



North Dakotans for Public Integrity

January 29, 2021

The Honorable Representative Jason Dockter, Chairman
The Honorable Representative Brandy Pyle, Vice Chairman
House Political Subdivisions Committee, North Dakota Legislative Assembly

RE: Support for HB1451

Dear Chairman, Vice Chairman, and Members of the Committee,

North Dakotans for Public Integrity (NDPI) respectfully submits this letter in support of HB1451, relating to political advertisements and reporting the ultimate and true sources of funds. This bill contains crucial provisions for implementing Article XIV of the North Dakota Constitution, including uniform procedures for tracing the ultimate and true source of election spending; requirements to identify the top donors to sponsors of election ads on the face of the ads; and procedures that allow donors to opt out of such spending and the corresponding transparency requirements. The bill also closes loopholes in current law that would make it easy for donors to evade Article XIV's transparency mandate. Together, these provisions would help protect North Dakotans' constitutional right to know who is funding elections and spending money to influence government action in our state.

NDPI was formed by a non-partisan group of North Dakota citizens who organized to educate and inform other North Dakotans about the importance of integrity and public accountability in government institutions. NDPI promotes efforts to increase integrity and accountability in North Dakota's government institutions, and advocates for proposals that will increase the people's confidence in the honesty and transparency of our government and public officials. NDPI sponsored North Dakota Measure 1, the ballot measure that North Dakota voters passed in November 2018, which resulted in new Article XIV to the North Dakota Constitution.

NDPI supports the bill because it includes crucial elements for implementing Article XIV's promise of transparency in election spending. The bill establishes a uniform process for spenders to trace the money they use for election spending back to its true source and makes it harder for donors to conceal their election spending by funneling donations through nonprofit organizations and other intermediaries that don't disclose their donors. The bill's tracing procedures would make compliance with its transparency requirement more straightforward and consistent, while ensuring that North Dakotans have the transparency we need to make informed decisions about our government. The bill also requires political advertisements to include on-ad disclaimers that identify their sponsors' top donors, ensuring that North Dakotans can know who is truly behind ads seeking to influence how we vote. At the same time, the bill provides donors the opportunity to opt

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their donations out of political spending and corresponding transparency requirements, giving donors more control over how their money is used.

In addition, the bill closes loopholes in current law that make it easy for spenders to evade Article XIV's transparency mandate. The Century Code's current definition of "ultimate and true source" is limited to persons who "knowingly" contributed money "solely" to influence an election. These "knowingly" and "solely" qualifications improperly limit the scope of which sources of election spending are identified and will make it easy for spenders to evade disclosure by, for example, earmarking a nominal portion of a large contribution for non-election spending. This is not the transparency promised by Article XIV.

The voters of North Dakota are entitled to know who is spending in our elections and to prevent wealthy, out-of-state special interests from concealing their efforts to influence North Dakota elections and policy. The bill provides uniform and clear rules for the identification and disclosure of spenders in North Dakota elections. Importantly, the provisions ensure that North Dakota voters have access to the information we need to evaluate political messages and participate in self-government. Passing the bill would help protect North Dakotans' constitutional right to transparency in our elections.

NDPI respectfully requests a "Do Pass" recommendation for this bill. Thank you for your consideration.

Respectfully submitted,



Dina Butcher, President
Board of Directors
North Dakotans for Public Integrity