

Act LXXXVIII of 2023 on the Defence of National Sovereignty*

Hungary's sovereignty is increasingly under unlawful attack. For years now, there have been attempts to exert influence - in many cases known to the public - by foreign organisations and individuals seeking to assert their own interests in Hungary, in opposition to Hungarian interests and rules.

The 2022 parliamentary election campaign has already been influenced by direct foreign funding, as confirmed by the national security investigation that revealed the support of the united left-wing opposition. Among several other cases, the prime ministerial candidate of the united opposition itself has said that millions of US dollars were transferred to them from the United States of America during the election campaign.

Hungarian law currently prohibits parties from accepting foreign funding, but in spring 2022 the united opposition circumvented this rule by using funds from abroad through NGOs and companies engaged in political activities. To prevent similar cases, it is also necessary to tighten the current regulation.

Hungary's sovereignty is damaged - and it also poses a major national security risk - if political power is in the hands of individuals and organisations that are dependent on any foreign power, organisation or person.

In order to ensure democratic debate, transparency in public and social decision-making processes, disclosure of foreign interference attempts and the prevention of such attempts, an independent body should be set up to investigate them, and the use of foreign funds in the context of elections should be punishable under criminal law.

In view of the above, and in order to counter attempts to interfere with Hungary's sovereignty, the Parliament hereby enacts the following Act to implement the Fundamental Law, on the basis of Article R(4) of the Fundamental Law:

1. Status of the Office for the Defence of Sovereignty

1. §

(1) The Office for the Defence of Sovereignty (hereinafter referred to as the "Office") is an autonomous state administration body established under Article R(4) of the Fundamental Law to protect constitutional identity, which operates in accordance with the provisions of this Act, and which carries out analytical, evaluative, proposing and investigative activities.

(2) The Office shall be independent, subject only to the law, not subject to instructions from any other person or body with regard to its tasks, and shall carry out its tasks separately from those of other bodies and free from any influence by any other institution, body, political party, society, association, legal person or natural person. The Office's tasks may be prescribed only by an Act of Parliament.

(3) The seat of the Office is Budapest.

(4) The Office is a central budgetary body with the status of a chapter managing authority. The Office's budget is a separate chapter in the structure of the central budget.

** The Act was adopted by the Parliament at its session on 12 December 2023.*

- (5) The Office shall draw up its own budget proposal and its report on the implementation of its budget, which shall be submitted by the Government to Parliament as part of the bill on the central budget and its implementation without any changes.
- (6) The budget of the Office shall be set at a level such that the sum of the appropriations for other operating expenditure and the appropriations for administrative expenditure is not less than the sum of the appropriations for the same items entered in the central budget for the preceding year, excluding the amount of the budget support requested for a specific one-off investment.
- (7) The Office's budget for the year in question may be reduced only with the agreement of the Office.
- (8) Additional tasks may be assigned to the Office by an Act of Parliament only if the financial resources necessary for the performance of those tasks are provided by it at the same time.

2. Tasks of the Office for the Defence of Sovereignty

2. §

In the context of its analytical, evaluative and proposing activities, the Office

- a) develops and applies a sovereignty risk assessment methodology,
- b) analyses the exercise of national sovereignty by evaluating information and data obtained from the organisations under investigation, from state and local government bodies and from other organisations or persons concerned by the case,
- c) develops proposals and makes recommendations for measures to protect Hungary's sovereignty,
- d) may propose the adoption or amendment of legislation concerning national sovereignty and give its opinion on draft legislation affecting its own legal status,
- e) produces an annual national sovereignty report,
- f) conducts and finances research to improve the social, economic, cultural, institutional and legal conditions for the exercise of national sovereignty.

3. §

In the context of its investigative function, the Office

- a) detects and investigates the following activities carried out in the interests of another State or, regardless of its legal status, of a foreign body or organisation or natural person:
 - (aa) advocacy activities, excluding activities carried out by diplomatic missions, consular posts and professional representative organisations,
 - (ab) information manipulation and disinformation activities,
 - (ac) activities aimed at influencing democratic debate and the decision-making processes of the State and society, including activities influencing the decision-making process of persons exercising public authority,
if they could harm or threaten the sovereignty of Hungary;
- b) identifies and investigates organisations whose activities using foreign funding may influence the outcome of elections;
- c) identifies and investigates organisations that use foreign funding to influence the will of voters, or support such activities.

4. §

The Office works to promote transparency in social decision-making processes and cooperates with all public authorities to promote the protection of national sovereignty.

5. §

The Office may conclude agreements with other public bodies and non-public bodies in order to provide the information necessary for the performance of its tasks. Such agreements may be concluded only subject to the requirements relating to the protection of personal, classified and other data.

6. §

- (1) In the context of its tasks under Article 3, the Office shall investigate individual cases and publish on its website the results of its case-by-case investigations, including the facts found during the investigations, the findings and the conclusions based thereon.
- (2) The Office shall prepare an annual national sovereignty report in the context of its tasks under Article 3, which shall include:
 - a) legislation affecting national sovereignty and the effectiveness of its application, problems of implementation and enforcement, and analysis of enforcement and administrative practice,
 - b) a sovereignty risk assessment based on the sovereignty risk assessment methodology, which identifies the risks and problems to be addressed with respect to national sovereignty, the tools available to address them, the gaps in addressing such risks and problems, and the solutions that can be provided to address them,
 - c) recommendations to the competent bodies,
 - d) an assessment of how the competent bodies have taken into account previous reports and recommendations,
 - e) a summary of the Office's activities and operations in the previous year.
- (3) The annual national sovereignty report for the previous calendar year shall be made publicly available on the website of the Office by 30 June each year.
- (4) At the same time as the annual sovereignty report is published, the Office shall send it for information to the Parliamentary Standing Committee on National Security and to the Government.
- (5) Within three months of the publication of the annual national sovereignty report, the Government shall respond to the Office with a response setting out how it will address the findings of the annual national sovereignty report.
- (6) The report of the Office made public pursuant to paragraphs (1) and (3) shall not contain any personal data, classified data, secrets protected by law or professional secrecy, except personal data accessible on public interest grounds.
- (7) No appeal shall lie against the report of the Office made public pursuant to paragraphs (1) and (3).
- (8) Prior to the publication of the report referred to in paragraphs (1) and (3), the Office shall communicate its findings to the organisations whose activities, on the basis of the investigation carried out, justify their inclusion in the public report of the Office. The investigated organisation may comment on the Office's findings within fifteen days of receipt. The Office shall respond to the observations by reply in writing within thirty days of receipt. The Office shall state the reasons for not accepting the observations not taken into consideration.

2. Investigation procedure of the Office for the Defence of Sovereignty

7. §

- (1) In connection with the investigation under Article 3, the Office may request information and

data from the organisation it is investigating, as specified in Article 8.

(2) In the course of its investigations, the Office may request information and data from any state or local government body concerned in the given case, as well as from any other organisation or person concerned in the given case, as specified in Article 8.

(3) The organisation under investigation and the approached state or local government body, organisation or person (hereinafter jointly referred to as "the party obliged to cooperate") shall comply with the Office's request within the time limit specified by the Office. The time limit shall not be less than fifteen days from the date of the request.

(4) If the party obliged to cooperate fails to comply or is late in complying with the obligation to cooperate without good reason, the Office shall record this fact during its investigation and shall highlight it in its annual report.

(5) The approached state or local government body may not charge a fee for fulfilling the request.

8. §

(1) In the course of its investigation procedure under this Chapter, the Office shall, as an act of evidentiary nature, as defined by an Act of Parliament,

- a) have access to all data in the possession of the organisation under investigation and the state or local government body concerned in the case in question that may be related to the case under investigation, make copies thereof and inspect or request copies of all such documents, including those stored on an electronic medium,
- b) may request written and oral information from the investigated organisation, from any member of the investigated organisation's staff or from the state or local government body concerned in the case in question,
- c) may request written or oral information from any organisation or person that may be related to the case under investigation, and may also request a copy of any data or documents, including documents stored on an electronic medium, that may be related to the case under investigation.

(2) The investigative procedure of the Office under this Chapter shall not constitute an administrative procedure, and no administrative lawsuit may be brought in relation to its activities under this Chapter.

9. §

(1) Paragraphs (1) and (3) of Article 27 of Act CXI of 2011 on the Commissioner for Fundamental Rights (hereinafter referred to as the "ACFR") shall apply mutatis mutandis to the activities of the Office pursuant to Articles 7 to 8.

(2) In the course of its activities pursuant to Articles 7 to 8, the Office may not inspect documents pursuant to Article 23(1)-(6) of the ACFR, and may obtain access to classified data by applying Article 27(2) of the ACFR.

(3) If the public disclosure of classified data is necessary for the performance of the tasks of the Office, the President of the Office may request the declassification of the classified data from the classifier. The classifier may declassify classified data in accordance with the Act on the Protection of Classified Data, provided that the declassification does not jeopardise the performance of its tasks.

10. §

(1) The acts of investigation provided for in Articles 7 to 8 may be carried out on behalf of the Office by the President of the Office, by the Deputy President of the Office acting under the authority of the President of the Office or by an employee of the Office.

- (2) The following persons may not take part in the investigation of the Office pursuant to Article 3:
- a) who has been an executive officer or member of the organisation under investigation or has had an employment relationship with the organisation under investigation during the three calendar years preceding the investigation or during the period covered by the investigation,
 - b) who has been in a regular or continuous service contract or self-employment relationship with the organisation under investigation during the three calendar years preceding the start of the investigation or during the period covered by the investigation,
 - c) who is engaged in any other permitted activity in the organisation under investigation or who has engaged in such activity during the period covered by the investigation,
 - d) a relative of the head of the organisation under investigation within the meaning of the Civil Code.

11. §

If the Office establishes facts or circumstances which may give rise to the initiation or conduct of petty offence proceedings, criminal proceedings, administrative proceedings or other proceedings, it shall inform the body entitled to conduct such proceedings to that effect of the data and facts it became aware of.

12. §

The President of the Office may initiate that the Parliamentary Standing Committee on National Security discusses the report pursuant to Article 6(1) and to hear the head of the organisation under investigation if

- a) the organisation under investigation fails to provide information within the time limit specified in Article 7(3), or if
- b) it is otherwise justified by the nature and gravity of the case.

13. §

(1) The Research Institute of the Office for the Defence of Sovereignty (hereinafter referred to as the "Research Institute"), is an autonomous organisational unit of the Office that supports the Office's activities and carries out independent scientific work. The head and the members of the Research Institute shall be civil servants and employees of the Office.

(2) The work of the Research Institute is supervised by the President of the Office.

(3) The tasks of the Research Institute:

- a) support the functioning of the Office by carrying out research and analysis tasks,
- b) publication of professional publications,
- c) organising professional conferences,
- d) other tasks assigned to the Research Institute by the President of the Office.

(4) The Institute may also engage external experts on a contract basis.

4. Organisation of the Office for the Defence of Sovereignty

14. §

(1) The President of the Office is appointed for a term of six years by the President of the Republic upon a proposal from the Prime Minister. The President of the Office may be reappointed after the end of his/her term of office. The President of the Office shall, after his/her appointment, take an oath or solemn oath before the President of the Republic, in the form prescribed by the Act on Oaths and Solemn Oaths of Certain Public Officials.

- (2) One may be appointed as President of the Office if he/she is a Hungarian citizen with no criminal record who is eligible for election to Parliament, has completed higher education and in relation to whom no national security risk has been identified in the course of a national security audit under the Act on National Security Services.
- (3) The office of President of the Office shall be incompatible with any other public or municipal office or mandate.
- (4) The President of the Office may not engage in any other gainful occupation, except for scientific, teaching, artistic, reviewer, editorial and legally protected intellectual activities and foster parent activities (hereinafter together referred to as "exercisable activities"), nor accept remuneration for any other activities, except for exercisable activities.
- (5) The President of the Office may not be a director of a company, a member of its supervisory board or a member of a company who is required to make a personal contribution.
- (6) The President of the Office may not hold any ownership interest in a non-transparent organisation within the meaning of the National Property Act.
- (7) The President of the Office may not be a member or an official of a party or party foundation.
- (8) The President of the Office may not engage in party political activity and in public activities on behalf of or in the interests of a political party.

15. §

- (1) The President of the Office shall make a declaration of assets within thirty days of his appointment. The rules on the declaration of assets of Members of Parliament shall apply mutatis mutandis to the declaration of assets, subject to the derogations provided for in this Act.
- (2) In the event of failure to submit a declaration of assets, the President of the Office shall not be entitled to act as President or to receive any remuneration until such declaration has been submitted.
- (3) Proceedings concerning the declaration of assets of the President of the Office may be initiated by any person at the Prime Minister by submitting a statement of facts concerning the specific content of the declaration of assets, specifying the challenged part and content of the declaration of assets. If the initiative does not comply with the requirements of this paragraph, is manifestly unfounded, or if the resubmitted initiative does not contain any new statement of facts or data, the Prime Minister shall reject the initiative without conducting a procedure. The Prime Minister shall verify the accuracy of the information contained in the declaration of assets.
- (4) In the course of the procedure relating to the declaration of assets, the President of the Office shall, at the request of the Prime Minister, provide the Prime Minister without delay and in writing with the data proving the income and economic interests indicated in the declaration of assets. The Prime Minister shall inform the President of the Republic of the verification results by sending the data. Only the Prime Minister and the President of the Republic shall have access to the data.
- (5) The President of the Office shall enjoy the same immunity as a Member of Parliament.
- (6) The rules of procedure relating to the immunity of Members of Parliament shall apply to proceedings related to immunity. The Parliament shall decide on the waiver of immunity, and the Speaker of the Parliament shall take the necessary measures in the event of a breach of immunity.

16. §

- (1) The mandate of the President of the Office shall be terminated in the following instances:

- a) at the end of his/her term of office,
- b) by his/her resignation,
- c) with his/her death,
- d) establishing a conflict of interest,
- e) establishing the failure to meet the conditions for appointment,
- f) establishing the failure to comply with the rules on the declaration of assets.

(2) The President of the Office may resign at any time by written declaration addressed to the President of the Republic through the Prime Minister. The mandate of the President of the Office shall end on the day specified in the resignation that follows the communication of the resignation, or, failing that, on the day following the day on which the resignation is communicated. No declaration of acceptance shall be required for the resignation to be valid.

(3) If the President of the Office does not remove his/her conflict of interest within thirty days of his appointment, or if a conflict of interest arises concerning him/her in the course of exercising his/her duties, the President of the Republic shall decide on establishing a conflict of interest upon a motion from the Prime Minister.

(4) The absence of the necessary conditions for appointing the President of the Office shall be established by the President of the Republic upon a motion from the Prime Minister. The President of the Republic shall, upon a motion from the Prime Minister, declare a breach of the rules on the declaration of assets if the President of the Office deliberately misrepresents substantial data or facts in his/her declaration of assets.

(5) The Prime Minister shall send his/her motion under paragraphs (3) and (4) simultaneously to the President of the Republic and the President of the Office.

(6) The decisions and measures of the President of the Republic taken in the course of his/her activities as provided for in paragraphs (3) and (4) and Article 14(1) shall not require countersignature.

(7) In the event of termination of office within the meaning of paragraph (1)(a), the President of the Office shall be entitled to severance pay equal to twice his/her monthly salary at the time of termination.

17. §

(1) The two Deputy Presidents of the Office are appointed by the President of the Office for a term of six years.

(2) The Deputy President shall fulfil the conditions for appointment as President of the Office laid down in Article 14(2).

(3) The provisions of Article 14(3)-(8) shall apply *mutatis mutandis* to the conflict of interest of the Deputy President.

(4) The obligation of the Deputy President to make a declaration of assets and the procedure relating to his declaration of assets shall be governed by the provisions of Article 15(1)-(4), except that the President of the Office shall act in place of the Prime Minister in the procedure relating to his/her declaration of assets, and the President of the Republic need not be informed of the results of the audit.

(5) The mandate of the Deputy President of the Office shall be terminated in the following instances:

- a) at the end of his/her term of office,
- b) by his/her resignation,
- c) with his/her death,

- d) establishing the failure to meet the conditions for appointment,
- e) establishing a conflict of interest,
- f) by dismissing him/her from office,
- g) by removing him/her from office.

(6) The Deputy President of the Office may resign at any time by written declaration addressed to the President of the Office. The mandate of the Deputy President of the Office shall end on the date specified in the resignation that follows the communication of the resignation, or, failing that, on the day the resignation is communicated. No declaration of acceptance shall be required for the resignation to be valid.

(7) If the Deputy President of the Office does not remove the conflict of interest within thirty days of his/her appointment or if a conflict of interest arises concerning him/her in the course of exercising his/her duties, the President of the Office shall decide on establishing a conflict of interest.

(8) The President of the Office shall dismiss the Deputy President of the Office from office if, for reasons beyond his/her control, the Deputy President of the Office is unable to carry out the duties arising from his/her mandate for a period of more than ninety days.

(9) The President of the Office may dismiss the Deputy President of the Office.

(10) The President of the Office shall remove the Deputy President of the Office from office if, for reasons attributable to him, the Deputy President of the Office fails to carry out the duties arising from his/her mandate for a period of more than ninety days or intentionally misrepresents substantial data or facts in his declaration of assets.

(11) The absence of the necessary conditions for the appointment of a Deputy President of the Office shall be established by the President of the Office.

(12) In the event of termination of his/her mandate within the meaning of paragraph (5)(a), the Deputy President of the Office shall be entitled to severance pay equal to twice his/her monthly salary at the time of termination.

18. §

- (1) The President of the Office
 - a) runs the Office,
 - b) determines the arrangements for his/her substitution if he/she is prevented from acting,
 - c) adopts the Office's rules of organisation and operation,
 - d) lays down the technical rules and methods for investigations conducted by the Office,
 - e) represents the Office.

(2) If the President of the Office is prevented from exercising his/her powers, the Deputy President of the Office shall substitute him/her in exercising his/her powers and shall perform the duties laid down by the rules of organisation and operation and assigned to him/her by the President. If the office of the President is vacant, the Deputy President shall exercise the powers of the President.

19. §

(1) The monthly salary of the President of the Office shall be 80% of the monthly salary pursuant to Article 149(1) of Act CXXXIX of 2013 on the Hungarian National Bank.

(2) The monthly salary of the Deputy President of the Office shall be 60% of the monthly salary pursuant to Article 149(2) of Act CXXXIX of 2013 on the Hungarian National Bank.

(3) The President of the Office shall receive the same allowances as the Minister, and the Deputy

President shall receive the same allowances as the Secretary of State for Public Administration.

(4) The President of the Office and the Deputy President of the Office shall be entitled to twenty working days and fifteen working days respectively of additional executive leave in each calendar year.

20. §

(1) The provisions of Act CVII of 2019 on Special Status Bodies and the Status of their Employees shall apply to the legal relationships of the President of the Office, the Deputy President of the Office and the employees of the Office, subject to the derogations provided for in this Act.

(2) Civil servants and employees of the Office may not hold office in a political party or party foundation, may not stand as candidates in parliamentary, European Parliament or local government elections, may not engage in party political activity and in public activities on behalf of or in the interests of a political party.

(3) The President of the Office shall exercise the powers of employer in respect of persons employed by the Office.

(4) The President of the Office shall exercise the powers of employer over the Deputy President.

(5) The President of the Office may delegate the power to issue documents to the Deputy President in the rules of organisation and operation or, in the case of documents not containing measures, to a civil servant of the Office having a management post.

3. Final provisions

21. §

(1) This Act shall, with the exception provided for in paragraph (2), enter into force on the day following its promulgation.

(2) Article 26(2) shall enter into force on 1 March 2024.

22. §

(1) The person to be the President of the Office shall be proposed by the Prime Minister for the first time by 1 January 2024.

(2) The President of the Office shall be appointed by the President of the Republic for the first time until 1 February 2024.

23. §

(1) Articles 1-20 and Article 22 are considered to be cardinal provisions under Article R(4) of the Fundamental Law.

(2) Article 24 is considered to be a cardinal provision under Article 46(6) of the Fundamental Law.

(3) Article 28 is considered to be a cardinal provision under Article 43(4) of the Fundamental Law.

(4) Pursuant to paragraphs (4) and (7) of Article 5 of the Fundamental Law, Article 31(2) shall be considered a provision of the Rules of Procedure of the Parliament that shall be adopted by a two-thirds majority of the votes of the Members of Parliament present.

(5) Article 33(1)-(5) are considered to be cardinal provisions pursuant to Articles XXIX(3), 2(1) and 35(1) of the Fundamental Law.

(6) Article 33(6)-(7) are considered to be cardinal provisions pursuant to Article 35(1) of the Fundamental Law.

(7) Article 38(1) is considered to be a cardinal provision pursuant to Articles 12(5), 4(2) and (5), 25(8), 26(1) and (2) and Article R(4) of the Fundamental Law.

24. §

The following paragraph (2a) shall be added to Article 8/A of Act CXXV of 1995 on National Security Services:

"(2a) The National Information Centre shall, in the course of its tasks related to the fulfilment of information provision, provide information to the Office for the Defence of Sovereignty by using the already available information generated in connection with existing information provision requirements or that are currently generated, in order to facilitate the performance of its tasks under the Act on the Defence of National Sovereignty."

25. §

The following paragraph (7b) shall be added to Article 4 of Act CXXVI of 1996 on the Use of a Specific Part of Personal Income Tax according to the Taxpayer's Instructions:

"(7b) The tax authority shall also delete the organisation from the register if the organisation, according to the finding of the State Audit Office, has violated the provisions of Article 307/D (4) of Act XXXVI of 2013 on Election Procedure."

26. §

(1) The following paragraph (3a) shall be added to Article 13 of Act CLV of 2009 on the Protection of Classified Data:

"(3a) In the performance of their tasks as defined by an Act of Parliament, the President and the Deputy President of the Office for the Defence of Sovereignty shall be entitled to use classified data falling within their duties and powers without a personal security clearance, a declaration of confidentiality or user license."

(2) In paragraph (3a) of Article 13 of Act CLV of 2009 on the Protection of Classified Data, the text "without [...] a declaration [...] or user license" shall be replaced by "without [...] a declaration".

27. §

The following point g) shall be added to Article 1(4) of Act XLIII of 2010 on the Central State Administration Bodies and the Status of Members of the Government and State Secretaries:

(Autonomous state administration bodies:)

"g) the Office for the Defence of Sovereignty."

28. §

The following paragraph (14) shall be added to Article 5 of Act LXVI of 2011 on the State Audit Office:

"(14) The State Audit Office shall perform audit tasks as defined in the Act on Election Procedure."

29. §

The following paragraph (5) shall be added to Article 49 of Act CLXXV of 2011 on the Right of Association, Public Benefit Status and the Functioning and Support of Civil Society Organisations:

"(5) On the basis of a motion of the State Audit Office, the court shall examine whether the public benefit organisation has violated the provisions of Article 307/D (4) of Act XXXVI of 2013 on Election Procedure. If the public benefit organisation - ascertainable from the data - has violated this requirement, the court shall decide on the termination of the public benefit status and shall delete the relevant data from the register."

30. §

Point 11 of Article 1 of Act CXCV of 2011 on Public Finances shall be replaced by the following:

(For the purposes of this Act)

"11. *Budgetary body under the direction or supervision of the Government:* the budgetary bodies belonging to the central subsystem of public finances, with the exception of the Parliament, the Presidency of the Republic, the Constitutional Court, the Office of the Commissioner for Fundamental Rights, the State Audit Office, the courts, the prosecutor's office, the Competition Authority, the Hungarian Academy of Sciences, the Hungarian Academy of Arts, the Hungarian Research Network, the Integrity Authority, the Directorate General for Audit of European Funds and the Office for the Defence of Sovereignty,"

31. §

(1) The following point 24 shall be added to Article 44/A (1) of Act XXXVI of 2012 on Parliament:

(The Speaker of the Parliament shall issue for)

"24. the President and Deputy President of the Office for the Defence of Sovereignty"
[an identity card to certify that he/she holds a public office (hereinafter referred to as the "public official's identity card").]

(2) The following point m) shall be added to Article 61/A (2) of Act XXXVI of 2012 on Parliament:

(Two-thirds of the votes of the Members of Parliament present are required for)

"m) the waiver of the immunity of the President of the Office for the Defence of Sovereignty pursuant to Article 15(6) of Act ... of 2023 on the Defence of National Sovereignty,"

32. §

(1) The following paragraph (5) shall be added to Article 52 of Act C of 2012 on the Criminal Code:

"(5) The perpetrator of the offence of prohibited influencing of the will of voters shall be prohibited from being a responsible person in any civil society organisation and from holding an executive position in a political party. In cases of particular merit, the mandatory application of the disqualification may be waived."

(2) The following chapter shall be added to Act C of 2012 on the Criminal Code:

"Prohibited influencing of the will of voters

350/A. §

A member, responsible person or executive officer of a nominating organisation under the Act on Election Procedure, as well as a candidate under the Act on Election Procedure, who uses prohibited

foreign funds or, in order to circumvent this prohibition, uses a financial advantage derived from an agreement disguising the origin of the prohibited foreign funds, is guilty of a felony and shall be punished by imprisonment for up to three years."

(3) The following points 37 and 38 shall be added to Article 459(1) of Act C of 2012 on the Criminal Code:

(For the purposes of this Act)

"37. prohibited foreign funds: funds from abroad, the acceptance or use of which is prohibited by the Act on the Operation and Management of Political Parties and the Act on Election Procedure.

38. responsible person: responsible person as defined in the Act on Civil Society Organisations."

33. §

(1) The following point 16 shall be added to Article 3(1) of Act XXXVI of 2013 on Election Procedure:

(For the purposes of this Act)

"16. *foreign funds*: a financial contribution from another State, a foreign natural or legal person or an organisation without legal personality."

(2) Article 33(3)(b) of Act XXXVI of 2013 on Election Procedure shall be replaced by the following provision:

(In the case of the regional election committee, the parliamentary single mandate constituency election committee and the local election committee)

"b) the mandate of its delegated member [shall last] until the results of all elections related to nominations and the drawing up of lists that may be taken into account as the legal basis for the mandate to the given election committee pursuant to Article 28(1)-(3) and Article 333(2) become final".

(3) Article 33(5) of Act XXXVI of 2013 on Election Procedure shall be replaced by the following provision:

"(5) The mandate of the delegated member of the ballot counting committee shall last until the results of all elections - related to nominations and the drawing up of lists that may be taken into account as the legal basis for the mandate to the given ballot counting committee pursuant to Article 28(4) - become final."

(4) The following paragraphs (1a)-(1d) shall be added to Article 124 of Act XXXVI of 2013 on Election Procedure:

"(1a) When giving notification of candidacy, the candidate shall declare that he/she meets the requirement imposed on candidates as set out in paragraph (1b) and that he/she will not use foreign funds or any asset derived therefrom in relation to the given election for the purpose of carrying out activities aimed at influencing or attempting to influence the will of voters. The election committee shall register the candidate who has made this declaration.

(1b) A person applying to be registered as a candidate or a person registered as a candidate may not use foreign funds or any asset derived therefrom for the purpose of carrying out activities aimed at influencing or attempting to influence the will of voters in relation to the given election. In the case of a suspected violation of the law, compliance with the provisions of this paragraph shall be subject to audit by the State Audit Office.

(1c) If, after the registration of the candidate, the State Audit Office finds that the candidate has violated the provisions of paragraph (1b), the candidate shall pay twice the amount of the subsidy to

the central budget within fifteen days upon the request of the State Audit Office.

(1d) If the candidate fails to fulfil the obligation set out in paragraph (1c) within the deadline, the debt shall be collected by the state tax authority upon the request of the State Audit Office by way of taxes."

(5) The following point c) shall be added to Article 129(1) of Act XXXVI of 2013 on Election Procedure:

(The notification of the list must contain the name, personal identification number - or, in the absence of such number, the number of an official card verifying their identity - of each candidate on the list, his/her address and a declaration that he/she)

"c) does not use foreign funds or any asset derived therefrom for the purpose of carrying out activities aimed at influencing or attempting to influence the will of voters in relation to the given election."

(6) Chapter 138/C of Act XXXVI of 2013 on Election Procedure shall be replaced by the following chapter:

"138/C. Giving notification of the nominating organisation

307/D. §

(1) The nominating organisation is registered by the regional election committee or the National Election Committee, to which the notification concerning the nominating organisation was submitted.

(2) In by-elections, the election committee responsible for registering candidates or lists shall register the nominating organisation.

(3) When giving notification as an association, the association must declare that it complies with the requirement imposed on associations as set out in paragraph (4), and that it will not use foreign funds, funds from a domestic legal person or an organisation without legal personality, anonymous donations, or any asset derived therefrom in relation to the given election for the purpose of carrying out activities aimed at influencing or attempting to influence the will of voters. The election committee shall register as a nominating organisation the association which has made this declaration.

(4) An association applying for registration as a nominating organisation or a registered association may not use foreign funds, funds from a domestic legal person or an organisation without legal personality, anonymous donations, or any asset derived therefrom in relation to the given election for the purpose of carrying out activities aimed at influencing or attempting to influence the will of voters. In the case of a suspected violation of the law, compliance with the provisions of this paragraph shall be subject to audit by the State Audit Office.

(5) If, after the registration of the association as a nominating organisation, the State Audit Office finds that the association has violated the provisions of paragraph (4), the association shall pay twice the amount of the subsidy to the central budget within fifteen days upon the request of the State Audit Office.

(6) If the association violates the provisions of paragraph (4), the State Audit Office shall inform the tax authority or, in the case of an association with public benefit status, the court registering the association of this fact.

(7) If the association fails to fulfil the obligation set out in paragraph (5) within the deadline, the debt shall be collected by the state tax authority upon the request of the State Audit Office by way of taxes.

(8) When giving notification as a national minority organisation, the organisation must declare that it complies with the requirements imposed on national minority organisations as set out in the Act on

the Rights of National Minorities."

(7) Article 307/I (3) of Act XXXVI of 2013 on Election Procedure shall be replaced by the following provision:

"(3) The provisions of paragraphs (1) and (2) of Article 307/F and Article 307/H shall also apply to candidates on the list.

34. §

Article 338(4) of Act XXXVI of 2013 on Election Procedure shall cease to have effect.

35. §

The following point p) shall be added to Article 131(14) of Act CL of 2017 on the Rules of Taxation:

(The tax authority shall provide information on tax secrets on request or on request for data by)

"p) the Office for the Defence of Sovereignty, if the information is necessary for the performance of its tasks as defined by an Act of Parliament."

36. §

The following point r) shall be added to Article 2(1) of the Act CVII of 2019 on Special Status Bodies and the Status of their Employees:

(For the purposes of this Act, a body with special status is:)

"r) the Office for the Defence of Sovereignty."

37. §

In Article 98(1) of Act CVII of 2019 on Special Status Bodies and the Status of their Employees, the words "Directorate General" shall be replaced by the words "Directorate General, Office for the Defence of Sovereignty".

38. §

(1) Article 5(6a) of Act XXVII of 2022 on the Control of the Use of European Union Budgetary Resources shall be replaced by the following provision:

"(6a) In carrying out its tasks, the Authority shall be entitled in relation to the declaration of assets of

- a) the President of the Republic,
- b) the Members of Parliament, the National Minority Advocates and the Principal of the Parliament,
- c) judges,
- d) senior political executives holding a mandate as a Member of Parliament, and
- e) the President and Deputy President of the Office for the Defence of Sovereignty

to initiate the procedure relating to the declaration of assets in accordance with the rules applicable to the categories of persons set out in points a) to e). The Authority shall be informed of the outcome of the declaration of assets procedure."

(2) The following point d) shall be added to Article 77/A (2) of Act XXVII of 2022 on the Control of the Use of European Union Budgetary Resources:

[Article 5(6a)]

"d) point e), pursuant to Article R(4) of the Fundamental Law,"
(is considered to be a cardinal provision.)