

**FIRST ENGROSSMENT with
House Amendments - Minority Report****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 16.1-07-05, 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 absentee ballot applications
6 and campaign contributions.

7 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

8 **SECTION 1. AMENDMENT.** Section 16.1-07-05 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **16.1-07-05. Time for applying for ballot.** At any time in an election year, any
11 qualified elector may apply to the county auditor, the auditor or clerk of the city, or the business
12 manager of the school district, as the case may be, by facsimile or otherwise, for an official
13 ballot to be voted at that election. A voter may obtain an application form for an absent voter's
14 ballot for a general, special, primary, or county election from either the county auditor or a city
15 auditor. The application form, for a member of the United States armed forces or the United
16 States merchant marine or for a qualified elector living outside the United States, must include
17 a space for the applicant to indicate whether the application is for all statewide elections in the
18 calendar year or only for the election that is immediately after the date of the application. An
19 applicant who is a member of the United States armed forces or the United States merchant
20 marine or is a qualified elector living outside the United States may apply for and vote by
21 facsimile if otherwise qualified to apply for and vote by absentee ballot. An auditor, clerk, or
22 business manager may send and receive facsimile absentee ballot applications and facsimile
23 absentee ballots to any individual eligible to apply for and vote by facsimile under this section.
24 No auditor or clerk may issue ballots for absentee voters on the day of the election except to

persons prevented from voting in person on the day of the election due to an emergency. A person requesting an absentee ballot on the day of the election due to an emergency must do so through an agent as set forth in this chapter. An agent may represent only one person. The absentee ballot must be returned to the county auditor's office by four p.m. on the day of the election. The identity of voters applying for absentee ballots and the applications are exempt records under section 44-04-17.1.

SECTION 2. AMENDMENT. Section 16.1-08.1-01 of the North Dakota Century Code is amended and reenacted as follows:

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

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

- 1 b. Time spent by volunteer campaign or political party workers.
- 2 c. Money spent by a candidate on the candidate's own behalf.
- 3 d. ~~Any money received by a candidate for legislative office which is immediately~~
4 ~~transferred or signed over to a district committee of a political party within~~
5 ~~thirty days of the candidate receiving the money. The district committee of~~
6 ~~the political party shall report a transfer of this kind as a contribution~~
7 ~~according to section 16.1-08.1-03 and shall show the origin of the contribution~~
8 ~~to the legislative candidate.~~ Money or anything of value received for
9 commercial transactions, including rents, advertising, or sponsorships made
10 as a part of a fair market value bargained-for exchange.
- 11 e. Contributions of products or services for which the actual cost or fair market
12 value are reimbursed by a payment of money.
- 13 4. "Cooperative corporations", "corporations", and "limited liability companies" are as
14 defined in this code, and for purposes of this chapter "corporations" includes
15 nonprofit corporations by a payment of money.
- 16 5. "Expenditure" means a ~~purchase, payment, distribution, loan, advance, deposit, or~~
17 ~~gift of money or property~~ gift, transfer, conveyance, provision, loan, advance,
18 payment, distribution, disbursement, outlay, or deposit of money or anything of
19 value, except a loan of money from a bank or other lending institution made in the
20 regular course of business, made for the purpose of influencing the nomination for
21 election, or election, of any person to office. The term also means a contract,
22 promise, or agreement, express or implied, whether or not legally enforceable, to
23 make any expenditure and includes the transfer of funds by a political committee to
24 another political committee.
- 25 6. "Patron" means a person who owns equity interest in the form of stock, shares, or
26 membership or maintains similar financial rights in a cooperative corporation.
- 27 7. "Person" means an individual, partnership, political committee, association,
28 corporation, cooperative corporation, limited liability company, or other
29 organization or group of persons.

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

29 **SECTION 3. AMENDMENT.** Section 16.1-08.1-02 of the North Dakota Century Code
30 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 4. 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 5. 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

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

3 **SECTION 6. AMENDMENT.** Section 16.1-08.1-03.2 of the North Dakota Century
4 Code is amended and reenacted as follows:

5 **16.1-08.1-03.2. Political committee registration.** A political committee, as described
6 in section 16.1-08.1-01, other than a political party and a committee organized in support of a
7 an individual legislative candidate, ~~and a person aiding or opposing a measure to be voted~~
8 ~~upon by the voters of the state~~ shall register its name, address, and its agent's name and
9 address with the secretary of state each calendar year in which it receives any contribution.
10 The registration must be completed within ~~five~~ fifteen business days of the receipt of any
11 contribution or expenditure made and must be submitted with a registration fee of ~~five~~
12 twenty-five dollars. A political committee that organizes and registers according to federal law
13 and makes a disbursement in excess of two hundred dollars to a nonfederal candidate seeking
14 public office, a political party, or political committee in this state is not required to register as a
15 political committee according to this section if the political committee reports according to
16 section 16.1-08.1-03.7. Registration under this section does not reserve the name for
17 exclusive use nor does it constitute registration of a trade name under chapter 47-25.

18 **SECTION 7. AMENDMENT.** Section 16.1-08.1-03.3 of the North Dakota Century
19 Code is amended and reenacted as follows:

20 **16.1-08.1-03.3. Campaign contributions by corporations, cooperative**
21 **corporations, limited liability companies, and associations prohibited - Violation -**
22 **Penalty.**

- 23 1. A corporation, cooperative corporation, limited liability company, or association
24 may not make a direct contribution:
- 25 a. To aid any political party, political committee, or organization.
 - 26 b. To aid any corporation, limited liability company, or association organized or
27 maintained for political purposes.
 - 28 c. To aid any candidate for political office or for nomination to political office.
 - 29 d. For any political purpose or the reimbursement or indemnification of any
30 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

1 under this section before control of the expenditure has been released by the
2 political action committee.

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

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

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

- 30 5. A person may not make a payment of that person's money or of another person's
31 money to any other person for a political purpose in any name other than that of

the person who supplies the money and a person may not knowingly receive the payment nor enter nor cause the payment to be entered in that person's account or record in any name other than that of the person by whom it actually was furnished.

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

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

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

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

SECTION 8. AMENDMENT. Section 16.1-08.1-03.5 of the North Dakota Century Code is amended and reenacted as follows:

16.1-08.1-03.5. Expenditures for other purposes - Report required. This chapter does not prohibit the exercise by corporations, cooperative corporations, limited liability companies, and associations of the right to make expenditures and contributions for the purpose of promoting passage or defeat of initiated or referred measures, or for promoting any general political philosophy or belief deemed in the best interest of the employees, stockholders, patrons, or members of the corporation, cooperative corporation, limited liability company, or association other than a "political purpose" as defined by this chapter. Any

corporation, cooperative corporation, limited liability company, or association that receives contributions pursuant to section 16.1-08.1-03.1 or spends money for the purpose of promoting passage or defeat of initiated or referred measures, other than a contribution to another person or measure committee promoting passage or defeat of an initiated or referred measure, shall file a statement pursuant to section 16.1-08.1-03.1 along with a statement listing the total amount of money spent for that purpose. The statements filed pursuant to section 16.1-08.1-03.1 must be filed with the secretary of state no later than the twelfth day before 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 before the date of the election. Statements showing the total amount of money spent for the purpose of promoting passage or defeat of initiated or referred measures must be filed with the secretary of state through the end of the calendar year in which the measure appeared on the ballot.

SECTION 9. AMENDMENT. Section 16.1-08.1-03.7 of the North Dakota Century Code is amended and reenacted as follows:

16.1-08.1-03.7. Political committees that organize and register according to federal law that make disbursements to nonfederal candidates, political parties, and political committees. 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 or to a political party or political committee in this state shall file a copy of that portion of the committee's federal report detailing the disbursement made to the candidate. The political committee shall file a copy of the committee's federal report with the secretary of state at the time of filing the report with the applicable federal agency. The report must include:

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

SECTION 10. AMENDMENT. Section 16.1-08.1-03.8 of the North Dakota Century Code is amended and reenacted as follows:

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

- 1 1. A multicandidate political committee, as described in section 16.1-08.1-01, that
2 solicits or accepts contributions for any political purpose shall file statements as
3 required by this section.
- 4 2. A multicandidate political committee shall file a detailed list showing the name and
5 mailing address of each contributor who contributed in excess of two hundred
6 dollars in the aggregate to the committee during a reporting period, the amount of
7 each reportable contribution in excess of two hundred dollars, and the date each
8 reportable contribution was received.
- 9 3. A multicandidate political committee required to file a statement under this section
10 shall file the statement in the office of the secretary of state no later than the
11 twelfth day before the date of any primary, special, or general election. The
12 statement must be complete from the beginning of that calendar year through the
13 twentieth day before the date of the primary, special, or general election. The
14 political committee shall file a complete statement for the entire calendar year no
15 later than the thirty-first day of January of the following year in which the political
16 committee received a reportable contribution.
- 17 4. Even if a multicandidate political committee has not received any contribution in
18 excess of two hundred dollars during the reporting period, the political committee
19 shall file a statement as required by this chapter. A statement filed according to
20 this section during the reporting period must show the following:
 - 21 a. The gross total of all contributions received in excess of two hundred dollars;
 - 22 b. The gross total of all contributions received of two hundred dollars, or less;
23 and
 - 24 c. The cash on hand in the filer's account at the start and close of the reporting
25 period.
- 26 5. A multicandidate political committee shall report the occupation, employer, and
27 principal place of business of each person, or the political committee if not already
28 registered according to state or federal law, who contributed five thousand dollars
29 or more in the aggregate during the reporting period.

30 **SECTION 11. AMENDMENT.** Section 16.1-08.1-04 of the North Dakota Century Code
31 is amended and reenacted as follows:

1 **16.1-08.1-04. Supplemental statement required on large contributions received**
2 **after original statement - Filing time.** If any candidate, political party, or political committee;
3 ~~or person soliciting or accepting contributions for the purpose of aiding the circulation of~~
4 ~~statewide initiative or referendum petitions or of promoting passage or defeat of a statewide~~
5 ~~initiated or referred measure~~, receives any contribution in excess of five hundred dollars in the
6 twenty-day period before any election from any individual contributor, that candidate, political
7 party, political committee, or person shall make and file a supplemental statement in the same
8 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
9 16.1-08.1-03.8 stating the name and street address of the contributor and the amount of the
10 contribution, and file the statement in the appropriate office within forty-eight hours of the
11 receipt of the contribution.

12 **SECTION 12. AMENDMENT.** Section 16.1-08.1-05 of the North Dakota Century Code
13 is amended and reenacted as follows:

14 **16.1-08.1-05. Audit by secretary of state - ~~Random and requested~~ Requested**
15 **audits - Reports.**

- 16 1. ~~The~~ If a substantial irregularity is evident or reasonably alleged, the secretary of
17 state may arrange an audit of any statement filed pursuant to this chapter, to be
18 performed by a certified public accountant of the filer's choice, subject to approval
19 by the secretary of state. ~~The secretary of state shall arrange an audit of any~~
20 ~~statement that the attorney general requests to be audited. The results of the audit~~
21 ~~must be reported to the attorney general.~~ If an audit of a statement arranged by
22 the secretary of state under this subsection reveals a violation of this chapter, the
23 candidate, political party, or political committee filing the statement shall pay a fine
24 to the secretary of state equal to five percent of the aggregate of contributions and
25 expenditures found to be in violation or an amount sufficient to pay the cost of the
26 audit, whichever is greater. If an audit of a statement arranged by the secretary of
27 state under this subsection does not reveal a violation of this chapter, the cost of
28 the audit must be paid for by the secretary of state.
- 29 2. If a substantial irregularity is reasonably alleged, the secretary of state may
30 arrange an audit of any statement filed pursuant to this chapter, performed by a
31 certified public accountant of the filer's choice, subject to approval by the secretary

1 of state, upon written request by any interested party made to the secretary of
2 state within thirty days following receipt of a statement by the secretary of state.
3 The request must be made in writing, recite a substantial irregularity and a lawful
4 reason for requesting an audit, and be accompanied by a bond in an amount
5 established by the secretary of state sufficient to pay the cost of the audit. If an
6 audit of a statement arranged by the secretary of state under this subsection
7 reveals a violation of this chapter, the candidate, political party, or political
8 committee filing the statement shall pay a fine to the secretary of state equal to five
9 percent of the aggregate of contributions and expenditures found to be in violation
10 or an amount sufficient to pay the cost of the audit, whichever is greater, and the
11 bond shall be returned to the person submitting it. If an audit of a statement
12 arranged by the secretary of state under this subsection does not reveal a violation
13 of this chapter, the cost of the audit must be satisfied from the bond filed with the
14 secretary of state.

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

24 **SECTION 13. AMENDMENT.** Section 16.1-08.1-06 of the North Dakota Century Code
25 is amended and reenacted as follows:

26 **16.1-08.1-06. Contributions statement requirements.**

- 27 1. A Except for a statement required to be filed under section 13 of this Act, any other
28 statement required by this chapter to be filed with the secretary of state must be:
29 a. Deemed properly filed when deposited with or delivered to the secretary of
30 state within the prescribed time and in the format established by the secretary
31 of state. A statement that is mailed is deemed properly filed when it is

1 postmarked and directed to the secretary of state within the prescribed time.
2 If ~~a statement is not received by~~ the secretary of state does not receive a
3 statement, a duplicate of the statement must be promptly filed upon notice by
4 the secretary of state of its nonreceipt. After a statement has been filed, the
5 secretary of state may request or accept written clarification along with an
6 amended statement from a candidate, political party, or political committee
7 filing the statement when discrepancies, errors, or omissions on the
8 statement are discovered by the secretary of state, the candidate, political
9 party, or political committee filing the statement, or by any interested party
10 reciting a lawful reason for requesting clarification and an amendment be
11 made. When requesting an amended statement, the secretary of state shall
12 establish a reasonable period of time, agreed to by the candidate, political
13 party, or political committee, for filing the amended statement with the
14 secretary of state.

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

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

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

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

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

1. Except a candidate otherwise defined in section 16.1-01-01, a candidate committee for a judicial district candidate and a candidate for a county or city office, in cities with a resident population of five thousand or more as determined by the last federal decennial census, shall make and file a statement in accordance with this section. The candidate or candidate committee shall include in the statement:
 - a. The name and mailing address of all contributors who made contributions in excess of two hundred dollars in the aggregate for the purpose of influencing the nomination for election, or election, of the candidate;
 - b. The amount of each reportable contribution; and
 - c. The date each reportable contribution was received.
2. A candidate committee for a judicial district candidate shall file a statement with the secretary of state no later than the thirtieth day following the date of the election in which the candidate's name appeared on the ballot or in which the candidate sought election through write-in votes. Any other candidate required to file a statement under this section shall file the statement in the office of the county auditor in the candidate's county of residence no later than the thirtieth day following the date of the election in which the candidate's name appeared on the ballot or in which the candidate sought election through write-in votes. Even if the candidate or candidate committee has not received any contributions in excess of two hundred dollars during the reporting period, the candidate or candidate committee shall file a statement as required by this section.
3. A statement required by this section to be filed with the appropriate filing officer must be:
 - a. Deemed properly filed when deposited with or delivered to the appropriate filing officer within the prescribed time. A statement that is mailed is deemed properly filed when it is postmarked and directed to the appropriate filing officer within the prescribed time. If the filing officer does not receive a

statement, a duplicate of the statement must be promptly filed upon notice by the filing officer of its nonreceipt.

b. Preserved by the filing officer for a period of four years from the date of filing.

The statement is to be considered a part of the public records of the filing officer and must be open to public inspection.

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

Secretary of state to charge and collect fees for late filing. Except for a statement required to be filed under section 14 of this Act, any other statement, registration, or report required to be filed according to this chapter, or any amended statement, registration, or report requested by the secretary of state, which is not filed within the prescribed time, the secretary of state shall charge and collect a late fee as follows:

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

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

SECTION 16. A new section to chapter 16.1-08.1 of the North Dakota Century Code is created and enacted as follows:

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