

HB 1377 – FIRST ENGROSSMENT WITH SENATE AMENDMENTS Version 25.0517.04000

HB 1377 - SECTION BY SECTION SUMMARY

SECTIONS 1, 2, AND 3

Changes in these sections amend chapters in other areas of NDCC that reference 16.1-08.1 to point to the new code (16.1-08.2) as proposed if enacted.

SECTION 4

Entire section - changes in **thresholds throughout** – updated all references at \$200 to \$250

Changes in **DEFINITIONS** - All existing code with the following changes:

- Changes to **Expenditure Purpose (pg 6, line 30)**, can report under category or hard-enter the purpose. No need for defined categories in code as they can be adjusted as needed by the secretary of state.
- Changes to **Political Committee (pg 8, lines 8-14)**, subsection e. – added language to include any committee that is supporting or opposing an initiated or referred petition.
- Changes to **Political Purpose (pg 8, lines 19-26)** – added language to expand the ability to use campaign funds for a political purpose and removed an unnecessary timeline in the definition.

Changes in **GENERAL PROVISIONS** - All existing code with the following changes:

- **#7 (pg 10, lines 22-24)** – creates an exemption under open records law for any contribution or expenditure that is below \$250. Meaning that the public cannot access any information you provide to the secretary of state that is not publicly reportable.
- **#9 (pg 10, lines 30-31, and pg 11, lines 1 – 3)** – related to March 5, 2025, AG's opinion. This simply clarifies that political committees that organize and register under federal law have to report under two sections of our code – federal reporting section (16.1-08.2-06) under federal timelines and the committee reporting state section (16.1-08.2-03) under state timelines followed by all other candidates and committees.

Changes in **CANDIDATE REPORTING/COMMITTEE REPORTING** – updates reporting
Combines and updates two section of current code for reporting of candidates/candidate committees and PAC and other committee reporting

- **Timelines adjusted for election time frames and annual reporting –**
 - o Before primary or general (pg 11, line 21, and pg 12, lines 1-3)
 - Pre-Primary - Jan 1 – April 30
 - Pre-General – May 1 – Sept. 30
 - Year-End – Oct. 1 – Dec. 31
 - Special – Jan. 1 thru 40th day prior to special

- **48-hour reporting still required**
- **Reporting Contributions and Expenditures over \$250 (pg 12, sub 4 – lines 13-30)**
 - Candidates and all committees report all contributions and expenditures
 - Contributions and expenditures over \$250 reported itemized; below \$250 is aggregated and protected under open records; system aggregates to thresholds
 - Beginning and ending balances for campaign fund – allows for a rolling balance
- **Political Subs – Can report aggregate under \$250 (pg. 14, sub 7 – lines 7-10)**
 - Counties, cities, and school districts can report aggregated totals under \$250 and do not need to report all as they file on paper
- **AG Opinion Additions – (pg 14, lines 15-26)**
 - Sub 9 – exempts 501c4s from reporting as they are federally exempt
 - Sub 10 – federal committees only report what is North Dakota related
 - Sub 11 – federal committees only need report in years they receive contributions or make expenditures in North Dakota – EVEN if they have a fund balanced.

SPECIAL REQUIREMENTS FOR STATE POLITICAL PARTIES

- Moved and combined NDCC 16.1-08.1-02.1 and 16.1-08.1-02.2
- No changes to language

SPECIAL REQUIREMENTS FOR BALLOT MEASURES

- Moved NDCC 16.1-08.1-03.1
- **Threshold remains at \$100**
- No changes to language

SPECIAL REQUIREMENTS FOR POLITICAL COMMITTEES REGISTERED UNDER FEDERAL LAW

- Moved NDCC 16.1-08.1-03.7
- No changes to language

SPECIAL REQUIREMENTS FOR CORPORATIONS, LLCs

- Moved and combined NDCC 16.1-08.1-03.3 and 16.1-08.03.5
- No changes to language

SPECIAL REQUIREMENTS FOR CONDUITS

- Moved NDCC 16.1-08.1-03.14
- No change to language

PROHIBITIONS

- Moved and combined NDCC 16.1-08.03.15, 16.1-08.04.1, 16.1-08.1-03.4
- **Foreign Influence** - Added “political committee” to sub 2 (pg 22, line 7) – adds measures and petitions committees to prohibition on accepting foreign influence funding

AUDIT BY SECRETARY OF STATE

- NDCC 16.1-08.1-05
- No change to language

FILING OFFICER TO CHANGE AND COLLECT FILING FEES

- NDCC 16.1-08.1-06.1
- As fees suggested in original HB1377

SECRETARY OF STATE TO PROVIDE INSTRUCTION

- NDCC 16.1-08.1-06.2
- As suggested in original HB1377

PENALTY

- NDCC 16.1-08.1-07
- No change to language

SECTION 5

- **Governor's Residence – exempt property** - Changes in this section provide an exemption for the “executive mansion” – AKA the governor's residence.

SECTIONS 6 and 7

- Changes in these sections amend chapters in other areas of NDCC that reference 16.1-08.1 to point to the new code (16.1-08.2) as proposed if enacted.

SECTIONS 8 and 9

- Changes in these sections update reference in “ultimate and true” source of funds sections from \$200 to \$250
- **Section 9 (pg 27, sub 5 – lines 13-21)** – updates inflationary language that was missed in original HB 1377 in the ultimate and true source of funds section of code.

SECTIONS 10, 11, 12

- **Section 10** – Repeals chapter 16.1-08.1
- **Section 11** – Creates application date – meaning 2025 info filed in old system, 2026 info filed in new system –
- **Section 12** - effective date of Jan. 1, 2026