
HOUSE POLITICAL SUBDIVISIONS
REPRESENTATIVE DONALD LONGMUIR, CHAIRMAN

TESTIMONY PRESENTED BY

MICHAEL HOWE, NORTH DAKOTA SECRETARY OF STATE

Chairman Longmuir and members of the committee, I am Michael Howe, North Dakota Secretary of State. I am here today in support of HB1157, which was requested by our office to be introduced by Rep. Stemen due to the number of questions we get in on the topic of interest-bearing accounts and campaign finance.

HB 1157 seeks to expand the language in this section, which already requires candidates to maintain a separate account for campaign finance funds. The language suggested would require these accounts to be non-interest bearing. With the recent increases in interest rates, candidates have contacted our office wondering if they can have interest bearing accounts, and where can gains from interest be used.

We strongly feel the funds in these accounts were intended to be used for campaign political purposes and should not be gaining interest. First, interest could mean substantial gains for some candidates and not others based on the size of their accounts. Second, it also creates a reporting issue related to interest gained. Would this only be reported when it reached \$200 which is the current threshold for reporting of campaign finance contributions? Overall, we believe simplifying this statute to restrict interest-bearing accounts keeps the playing field level and removes any additional reporting and tracking for candidates of interest.

Chairman Longmuir and members of the committee that concludes my testimony and I urge your support of HB1157.