

Section 34 would require that any genetic sequencing data utilized by the State of Nebraska to be stored within the borders of the United States and would prohibit access to such data outside of the United States unless expressly approved by a written document signed by the Governor.

Section 35 provides an operative date of October 1, 2025.

Section 36 contains the severability clause.

Section 37 contains the repealer.

Explanation of amendments:

Foreign Adversary and Terrorist Agent Registration Act (Sections 1-13)

Section 1: Establishes the title as the Foreign Adversary and Terrorist Agent Registration Act.

Section 2: States the purpose: to ensure public transparency regarding political and propaganda activities of agents of adversary nations and foreign terrorist organizations in Nebraska.

Section 3: Defines key terms, including:

Adversary nation: Countries listed in 15 C.F.R. 791.4 (as of April 1, 2025).



Agent of a foreign principal: Individuals or entities engaging in covered activities (e.g., political activities, public relations, fundraising) for a foreign principal, excluding media entities with at least 80% U.S. ownership and no foreign control.

Covered activities: Political activities, public relations, fundraising, or representing foreign principals before state agencies.

Foreign principal: Includes foreign governments, political parties, entities organized under foreign laws, foreign terrorist organizations, and entities with at least 20% foreign ownership.

Political propaganda: Biased or misleading information promoting foreign adversary or terrorist causes.

Section 4: Requires agents of foreign principals from adversary nations or terrorist organizations to file a detailed registration statement with the Nebraska Attorney General within 10 days of becoming an agent. The statement includes:

- Registrant's identity, business details, and foreign principal information.
- Nature of activities, agreements, and financial transactions.
- Supplements must be filed every six months, with updates within 10 days of changes.
- Exemptions and penalties for false statements are outlined.

Section 5: Exempts certain agents from registration, including:

- Accredited diplomatic officers recognized by the U.S. State Department.
 - Lawyers representing foreign principals in legal proceedings (excluding influence attempts outside judicial processes).
- Individuals advocating for immigration relief.
- Prohibits subcontracting regulated activities without disclosing agent status.

Section 6: Regulates dissemination of informational materials by registered agents:

- Agents must file copies of materials with the Attorney General within 48 hours of transmission.
- Materials must include a conspicuous statement identifying the foreign principal.
- Political propaganda or requests to state officials must disclose the agent's registration status.
- Agents testifying before legislative committees must provide their registration statement.

Section 7: Requires agents to maintain detailed records of activities for three years, open to inspection by enforcement officials. Prohibits willful destruction or falsification of records.

Section 8: Mandates public access and reporting:

- Registration statements are public records, retained permanently.
- Copies are sent to the U.S. Secretary of State.
- The Attorney General reports to the Legislature every six months and posts monthly reports online.

Section 9: Holds officers and directors of non-individual agents accountable for compliance, with prosecution possible for non-compliance.

Section 10: Establishes penalties and enforcement:

- Civil penalties up to \$50,000 per violation (capped at \$50,000 per year).
- Expulsion or dismissal from Nebraska postsecondary institutions for violators affiliated with such institutions.
- Attorney General can seek injunctions or demand amended registrations.
- Prohibits contingency-based compensation tied to political activity success.

Section 11: Requires state employees filing financial interest statements to submit affidavits denying agent status.



Requires Businesses and nonprofits to attest compliance with the Act in biennial reports to the Secretary of State.

Section 12: Mandates a public portal on the Attorney General's website to display registrant information and allows data sharing with other states and federal agencies.

Section 13: Grants the Attorney General authority to issue civil investigative demands to investigate potential violations.

Crush Transnational Repression in Nebraska Act (Sections 14-21)

Section 14: Establishes the title as the Crush Transnational Repression in Nebraska Act.

Section 15: States the purpose: to counter transnational repression and foreign government harassment in Nebraska.

Section 16: Defines terms, including:

Foreign adversary: As per 15 C.F.R. 791.4.

Foreign principal: Includes foreign governments, political parties, terrorist organizations, and entities owned or controlled by them.

Transnational repression: Actions by foreign agents to harass, intimidate, or control individuals outside the foreign principal's jurisdiction, including physical, digital, or financial coercion.

Section 17: Enhances penalties for certain offenses (e.g., assault, terroristic threats, stalking) if committed by an agent of a foreign principal with intent to:

- Coerce action on behalf of a foreign principal.
- Force someone to leave the U.S.
- Suppress protected conduct (e.g., free speech, religion, assembly).
- Retaliate for protected conduct.
- Penalties increase to the next higher classification (e.g., Class I misdemeanor becomes Class IV felony).

Section 18: Criminalizes unauthorized enforcement of foreign laws by agents of foreign principals (Class IIA felony).

Section 19: Authorizes the Nebraska State Patrol to prepare a report on transnational repression threats.

Section 20: Permits the Nebraska State Patrol to develop training for law enforcement on identifying and responding to transnational repression.

Section 21: Allows the Nebraska State Patrol to create a website for public reporting of transnational repression and conduct a public awareness campaign.

Section 22: Amends 49-1480 (Lobbyist Registration):

Adds requirements for lobbyists or consultants working for Chinese military companies (as defined by Public Law 116-283) to acknowledge they are acting as agents of a foreign adversary.

Imposes civil penalties of \$100,000 per violation, increasing by \$100,000 for subsequent violations (up to \$1 million).

Section 23: Amends 49-14,126 (Nebraska Accountability and Disclosure Commission)

Adds a provision requiring the commission to pay \$50,000 to informants whose information leads to a violation finding under Section 22, contingent on recovering penalties.

Section 24: Amends 49-14,140 (Nebraska Accountability and Disclosure Commission Cash Fund):



- Updates the fund's sources to include penalties from Section 22 violations.
- Retains existing provisions for fund use and investment.

Foreign Adversary Contracting Prohibition Act Amendments (Sections 25-29)

Section 25: Amends 73-901 to update the short title to include new Section 29.

Section 26: Amends 73-903 to update definitions:

- Clarifies "Foreign adversary" as per 15 C.F.R. 791.4 (April 1, 2025).
- Refines "Owned in whole or in part" for publicly traded and privately held companies.

Section 27: Amends 73-905 to require companies bidding on public contracts to certify they are not scrutinized companies, do not subcontract with them, and do not provide products originating from them. Exempts contracts under Section 29.

Section 28: Amends 73-906 to prohibit public entities from contracting with scrutinized companies for technology-related products or services, with exceptions moved to Section 29.

Section 29: Adds exceptions allowing public entities to contract with scrutinized companies if:

- No other reasonable option exists, the contract is preapproved by the Department of Administrative Services, and not procuring the goods poses a greater threat.
- The entity is an electric supplier compliant with North American Electric Reliability Corporation standards.
- The contract involves unmanned aircraft procured before July 1, 2026, with use prohibited after July 1, 2028.

Section 30: Prohibits foreign adversarial companies (organized, headquartered, or controlled by a foreign adversary) from receiving benefits under Nebraska incentive programs (e.g., tax credits, job creation programs).

Section 31: Defines terms for Sections 31-34, including:

Foreign adversary: As per 15 C.F.R. 791.4.

Genetic sequencer: Devices for genetic research.

Medical/research facility: Facilities receiving state/federal funds or conducting genetic research.

Section 32: Prohibits medical or research facilities from using genetic sequencers or software produced by foreign adversaries, their state-owned enterprises, or businesses domiciled in or affiliated with them.

Section 33: Requires facilities to disable or remove prohibited genetic sequencers or software.

Section 34: Prohibits storage of genetic sequencing data in foreign adversary countries or remote access to such data from those countries.

Section 35: Sets the operative date for the act as October 1, 2025.

Section 36: Severability clause

Section 37: Repealer



