

**FIRST ENGROSSMENT
with Conference Committee Amendments****ENGROSSED SENATE BILL NO. 2403**

Introduced by

Senators Stenehjem, O'Connell

Representatives Berg, Boucher

1 A BILL for an Act to create and enact three new sections to chapter 16.1-08.1 of the North
2 Dakota Century Code, relating to campaign contribution statements; and to amend and reenact
3 sections 16.1-08.1-01, 16.1-08.1-02, 16.1-08.1-03, 16.1-08.1-03.1, 16.1-08.1-03.2,
4 16.1-08.1-03.3, 16.1-08.1-03.5, 16.1-08.1-03.7, 16.1-08.1-03.8, 16.1-08.1-04, 16.1-08.1-05,
5 and 16.1-08.1-06 of the North Dakota Century Code, relating to campaign contributions.

6 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

7 **SECTION 1. AMENDMENT.** Section 16.1-08.1-01 of the North Dakota Century Code
8 is amended and reenacted as follows:

9 **16.1-08.1-01. Definitions.** As used in this chapter, unless the context otherwise
10 requires:

- 11 1. "Association" means any club, association, union, brotherhood, fraternity,
12 organization, or group of any kind of two or more persons, including labor unions,
13 trade associations, professional associations, or governmental associations, which
14 is united for any purpose, business, or object and which assesses any dues,
15 membership fees, or license fees in any amount, or which maintains a treasury
16 fund in any amount. The term does not include corporations, cooperative
17 corporations, limited liability companies, political committees, or political parties.
- 18 2. "Candidate" means an individual who seeks nomination for election or election to
19 public office.
- 20 3. "Contribution" means a gift, subscription, loan, advance, or deposit of money,
21 made for the purpose of influencing the nomination for election, or election, of any
22 person to public office or aiding or opposing the circulation or passage of a
23 statewide initiative or referendum petition or measure. The term also means a
24 contract, promise, or agreement, express or implied, whether or not legally

enforceable, to make a contribution for any of the above purposes. The term includes funds received by a candidate for public office or a political party or committee which are transferred or signed over to that candidate, party, or committee from another candidate, party, or political committee or other source ~~except as provided in subdivision d.~~ The term does not include:

- a. A loan of money from a bank or other lending institution made in the regular course of business.
- b. Time spent by volunteer campaign or political party workers.
- c. Money spent by a candidate on the candidate's own behalf.
- d. ~~Any money received by a candidate for legislative office which is immediately transferred or signed over to a district committee of a political party within thirty days of the candidate receiving the money. The district committee of the political party shall report a transfer of this kind as a contribution according to section 16.1-08.1-03 and shall show the origin of the contribution to the legislative candidate. Money or anything of value received for commercial transactions, including rents, advertising, or sponsorships made as a part of a fair market value bargained-for exchange.~~
- e. Contributions of products or services for which the actual cost or fair market value are reimbursed by a payment of money.

4. "Cooperative corporations", "corporations", and "limited liability companies" are as defined in this code, and for purposes of this chapter "corporations" includes nonprofit corporations.

5. "Expenditure" means a ~~purchase, payment, distribution, loan, advance, deposit, or gift of money or property~~ gift, transfer, conveyance, provision, loan, advance, payment, distribution, disbursement, outlay, or deposit of money or anything of value, except a loan of money from a bank or other lending institution made in the regular course of business, made for the purpose of influencing the nomination for election, or election, of any person to office. The term also means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure and includes the transfer of funds by a political committee to another political committee.

- 1 6. "Patron" means a person who owns equity interest in the form of stock, shares, or
2 membership or maintains similar financial rights in a cooperative corporation.
- 3 7. "Person" means an individual, partnership, political committee, association,
4 corporation, cooperative corporation, limited liability company, or other
5 organization or group of persons.
- 6 8. "Political committee" means any committee, club, association, or other group of
7 persons which receives contributions or makes expenditures ~~primarily~~ for political
8 purposes and includes the following:
- 9 a. A political action committee, derived from a corporation, cooperative
10 corporation, limited liability company, or an association that is prohibited from
11 making direct contributions for political purposes under section
12 16.1-08.1-03.3, and which solicits or receives contributions or makes
13 expenditures for political purposes;
- 14 b. A candidate committee, established to support an individual candidate
15 seeking statewide office, that solicits or receives contributions for political
16 purposes;
- 17 c. A multicandidate political committee, established to support multiple groups or
18 slates of candidates seeking public office, that solicits or receives
19 contributions for political purposes; and
- 20 d. A measure committee that solicits or receives contributions for the purpose of
21 aiding or opposing a measure to be voted upon by the voters of the state.
- 22 9. "Political party" means any association, committee, or organization which
23 nominates a candidate for election to any office which may be filled by a vote of
24 the electors of this state or any of its political subdivisions and whose name
25 appears on the election ballot as the candidate of such association, committee, or
26 organization.
- 27 10. "Political purpose" means any activity undertaken in support of or in opposition to
28 the election or nomination of a candidate to public office whether the activity is
29 undertaken by a candidate, a political committee, a political party, or any person.
30 The term does not include activities undertaken in the performance of a duty of a
31 state office.

11. "Public office" means every statewide or legislative office to which persons can be elected by vote of the people under the laws of this state.

SECTION 2. AMENDMENT. Section 16.1-08.1-02 of the North Dakota Century Code is amended and reenacted as follows:

16.1-08.1-02. Contributions statement required of candidate committees, candidates, and candidates for legislative office.

1. Any candidate ~~who is~~ committee, as described in section 16.1-08.1-01, or candidate for statewide office who does not have a candidate committee, and any candidate for legislative office soliciting or accepting contributions for any political purpose shall make and file a statement in accordance with this section.
2. The candidate committee, or candidate for statewide office who does not have a candidate committee, and any candidate for legislative office shall include in the statement the name and mailing address of all contributors who contributed in excess of two hundred dollars in the aggregate during the reporting period to the candidate committee, or candidate for statewide office who does not have a candidate committee, and any candidate for legislative office, the amount of each reportable contribution; and the date each reportable contribution was received.
3. The candidate committee, or candidate for statewide office who does not have a candidate committee, and any candidate for legislative office shall file the statement in the office of the secretary of state no later than the twelfth day before the date of the election in which the candidate's name appears on the ballot or in which the candidate seeks election through write-in votes complete from the beginning of that calendar year through the twentieth day before the date of the election. ~~The Every~~ candidate committee, or candidate for statewide office who does not have a candidate committee, and every candidate for legislative office shall file a complete statement for ~~the entire~~ each calendar year no later than the thirty-first day of January of the following year, regardless of whether the candidate's name appeared on the ballot for any office during that calendar year or whether the candidate did not seek election at any election through write-in votes.
4. Even if the candidate committee, or candidate for statewide office who does not have a candidate committee, or the candidate for legislative office has not received

any contributions in excess of two hundred dollars during the reporting period, the candidate committee, or candidate for statewide office who does not have a candidate committee, or the candidate for legislative office shall file a statement as required by this chapter. A statement filed according to this section by a candidate committee or candidate for statewide office who does not have a candidate committee during the reporting period must show the following:

- a. The gross total of all contributions received in excess of two hundred dollars;
- b. The gross total of all contributions received of two hundred dollars, or less;
and
- c. The cash on hand in the filer's account at the start and close of the reporting period.

5. A candidate committee, or candidate for statewide office who does not have a candidate committee, and any candidate for legislative office shall report the occupation, employer, and principal place of business of each person, or the political committee if not already registered according to state or federal law, who contributed five thousand dollars or more in the aggregate during the reporting period.

SECTION 3. AMENDMENT. Section 16.1-08.1-03 of the North Dakota Century Code is amended and reenacted as follows:

16.1-08.1-03. Contributions statement required of political parties.

1. Any political party that receives contributions in excess of two hundred dollars in the aggregate during the reporting period shall file a statement containing a detailed list of all contributions received from a person or political committee which exceed two hundred dollars in amount. The statement must include the name and mailing address of all contributors listed, the amount of each reportable contribution, and the date each reportable contribution was received, and for a state political party, a listing that includes the name and mailing address of each recipient of an expenditure exceeding two hundred dollars in the aggregate, the amount of each reportable expenditure, and the date the expenditure was made.
2. A ~~year-end~~ year-end statement covering the entire calendar year must be filed with the secretary of state no later than the thirty-first day of January of the following

year. A preelection statement must be filed no later than the twelfth day before any election at which the party has endorsed or will nominate a candidate and must be complete from the beginning of that calendar year through the twentieth day before the election.

3. Even if the political party has not received any contributions in excess of two hundred dollars during the reporting period, the political party shall file a statement as required by this chapter. A statement filed by a state political party according to this section during the reporting period must show the following:

a. The gross total of all contributions received and expenditures made in excess of two hundred dollars;

b. The gross total of all contributions received and expenditures made of two hundred dollars, or less; and

c. The cash on hand in the filer's account at the start and close of the reporting period.

4. A political party shall report the occupation, employer, and principal place of business of each person, or the political committee if not already registered according to state or federal law, who contributed five thousand dollars or more in the aggregate during the reporting period.

SECTION 4. AMENDMENT. Section 16.1-08.1-03.1 of the North Dakota Century Code is amended and reenacted as follows:

16.1-08.1-03.1. Contributions statement required of persons and measure committees promoting passage or defeat of initiated or referred measure.

1. Any person or measure committee, as described in section 16.1-08.1-01, who is soliciting or accepting a contribution for the purpose of aiding or opposing the circulation or passage of a statewide initiative or referendum petition or measure placed upon a statewide ballot by action of the legislative assembly at any election shall file a statement in accordance with this section if the person has received any contributions from a person in excess of one hundred dollars. The statement must include the name and mailing address of all contributors who contributed in excess of one hundred dollars to the person, the amount of each reportable contribution, and the date each reportable contribution was received. The statement must

include the name and mailing address of each recipient of an expenditure exceeding one hundred dollars in the aggregate, the amount of each reportable expenditure, and the date the expenditure was made.

2. A person or measure committee who is soliciting or accepting a contribution for the purpose of aiding or opposing the circulation or passage of a statewide initiative or referendum petition or measure placed upon a statewide ballot by action of the legislative assembly may not accept a contribution of more than one hundred dollars from a person who does not reside in this state or from an out-of-state political committee unless the contribution is accompanied by a certified statement from the contributor listing the name, address, and amount contributed by each person who contributed more than one hundred dollars of the contribution. The statement must indicate if no individual person contributed in excess of one hundred dollars of the out-of-state person's or political committee's overall contribution. The certified statement must also list the occupation, employer, and principal place of business for each person who contributed more than one hundred dollars of the contribution. The person soliciting or accepting a contribution for the purpose of aiding the circulation of a statewide initiative or referendum petition or of promoting passage or defeat of a statewide initiated or referred measure must include this statement with the contribution statement required to be filed under subsection 1.

3. The statement required of a person under subsection 1 must be filed with the secretary of state no later than the twelfth day prior to the date of the election in which the measure appears or would have appeared on the ballot complete from the beginning of that calendar year through the twentieth day prior to the date of the election. A complete statement for the entire calendar year must be filed no later than the thirty-first day of January of the following year. Even if a person required to report according to this section has not received any contributions in excess of one hundred dollars during the reporting period, the person shall file a statement as required by this chapter. A statement filed according to this section during the reporting period must show the following:

- a. The gross total of all contributions received and expenditures made in excess of one hundred dollars;
- b. The gross total of all contributions received and expenditures made of one hundred dollars, or less; and
- c. The cash on hand in the filer's account at the start and close of the reporting period.

SECTION 5. AMENDMENT. Section 16.1-08.1-03.2 of the North Dakota Century Code is amended and reenacted as follows:

16.1-08.1-03.2. Political committee registration. A political committee, as described in section 16.1-08.1-01, other than a political party and a committee organized in support of a an individual legislative candidate, ~~and a person aiding or opposing a measure to be voted upon by the voters of the state~~ shall register its name, address, and its agent's name and address with the secretary of state each calendar year in which it receives any contribution. The registration must be completed within ~~five~~ fifteen business days of the receipt of any contribution or expenditure made and must be submitted with a registration fee of ~~five~~ twenty-five dollars. A political committee that organizes and registers according to federal law and makes a disbursement in excess of two hundred dollars to a nonfederal candidate seeking public office, a political party, or political committee in this state is not required to register as a political committee according to this section if the political committee reports according to section 16.1-08.1-03.7. Registration under this section does not reserve the name for exclusive use nor does it constitute registration of a trade name under chapter 47-25.

SECTION 6. AMENDMENT. Section 16.1-08.1-03.3 of the North Dakota Century Code is amended and reenacted as follows:

16.1-08.1-03.3. Campaign contributions by corporations, cooperative corporations, limited liability companies, and associations prohibited - Violation - Penalty.

1. A corporation, cooperative corporation, limited liability company, or association may not make a direct contribution:
 - a. To aid any political party, political committee, or organization.
 - b. To aid any corporation, limited liability company, or association organized or maintained for political purposes.

- c. To aid any candidate for political office or for nomination to political office.
- d. For any political purpose or the reimbursement or indemnification of any person for money or property so used.
- e. For the influencing of any measure before the legislative assembly, except in accordance with chapter 54-05.1.

- 2. This section does not prohibit the establishment, administration, and solicitation of contributions to a separate and segregated fund to be utilized for political purposes by a corporation, cooperative corporation, limited liability company, or association.

It is unlawful for:

- a. The person or persons controlling the fund to make contributions or expenditures utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of them; or utilize money from dues, fees, treasury funds, or other money required as a condition of membership in an association, or as a condition of employment; or utilize money obtained in any commercial transaction. Moneys from fees, dues, treasury funds, or money obtained in a commercial transaction may, however, be used to pay costs of administration of the fund.
- b. Any person soliciting an employee, stockholder, patron, or member for a contribution to the fund to fail to inform the employee or member of the political purposes of the fund at the time of the solicitation or of the general political philosophy intended to be advanced through committee activities.
- c. Any person soliciting an employee or member for a contribution to the fund to fail to inform the employee or member at the time of the solicitation of the right to refuse to contribute without any reprisal.
- d. Any contribution to be accepted without keeping an accurate record of the contributor and amount contributed and of amounts expended for political purposes.
- e. Any contribution to be accepted from any person who is not an employee, stockholder, patron, or member of the corporation, cooperative corporation, limited liability company, or association maintaining the political action committee.

f. Any expenditure, except a contract, promise, or agreement, express or implied, to make any expenditure, made for political purposes to be reported under this section before control of the expenditure has been released by the political action committee.

3. All political action committees, as described in section 16.1-08.1-01, formed for the purpose of administering the segregated fund provided for in this section shall file a statement showing the name and mailing address of each contributor of an amount in excess of two hundred dollars in the aggregate for the reporting period and a listing of all expenditures of an amount in excess of two hundred dollars in the aggregate made for political purposes with the secretary of state. The statement must include the amount of each reportable contribution and the date it was received and the amount of each reportable expenditure and the date it was made. A ~~year-end~~ year-end statement covering the entire calendar year must be filed no later than the thirty-first day of January of the following year. A preelection statement must be filed no later than the twelfth day before any primary, special, or general election and must be complete from the beginning of the calendar year through the twentieth day before the election. Even if a political action committee has not received any contributions or made any expenditures in excess of two hundred dollars during the reporting period, the political action committee shall file a statement as required by this chapter. A statement filed according to this section during the reporting period must show the following:

a. The gross total of all contributions received and expenditures made in excess of two hundred dollars;

b. The gross total of all contributions received and expenditures made of two hundred dollars, or less; and

c. The cash on hand in the filer's account at the start and close of the reporting period.

4. A political action committee shall report the occupation, employer, and principal place of business of each person, or the political committee if not already registered according to state or federal law, who contributed five thousand dollars or more in the aggregate during the reporting period.

1 5. A person may not make a payment of that person's money or of another person's
2 money to any other person for a political purpose in any name other than that of
3 the person who supplies the money and a person may not knowingly receive the
4 payment nor enter nor cause the payment to be entered in that person's account or
5 record in any name other than that of the person by whom it actually was
6 furnished.

7 ~~5-~~ 6. If an officer, employee, agent, attorney, or other representative of a corporation,
8 cooperative corporation, limited liability company, or association makes any
9 contribution prohibited by this section out of corporate, cooperative corporation,
10 limited liability company, or association funds or otherwise violates this section, it is
11 prima facie evidence of a violation by the corporation, cooperative corporation,
12 limited liability company, or association.

13 ~~6-~~ 7. A violation of this section may be prosecuted in the county where the contribution
14 is made or in any county in which it has been paid or distributed.

15 ~~7-~~ 8. It is a class A misdemeanor for an officer, director, stockholder, manager,
16 governor, member, attorney, agent, or representative of any corporation,
17 cooperative corporation, limited liability company, or association to violate this
18 section or to counsel or consent to any violation. Any person who solicits or
19 knowingly receives any contribution in violation of this section is guilty of a class A
20 misdemeanor.

21 ~~8-~~ 9. Any officer, director, stockholder, manager, governor, member, attorney, agent, or
22 representative who makes, counsels, or consents to the making of a contribution in
23 violation of this section is liable to the company, corporation, limited liability
24 company, or association for the amount so contributed.

25 **SECTION 7. AMENDMENT.** Section 16.1-08.1-03.5 of the North Dakota Century

26 Code is amended and reenacted as follows:

27 **16.1-08.1-03.5. Expenditures for other purposes - Report required.**

28 1. This chapter does not prohibit the exercise by corporations, cooperative
29 corporations, limited liability companies, and associations of the right to make
30 expenditures and contributions for the purpose of promoting passage or defeat of
31 initiated or referred measures, or for promoting any general political philosophy or

1 belief deemed in the best interest of the employees, stockholders, patrons, or
2 members of the corporation, cooperative corporation, limited liability company, or
3 association other than a "political purpose" as defined by this chapter. Any
4 corporation, cooperative corporation, limited liability company, or association that
5 receives contributions pursuant to section 16.1-08.1-03.1 or spends money for the
6 purpose of promoting passage or defeat of initiated or referred measures, other
7 than a contribution to another person or measure committee promoting passage or
8 defeat of an initiated or referred measure, shall file a statement pursuant to section
9 16.1-08.1-03.1 along with a statement listing the total amount of money spent for
10 that purpose. The statements filed pursuant to section 16.1-08.1-03.1 must be
11 filed with the secretary of state no later than the twelfth day before the date of the
12 election in which the measure appears or would have appeared on the ballot
13 complete from the beginning of that calendar year through the twentieth day before
14 the date of the election. Statements showing the total amount of money spent for
15 the purpose of promoting passage or defeat of initiated or referred measures must
16 be filed with the secretary of state through the end of the calendar year in which
17 the measure appeared on the ballot.

- 18 2. A corporation, cooperative corporation, limited liability company, or association
19 may make a donation of property or money to a state political party or nonprofit
20 entity affiliated with or under the control of a state political party for deposit in a
21 separate and segregated fund. Money in the fund must to be used exclusively by
22 the state political party or nonprofit entity affiliated with or under the control of a
23 state political party for purchasing, maintaining, or renovating a building and for the
24 purchase of fixtures for the building. A state political party or nonprofit entity
25 affiliated with or under the control of a state political party receiving a donation
26 under this subsection shall file a statement with the secretary of state no later than
27 the thirty-first day of January of each calendar year. The statement must include
28 the name and mailing address of each donor, the amount of each donation, the
29 date each donation was received, all expenditures made from the fund during the
30 previous calendar year, and cash on hand in the fund at the start and close of the
31 reporting period. Any income and financial gain generated from a building

1 purchased, maintained, or renovated from donations authorized under this
2 subsection and not otherwise authorized by law must be deposited in the building
3 fund and must be reported when the political party or nonprofit entity files the
4 statement required under this subsection.

5 **SECTION 8. AMENDMENT.** Section 16.1-08.1-03.7 of the North Dakota Century
6 Code is amended and reenacted as follows:

7 **16.1-08.1-03.7. Political committees that organize and register according to**
8 **federal law that make disbursements to nonfederal candidates, political parties, and**
9 **political committees.** A political committee that organizes and registers according to federal
10 law and makes a disbursement in excess of two hundred dollars to a nonfederal candidate
11 seeking public office or to a political party or political committee in this state shall file a copy of
12 that portion of the committee's federal report detailing the disbursement made to the candidate.
13 The political committee shall file a copy of the committee's federal report with the secretary of
14 state at the time of filing the report with the applicable federal agency. The report must include:

- 15 1. The name, mailing address, and treasurer of the political committee;
- 16 2. The recipient's name and mailing address; and
- 17 3. The date and amount of the disbursement made.

18 **SECTION 9. AMENDMENT.** Section 16.1-08.1-03.8 of the North Dakota Century
19 Code is amended and reenacted as follows:

20 **16.1-08.1-03.8. Contributions statement required of multicandidate political**
21 **committees.**

- 22 1. A multicandidate political committee, as described in section 16.1-08.1-01, that
23 solicits or accepts contributions for any political purpose shall file statements as
24 required by this section.
- 25 2. A multicandidate political committee shall file a detailed list showing the name and
26 mailing address of each contributor who contributed in excess of two hundred
27 dollars in the aggregate to the committee during a reporting period, the amount of
28 each reportable contribution in excess of two hundred dollars, and the date each
29 reportable contribution was received.
- 30 3. A multicandidate political committee required to file a statement under this section
31 shall file the statement in the office of the secretary of state no later than the

twelfth day before the date of any primary, special, or general election. The statement must be complete from the beginning of that calendar year through the twentieth day before the date of the primary, special, or general election. The political committee shall file a complete statement for the entire calendar year no later than the thirty-first day of January of the following year in which the political committee received a reportable contribution.

4. Even if a multicandidate political committee has not received any contribution in excess of two hundred dollars during the reporting period, the political committee shall file a statement as required by this chapter. A statement filed according to this section during the reporting period must show the following:
 - a. The gross total of all contributions received in excess of two hundred dollars;
 - b. The gross total of all contributions received of two hundred dollars, or less;
and
 - c. The cash on hand in the filer's account at the start and close of the reporting period.
5. A multicandidate political committee shall report the occupation, employer, and principal place of business of each person, or the political committee if not already registered according to state or federal law, who contributed five thousand dollars or more in the aggregate during the reporting period.

SECTION 10. AMENDMENT. Section 16.1-08.1-04 of the North Dakota Century Code is amended and reenacted as follows:

16.1-08.1-04. Supplemental statement required on large contributions received after original statement - Filing time. If any candidate, political party, or political committee, ~~or person soliciting or accepting contributions for the purpose of aiding the circulation of statewide initiative or referendum petitions or of promoting passage or defeat of a statewide initiated or referred measure,~~ receives any contribution in excess of five hundred dollars in the twenty-day period before any election from any individual contributor, that candidate, political party, political committee, or person shall make and file a supplemental statement in the same form as required by section 16.1-08.1-02, 16.1-08.1-03, 16.1-08.1-03.1, ~~or~~ 16.1-08.1-03.3, or 16.1-08.1-03.8 stating the name and street address of the contributor and the amount of the

1 contribution, and file the statement in the appropriate office within forty-eight hours of the
2 receipt of the contribution.

3 **SECTION 11. AMENDMENT.** Section 16.1-08.1-05 of the North Dakota Century Code
4 is amended and reenacted as follows:

5 **16.1-08.1-05. Audit by secretary of state - ~~Random and requested~~ Requested**
6 **audits - Reports.**

- 7 1. ~~The~~ If a substantial irregularity is evident or reasonably alleged, the secretary of
8 state may arrange an audit of any statement filed pursuant to this chapter, to be
9 performed by a certified public accountant of the filer's choice, subject to approval
10 by the secretary of state. ~~The secretary of state shall arrange an audit of any~~
11 ~~statement that the attorney general requests to be audited. The results of the audit~~
12 ~~must be reported to the attorney general.~~ If an audit of a statement arranged by
13 the secretary of state under this subsection reveals a violation of this chapter, the
14 candidate, political party, or political committee filing the statement shall pay a fine
15 to the secretary of state equal to five percent of the aggregate of contributions and
16 expenditures found to be in violation or an amount sufficient to pay the cost of the
17 audit, whichever is greater. If an audit of a statement arranged by the secretary of
18 state under this subsection does not reveal a violation of this chapter, the cost of
19 the audit must be paid for by the secretary of state.
- 20 2. If a substantial irregularity is reasonably alleged, the secretary of state may
21 arrange an audit of any statement filed pursuant to this chapter, performed by a
22 certified public accountant of the filer's choice, subject to approval by the secretary
23 of state, upon written request by any interested party made to the secretary of
24 state within thirty days following receipt of a statement by the secretary of state.
25 The request must be made in writing, recite a substantial irregularity and a lawful
26 reason for requesting an audit, and be accompanied by a bond in an amount
27 established by the secretary of state sufficient to pay the cost of the audit. If an
28 audit of a statement arranged by the secretary of state under this subsection
29 reveals a violation of this chapter, the candidate, political party, or political
30 committee filing the statement shall pay a fine to the secretary of state equal to five
31 percent of the aggregate of contributions and expenditures found to be in violation

1 or an amount sufficient to pay the cost of the audit, whichever is greater, and the
2 bond shall be returned to the person submitting it. If an audit of a statement
3 arranged by the secretary of state under this subsection does not reveal a violation
4 of this chapter, the cost of the audit must be satisfied from the bond filed with the
5 secretary of state.

6 An audit may not be made or requested of a statement for the sole reason that it was not timely
7 filed with the secretary of state. An audit made or arranged according to this section must audit
8 only those items required to be included in any statement, registration, or report filed with the
9 secretary of state according to this chapter. The secretary of state may collect any payment
10 obligation arising out of this section by civil action or by assignment to a collection agency, with
11 any costs of collection to be added to the amount owed and to be paid by the delinquent filer.
12 Any remaining moneys collected by the secretary of state after an audit is paid for under this
13 section must be deposited in the state's general fund. This section does not apply to
14 statements filed according to section 13 of this Act.

15 **SECTION 12. AMENDMENT.** Section 16.1-08.1-06 of the North Dakota Century Code
16 is amended and reenacted as follows:

17 **16.1-08.1-06. Contributions statement requirements.**

- 18 1. A Except for a statement required to be filed under section 13 of this Act, any other
19 statement required by this chapter to be filed with the secretary of state must be:
- 20 a. Deemed properly filed when deposited with or delivered to the secretary of
21 state within the prescribed time and in the format established by the secretary
22 of state. A statement that is mailed is deemed properly filed when it is
23 postmarked and directed to the secretary of state within the prescribed time.
24 If ~~a statement is not received by~~ the secretary of state does not receive a
25 statement, a duplicate of the statement must be promptly filed upon notice by
26 the secretary of state of its nonreceipt. After a statement has been filed, the
27 secretary of state may request or accept written clarification along with an
28 amended statement from a candidate, political party, or political committee
29 filing the statement when discrepancies, errors, or omissions on the
30 statement are discovered by the secretary of state, the candidate, political
31 party, or political committee filing the statement, or by any interested party

1 reciting a lawful reason for requesting clarification and an amendment be
2 made. When requesting an amended statement, the secretary of state shall
3 establish a reasonable period of time, agreed to by the candidate, political
4 party, or political committee, for filing the amended statement with the
5 secretary of state.

6 b. Preserved by the secretary of state for a period of four years from the date of
7 filing. The statement is to be considered a part of the public records of the
8 secretary of state's office and must be open to public inspection.

9 2. If the filing date falls on a Saturday or Sunday or a holiday on which the office of
10 the secretary of state is closed, the statement must be filed on the next available
11 day on which the office of the secretary of state is open. In determining the
12 amount of individual contributions from any contributor, all amounts received from
13 the same contributor during the reporting period must be aggregated to report an
14 overall total contribution for the purposes of the statements required by this
15 chapter. Aggregate contributions must reference the date of the most recent
16 contribution. Contributions made separately by different persons from joint
17 accounts are considered separate contributions for reporting purposes.

18 3. Unless otherwise provided by law, any candidate, political party, committee, or
19 person may not be charged a fee for filing any statement with the secretary of state
20 under this chapter.

21 **SECTION 13.** A new section to chapter 16.1-08.1 of the North Dakota Century Code is
22 created and enacted as follows:

23 **Contribution statements of other candidates or candidate committees for elected**
24 **office in the state except as otherwise defined.**

25 1. Except a candidate otherwise defined in section 16.1-01-01, a candidate
26 committee for a judicial district candidate and a candidate for a county or city
27 office, in cities with a resident population of five thousand or more as determined
28 by the last federal decennial census, shall make and file a statement in
29 accordance with this section. The candidate or candidate committee shall include
30 in the statement:

1 a. The name and mailing address of all contributors who made contributions in
2 excess of two hundred dollars in the aggregate for the purpose of influencing
3 the nomination for election, or election, of the candidate;

4 b. The amount of each reportable contribution; and

5 c. The date each reportable contribution was received.

6 2. A candidate committee for a judicial district candidate shall file a statement with the
7 secretary of state no later than the thirtieth day following the date of the election in
8 which the candidate's name appeared on the ballot or in which the candidate
9 sought election through write-in votes. Any other candidate required to file a
10 statement under this section shall file the statement in the office of the county
11 auditor in the candidate's county of residence no later than the thirtieth day
12 following the date of the election in which the candidate's name appeared on the
13 ballot or in which the candidate sought election through write-in votes. Even if the
14 candidate or candidate committee has not received any contributions in excess of
15 two hundred dollars during the reporting period, the candidate or candidate
16 committee shall file a statement as required by this section.

17 3. A statement required by this section to be filed with the appropriate filing officer
18 must be:

19 a. Deemed properly filed when deposited with or delivered to the appropriate
20 filing officer within the prescribed time. A statement that is mailed is deemed
21 properly filed when it is postmarked and directed to the appropriate filing
22 officer within the prescribed time. If the filing officer does not receive a
23 statement, a duplicate of the statement must be promptly filed upon notice by
24 the filing officer of its nonreceipt.

25 b. Preserved by the filing officer for a period of four years from the date of filing.
26 The statement is to be considered a part of the public records of the filing
27 officer and must be open to public inspection.

28 **SECTION 14.** A new section to chapter 16.1-08.1 of the North Dakota Century Code is
29 created and enacted as follows:

30 **Secretary of state to charge and collect fees for late filing.** Except for a statement
31 required to be filed under section 13 of this Act, any other statement, registration, or report

1 required to be filed according to this chapter, or any amended statement, registration, or report
2 requested by the secretary of state, which is not filed within the prescribed time, the secretary
3 of state shall charge and collect a late fee as follows:

- 4 1. Within six days after the prescribed time, twenty-five dollars;
- 5 2. Within eleven days after the prescribed time, fifty dollars; and
- 6 3. Thereafter, one hundred dollars.

7 The secretary of state may collect any payment obligation arising out of this section by civil
8 action or by assignment to a collection agency, with any costs of collection to be added to the
9 amount owed and to be paid by the delinquent filer.

10 **SECTION 15.** A new section to chapter 16.1-08.1 of the North Dakota Century Code is
11 created and enacted as follows:

12 **Secretary of state to provide instructions and conduct training.** The secretary of
13 state shall provide instructions and conduct training for the purpose of promoting uniform
14 application of campaign finance and disclosure requirements and the uniform filing of
15 statements, registrations, or reports according to this chapter.