
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

DIGEST

SB 75 Original

2020 Second Extraordinary Session

Milligan

Proposed law defines the following terms:

- (1) "Chinese state-owned enterprise" or "enterprise" means an entity controlled, directly or indirectly, including through formal or informal arrangements to act in concert, by the following:
 - (a) The People's Republic of China.
 - (b) A person owned, controlled by, or acting on behalf of, the People's Republic of China.
 - (c) A person in which the People's Republic of China has, directly or indirectly, including through formal or informal arrangements to act in concert, a 5% or greater interest.
 - (d) A person in which the People's Republic of China has, directly or indirectly, the right or power to appoint, or approve the appointment of, any members of the governing body, or any officer of an entity that holds, directly or indirectly, including through formal or informal arrangements to act in concert, a 5% or greater interest in that person within the past three years.
 - (e) A person in which any member of the governing body or any officer of an entity that holds, directly or indirectly, including through formal or informal arrangements to act in concert, a 5% or greater interest in that person, is a member of the Chinese Communist Party, or was a member of the Chinese Communist Party within the previous three years.
- (2) "Non-predatory transaction" means a transaction that does not take advantage of the harm caused by COVID-19 to the state, any person registered to do business in the state, or resident of the state.
- (3) "People's Republic of China" means the national and subnational governments within the state of the People's Republic of China, including but not limited to their respective departments, agencies, and instrumentalities.
- (4) "Person" means a natural person or juridical person.

Proposed law provides that beginning December 1, 2020, the attorney general shall approve in

writing, as a non-predatory transaction, any proposed or pending transaction that involves the purchase or lease by the People's Republic of China an enterprise of any immovable property in the state, the establishment of a business to operate a factory or other facility on such property, or the acquisition of any equity interest in a person registered to do business in this state. Proposed law provides if the transaction is not approved as provided by law, the transaction shall be void.

Proposed law provides that not later than 60 calendar days before the transaction is completed, the People's Republic of China or an enterprise shall submit written notice of the transaction to the secretary of state on a form prescribed by the secretary of state.

Proposed law provides the notice shall contain, at a minimum, the following:

- (1) The terms of purchase or lease.
- (2) The identity and chain of ownership of the buyer and seller and the lessor and leasee.
- (3) The buyer's purpose and reason for making the investment.
- (4) The sources of all funds used to make the investment.
- (5) Whether the buyer or any affiliate of the buyer will acquire intellectual property as a result of the transaction.
- (6) Whether the buyer or lessor has received subsidies from the People's Republic of China.

Proposed law provides the governor, attorney general, secretary of state, or secretary of the La. Department of Health may inspect the immovable property, facility, or factory subject to a transaction approved in accordance with proposed law.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 51:3211-3213)